

B10 / 11 / 10.b-0

## CONFLICT OF INTEREST

### Background & Introduction

Upon discussion at the 8<sup>th</sup> and 9<sup>th</sup> PMNCH Board Meetings, the PMNCH Board agreed to:

- adopt the “key funding principles” governing the allocation of funding to PMNCH Members, Partners and Board Members (ANNEX I), and
- to the establishment of an ad-hoc advisory group to review funding proposals from PMNCH Members to carry out activities included in the approved PMNCH Workplan, in order to address, mitigate, and manage real or perceived conflicts of interest in allocating funding, and ensuring that funding is allocated in a transparent, competitive and fair manner.

Having taken into consideration the Board decision and further discussions with the Legal department of WHO, the Finance Committee discussed the Conflict of Interest policy at its last meeting (on 8 March 2011), deciding to recommend to the Board the creation of a separate (but small) independent group to review the funding allocation. With that, the Finance Committee asked the PMNCH Secretariat to:

- Review the Conflict of Interest paper and key funding principles to reflect the decision to create an “Independent Advisory Group” (IAG), and
- Develop suggested Terms of Reference for the IAG to be presented to the Board for approval during its 10<sup>th</sup> PMNCH Board Meeting on 1&2 June, 2011.

Therefore, the following papers are presented for the attention of the Board:

- DOCUMENT B10/11/10b-1 – Conflicts of Interest, key funding principles and the Independent Advisory Group (IAG)
- DOCUMENT B10/11/10b -2- Terms of Reference Independent Advisory Group (IAG)
- DOCUMENT B10/11/10b -3- Declaration of Interest PMNCH Form.

The Board is requested to:

With regards to DOCUMENT B10/11/10b -1 – Conflicts of Interest and the Independent Advisory Group (IAG)

1. Subject to any amendments, endorse the revised conflict of interest policy and the key funding principles set out in the document (including the “Declaration of Interest” requirement for Board Members)
2. Approve the creation of an Independent Advisory Group for the of funding allocation to PMNCH Members for PMNCH Workplan activities

DOCUMENT B10/11/10b-2 - Terms of Reference Independent Advisory Group (IAG)

3. Subject to any amendments, approve the IAG Terms of Reference

DOCUMENT B10/11/10b-3 – Col – Declaration of Interest PMNCH

4. Subject to any amendments, approve the Declaration of Interest form for Board Members

## ANNEX I - KEY FUNDING PRINCIPLES GOVERNING THE ALLOCATION OF GRANT FUNDING TO PMNCH PARTNERS

Below are proposed a number of principles developed with the objective of ensuring fairness in the allocation of partnership grant funding.

### General Grant Funding Principles

- a. PMNCH partners being considered for grant funding must have demonstrated a technical and administrative capability to deliver the required activities and outputs. In this regard, PMNCH grant funding should build on recipients' existing mandate and expertise and avoid duplication of roles and activity.
- b. When there is more than one PMNCH partner that is willing and able to deliver the required activities and outputs, a transparent selection process (managed by the secretariat) involving clearly articulated criteria should be developed and adhered to in order to ensure that the choice made is cost-effective and reflects the principles of performance based funding.
- c. No single PMNCH partner should receive: (i) more than 50% of grant funding for a particular Priority Action Area ; or 25% of total PMNCH "Programme Funding".
- d. PMNCH partners in receipt of grant funding should make periodic reports on achievement of results to the Board as set out in the Partnership Work Plan (reporting results to the Board is already included in Board agendas as a matter of routine).
- e. When structuring a call for proposals or assessing proposals submitted for grant funding, PMNCH should ensure alignment with the administrative policies of WHO in its capacity as the PMNCH host organization.