

POLICY ON ETHICS AND CONFLICT OF INTEREST
(approved at the 2nd Board Meeting on 20–21 April 2015)

1. General Principles

- 1.1 A public-private partnership, GCERF is the first global effort to support local, community-level initiatives aimed at strengthening resilience against violent extremist agendas. To achieve its mission, GCERF recognizes the need to involve many stakeholders interested in and affected by its mission. This includes beneficiary and donor governments, civil society organisations, and private sector organizations. This fact is reflected in the composition of the GCERF Governing Board (the “Board”). Due to the diversity of interests and perspectives represented by these stakeholders, it is particularly important that GCERF operates in a balanced, ethical, collaborative, transparent and open manner.
- 1.2 Conflicts of interest – of varying degrees of significance or nature – can and do exist or appear to exist in the activities of most organisations, and may exist in circumstances where no unethical or improper act results from such conflicts. The purpose of this Policy is to ensure that such conflicts are identified and managed in a way that maintains broad public trust and confidence in the decision-making and operations of GCERF, the highest standard of ethical conduct in GCERF’s affairs, and the protection of the reputation and integrity of GCERF.
- 1.3 GCERF recognises that the representative nature of its Board and other governance bodies results in inherent conflicts of interest when members must consider matters that have a direct result on the interest of governments, corporations, or organisations that hold governing positions in GCERF. GCERF recognizes that these institutional conflicts of interest must be managed with the highest degree of integrity to safeguard against any perception that participation by a government, corporation or organisation in any position at GCERF confers an undue advantage for such entities in GCERF’s decisions.

2. Definitions

- 2.1 *Covered Individual* means any member or alternate member of the Board, a member of the international Independent Review Panel and any other Board committee, task force, review panel or any subsidiary body of GCERF, and any member of the GCERF Secretariat staff who is a professional employee.

- 2.2 *Associated Individual* means a Covered Individual's spouse, domestic partner or minor child.
- 2.3 *Associated Institution* means (i) any organisation, corporation or government in which a Covered Individual is serving as an officer, director, trustee, partner or employee that receives or may receive funding from GCERF or with which GCERF has an agreement, contract, grant, or relationship; or (ii) any person, organisation, corporation, government or similar institution with whom a Covered Individual is negotiating or has an arrangement concerning prospective employment. *To participate personally* means to participate directly or attempt to influence the outcome of a decision-making process, or the direct and active supervision of a subordinate in a matter. *To participate substantially* means that the Covered Individual's involvement is of significance to the matter.
- 2.4 *Gift* means any gratuity, favour, discount, entertainment, hospitality, loan, forbearance, honorarium or other item having monetary value. These include services as well as gifts of training, transportation, local travel, lodging and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.
- 2.5 *Ethics Committee* means the standing committee of the Governing Board, to be established under terms of reference and membership approved by the Board.
- 2.6 *Ethics Officer* means the member of the GCERF Secretariat staff appointed by the Executive Director to assist the Ethics Committee in its work and implement this Policy on Ethics and Conflict of Interest.

3. Conflicts of Interest

A conflict of interest arises when a Covered Individual participates personally and substantially in any particular GCERF matter in which, to his or her knowledge, he or she or an Associated Individual or an Associated Institution has a financial, professional or other interest, if the particular matter may have a direct and predictable effect on that interest. In general, without limitation, conflicts may be deemed to exist in the following situations:

- Where a Covered Individual's financial interest, or the interests of an Associated Individual or Associated Institution, could affect the conduct of his or her duties and responsibilities with respect to GCERF or result in a reasonable perception that such conflict exists;
- Where a Covered Individual's actions compromise or undermine the trust that the

public places in GCERF; or

- Where the Covered Individual's actions create the perception that the Covered Individual is using his or her position at GCERF for personal benefit or the direct financial benefit of an Associated Individual or Associated Institution.

Specific examples of such conflicts include, but are not limited to:

- Members of the Governing Board (or body designated by the Governing Board to make grant funding decisions) advocating for approval of a particular grant in which his or her government, entity or organisation will receive funding and/or play a direct implementation role or realise some other direct financial benefit;
- Board members advocating for approval of a particular policy from which his or her government, entity, or organisation will realise some direct financial benefit;
- Board Members or Secretariat staff using their position on the Governing Board to advocate for or otherwise seek approval of any service contract between GCERF and an Associated Institution; or
- Members of the Independent Review Panel who are employees of a government, corporation or organisation participating in the assessment of a funding application in which an Associated Institution has any substantial interest.

Conflicts of interest do not in principle arise when a Covered Individual or Associated Individual or Associated Institution stands to receive a diffuse benefit from the actions in question. For example, a Board member does not have a conflict of interest based on his or her consideration of a proposal if his or her country would realise general benefits from receiving grant funds, or in which non-governmental entities incorporated in his or her country would receive diffuse benefits as a result of the grant, but in which the government or its entities would not directly participate in its implementation.

These examples are only illustrative, and are not intended to set out all instances where an actual or potential conflict exists, but rather to articulate the principles GCERF will follow in addressing such conflicts as they arise. Each situation will be assessed by the persons set out below based on its particular facts and circumstances. Decisions will be governed by the guidelines set out in this Policy, which applies to all activities sponsored or supported by GCERF, public and private, for profit and not-for profit alike.

4. Transparency and Disclosure

- 4.1 All Covered Individuals have a duty to disclose the existence of any actual or potential conflicts of interest, including those that derive from an Associated Individual or Associated Institution and the nature of such conflict, whenever he or she becomes aware that a conflict exists, that a conflict is reasonably likely to occur, or where it is reasonable to conclude that there is an appearance of a conflict. Covered Individuals are encouraged to consult with the Ethics Officer if questions arise in the application of this Policy.
- 4.2 All Covered Individuals must complete and submit a Declaration of Interest Form (in the form attached to this Policy) to the Ethics Officer upon taking on a role that fits within the definition of Covered Individual, and to update the Declaration of Interest Form on an annual basis thereafter.
- 4.3 Completed Declaration of Interest Forms shall be kept in a secure location and will be maintained by the Ethics Officer and made available for inspection by the Executive Director and Ethics Committee only as strictly necessary to administer this Policy. Except as provided for herein, all Declaration of Interest forms shall be maintained as strictly confidential.
- 4.4 The Ethics Officer shall review submitted Declaration of Interest Forms and identify situations in which an actual or a potential conflict of interest exists as a result of the Covered Individual's activities or holdings in relation to his or her official responsibilities.

5. Procedure When a Conflict of Interest Arises

- 5.1 The Ethics Committee, with the assistance of the Ethics Officer, shall review submitted disclosures (including those contained in the Declaration of Interest Forms) and decide whether an actual or potential conflict of interest exists and, if so, whether to issue a waiver defining the extent to which such Covered Individual may participate in any discussion of the issue that has given rise to the conflict. The Ethics Committee may also, at its discretion, bring any conflict of interest issues to the entire Governing Board (excluding the individual or individuals with potential conflicts) for discussion and determination.
- 5.2 When it is determined that an actual or potential conflict of interest exists, the Covered Individual shall not participate in the matter that has given rise to the conflict absent a

waiver from the Ethics Committee. Waivers may be granted in the following forms, or in any other form appropriate under the circumstances:

- **Conditional Participation:** This type of waiver allows a Covered Individual to continue his or her involvement in the matter that has given rise to the conflict after disclosing his or her interest at the start of work on the matter, subject to any conditions imposed to safeguard against risks that arise from the conflict or appearance thereof; or
- **Partial exclusion:** This type of waiver limits the Covered Individual's involvement in the matter by: (i) excluding the Covered Individual from the portion of the meeting or work where a conflict of interest has been identified; (ii) excluding the Covered Individual from participating in any final decision-making process; (iii) requiring the Covered Individual to remove the conflict such as by divestiture of an asset or resignation from a position; or (iv) limiting the Covered Individual's participation in the matter in any other manner deemed appropriate.

The names of Covered Individuals with actual or potential conflicts of interest who participate in a particular meeting, and the issue on which there is a conflict, shall be recorded in the minutes for that meeting.

- 5.3 Should a Covered Individual be found to have an actual or potential conflict of interest that has not been disclosed, or should the Ethics Officer, after consulting the Ethics Committee, have reasonable cause to believe that a Covered Individual has failed to disclose an actual or potential conflict of interest, the Ethics Officer, on behalf of the Ethics Committee, will inform the Covered Individual of the basis for such belief and provide him or her with the opportunity to explain the alleged failure to disclose. If, after hearing the response and making further investigations as may be warranted, the Ethics Committee determines that the interested person has in fact failed to disclose an actual or potential conflict of interest, it shall notify the Governing Board.

6. Gifts

- 6.1 All Covered Individuals and Associated Individuals are prohibited from accepting Gifts under circumstances where it could reasonably be construed that the Gift is motivated by the position of the Covered Individual in GCERF. All Covered Individuals and Associated Individuals are prohibited from giving gifts where it could reasonably be construed that the Gift is intended to affect the policies or practices of GCERF or any of the activities it funds. The Ethics Committee may waive this provision as appropriate.

6.2 Exception

- a. A Covered Individual may accept an unsolicited Gift on behalf of GCERF when, in his or her judgment, refusal to do so would not be in the interest of GCERF. Gifts accepted on behalf of the Secretariat shall be handled under procedures developed by the Secretariat.
- b. As part of their official functions, Covered Individuals may be expected to attend events such as widely-attended meetings, official meals and receptions. Benefits associated with such attendance shall generally not be considered to be a Gift, subject to detailed guidance that the Executive Director may issue.

7. Outside Activities

7.1 Prior to accepting an office or occupation outside his or her employment duties at GCERF or accepting an honour or decoration provided by an outside party if the proposed action may give rise to an actual or potential conflict of interest:

- a. the Executive Director shall request the authorisation of the Chair; and
- b. all other members of the GCERF Secretariat shall request authorisation of the Executive Director.

7.2 Authorisation may be granted to accept or hold an office or occupation outside of his or her employment duties at GCERF, or to accept an honour or decoration provided by an outside party by:

- a. the Executive Director in consultation with the Ethics Committee, in the case of a Secretariat staff member; or
- b. the Chair, in consultation with the Ethics Committee, in the case of the Executive Director.

8. Employment at GCERF Secretariat

Any individual who has served as a Board Member, Alternate Board Member or other participant in any GCERF governance structure (including the international Independent Review Panel) shall not be eligible for employment by GCERF until one year following their last date of service in such position. The Ethics Committee may waive this provision as appropriate. A request for such a waiver must be submitted by the concerned individual to the Ethics Committee before he or she applies for

employment at GCERF. The Secretariat shall not take action on or accept the application for employment from such an individual unless a waiver has been granted by the Ethics Committee.

9. Post-Employment Restrictions

For a period of one year following separation from service, former employees who have participated in GCERF procurement processes are prohibited from seeking or accepting employment with, or otherwise accept any form of compensation or financial benefit from, any contractor or vendor of goods and services, regardless of location, which conducts business with GCERF or seeks to do so and with whom such employee have been personally involved in the procurement process during the last three years of service with GCERF.

10. Dissemination of Policy

- 10.1 The Secretariat shall distribute a copy of this policy to all Covered Individuals annually, along with a copy of the Declaration of Interest Form.
- 10.2 Copies of this policy and the Declaration of Interest Form shall be posted on the GCERF website.



ANNUAL DECLARATION OF INTEREST FORM

Name: _____ Position in GCERF: _____

1. Overview

The Policy on Ethics and Conflict of Interest requires Board Members, Alternate Board Members, Board committee members, members of the international Independent Review Panel, and any other governance body of GCERF, as well as professional GCERF Secretariat staff to file a declaration of interest upon taking up such role and to update it on an annual basis thereafter.

The following sections will review the types of declarations required and provide space for you to list, to the best of your knowledge, any interests that may create an actual, perceived, or potential conflict of interest.

Questions on these declarations may be submitted to the Ethics Officer at ethics@gcerf.org.

2. Institutional Interests

Please list below any organisation, corporation or government in which you are serving as an officer, director, trustee, partner or employee (or are negotiating to become an employee) that receives or may receive funding from GCERF or with which GCERF has an agreement, contract, grant, or relationship. GCERF must be aware of these associations to ensure that you do not inappropriately participate in a decision-making process on GCERF's behalf to potentially conduct business with such entity.

| Current Position | Entity | Period of Position |
|------------------|--------|--------------------|
| | | |
| | | |
| | | |
| | | |

3. Personal/Financial Interests

Please list below any personal or financial interest (including ownership or investment interest, direct or indirect compensation arrangement, substantial gifts, senior leadership or board member position) that you or a family member has in which you or a family member would receive a personal or financial benefit as a result of that relationship with GCERF.

| Name and family relationship, if applicable | Position/Interest | Entity | Business conducted with GCERF |
|--|--------------------------|---------------|--------------------------------------|
| | | | |
| | | | |
| | | | |

4. Other Declarations

Please list any other information that GCERF should know in order to ensure your compliance with the Policy on Ethics and Conflict of Interest.

5. Signature

As a Covered Individual (as defined in the Policy on Ethics and Conflict of Interest), I hereby acknowledge that I have received a copy of the Policy on Ethics and Conflict of Interest and that I have read, understand and agree to comply with it. I undertake to update the information requested in this form in the event of any material changes to my circumstances.

Signature: _____

Date: _____