



POLICY ON ETHICS AND
CONFLICT OF INTEREST FOR
UNITAID

endorsed by UNITAID Board
on March 9, 2007

1. General Principles

1.1 UNITAID's mission is to contribute to scale up access to treatment for HIV/AIDS, malaria and tuberculosis for the people in developing countries by leveraging price reductions of quality drugs and diagnostics (which currently are unaffordable in most developing countries) and accelerating the pace at which they are made available. To fulfill its mission, UNITAID will use sustainable, predictable and additional funding to help generate a steady demand for drugs and diagnostics, thereby significantly impacting market dynamics, to reduce prices and increase availability and supply. To achieve these goals, UNITAID recognizes the need to involve many interested stakeholders, including recipient and donor states, for-profit and not-for-profit enterprises, and the international intergovernmental community.

1.2 Because of the diversity of interests and perspectives represented by these stakeholders, it is particularly important that UNITAID operate in a balanced, ethical, collaborative, transparent and open manner. This policy – which is adopted as contemplated by Section 1 of the UNITAID Constitution – provides guidance in identifying and addressing conflicts of interest. It is based on clear definitions of potential areas of concern, a duty to disclose, and it outlines procedures (including the possible establishment of an Ethics Committee and the appointment of an Ethics Official) for managing any conflicts as they arise.

1.3 The purpose of this policy is to ensure fairness in UNITAID's decision-making to protect the reputation and integrity of UNITAID and its interests, and to ensure broad public trust and confidence in UNITAID's decision-making and grant-making activities. Where provisions of this policy conflict with law or regulation applicable to a Covered Individual such provisions shall not apply. When possible, however, this policy shall be interpreted to be consistent with applicable law or regulation.

1.4 UNITAID recognizes that the representative nature of its governing Board may result in inherent conflicts when the Board must consider matters that have a direct result on the interest of governments, corporations or organizations that hold governance positions in UNITAID. UNITAID 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 organization in any position at UNITAID confers an undue advantage for such entities in UNITAID's decisions.

2. Definitions

(a) *Covered Individual* means a member of the executive Board of UNITAID ("Board Member"), an alternate, a member of any committee, task force or any other subsidiary body of UNITAID, the Executive Secretary of UNITAID as well as staff members assigned to the UNITAID Secretariat ("Secretariat staff") designated by the Executive Secretary.

(b) *Associated Person* means a Covered Individual's (i) spouse, minor child, or domestic partner.

(c) *Associated Institution* means, with respect to any Covered Individual, (i) any organization, corporation or government in which such a Covered Individual or any Associated Person is serving as an officer, director, trustee, partner or employee, that receives or may receive funding from UNITAID or with which UNITAID has an

agreement, contract, or relationship; or (ii) any person, organization, corporation, government or similar institution with which a Covered Individual or any Associated Person is negotiating or has an arrangement concerning prospective employment.

(d) *Personally and substantially*. To participate *personally* means to participate directly, including, for example, consideration of a matter at a Board meeting, or 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.

(e) *Gift* means any gratuity, favor, discount, entertainment, hospitality, loan, forbearance, honorarium, or other item having monetary value. These include services as well as gifts of training, transportation, local travel, lodgings and meals, whether provided in-kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.

(f) *Ethics Committee* means the standing Committee, composed if needed of [four] Board Members, established to assist with the implementation of the policy on Ethics and conflict of interest and to prevent situations that might affect the reputation and integrity of UNITAID.

(g) *Ethics Official* means the Secretariat employee designated by the Executive Secretary of UNITAID, to prevent the conflicts and to assist if needed the Ethics Committee in its work.

3. Conflicts of Interest

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

- Where a Covered Individual's financial interests, or the interests of an Associated Person or Institution could affect the conduct of his or her duties and responsibilities with respect to UNITAID or result in a reasonable perception that such a conflict exists
- Where a Covered Individual's actions compromise or undermine the trust that the public places in UNITAID and
- Where the Covered Individual's actions create the perception that the Covered Individual is using his or her position at UNITAID for personal benefit or for the direct financial benefit of an Associated Institution.

Specific examples of such conflicts include:

- Board Members advocating the approval of a particular grant in which his or her government, entity, or organization will serve as principal recipient, partner or play some other direct project implementation role or realize some other direct financial benefit
- Board Members advocating the approval of a particular policy from which his or her government, entity, or organization will realize some direct financial benefit

· Board Members using their position on the Board to advocate for or otherwise seek approval of any service contract between UNITAID and an Associated Institution or an Associated Person.

Notwithstanding the foregoing, conflicts do not in principle arise when a Covered Individual or an Associated Person or Institution stands to receive a diffuse benefit from the action 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 realize general population health benefits, or in which non-governmental organizations or 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 lists are only illustrative, and are not intended to set out all instances where an actual or potential conflict of interest exists, but rather to articulate the principles UNITAID will follow in addressing such conflicts as they arise. Each situation will be assessed based upon its particular facts and circumstances, but decisions will be governed by the guidelines set out in this policy, which applies to all activities sponsored or supported by UNITAID, 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 conflict of interest, including those that derive from Associated Persons or Institutions, and the nature of such conflict, whenever he or she becomes aware that a conflict exists or that it is reasonably likely to exist.

4.2 All covered individuals must complete and submit a « Declaration of Interest » to the Ethics Official. Covered individuals who are already subject to a code of ethics or standards of conduct regulation, and who, under such code or regulation, are required to complete and file a disclosure form that includes the information requested in the Declaration of Interest, may submit such form in lieu of the Declaration.

4.3 In consultation with WHO, the UNITAID Secretariat will develop a declaration of interest form for the implementation of the present policy and will distribute it to all Covered Individuals.

5. Procedure when a Conflict of Interest Arises

5.1.1 Declarations of interest by the Executive Secretary will be submitted to the Director-General of WHO, who is vested under the WHO Staff Rules with the authority to decide on the compatibility of any interest declared by staff members with Article I of the WHO Staff Regulations.

5.1.2 The Ethics Official will be provided with an appropriate delegation of authority to decide on:

(i) the compatibility of interests declared by Secretariat staff who have been designated by the Executive Secretary under paragraph 2(a) of the present policy; and

(ii) the compatibility of interests declared by other Secretariat staff under WHO Staff Rule 110.7. Such staff members, although not designated under the present policy as being required to file a declaration of interest at a prescribed interval, are nevertheless obliged to report any conflicts of interest to the Ethics Official pursuant to Staff Rule 110.7.

In carrying out his or her duties under paragraph 5.1.2, the Ethics Official may be advised by the Ethics Committee.

5.1.3 In case the Director-General or the Ethics Official, as the case may be, decide that a conflict of interest exists, they may also issue a waiver defining the extent to which the Covered Individual concerned may participate in any discussion of the issue that has given rise to the conflict. The Ethics Official may seek the views of the Ethics Committee.

5.2 All conflicts of interest other than those referred to in paragraph 5.1.1 and 5.1.2 shall be immediately disclosed in writing to the UNITAID Ethics Committee through the Ethics Official. Individuals are encouraged to consult with the Ethics Official or members of the Ethics Committee for guidance if questions arise in the application of this policy.

5.3 With regard to the conflicts of interest referred to in paragraph 5.2, it is the duty of the Ethics Committee, with the assistance of the Ethics Official, to review these disclosures and to decide whether a 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 conflicts issue to the entire Board (excluding, if deemed necessary, the individual or individuals with potential conflicts) for discussion and determination.

5.4 When it is determined that a conflict of interest exists, the Covered Individual shall not participate in the matter that has given rise to the conflict absent a waiver. With respect to the Board, this means that the Covered Individual shall not vote or speak on the matter, and shall absent himself/herself without comment before any discussion or decision on the matter, unless a waiver has been granted. The waiver may be designed to allow for any level of participation the Ethics Committee (under paragraph 5.3) or the Director-General or Ethics Official (under paragraph 5.1.3) deem appropriate.

For example, the Covered Individual may be permitted to present information of a technical nature, but not recommendations. Or, the Covered Individual may be permitted to attend the meeting in order to fulfill his or her administrative responsibilities, but not to participate in any discussion on issues that have given rise to the conflict of interest. The names of Covered Individuals with 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.

5.5 Should a Covered Individual be found to have a conflict of interest that has not been disclosed as required above, or the Ethics Officer or Ethics Committee has reasonable cause to believe that a Covered Individual has failed to disclose a conflict of interest, the Covered Individual will be informed of the basis for such belief and will be provided 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 Officer or Ethics Committee determines that the interested person has in fact failed to disclose a conflict of interest, the Board shall be notified. The Board may advise the Ethics Officer or Ethics Committee as to action to be taken.

6. Gifts

6.1 All Covered Individuals and Associated Persons 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 and interests that could be substantially affected

by UNITAID. All Covered Individuals and Associated Persons are prohibited from giving gifts where it could be reasonably construed that the gift is intended to affect the policies or practices of UNITAID or any of the programs it funds. The Ethics Committee may waive this provision as appropriate.

6.2 Exceptions.

(a) A Covered Individual may accept unsolicited gifts on behalf of UNITAID when refusal to do so would not be in the interest of UNITAID. Gifts accepted on behalf of UNITAID will be turned over to the Secretariat and handled under procedures developed by the Secretariat.

(b) A Covered Individual may accept unsolicited gifts or provide gifts referred to in paragraph 6.1 having an aggregate value of \$20 or less, provided that the aggregate value of individual gifts received from or provided to any one person does not exceed \$50 in a calendar year.

(c) Widely attended gatherings and other events.

- i) When a Covered Individual is asked to present information on behalf of UNITAID at a conference or other event, an offer of free attendance at the event is not considered to be a gift under this policy when provided by the sponsor of the event.
- ii) Widely attended gatherings. The Secretariat may approve the free attendance of individuals at widely-attended gatherings on a case-by-case basis, and may develop procedures for such attendance in lieu of individual approvals. In determining whether such approval is appropriate, the Secretariat should consider widely-attended gatherings to be those at which it is expected that a large number of persons will attend and that persons with a diversity of views or interests will be present, such that the actual and apparent degree of influence over the Covered Individual is sufficiently diluted.

For Covered Individuals who serve on UNITAID as representatives of governments, corporations, or organizations, and where such individual is subject to a code of ethics or standards of conduct regulation as a result of such position, such individual may accept complimentary invitations to widely attended gatherings otherwise prohibited by this policy where attendance is permitted under the code of ethics or standards of conduct to which the individual is subject.

7. Employment by UNITAID Secretariat

Any individual who has served as a Board member, Alternate, a member of a Board Committee shall not be eligible for employment by the Secretariat until one year following their last date of service in such a position. The Ethics Committee may waive this provision as appropriate.

8. Dissemination and Review of Policy

8.1 The UNITAID Secretariat shall distribute a copy of this policy to all Covered Individuals annually.

8.2 Copies of this policy and the Declaration of Interest model shall be posted on UNITAID website.