

GOVERNANCE MANUAL
For
BHUTAN COUNTRY COORDINATING MECHANISM (CCM)

THE GLOBAL FUND TO FIGHT
AIDS, TUBERCULOSIS AND MALARIA

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1. Introduction

The Bhutanese concept of Gross National Happiness (GNH) is the foundation for development in Bhutan. GNH is based on the principle that happiness constitutes one of the highest of aims to strive for, and without which, sustainable development cannot be achieved. Included in GNH is a “middle path” approach in which spiritual and material pursuits are balanced.

In the light of GNH, Bhutan also acknowledges the requirements and recommendations of the Global Fund to fight AIDS, Tuberculosis and Malaria (“the Global Fund”), concerning eligibility and accountability for grants from the Global Fund. The Country Coordinating Mechanism (“CCM”) was established as a national mechanism to represent key stakeholder constituencies for the three diseases in Bhutan, and in response to the requirements and recommendations of the Global Fund.

As a national stakeholder coordination mechanism, the Bhutan CCM has no legal foundation. The Bhutan CCM seeks to establish legal authority for its activities in future in order to enhance eligibility for a wider range of funding sources.

2. Mandate of the Country Coordinating Mechanism

- 2.1. The CCM is a multi-sectoral national platform to coordinate and facilitate Global Fund activities to fight against HIV/AIDS, TB and Malaria in Bhutan.
- 2.2. The CCM is comprised of representatives of stakeholder constituencies¹ represented at the national level.
- 2.3. The mandate of the CCM is to mobilize a national multi-sectoral response to develop and submit proposals to the Global Fund to scale up the fight against HIV/AIDS, Tuberculosis and Malaria, and to oversee and support the implementation of activities that are initiated by the CCM in line with national program priorities and supported by the Global Fund.
- 2.4. The purpose of the CCM is to enhance performance of the Global Fund activities in Bhutan in partnership with stakeholder constituencies, to promote efficient program implementation, to avoid duplication by harmonizing Global Fund activities with other programs throughout Bhutan, and to strengthen coordination among stakeholder constituencies.

¹ Stakeholder constituencies consists of *Academic/Education sector, Government Sector, NGOs, Community sector, Private sector and Multinational and Bilateral Development partners* in country.

3. The Governance Manual

3.1. This document shall be known as the “Governance Manual” for the Bhutan Country Coordinating Mechanism Committee for the Global Fund.

3.2. This Governance Manual shall take immediate effect. Any modification of this Governance Manual requires a two-thirds majority vote of the members of the Country Coordinating Mechanism Committee at a meeting for which not less than three weeks notice has been given to members of any proposed changes to this Governance Manual.

4. Roles and Responsibilities of the Country Coordinating Mechanism

The roles and responsibilities of the Bhutan Country Coordinating Mechanism are as follows:

- 4.1. Mobilize multi-sectoral stakeholders to prepare and submit proposals and/or national strategy applications to the Global Fund that are in line with national AIDS, Tuberculosis, and Malaria program priorities;
- 4.2. Respond to inquiries from the Global Fund concerning these proposals;
- 4.3. For each proposal, nominate one or more Principal Recipients (“PRs”) who will be responsible for implementing the grant, should the proposal be approved;
- 4.4. For each proposal, select one or more Sub-Recipients (“SRs”) who will be involved in the implementation of the project, should the proposal be approved;
- 4.5. Oversee the implementation of activities financed by Global Fund Grants, ensuring that the performance of PRs and SRs are monitored and evaluated;
- 4.6. Consider and, where appropriate, approve major changes in grant implementation plans that have been proposed by one or more PRs;
- 4.7. When necessary, submit requests to the Global Fund for reprogramming of approved grants;
- 4.8. Submit to the Global Fund requests for continued funding for each approved grant as required;
- 4.9. Review progress reports that have been prepared by PRs for submission to the Global Fund;
- 4.10. Modify and implement this Guidance Manual as required;
- 4.11. Fulfill other responsibilities as outlined in this Guidance Manual and associated policies;
- 4.12. Ensure transparency in all process of information sharing and make information accessible to general public.

5. Core Principles of the Country Coordinating Mechanism

- 5.1. The CCM will operate as a national consensus group and will promote true partnership in the development and implementation of Global Fund-supported grants.
- 5.2. The CCM will include representation from all relevant sectors as set out in the section below entitled “CCM Membership”.
- 5.3. Representatives from the non-government sectors shall be selected or elected by the sectors themselves through transparent and documented processes following the Global Fund guidelines.
- 5.4. The CCM will be fully transparent in its decision-making.
- 5.5. As an integral part of promoting transparency, accountability, inclusiveness, and public confidence in all of its activities, the CCM will adopt and adhere to a Conflict of Interest Policy. The Conflict of Interest Policy is included in this Governance Manual as *Annex 5*.
- 5.6. Principal Recipients, Sub-Recipients, and Sub-Sub-Recipients are expected to adhere to this Conflict of Interest Policy, and to make all efforts to avoid conflicts of interest, and effectively address those, which arise.
- 5.7. All members of the CCM will be treated as equal partners, with full rights to participation, expression, and involvement in decision-making.
- 5.8. The CCM shall promote linkages and consistency between Global Fund activities in Bhutan and the country’s national development strategies; national disease strategies, national systems for monitoring, financial management and procurement; and national efforts to increase the harmonization, coordination, and effectiveness of external assistance.

6. Structure of the Country Coordinating Mechanism

- 6.1. The CCM is comprised of stakeholder constituencies represented at the national level to develop country level plans for obtaining additional resources or innovative ideas from the Global Fund with a view to improving the effectiveness of the fights against AIDS, Tuberculosis, and Malaria in Bhutan.
- 6.2. The stakeholder constituencies represented by membership of the CCM are: academic/education sector; government sector; non-governmental organizations (NGOs) and community-based organizations; people living with HIV, Tuberculosis, or Malaria; key affected populations: the private sector; religious/faith-based organizations, and multi/bi-lateral development partners in the country.
- 6.3. The size of the CCM shall not exceed 20 members, so as to ensure that the CCM can carry out its functions effectively and efficiently. The composition of membership is specified in section below entitled “CCM Membership”.

- 6.4. Each CCM member shall have a designated alternate member who may represent the constituency in the absence of the appointed member where the appointed member provides written communication at least 36 hours beforehand to the Secretariat of his/her absence.
- 6.5. To enable the CCM to function efficiently and effectively, committees, working groups and *ad hoc* teams may be constituted either on a temporary or ongoing basis by the CCM to support the work of the CCM. Terms of reference for such committees, working groups and ad hoc teams shall be determined by the CCM. CCM Bhutan structure is show below:

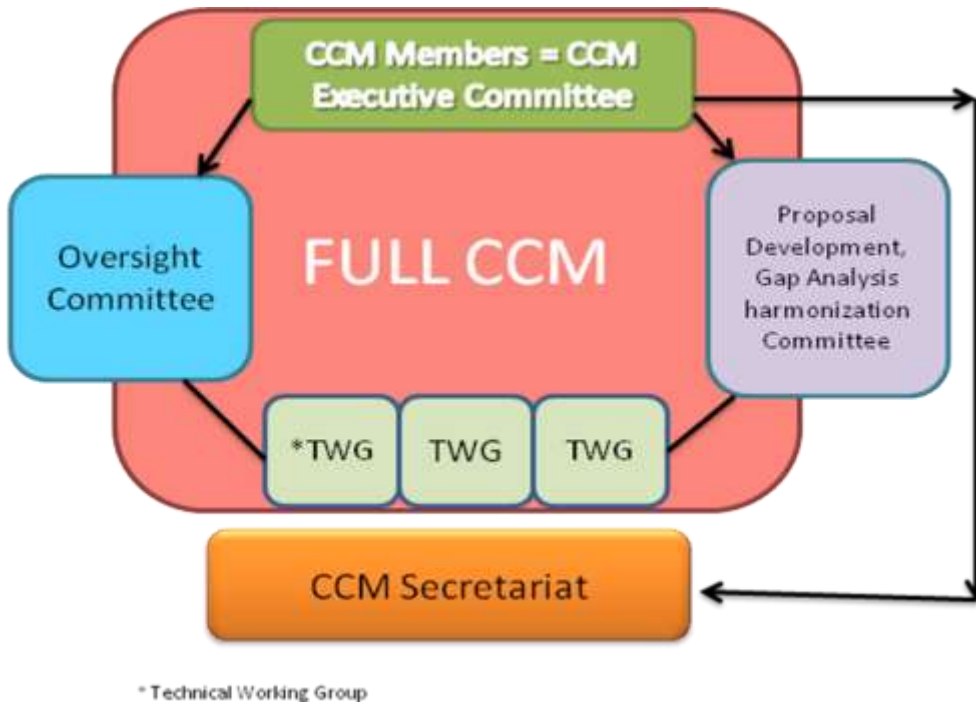


Fig1: Functional working structure of CCM.

6.5.1. Standing committees of the CCM shall include the following:

- 6.5.1.1. Executive Committee;
- 6.5.1.2. Oversight Committee;
- 6.5.1.3. Proposal Development Committee.

6.5.2. The CCM may also engage consultants or other resource persons to assist in the work of the CCM.

6.5.3. The structure of the CCM is intended to provide a supportive environment in which members may fulfill their roles and responsibilities in a transparent and effective way.

6.6. Office Bearers

The members of the CCM shall elect a Chair and Vice-Chair in accordance with the election procedures stipulated in this Governance Manual. The Chair and the Vice-Chair shall each be elected from different constituencies.

6.7. Executive Committee

The CCM shall establish an Executive Committee comprising of the Chair, Vice-Chair, the Chair and Vice Chair of the Oversight Committee and the Chair and Vice Chair of the Proposal Development Committee. Terms of Reference of the Executive Committee are included in this Governance Manual as *Annex 1*.

The CCM Secretariat will support the Executive Committee.

6.8. CCM Secretariat

- 6.8.1. The CCM shall establish a Secretariat headed by a CCM Coordinator. The CCM Coordinator and the CCM Secretariat shall execute the day-to-day functions as delegated by the Executive Committee. The CCM Coordinator and the CCM Secretariat supports the decision-making and other functions of the CCM Executive Committee.
- 6.8.2. The CCM Coordinator of the CCM Secretariat attends meetings of the CCM but is not as a voting member.
- 6.8.3. The CCM Secretariat will support the CCM by:
 - 6.8.3.1. **Supporting CCM organisation and management:**
 - 6.8.3.1.1. Making arrangements CCM meetings, including preparation and distribution of the agenda, and the issuing of meeting notices;
 - 6.8.3.1.2. Establishing and updating CCM foundation documents and committee / working party terms of reference;
 - 6.8.3.1.3. Facilitating selection / election and appointment of CCM members from constituency groups;
 - 6.8.3.1.4. Facilitating processes for election of CCM Officer Bearers;
 - 6.8.3.1.5. Facilitating appointment of CCM and non-CCM members to committees and working parties in accordance with approved terms of reference;
 - 6.8.3.1.6. Facilitating creation of expert pools to support CCM activities;
 - 6.8.3.1.7. Coordinating CCM member orientation and capacity building activities;
 - 6.8.3.1.8. Other duties delegated by the CCM Chair and/or Executive Committee.

6.8.3.2. Supporting harmonization:

6.8.3.2.1. Assisting the Proposal Development Committee in liaising with national and non-government agencies and development partners to ensure Global Fund activities are developed and implemented in close alignment with other efforts and to ensure that information for robust gap analysis is available;

6.8.3.2.2. Providing information to support harmonization endeavours and the inclusion of Global Fund activities in national results;

6.8.3.2.3. Identifying and investigating opportunities for resource mobilization to support CCM activities.

6.8.3.3. Supporting proposal development:

6.8.3.3.1. Providing administrative support to Proposal Development Committee;

6.8.3.3.2. Accessing and providing to Committee members relevant Global Fund guidelines for proposals;

6.8.3.3.3. Facilitating a transparent Principal Recipient selection process through calls for expression of interest and transparent review and assessment of such;

6.8.3.3.4. Facilitating Sub-Recipient selection in consultation with nominated Principal Recipients;

6.8.3.3.5. Establishing and maintaining a consultant/technical assistance roster including support from development partners to facilitate proposal writing process;

6.8.3.3.6. Providing communication support for submission of proposals for CCM approval, for submission of endorsed proposals to the Global Fund, and for timely responses by the CCM to questions and comments regarding the proposals.

6.8.3.4. Supporting oversight of grant implementation:

6.8.3.4.1. Providing administrative and technical support to the Oversight Committee;

6.8.3.4.2. Collection of relevant information on in-country grant performance from principal recipients, the Global Fund and other information sources;

6.8.3.4.3. Undertaking preliminary analysis of programmatic and financial information on grant performance;

6.8.3.4.4. Synthesising or repackaging grant performance information to support identification by Oversight Committee members of key issues, trends and elements requiring CCM intervention;

6.8.3.4.5. Coordinating CCM oversight site visits;

6.8.3.4.6. Facilitating reporting by the Oversight Committee to the CCM on grant performance, and communication and implementation of CCM decisions on oversight.

6.8.3.5. Supporting documentation and communication:

- 6.8.3.5.1. Maintaining and archiving all records of the CCM, its committees and working parties, including minutes and correspondence arising from decisions and deliberations of the CCM and its committees;
 - 6.8.3.5.2. Maintaining and archiving all documentation regarding selection / election and appointment of CCM members from constituency groups;
 - 6.8.3.5.3. Maintaining and archiving all communication by the CCM regarding development of proposals including details of consultants used in proposal development;
 - 6.8.3.5.4. Maintaining and archiving all documentation regarding calls for expressions of interest in principal recipient roles and other implementation partners and selection thereof;
 - 6.8.3.5.5. Maintaining and archiving all financial records of the CCM and its activities;
 - 6.8.3.5.6. Providing advice on availability of, and, where appropriate, repackaging information on Global Fund rules, regulations and guidelines and in-country program activities and performance for CCM members and development partners both in Dzongkha and English.
- 6.8.4. The CCM Secretariat is the primary point of communication for the CCM, and shall receive and allocate communications received for consideration and action under the direction of the Executive Committee.

6.9. CCM Membership Composition

- 6.9.1. Membership composition of the CCM shall be broadly representative of a variety of stakeholders, each with an active constituency concerned to fight against HIV/AIDS, Tuberculosis, or Malaria. Each constituency brings a unique and important perspective to the work of the CCM, thus increasing the probability of achieving measurable impact against the diseases. The CCM will ensure representation of gender perspectives in CCM membership;
- 6.9.2. CCM shall select one member as “gender focal person” to coordinate gender equity in program implementation;
- 6.9.3. CCM shall select one member as “TA Focal Person” to plan, and coordinate all technical assistance (TA) for Bhutan in support of Global Fund programs;
- 6.9.4. The CCM shall be composed of 21 members divided among the constituencies and sub-constituencies as shown in the table below:

CONSTITUENCY	No.	SUB-CONSTITUENCY
Academic/Education Sector	1	1: Representative of National Academic institutions
Government Sector	5	2: Ministry of Health 1: GNHC 1: Ministry of Education 1: Ministry of Finance
Civil Society Organisations (CSOs)	7	7: Representative of CSOs & Networks or CBOs
People living/lived with diseases (PLWD)	2	1: Persons living/lived with the diseases (HIV/AIDS) 1: Representative of key affected populations (LBGTI/TB/Malaria)
Religious and Faith Based Organizations	2 ²	Representative of Religious organization/Faith based Organization.
Private Sector	1	1: Representative of network/umbrella organization (Chamber of Commerce)
Multilateral Partners in-country	3	2: Representatives of Multilateral agencies
Total CCM Members	21 ³	

6.9.5. Members are elected / appointed for a three⁴ year term. Members may be reappointed for subsequent terms with the endorsement of their relevant constituency as set out in section below “Procedures for Election/Appointment of Members”;

6.9.6. CCM may include a maximum of 40% (9 members) individuals from organizations, which are PRs, or SRs for any current grant or proposed PRs or SRs for any pending proposals who directly manage grants or hold a position where they receive a pecuniary benefit from a Global Fund grant for CCM membership. However, these members must strictly adhere to the provisions of conflict of interest mitigation plan (refer *Annex 5*).

6.10. **Gender Representation**

Because of the strong leadership of Bhutanese women and their contribution to society, the CCM will endeavor to ensure that at least 25 percent of all CCM members are female.

6.11. **Representation of Vulnerable Populations**

Every effort shall be made to ensure that membership of the CCM includes representation of vulnerable populations.

² The 36th CCM reviewed and amended the removal of bilateral constituency due to no representation, and added a seat for FBO Constituency.

³ The 37th CCM Meeting amended the numbers of CCM Members from 20 to 21, adding WHO as the permanent member. The CCM also recommended including WHO in the Core Committees of the CCM.

⁴ The 40th CCM recommended seeking approvals from each constituency to extend the member’s tenure. The 41st CCM endorsed the extension of CCM Membership Tenure from 2 to 3 years after recommending the CCM Secretariat.

6.12. **Expertise across CCM Membership**

The CCM shall ensure as far as possible that there are members on the CCM with expertise in the following areas: public health, gender, accounting and financial management; program management; human resources management; and proposal development.

6.13. **Changes to CCM Constituencies and Membership**

The constituencies and the number of their representatives are set out in section “CCM Membership Composition” above. The CCM shall review membership on a three yearly basis to coincide with election /appointment schedule, and shall make any adjustments necessary to ensure representation of all relevant sectors in Bhutan. Any changes to the constituencies or their representatives on the CCM must take account of current Global Fund guidance on CCM membership, and must be approved by a two-thirds majority of CCM members present and voting at a meeting at which there is a quorum.

6.14. **Rights of CCM Members**

CCM members have the following rights:

- 6.15. To be treated as full and equal partners on the CCM;
- 6.16. Full rights of expression and participation in proceedings at meetings and in other business transacted by the CCM;
- 6.17. The right to nominate and second the nomination of members for election to the positions of Chair and Vice Chair;
- 6.18. To vote on any matter put to a vote;
- 6.19. To review all proposals developed for submission to the Global Fund prior to any decision by the CCM on the proposals;
- 6.20. To sign, or decline to sign, proposals developed for submission to the Global Fund;
- 6.21. To have access to all information including financial and programmatic information/reports audit inputs, and procurement plan in relation to Global Fund grants in Bhutan.

6.22. Responsibilities of CCM Members

- 6.22.1. All CCM members are expected to attend CCM meetings, and contribute actively in accordance with their roles as CCM members, and in line with their resources and areas of expertise;
- 6.22.2. CCM members have the following responsibilities:
- 6.22.3. To adhere to the provisions of this Governance Manual and any policies adopted by the CCM;
- 6.22.4. To adhere to guidelines of the Global Fund issued from time to time in respect of Country Coordinating Mechanisms and their members;
- 6.22.5. To attend and participate in CCM meetings in a timely and responsible manner;
- 6.22.6. To share relevant experiences and information at CCM meetings;
- 6.22.7. To support and adhere to decisions made by the CCM;
- 6.22.8. To regularly report on CCM proceedings to organizations and individuals from the sector represented by the member;
- 6.22.9. To abide by the CCM Conflict of Interest Policy;
- 6.22.10. To participate in reviewing performance of grants, such as through grant scorecards, Global Fund Review Team, site visits, or summary results.

6.23. Procedures for Election/Appointment of Members

- 6.23.1. Each constituency represented on the CCM shall elect/appoint the number of members as provided for in section “CCM Membership” above, and an alternate for each member. The member and his/her alternate shall come from the same constituency. No other person, whether a member of the CCM or not, shall be eligible to represent or vote for the constituency;
- 6.23.2. Not less than 40 percent of CCM members shall be representatives of non-government organizations such as local and international non-government organizations, community-based organizations, representatives of people living with the diseases, key affected populations, religious/faith-based organizations or charitable organizations, the private sector, and academic institutions;
- 6.23.3. CCM members representing non-government constituencies shall be selected / elected by their own constituents based on CCM approved criteria and a documented, transparent process, developed by each constituency. Constituencies will also select/elect alternates to represent the member at CCM meetings in the member’s absence;
- 6.23.4. The election process for each of the non-government constituencies shall be described clearly in a publicly accessible document that demonstrates how the individual members and their alternates were elected, and the means by which they will report to and represent the views of their respective constituencies at meetings of the CCM. Documentation of these processes must be provided to the CCM who will forward a copy to the Global Fund in Geneva, and will hold one copy at the CCM Secretariat as a public record;

- 6.23.5. Examples of documents providing sufficient evidence of the election/appointment process for members from non-government constituencies include: (i) Membership lists from organization/s participating in election/appointment; (ii) Letter from organization/s participating in election/appointment explaining election/appointment process and criteria with signatures of organization/s members; (iii) Minutes of constituency election/appointment meetings. The CCM shall also place on public record the minutes (or the relevant parts of those minutes) in which election/appointment of member(s) is noted;
- 6.23.6. Individuals selected/appointed from Government or multi/bi-lateral constituencies as CCM members shall be senior level management staff (Country Representative/head of office), preferably the chief/division head of the relevant constituency. Government agencies and multi/bi-lateral constituencies will also nominate alternates to represent the member at CCM meetings in the member's absence. Nomination of both member and alternate shall have to be accepted by the CCM and be recorded in the meeting minutes;
- 6.23.7. If, in the opinion of the CCM, a member is needed from a constituency that does not yet have in place acceptable procedures for the election/appointment of its own member, the CCM shall organize a constituency consultation for the purposes of choosing a representative from the relevant constituency;
- 6.23.8. In the event of a significant dispute within a constituency over the election/appointment process that cannot be resolved by the constituency, the CCM shall appoint an ad hoc committee to investigate the matter and make a recommendation to the CCM for how the dispute is to be resolved;
- 6.23.9. Each CCM member or his/her alternative has an obligation to attend all CCM meetings. If both the member and his/her alternate attend a CCM meeting, only the member has the right to vote. In the member's absence, the alternate has the right to vote on the member's behalf;
- 6.23.10. Each year during the month of January, the CCM shall submit to the Global Fund Secretariat, for publication on its website, the CCM membership list with each member's name, organization (if any), and constituency. The CCM shall also make this list accessible to the public in Bhutan through all appropriate means including the CCM's website;
- 6.23.11. In accordance with the guiding principles of the Global Fund, the CCM has adopted the following guidelines for selection of constituency representatives:
- 6.23.12. Academic/education sector: CCM members representing the academic/education sector must be selected/elected by their own sectors, based on a documented, transparent process, developed within each sector;
- 6.23.13. Government sector: When selecting Government representatives, invitation should be directed to the head of relevant Ministries encouraging participation of a senior officer not below the rank of Director General;

- 6.23.14. NGOs/community-based organizations: CCM members representing the non-government sectors must be selected/elected by their own sector(s) based on a documented, transparent process, developed within each sector – including eligibility requirement(s);
- 6.23.15. People living with HIV/AIDS, tuberculosis, and/or malaria: CCM members representing people living with HIV/AIDS, tuberculosis, and/or malaria must be selected/elected by their own sectors based on a documented, transparent process, developed within each sector;
- 6.23.16. Key Affected Populations: CCM members representing key affected populations must be selected/elected by their own sectors based on a documented, transparent process, developed within each sector;
- 6.23.17. Religious/faith-based/charitable organizations: CCM members representing FBO may be selected/elected by their own sector(s) based on a documented, transparent process developed within each sector – including eligibility requirements;
- 6.23.18. Multi-lateral development partners in-country: nominated by respective organization.

6.24. Election of the Chair

- 6.24.1. The CCM Chair is elected directly by all CCM members. Any CCM member has the right to stand for election and to be elected regardless of the sectors they represent, except as otherwise provided for in this Governance Manual;
- 6.24.2. CCM members representing multi-lateral or bi-lateral institutions are not entitled to stand for election or to be elected to the position of Chair of the CCM;
- 6.24.3. CCM members from organizations which are PRs or SRs for any current grant or proposed PRs or SRs for any pending proposal for funding from the Global Fund may stand for election to the position of Chair of the CCM provided individuals are not directly managing grants or holding a position where they receive pecuniary benefits from a grant. Compliance with the Conflict of Interest Policy must, however, be ensured at all times;
- 6.24.4. The election of the Chair of the CCM shall be organized by an ad-hoc CCM Election Committee. The CCM Election Committee shall consist of four CCM members chosen by and from the CCM. The CCM Coordinator shall provide administrative and coordination services to the Election Committee;
- 6.24.5. No member of the Election Committee is eligible to stand for election as Chair of the CCM;
- 6.24.6. The CCM Chair shall be elected through a two-round process;
- 6.24.7. Quorum for election of CCM Chair shall be two-thirds of appointed members. Alternates are not entitled to participate in election of the CCM Chair.

6.25. First Round of Voting

The first round shall consist of the following steps:

- 6.25.1. All CCM members are entitled to vote for a candidate by means of a secret ballot;
- 6.25.2. Each CCM member is entitled to vote for only one candidate;
- 6.25.3. Ballot papers shall be placed in a ballot box and the Election Committee, witnessed by one member from each constituency, shall open, read, and count the results of the first round, and announce the three candidates with the highest votes;
- 6.25.4. If there are less than three candidates, the Election Committee shall announce the number of votes received by each candidate;
- 6.25.5. If there is only one candidate, the Election Committee shall declare the candidate elected, subject to satisfaction of the requirements of the CCM policy on Conflict of Interest and his/her commitment to avoid, prevent, and address any conflict of interest in discharge of his/her duties as CCM Chair.

6.26. Second Round of Voting

The second round shall consist of the following steps:

- 6.26.1. Each candidate shall declare his/her commitment to avoid, prevent, and address any conflict of interest in discharge of his/her duties as CCM Chair, and in accordance with the CCM policy on Conflict of Interest;
- 6.26.2. All CCM members shall vote for one of the three candidates from round 2 by secret ballot, which shall be placed in the ballot box;
- 6.26.3. The Election Committee, witnessed by one member from each constituency, shall open, read aloud, record and count the number of votes for each candidate from the second round of voting;
- 6.26.4. The Election Committee shall announce the results of the election;
- 6.26.5. The candidate receiving the highest number of votes from the second round of elections shall be declared by the Election Committee to be the new CCM Chair;
- 6.26.6. The handover of office from the outgoing CCM Chair to the newly elected CCM Chair shall take place after the entire process for the election of the Chair and the Vice-Chairs (see below) has been completed.

6.27. Term of Office and Role of CCM Chair

The term of office of the CCM Chair is three years;

- 6.27.1. The Chair of the CCM may serve no more than two consecutive terms;
- 6.27.2. The CCM Chair may be removed from office prior to the end of his/her tenure on a vote of two-thirds majority of CCM members;
- 6.27.3. If the Chair resigns or is removed from office prior to the end of his/her term, elections must be held within 30 days for a Chair to serve out the remainder of the term of office of the previous Chair;
- 6.27.4. The Chair is duty bound to carry out his/her functions without fear or favor;
- 6.27.5. The mandate of the Chair is to serve the whole CCM impartially, to help the CCM make decisions in a participatory manner by all attendees, and to fulfill the CCM's obligation to comply with its governance principles;
- 6.27.6. The Chair shall have the same voting rights as other members of the CCM;
- 6.27.7. The Chair will be responsible for approving minutes of CCM meetings within 5 days of the period outlined in this Governance manual during which CCM members may raise objections to the draft minutes.

6.28. Acting Chair

- 6.28.1. If the CCM Chair is not present, the Vice-Chair shall serve as Acting Chair;
- 6.28.2. When the Vice-Chair is also available to serve as Acting Chair, the CCM Chair shall nominate another CCM member to preside as Acting Chair in his/her absence;
- 6.28.3. Should neither the Chair nor the Vice-Chair be present and the CCM Chair has not advised of an Acting Chair, CCM members present at the CCM meeting may decide who of the present CCM members shall serve as Acting Chair;
- 6.28.4. An Acting Chair is bound by the same responsibilities as set out in this Governance Manual as the CCM Chair;
- 6.28.5. Alternates are not eligible to serve as Acting Chair of the CCM.

6.29. Term of Office and Role of Vice Chairs

- 6.29.1. The members of the CCM shall elect a Chair and Vice-Chair in accordance with the election procedures stipulated in this Governance Manual. The Chair and the Vice-Chair shall each be elected from different constituencies;
- 6.29.2. Quorum for election of CCM Vice-Chair shall be two-thirds of appointed members. Alternates are not entitled to participate in election of the CCM Vice-Chair;
- 6.29.3. Each candidate for Vice Chair must be proposed and seconded by CCM members from sectors other than that of the candidate;
- 6.29.4. The CCM Secretariat shall communicate the names of all candidates proposed and seconded for election as Vice Chair to all CCM members at least two weeks before the date on which the election of Vice Chair is to take place;
- 6.29.5. The procedure and rules for election of Vice Chair shall be the same as the procedures for the election of the CCM Chair;
- 6.29.6. The vote for Vice Chair shall be conducted by secret ballot at a CCM meeting;
- 6.29.7. If there is not more than one proposed and seconded candidate for the relevant position, the CCM Chair shall declare that candidate to be elected unopposed;
- 6.29.8. If there are two proposed and seconded candidates for the relevant position, CCM members shall vote for only one candidate. The candidate with the highest number of votes shall be declared elected to the position of Vice-Chair;
- 6.29.9. If there are more than two proposed and nominated candidates for the relevant position, CCM members shall vote for only one candidate. A second round of voting shall be held between the two candidates with the highest totals of votes in the first round. The candidate with the highest number of votes from the second round of voting shall be declared elected to the position of Vice-Chair;
- 6.29.10. The minutes of the CCM shall record the voting totals for all candidates in all elections held;
- 6.29.11. The term of office of a CCM Vice-Chair shall be three years;
- 6.29.12. A person may serve not more than two consecutive terms as Vice-Chair;
- 6.29.13. A CCM Vice Chair may resign prior to the completion of his/her term of office, or may be removed from office prior to the end of his/her tenure on a vote of two-thirds majority of CCM members;
- 6.29.14. If a Vice Chair resigns or is removed from office prior to the end of his/her term, elections must be held within 30 days for a Vice Chair to serve out the remainder of the term of office of the previous Chair.

6.30. Termination of Membership

- 6.30.1. CCM membership may be terminated by a majority vote of members present at a meeting at which there is a quorum, if a member fails to attend more than three regular CCM meetings consecutively;
- 6.30.2. The CCM may take such other steps, as it considers appropriate prior to terminating a CCM member's membership;
- 6.30.3. Where a person's membership of the CCM is terminated, or that person resigns their membership of the CCM, the constituency represented by that member may select/elect a person to serve out the remainder of the term of membership.

6.31. Membership Renewal

- 6.31.1. Three months prior to the expiration of members' terms, the CCM shall publicly announce the date of election of new members, and information regarding the means by which members of each constituency may participate in the election process;
- 6.31.2. Elections shall follow the procedures as specified in this Governance Manual.

6.32. CCM Meetings

- 6.32.1. The CCM shall hold at least four regular meetings per calendar year at approximately quarterly intervals. A calendar of regular meetings shall be prepared by the Executive Committee and circulated to all the members. In urgent situations, and with approval of the CCM Chair, an irregular meeting may be called;
- 6.32.2. The call for regular meetings should be made at least two weeks prior to the date of the meeting. Emergency or special meetings may be called by the CCM Chair at shorter intervals and labeled accordingly. All members should receive the agenda and meeting documents by email, letter or facsimile at least three working days before each meeting;
- 6.32.3. The meeting will take place when at least half of the appointed CCM members are present;
- 6.32.4. If a CCM member is unable to attend a CCM meeting, a designated alternate member from the same sector group can represent the CCM member at the meeting where the appointed member provides at least 36 hours written notice to the Secretariat of his/her absence;
- 6.32.5. The designated alternate member will assume the rights and responsibilities of a CCM member in the meeting apart from as specified in this Governance Manual with respect to decisions on amendment of the Governance Manual and election of Office Bearers;
- 6.32.6. Only approved CCM members, their alternates and any special invitees approved by the CCM Office Bearers may attend CCM meetings;
- 6.32.7. Observers and invitees may attend CCM meetings according to the following criteria:

- 6.32.8. PR(s) and LFA are accorded permanent observer status and do not require specific invitation. Unless otherwise requested, no more than two individuals from these organizations may attend the CCM meeting.
- 6.32.9. The CCM Office-Bearers may invite other relevant resource persons to attend the CCM meeting.
- 6.32.10. Observers and invitees may not speak at meetings unless invited by the Chair to do so.
- 6.32.11. CCM decisions shall be made by simple majority vote apart from decisions to terminate the Chair or Vice-Chair or to change the Governance Manual of the CCM – such decisions require votes as separately specified in the Governance Manual.
- 6.32.12. Decisions shall not be made at a CCM meeting unless a quorum of CCM members (at least half appointed members) is present at the time of making the decision.
- 6.32.13. The Chair, Vice-Chair and the CCM members will monitor the implementation of meeting decisions.
- 6.32.14. In each meeting, the CCM Secretariat will provide information regarding the follow-up actions of the previous meeting decisions at a subsequent meeting.
- 6.32.15. The CCM Secretariat shall write the meeting minutes in English and distribute to CCM members within one week after the meeting.
- 6.32.16. CCM members will be given two weeks after the minutes are distributed to express any objection to the draft minutes. If no response is given by the member, that shall be considered as endorsement of the minutes.

6.33. Oversight by the CCM

Principles and Definitions of CCM Oversight

6.33.1. Oversight Principles:

- 6.33.1.1. An essential minimum requirement for receipt of Global Fund financing is that the CCM puts in place and maintains a transparent and documented process to nominate the principal recipient(s) and to oversee program implementation.
- 6.33.1.2. The CCM must ensure that a wide range of stakeholders, not only CCM members, participate in the proposal development and oversight process.
- 6.33.1.3. The CCM must have in place an oversight plan. Without an oversight plan, proposals to the Global Fund may be ineligible for funding.

6.33.2. **Definitions:**

- 6.33.2.1. Oversight is a key function of governance. It ensures that activities are implemented as planned by providing strategic direction to principal recipients, ensuring policies and procedures are met, instituting financial controls including independent audits, and ensuring that key recommendations of the CCM are implemented. Oversight for Global Fund purposes is distinguished from monitoring in that oversight does not focus on the day-to-day details of grant implementation, but ensures that performance-based funding is on track.
- 6.33.2.2. The core principle of oversight is to ensure that resources – financial and human are used efficiently for the benefit of the country.
- 6.33.2.3. Monitoring is the tracking of the key elements of program or project performance, usually inputs and outputs, through record-keeping, regular reporting, and surveillance systems.

6.33.3. **Oversight of Key Processes**

In accordance with the principles established by the Global Fund, the CCM will ensure oversight in relation to the following processes:

- 6.33.3.1. Proposal development;
- 6.33.3.2. Grant negotiation;
- 6.33.3.3. Grant implementation;
- 6.33.3.4. End of Phase 1 assessment;
- 6.33.3.5. End of Phase 2 assessment;
- 6.33.3.6. Rolling Continuation Channel funding;
- 6.33.3.7. Donor coordination and alignment with health systems;
- 6.33.3.8. Grant closure.

6.33.4. **Oversight of Functional Areas**

- 6.33.4.1. In accordance with the principles established by the Global Fund, the CCM will ensure oversight in relation to the following functional areas:

- 6.33.4.1.1. Finance;
- 6.33.4.1.2. Procurement;
- 6.33.4.1.3. Implementation;
- 6.33.4.1.4. Results;
- 6.33.4.1.5. Reporting; and
- 6.33.4.1.6. Technical assistance.

- 6.33.4.2. The CCM will ensure that an oversight plan is developed and implemented in compliance with the principles of good governance set out in this document, covering those processes and functions listed above, and which meet the Global Fund's eligibility criteria for funding.
- 6.33.4.3. The Oversight Plan is designed to identify potential implementation bottlenecks and to enhance transparency with regards to grant implementation.
- 6.33.4.4. The CCM will ensure that effective oversight is carried out in relation to each CCM-initiated project financed by the Global Fund.

6.33.5. Oversight Committee

- 6.33.5.1. In order to ensure the most effective possible oversight of programs in Bhutan financed by the Global Fund, and related processes, the CCM shall establish an Oversight Committee.
- 6.33.5.2. The members of the Oversight Committee shall be appointed by the CCM.
- 6.33.5.3. Membership of the Oversight Committee shall consist of a Chair, a Vice-Chair, and four Ordinary Members. The CCM shall appoint members to the positions of Chair, Vice-Chair, and Ordinary Member as the case may be.
- 6.33.5.4. Membership of the CCM is not a prerequisite for appointment to the Oversight Committee, with the exception of the position of Chair and Vice Chair.
- 6.33.5.5. Individuals who are employed by a principal recipient, a sub-recipient, a sub-sub-recipient, or who otherwise have a conflict of interest within the terms of the CCM Conflict of Interest Policy are ineligible for membership of the Oversight Committee.
- 6.33.5.6. The functions of the Oversight Committee shall be determined by the Terms of Reference of the CCM Oversight Committee as adopted by the CCM and appended to this Governance Manual as *Annex 2*.

Annex 1: Terms of Reference of CCM Executive Committee

1. Purpose

The CCM Executive Committee is responsible for coordinating and directing the activity of CCM Secretariat, for supporting and coordinating ad-hoc Working Groups of the CCM, and attending to routine or urgent communications for which calling CCM meetings is not warranted or not feasible. Areas of responsibility of the Executive Committee will be decided or assigned by the CCM, but in general, the decision-making authority that may be delegated by the CCM to the Executive Committee will be limited to routine administrative matters.

2. Membership

The CCM Executive Committee shall comprise the CCM Chair, two CCM Vice-Chairs, the Chair of the Oversight Committee and the Chair of the Proposal Development, Gap Analysis and Harmonization Committee.

3. Meeting Frequency

The CCM Executive Committee shall meet at such frequency as the Committee determines to fulfill its functions.

4. Roles and Responsibilities of Executive Committee

- 4.1. To coordinate communication on behalf of the CCM with the Global Fund, the Government of Bhutan, multilateral and bilateral development partners, civil society groups, Principal Recipients and other grant implementing agencies.
- 4.2. To provide coordination and direction to the CCM Secretariat in all its functions, to monitor performance of the Secretariat, and to make recommendations to the CCM on opportunities to improve CCM Secretariat functions where necessary.
- 4.3. To coordinate and provide support to working parties and ad hoc committees and groups of the CCM.
- 4.4. To facilitate and assist CCM functioning by “oversight” preparation of submissions for consideration by the full CCM.
- 4.5. To receive and/or investigate allegations of conflict of interest in CCM activities. The Executive Committee shall advise the CCM of all such matters referred to it, the actions taken by the Committee to investigate such matters, as well as any recommendations for action on the part of the CCM.
- 4.6. Where delegated by the CCM, to make routine administrative decisions to support CCM functioning. The Committee shall present all such decisions to the next CCM Meeting and, where feasible, communicate details to CCM members as soon as possible after the decision is made.
- 4.7. To plan and oversight activities to strengthen the capacity of CCM members, including orientation of new members.

- 4.8. To address any other matters referred to it by the CCM, reporting back to the CCM on any decisions made.
- 4.9. To hire CCM Coordinator.

Annex 2: Terms of Reference of Oversight Committee

1. Purpose

The Oversight Committee is responsible for contributing to effective oversight of all Global Fund financed programs and related processes in Bhutan, in accordance with the functions delegated to it by the Bhutan Country Coordinating Mechanism for the Global Fund (“the CCM”) as defined in the CCM Governance Manual and these Terms of Reference. The Committee assists the CCM to fulfill its responsibility to hold Principal Recipients accountable for resources given to the country: “CCMs are required to put in place and maintain a transparent, documented process to oversee program implementation”.⁵

2. Membership

The Oversight Committee shall consist of a Chair, a Vice-Chair, and four Ordinary Members, appointed by the CCM. Membership of the CCM is not a prerequisite for membership of the Oversight Committee with the exception of the positions of Chair and Vice-Chair of the Oversight Committee. Members of the oversight committee shall not be representatives of Principal Recipients nor Sub Recipient nor Sub Recipient institutions. The Oversight Committee shall have one member with Financial Management expertise.

The CCM shall nominate members of the Oversight Committee. Candidates who are non-CCM members will be required to complete the same conflict of interest declarations prepared by all CCM members. The CCM will determine whether, based on the non-CCM candidate’s declaration, he/she meets the standard for conflict of interest required for members of the Oversight Committee.

3. Meeting Frequency

The Oversight Committee shall meet at least quarterly, and may meet more frequently as circumstances require. Meetings shall take place at least 2 weeks prior to each regular quarterly CCM meeting, so that Committee deliberations may be reported to the CCM.

⁵ *Guideline on the Purpose, Structure, Composition and Funding of Country Coordinating Mechanisms and Requirements for Grant Eligibility*, Global Fund website: www.theglobalfund.org/documents/ccm/Guidelines_CCMPurposeStructureComposition_en.pdf, page 4.

4. Roles and Responsibilities of Oversight Committee

- 4.1. The Oversight Committee is empowered to deliberate and make recommendations on all oversight issues in accordance with these Terms of Reference and its workplan, or on any matter referred to it by the CCM.
- 4.2. The Oversight Committee shall table all recommendations at the next meeting of the CCM following the making of the recommendations.
- 4.3. In consultation with the CCM, the Oversight Committee shall lead or contribute to the following oversight processes:
 - 4.3.1. Grant implementation;
 - 4.3.2. Grant Continuations;
 - 4.3.3. Donor coordination and alignment with the national health systems;
 - 4.3.4. Grant closure.
- 4.4. The Oversight Committee shall ensure that it performs its oversight functions in relation to the following areas associated with Global Fund financed programs and activities in Bhutan:
 - 4.4.1. Finance, including tax exemption,
 - 4.4.2. Grant management by the PR;
 - 4.4.3. Procurement;
 - 4.4.4. Implementation;
 - 4.4.5. PR/SR partnership;
 - 4.4.6. Results;
 - 4.4.7. Reporting;
 - 4.4.8. Technical assistance.

5. Technical Working Groups

- 5.1. The Oversight Committee shall utilize four Technical Working Groups (TWGs) to provide expert knowledge and advice to the Oversight Committee on matters of program implementation, management and evaluation.
- 5.2. The four TWGs shall be:
 - 5.2.1. AIDS Technical Working Group
 - 5.2.2. TB Technical Working Group
 - 5.2.3. Malaria Technical Working Group
 - 5.2.4. Health System Strengthening Technical Working Group.

5.3. Composition of the TWGs

- 5.3.1. Members will be appointed on the basis of their technical or program management knowledge and expertise for each TWG
- 5.3.2. The CCM will nominate members to the TWGs. The Chairman of the Oversight Committee is responsible for recommending to the CCM suitable persons for the TWGs.
- 5.3.3. The TWG members may come from any organization, including PRs, SRs, SSRs or development partners. However they will not take part in, nor be present at the decision-making by the Oversight Committee.

Annex 3: Terms of Reference of Proposal Development Committee

1. Purpose

The Proposal Development Committee co-ordinates the preparation of proposals by the CCM for funding by the Global Fund in accordance with the proposal requirements specified in the call for proposals. It is also responsible for liaising with national agencies and development partners to ensure harmonization of Global Fund programs with other programs and to ensure that a robust gap analysis for proposal development is undertaken in line with the national strategy. The Proposal Development Committee assists the CCM fulfill its responsibility to ‘coordinate the submission of one national proposal for funding, drawing on the strengths of various stakeholders to agree on strategy, identify financing gaps in achieving the strategy based on existing support, prioritize needs, and identify the comparative advantages of each proposed partner.’⁶

2. Membership

- 2.1. The Proposal Development Committee shall consist of 3 CCM members, one of whom will be appointed by the CCM as Chair, and up to 3 Ordinary members who need not be CCM members but who contribute expertise to the proposal development process. All CCM members appointed to the Committee must belong to different sectors.
- 2.2. The Proposal Development Committee shall not include members whose organization is proposing to be a PR or SR in a current Global Fund round. All Committee members, both CCM and Ordinary, shall comply with the CCM Conflict of Interest Policy.
- 2.3. Members may be appointed to the Proposal Development Committee on an annual basis and may be reappointed for further terms.
- 2.4. The Proposal Development Committee may access technical advice in the relevant disease and service development areas from development partners and other sources of expertise, including from persons in organizations proposing to be PRs, SRs or SSRs in current rounds, however, those persons will not be members of the committee.

3. Meeting Frequency

The Proposal Development Committee shall meet at such frequency as determined necessary by the members to fulfill the roles and responsibilities.

4. Roles and Responsibilities of Proposal Development Committee

The Proposal Development Committee is responsible for:

⁶ Point 7, Guidelines on the Structure, Composition and Funding of Country Coordinating Mechanisms and Requirements for Grant Eligibility. http://www.theglobalfund.org/documents/ccm/Guidelines_CCMPurposeStructureComposition_en.pdf

- 4.1. Harmonization: Liaising with national, private sector agencies and development partners to ensure a high degree of cooperation and communication regarding services and program proposals is achieved to maximize integration, coordination and alignment, and to avoid duplication.
- 4.2. Gap analysis: Oversighting completion of comprehensive and robust gap analyses, both programmatic and financial, which account for the full extent of existing resources.
- 4.3. Determining priorities: Determining the component priorities (subject to full CCM endorsement) for each Round, after actively and extensively seeking inputs from all stakeholders.
- 4.4. Facilitating Principal Recipient selection: Establishing a neutral PR Selection Committee that evaluates candidates based on their compliance with GF requirements and additional criteria established by the CCM, and recommending to the CCM the Principal Recipient(s) for the Component concerned in the upcoming Round.
- 4.5. Facilitating Sub-Recipient selection: Establishing neutral panels to review the Expressions of Interest submitted for each component from prospective SRs and, following inputs and proposals from the EOI Review Panel, recommending the most appropriate SRs to the CCM, who finalize the selection based on all inputs. The Proposal Development Committee will also communicate the reasons for selection or rejection to the applicants.
- 4.6. Establishing Proposal Writing Teams: Forming a writing team or teams for the component and any sub-components, as needed.
- 4.7. Coordinating consultants: Seeking, coordinating and overseeing consultants/technical support for the proposal development process.
- 4.8. Facilitating proposal review by all stakeholders: Reviewing full draft proposals with a wide range of stakeholders and Technical Review members after the Technical Reviewers have reviewed these proposals in depth.
- 4.9. Liaison: Serving as the liaison between the Proposal Writing Teams and the CCM.

Annex 4: A Quick Guide to Good Meeting Procedures

1. Make sure agendas are finalized with the Chairperson's approval well before the meeting (preferably one week), and that agenda and meeting papers are distributed to members with enough time to read the material thoroughly and prepare for the meeting.
2. It is useful having a standard order for agendas; however in preparing agendas, the most urgent matters should be discussed first. The Chairperson may, at the meeting, change the order of items on the agenda so that the most urgent items are discussed first.
3. All committee members should be present to start the meeting at the scheduled time. Start of meetings should be deferred no more than 15 minutes.
4. A copy of the Committee Terms of Reference or Charter should be available for each meeting so that it may be referred to promptly to resolve any questions.
5. The Chairperson of any meeting has an important responsibility to ensure that all members attending the meeting are treated equally and not to permit a few members to dominate the debate.
6. All members should respect the Chairperson's authority and wait to be called upon by the Chair before voicing their opinions.
7. While a majority vote decides an issue, the rights of minority views must be protected by ensuring all members have the right to be heard and the right to oppose a motion.
8. Every member has a right to understand the meaning of any question being debated and the effect a decision may have. A member always the right to request more information regarding any motion he or she does not understand.
9. Committee members should make sure their cell phones don't disrupt meetings.
10. Meetings should finish at the predetermined time unless there are urgent items requiring decision or attention. It is good practice to only extend meetings if the meeting votes to approve extension to deal with urgent matters.
11. Minutes of meetings are the record of decisions and action taken – they are not a record of all discussions.
12. Members should have the right to review draft minutes of the meeting before they are approved. Generally the approval of minutes will be undertaken at the next meeting of the committee, however, where committees meet infrequently, other approval processes may be agreed upon.

**POLICY TO MITIGATE POTENTIAL OR PERCEIVED
CONFLICT OF INTEREST**

BHUTAN COUNTRY COORDINATING MECHANISM

July 2010

Adopted by the Bhutan CCM on July 22, 2010

1. Principles

In adopting this policy on effective management of conflicts of interest, the Bhutan Country Coordinating Mechanism (“the CCM”) acknowledges the importance of implementing good governance procedures in all matters related to the Global Fund to Fight AIDS, Tuberculosis and Malaria in Bhutan.

The concept of conflict of interest recognizes that the judgment of even the most well-meaning persons may be impaired when their own interests, those of an institution with which they are affiliated, or those of a close associate, are affected. The CCM will organize its structure, management processes, and day-to-day activities so as to minimize the possibility that conflicts of interest will arise with respect to all matters within its jurisdiction. Where conflicts of interest do arise, the CCM will ensure they are dealt with promptly and fairly.

In order to promote transparency, accountability, inclusiveness, and public confidence in all of its activities, the CCM adopts the following provisions concerning conflicts of interest. As currently written, this policy applies to all members of the CCM, its subcommittees and working groups, and the staff of the CCM Secretariat.

Principal Recipients (PRs), Sub-Recipients (SRs), and Sub-Sub-Recipients are also expected to adhere to this policy, and to make all efforts to avoid conflicts of interest, and effectively address those which arise. However, the mechanisms to implement this policy at the PR and SR levels are not included here, and need separate deliberation.

2. Definitions

A conflict of interest occurs where a member of the CCM, subcommittee or Secretariat uses his/her position to advance personal ambitions or interests, the interests of an institution with which he/she is affiliated, or those of a close associate, in a way that disadvantages or excludes others, or is otherwise detrimental to the overall effectiveness of the program. “Conflict of interest” includes potential conflicts of interest and perceived conflicts of interest.

A potential conflict of interest occurs where a member of the CCM, subcommittee or Secretariat has the capacity to use his/her position in such a way that a conflict of interest, as defined above, can occur.

A perceived conflict of interest occurs where a person believes or suspects on reasonable grounds that a conflict of interest, as defined above, exists on the part of a member of the CCM, subcommittee or Secretariat.

A close associate of a person includes a family member (spouse, child, sibling, parent, cousin, in-law), friend, business partner, or professional associate.

A person is affiliated with an institution where he/she is an employee or volunteer, or has a financial interest, or a technical or governance role with that institution.

The jurisdiction of the CCM refers to all matters in respect of which the CCM has the power or authority to make decisions or recommendations.

3. Rationale

The CCM recognizes that conflicts of interest, whether actual, potential, or perceived, may seriously diminish public confidence in the CCM as an institution. They may similarly affect programs, which the CCM oversees, and the institutions responsible for program implementation. A strong and well-implemented conflict of interest policy helps ensure the integrity of the CCM and its processes, demonstrates transparency, substantiates fairness in decision making, and helps protect even the most well-meaning persons whose interests, or those of an institution with which they are affiliated, or a close associate, could be affected. Inadequate attention to the issue of conflicts of interest may result in applications for funding being rejected as “non-compliant” with Global Fund policy.

4. Role of Chair and Vice-Chairs

The CCM will make every effort to ensure that the positions of Chair and Vice-Chairs of the CCM are not held by persons from institutions or organizations which are PRs or SRs. Where a person from an institution which is a principal recipient or a sub-recipient holds the position of Chair or Vice-Chair of the CCM, that person must not participate during CCM meetings or otherwise seek to influence deliberations, recommendations, or decisions where a matter concerns:

- 4.1. The CCM’s monitoring and oversight of the PR;
- 4.2. The selection of any PRs;
- 4.3. The renewal of a PR for phase two or rolling continuation channel of a grant;
- 4.4. Reprogramming of grant funds;
- 4.5. Other decisions that have a financial or other significant impact on a PR or SR.

5. Chair and Vice-Chair – Sectoral Affiliation

The Chair and Vice-Chair of the CCM shall each be from different sectors represented on the CCM.

6. Initial Acceptance of Policy on Potential or Perceived Conflict of Interest

Prior to taking up a position on the CCM, each new member shall be required to complete the Acceptance of Conflict of Interest Policy which is included as Appendix 1 to this policy. The Acceptance of Conflict of Interest Policy shall be kept submitted to the Chair and Vice-Chair of the CCM and kept on file by the CCM Secretariat.

7. Renewal of Acceptance of Policy on Potential or Perceived Conflict of Interest

Each member must renew his/her Conflict of Interest Declaration annually. Prior to the first meeting of the CCM in each calendar year, each member must complete a new Conflict of Interest Declaration ensuring that all information relevant at the date of completion of the declaration is included.

8. Management of Conflict of Interest during CCM meetings

At the commencement of every meeting of the CCM, the Chair shall ask all members present to declare any conflict of interest they have in relation to any matters on the meeting agenda. Where a member declares a conflict of interest in relation to any agenda item, that member shall recuse themselves from participation in any proceedings pertaining to that agenda item. At the moment in the meeting when the

relevant agenda item is to be discussed, the CCM member shall leave the room and wait elsewhere. Once the discussion and any necessary votes or decision making have been completed, the CCM member shall be recalled into the meeting room. However, for the decision to be valid, the remaining CCM members must represent a quorum in the absence of any member or members who have recused themselves.

CCM members representing institutions that are PRs or SRs shall not be named to the Oversight Committee.

CCM members representing institutions that are candidates for PR or SR or Sub-SR shall not participate in committees selecting PR for a new proposal or replacement PR.

9. Referral of Conflict of Interest Issues to the CCM Oversight Committee

Where at a meeting of the CCM a member believes that another member has a conflict of interest in relation to any agenda item and has not declared that conflict of interest, the first-mentioned member may raise the matter with the Chair. When such a matter is raised, the Chair shall inquire into the alleged conflict of interest including the basis on which the allegation is made and any response from the person alleged to have a conflict of interest. The Chair shall then determine whether to exclude the person against whom the allegation is made from part or all of the meeting, and whether the allegation should be referred to the CCM Oversight Committee for further deliberation.

Any person who has reason to believe that there is a conflict of interest on the part of a member of the CCM may at any time refer the matter to the CCM Oversight Committee in writing. The CCM Oversight Committee shall advise the CCM of all such matters referred to it, the actions taken by the Oversight Committee to investigate such matters, and any recommendations for action on the part of the CCM. The CCM shall consider and vote on any recommendations from the Oversight Committee at the next meeting following receipt of advice from the Oversight Committee.

10. Ongoing Potential or Perceived Conflict of Interest

Where a person is found to have a conflict of interest, whether actual, potential, or perceived, and that conflict of interest is likely, as determined by the Oversight Committee, to have an ongoing impact on that person's capacity to fulfill any of their duties or responsibilities in a manner consistent with this policy, then the CCM may transfer such duties or responsibilities to another person who does not have a conflict of interest. Where it deems it appropriate to do so, if the CCM wishes to send a very strong signal regarding Conflict of Interest, it may decide to suspend or remove a member who fails to disclose a conflict of interest.

11. Consequence of Failure to Declare Potential or Perceived Conflict of Interest

Where a member is found to have participated in deliberations, the making of a recommendation or decision, or in another process in respect of which that person has a conflict of interest:

The result of the process shall be declared null and void by the Chair of the CCM, and the deliberations, recommendation, decision, or other process shall be reviewed by the CCM in the absence of the person affected by the conflict of interest; and

The Chair of the CCM shall refer all available information in relation to the conflict of interest to the Oversight Committee, which shall make a recommendation regarding appropriate action in respect of the person who has failed to declare the conflict of interest; and
The CCM shall consider and vote on the recommendation of the Oversight Committee at the first meeting following receipt of the Oversight Committee's recommendation.

12. Mechanism for Reporting Conflict of Interest

Where a person suspects that a conflict of interest exists, that person may make a report in writing to the Executive Coordinator of the CCM Secretariat, stating all matters they believe relevant to the alleged conflict of interest. All valid complaints will be investigated by the Oversight Committee or its designate.

13. Protection of Identity

Where requested by a person reporting a conflict of interest matter, all reasonable steps will be taken to protect the identity of the person making the report. The CCM shall ensure when publicizing this conflict of interest policy, that the identity of persons making reports shall be protected to the extent possible, where the CCM is requested to do so.

14. Orientation to Conflict of Interest Policy

The CCM shall ensure that at least once each year the members of the CCM undergo training on their responsibilities regarding conflicts of interest and the requirements of this policy.

15. Alternates

The provisions of this policy apply to alternates equally as to members.

Appendix 1:

Upon appointment to the Bhutan Country Coordinating Mechanism, please complete this form and submit it to the Chair and Vice-Chair of the CCM and the Secretariat of the CCM prior attending the first meeting of the CCM in this role.

Section 1: Acceptance of Policy to Mitigate Potential or Perceived Conflict of Interest: Bhutan Country Coordinating Mechanism

Prepared and Submitted by _____ Date _____

I, _____ (name) agree by my signature below that if appointed to the position of _____ I pledge to comply with the attached Conflict of Interest Policy of the Bhutan Country Coordinating Mechanism Committee for the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria.

As a _____ (name of position) I shall not participate in deliberations, the making of recommendations or decisions, or other processes in which I have a conflict of interest, a potential conflict of interest, or to the best of my knowledge a perceived conflict of interest, as defined in the attached Conflict of Interest policy.

If I believe I have a conflict of interest, a potential or perceived conflict of interest in relation to a matter arising from my position of _____ (name of position), then I will complete Section 2 of this document and also state this belief to the meeting of the CCM prior to or at the commencement of any CCM meeting at which the matter will be considered. I will state the nature of the conflict of interest and all relevant facts pertaining to my interest. I will then recue myself from participating in any proceedings concerning the matter.

If another person alleges that I have a conflict of interest, a potential conflict of interest, or a perceived conflict of interest in relation to a matter arising from my position of _____ (name of position) I will provide all relevant facts to the Chair of the _____ (name of forum), and will abide by any decision taken by the _____ (name of forum) regarding the alleged conflict of interest.

If I have reason to believe that a person has a conflict of interest in relation to any matter arising from their role or responsibilities in the CCM or any related forum, I will report my belief and the information on which it is based to the Chair of the relevant forum, and will provide such further information as is requested from me by the Chair of the relevant forum to the best of my abilities. I undertake not to make allegations of conflict of interest except in good faith, and based on a genuine belief that such conflict or conflicts could compromise the transparency, accountability, inclusiveness of or public confidence in the CCM or other associated forum. I understand that in making such a report, it is my right to request that my identity be protected to the fullest extent possible, and that it is the obligation of the CCM and related forums to uphold this right.

If I have any questions or need any assistance understanding or complying with the Conflict of Interest policy, I will contact the Chair of the CCM or the CCM Secretariat who will assist me with questions and interpretation and will provide me with a recommendation on whether or not I should excuse myself from participating in the relevant procedure/s. I understand that I am entitled to a written response to any questions or requests for assistance I submit.

If you believe that you have a potential or perceived Conflict of Interest, please complete Section 2 below prior to signature of this document.

Section 2: Acknowledgment of Potential or Perceived Conflict of Interest

I, _____ (name) agree by my signature below that if appointed to the position of _____ I acknowledge that I have a potential or perceived Conflict of Interest according to the Policy to Mitigate Conflict of Interest of the Bhutan Country Coordinating Mechanism Committee for the Global Fund to Fight HIV/AIDS, Tuberculosis and Malaria.

As a _____ (name of position), I acknowledge under the following circumstances I have a potential or perceived conflict of interest. Explain the potential or perceived _____ Conflict _____ of _____ Interest:

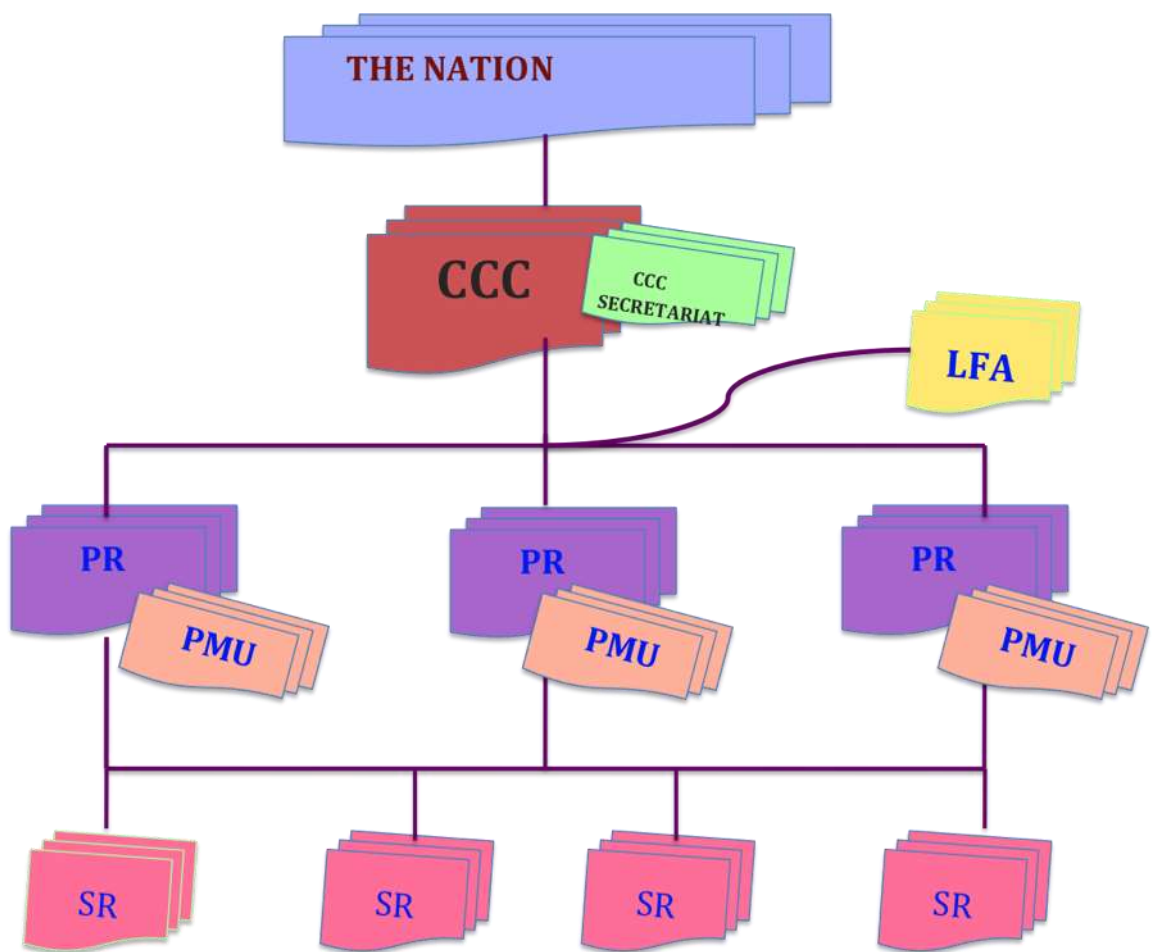
Name: _____ Witness name:

Position: _____ Witness signature:

Signature: _____ Date: _____

Date: _____

Annex 6: Global Fund country level entities:



CCM Secretariat Administrative Structure⁷:

1. The CCM Secretariat Administrative Structure shall be part of the CCM Governance Manual, and its purpose is to outline the protocol for the Secretariat.
2. The CCM Executive Committee (EC) or an ad hoc committee approved/endorsed by the CCM shall approve/endorse the required criteria of the two candidates of the CCM Secretariat staff.
3. The interview panel shall consist of 3 CCM members, and 1 from HRD, MOH. The results of selected candidate shall be endorsed by the CCM.
4. The Secretariat shall follow the terms and conditions of the existing RCSC BCSR rule for recruitment, remuneration, termination and performance assessment and contract extension applicable for a contract employee.
5. The staff of the CCM Secretariat shall sign contract agreement with the CCM Chair for two years. RCSC BCSR contract terms and conditions shall apply for extension and performance evaluation of the Secretariat staff.
6. The performance evaluation shall be executed by the Chair with the Vice Chair or a CCM Member approved/endorsed by CCM, and compiled by HRD, MOH.
7. The CCM Secretariat shall follow Procurement Rules and Regulations (PRR) of the Financial Rules and Regulations (FRR) for any procurement and financial matters. The Secretariat shall route through AFD, MOH for procurement, in order to follow the procedures correctly, and maintain the consistency.
8. The CCM Secretariat shall maintain the stock and inventory registry of all items purchased. The same shall be maintained by the AFD, MOH, to have the control mechanism in place.
9. The CCM Secretariat shall apprise to the EC to execute the activities in approved work plan and activities that are directly communicated by the Global Fund for execution.
10. The CCM Secretariat shall seek prior approval of the CCM to executive activities that are not included in the work plan and/ or informed by the Global Fund.
11. The CCM Secretariat shall apprise the EC, for day-to-day functions, for proper check and balance.
12. Any matters that need urgent approval of the EC, the Secretariat shall provide enough information/justification of its urgency. If there is delay in seeking approval of the EC members, in spite of providing justification, the Secretariat shall seek ex post facto approval for the same from the CCM Chair.
13. The Secretariat shall update on the list of inventory towards the end of the year to the Executive Committee of the CCM. Few selected members from the OSC or the CCM shall carry out the physical verification of the list of inventory items.

⁷ The 32nd CCM reviewed and added the CCM Secretariat Administrative Structure as Annexure 7 of the Governance Manual to outline the protocol for the Secretariat.