

## **Annex 4**

### **TERMS OF REFERENCE**

#### **AFGHANISTAN OVERSIGHT COMMITTEE**

##### **1. GOAL AND OBJECTIVES**

The Oversight Committee (further - OC) is a permanent ACCM committee established to provide oversight to overall PR functioning and to review reports on any indication of mismanagement, problems, or suspected violations of the rules and procedures arising in the Global Fund program implementation in Afghanistan.<sup>15</sup>

The Oversight Committee strives to ensure that the Global Fund programs as a whole yield good performance with reference to the agreed objectives and based on the principles of good governance, accountability, and transparency. In the event of any problems that cannot be managed by the PRs, the ACCM shall authorize the Oversight Committee to follow-up and verify such issues and provide recommendations on actions to be taken. As assigned by the ACCM, the Oversight Committee shall take action to resolve problems encountered. The Oversight Committee reports to the ACCM on all activities.

The OC's objective is development, organization and systematic implementation of a range of activities that allow the ACCM to ascertain:

- an appropriate, timely and effective use of funding provided by the Global Fund to Afghanistan;
- timely and efficient implementation of work plans by PR(s) and SR(s) of Global Fund grants;
- achievement of expected results by the grant implementers in the short to medium term, and also
- timely identification and analysis of the shortcomings and problems encountered during grant implementation, as well as external (with respect to the PR and SRs) factors that impede successful grant implementation.
- development of proposals for resolving these problems and eliminating shortcomings in the work of PR(s) and SR(s), and neutralizing the negative impact on the program of external factors.

##### **2. Oversight Committee COMPOSITION**

a)The Oversight Committee shall consist of a Chair, a Vice-Chair and between 7-10 Members appointed by the CCM and drawn from within and outside of the CCM. Up to 40% of the

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<sup>15</sup>The Oversight Committee will coordinate its activities with the HIV/AIDS Coordinating Committee of Afghanistan (HACCA) to ensure alignment with national oversight and monitoring plan.

Oversight Committee can consist of non-CCM members. In the absence of ACCM members for a good cause, their place on the OC is taken by their respective alternates. The OC membership may also invite experts <sup>16</sup>who are not members of the ACCM, but who possess the skills and knowledge necessary to conduct oversight activities.

- b) The Chair and the Vice-Chair shall be members of the CCM. While non-CCM members may vote in the Oversight Committee, they do not have any voting rights in the full CCM.
- c) Oversight Committee members should not be representatives of any of the organizations or institutions that include the PRs or SRs. However, the Oversight Committee may invite representatives of the PRs and SRs and other implementing partners and stakeholders to attend its meetings to provide information, feedback, and expertise. Special attention will be paid to include people living with and/or affected by the diseases as members/or to obtain feedback on PR/SR performance.
- d) The Oversight Committee may co-opt or engage resource persons on an ad hoc basis from time to time, according to necessary skills and experience. (TOR will be prepared each time a resource persons is engaged to ensure focused delivery and value add to oversight process)<sup>17</sup> The decision to engage temporary OC members is made at an OC meeting by a majority vote of the committee members. Temporary outside experts do not take part in the OC voting on core OC functions and issues.
- e) Nominations for election of the OC permanent members are proposed by the ACCM members, including via self-nomination.
- f) Voting for the election of the OC permanent members is held during regular an ACCM meeting, while a quorum is present. The nominee is considered selected if voted for by a simple majority of votes by the present ACCM members.
- g) In order to assure a comprehensive representation on the OC of various sectors, and, in particular, to avoid conflict of interests that may occur while performing oversight activities, the panel of elected OC members should include as permanent members:
  - at least one representative of people living with disease or of vulnerable groups,
  - at least one representative of key affected populations,
  - at least one representative of bilateral and multilateral partner organizations,
  - at least one member of the public sector,
  - at least one non-governmental organization and / or private sector

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<sup>16</sup>The conflict of interest policy should be applied when determining the team composition for site visits.

<sup>17</sup>Composition of CCM Oversight Committee, established Feb 2nd, 2011

- h) Overall, the body of elected OC members should have access to the following spectrum of expert knowledge and skills:
- management, monitoring and evaluation of HIV / AIDS, tuberculosis and malaria programs, including those donor-funded
  - familiarity with strategies for ensuring access to services and advocacy of interests of target groups
  - understanding current epidemiology of HIV / AIDS, malaria and tuberculosis
  - knowledge and mastering of communication strategies and methodologies
  - financial planning and management
  - procurement and supply management
- i) Members of the OC are selected for a period of two years with an annual rotation of at least 30% of the permanent members of the Oversight Committee. The empowerments of the OC members may be terminated:
- due to expiration of their term in office,
  - on the members' own request,
  - due to the revocation of a member's empowerments by the general meeting of the ACCM.
- j) Empowerments of the OC members, whose term of office has expired, are preserved until the next general ACCM meeting (ordinary or extraordinary) held after such expiration, during which meeting election of new OC members should be held. If within three months after the expiry of the term of office of an OC member such a meeting was not held, or if at a meeting held no new OC members were elected (to replace those with expired empowerments) or existing members re-elected, the empowerments of those OC members with expired term of office are terminated anyway.
- k) Re-election of existing members is carried on a general basis.
- l) Control over the OC members' term of office timeline is performed by the ACCM Secretariat.
- m) The Chair of the OC is elected out of current members of the OC by a simple majority vote during either the first meeting of the newly created OC, or during the next meeting after the expiration or termination of empowerments of the previous coordinator. If the Chair of the Executive Committee is a male, the Chair of the Oversight Committee must be female.

- n) The OC Chair is elected for a two year period with possibility of re-election for another term via general procedure of OC members' re-election for the next term.
- o) The OC will report directly to the Executive Committee.

### 3. OC ACTIVITIES

#### 3.1 Roles and responsibilities

The Oversight Committee shall be responsible for providing financial, managerial, and programmatic oversight of the Global Fund grants, according to the functions delegated to it by the Afghan CCM. As part of the performance of its oversight responsibilities on behalf of the full ACCM, the OC:

- Collects and analyzes relevant information,
- Organizes and carries out oversight visits to headquarters, divisions, departments and other structural units of the PR(s), SR(s) and their partners that implement the Program of the Global Fund grant.
  - Identifies additional ACCM members, PR representatives, and external technical experts as needed to participate on the oversight teams.
- Holds meetings, as needed, with senior officials of the PR(s), SR(s) and their partners that implement the program of the Global Fund grant, as well as with representatives of target groups, beneficiaries of Programs funded through the Global Fund grants.
- Identify cross-cutting challenges, lessons learned, and best practices across diseases and grants.
- Investigates and verifies information on any signs of flagging performance and problems **as assigned by the ACCM**, as well as supports problem-solving efforts by reviewing and verifying, for further investigation, reports on indications of any mismanagement, problems, or suspected violations arising in the implementation of Global Fund programs based on:
  - Progress reports and other grant performance documentation;
  - Issues submitted by interested stakeholders;
  - Other specified issues.
- Conducts meetings and/or site visits in order to gather information and verify findings from the above reports when necessary.
- Submits the recommendations from the results of such reviews, meetings, and visits to the ACCM.

- Takes actions as assigned by the ACCM to support problem resolution.
- Monitors the follow-up actions by all concerned parties to address the findings.
- Monitors appropriate and timely use of finances; (systems ensuring transparency and accountability as well as appropriate use)
- Monitors appropriate and timely completion of procurement; and issues related to supply chain management, timely delivery and managing stock-outs etc.
- Tracks achievement of performance targets (according to the approved performance framework)
- Provides inputs into concept note development and grant negotiation as and when required by the ACCM

### **3.2 Oversight Committee Work Plan and Budget**

Assisted by the Secretariat of the ACCM, the Oversight Committee prepares an annual oversight work plan (see Annex 2) and the appropriate timeline, which are then submitted to the ACCM for approval.

In addition, the Oversight Committee develops – with the Secretariat assistance – a budget for oversight activities, which is included into the consolidated ACCM budget for expanded funding. Following the approval of the consolidated budget by the ACCM, the budget is submitted to the Secretariat of the Global Fund to obtain the appropriate funding.

### **3.3 OC Meetings**

The ACCM Oversight Committee holds regular meetings of all its members at least once a quarter. The timing of the OC meetings should take into account the need for the OC to prepare materials for consideration by all the ACCM members. Preferably, this will align with the PU/DR process.

The OC meetings are led by the OC Chair or – in his/her absence, – the Deputy Chair. The Procedure for the Deputy election follows the rule of the Chair election.

An OC meeting is considered to have a quorum when at least fifty percent plus one of the permanent OC members are present at such a meeting.

Decisions at the OC meeting are taken by simple majority (more than 50%) vote of those committee members present at the meeting.

The OC Committee Chair may call extraordinary OC meetings, or meetings of the OC *ad hoc* groups when there is such a necessity, and in consultation with the OC members.

The ACCM secretariat is charged with taking minutes during both regular and extraordinary OC member meetings. Final meeting minutes are sent by e-mail and/or hard copy to all the ACCM members after being approved by the OC Committee and are archived by the ACCM Secretariat.

### **3.4 OC Capacity Building**

- a) Develop capacity of ACCM, oversight committee members and ACCM Secretariat staff on various issues including procurement, financial management and programmatic issues.
- b) Examine experiences of ACCMs in other countries in carrying out the oversight functions and adopt good practices suitable for Afghanistan.
- c) Develop capacity of oversight committee members and ACCM Secretariat staff on various tools to be used for overseeing of the grant implementation and reporting system.

## **4. ASSISTANCE TO OVERSIGHT COMMITTEE ACTIVITIES**

### **4.1 Organizing OC Activities**

Supporting functions for OC activities are performed by the ACCM Secretariat. In particular, the Secretariat will:

- Collect, systematize and store the information necessary for the OC functioning
- Make necessary requests to the Global Fund Secretariat and to the Fund Portfolio Manager, responsible for grants management in Afghanistan.
- Provide logistics for the OC members' oversight visits
- Ensure communication between the OC, PRs and SRs of the GF grants.
- Organize meetings of the ACCM, Conflict of Interest Task Force, Executive Committee, Oversight Committee, and any ad hoc committees as needed.
- Distribute all documentation, including dashboards, if in use, and other performance reports, to the OC and to the ACCM in a timely manner.
- Ensure that the PR submits, PU/DRs, and other documentation to the Secretariat for use by OC members and ACCM in general in accordance with pre-determined timelines.
- Take, distribute, and archive minutes of the Conflict of Interest Task Force, Oversight Committee, Executive Committee, and ACCM meetings.
- Assist in documentation of performance issues arising between routine performance review meetings,

- Archive all performance documentation, including dashboards (if in use), PU/DRs, meeting minutes, and other reports in the appropriate files and as required in the Global Fund guidelines for documentation and communication.
- Include documentation of oversight processes and outcomes on the web site and/or communications
- Carry out other activities to support grant oversight as assigned by the ACCM.

#### **4.2 Financing OC Activities**

The oversight-related costs incurred by the OC permanent members and temporary experts when performing their oversight-related duties, are covered from the ACCM budget.

The list of expenditure line items to be covered as part of such oversight activities is approved at ACCM the ACCM general meeting.

The annual budget for oversight activities is developed jointly by the authorized OC members and the ACCM Secretariat based on the oversight work plan and calendar, and is approved at a general ACCM meeting through general vote.

Report on oversight budget performance is submitted annually by the OC Chair at an ACCM meeting.

### **5. RESULTS OF THE OVERSIGHT COMMITTEE ACTIVITIES**

The ACCM OC presents the results of its activities in the form of quarterly general written reports on the status of the GF grant implementation, wherein the OC members present their conclusions resulting from the study of collected materials and information.

In the event that not all the OC members agree with the conclusions proposed by the majority of the OC members, the written reports may and should contain a separate Minority Report of such disagreeing OC members.

Reports are prepared by the OC members, submitted in writing to the ACCM Secretariat, and presented by the OC Chair at the next ACCM general meeting. Declared at the ACCM meeting shall be both the main OC findings, and the Minority Report, should one exist.

Issues identified by the OC in implementing the Global Fund grants are grouped into separate sections of the written report, which set out

- Definition of the discovered problem
- The PR management's point of view regarding the discovered problem

- The root causes of the identified problems as understood by the OC (followed, if necessary, by a special opinion of dissenting OC members)
- The list of measures, if any, that either have been or are being taken already by the PR management to address the causes and remedy the situation
- Proposals by the OC to eliminate the causes of the problems, or provide technical assistance for the PR to resolve the issue with implementing the GF grant (followed, if necessary, by a special opinion of the dissenting OC members)