



**Conflict of Interest Policy (CoI)**  
**Millennium Foundation Kosovo**

**February 2019**

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## MFK CONFLICT OF INTEREST POLICY PACKAGE

### 1. PLAIN LANGUAGE- CONFLICT OF INTEREST RULES FOR MFK EMPLOYEES, OFFICERS, BOARD MEMBERS, ADVISORS

These “Plain Language” rules are merely illustrative of the type of circumstances that either cause or result in a conflict of interest, and should not be relied upon to determine whether a conflict exists, as the MFK COI Policy is the determinative document for examining the existence or potential for a conflict of interest.

**1.1 Misuse of office.** A misuse of office may arise if you take any action or fail to take any action in your capacity as an MFK director, officer, employee, agent, representative, volunteer, or member of a stakeholders’ committee if doing so might financially benefit --

- (a) you;
- (b) your Immediate Family;
- (c) any person or entity for which you are an attorney, agent, broker, employee, officer, director, trustee, or consultant, or anyone else with whom you share a personal or pecuniary interest or a fiduciary relationship;
- (d) any person or entity with which you have a relationship;
- (e) any person or entity with which you had a financial relationship during the previous twelve months; or
- (f) any person or entity from which you received a gift, or any goods or services for less than fair market value, during the previous twelve months; or

**1.2 Gifts.** You request or receive any single gift valued at more than €20, or multiple gifts whose cumulative value exceeds €50 within a calendar year from anyone that you know or should know is doing business with the MFK.

**1.3 Gratuities.** You request or receive of anything from any person or entity other than the MFK for doing your MFK job.

**1.4 Appearances and representation.** You receive anything from any person or entity other than the MFK to communicate with any agency or department of the government of [country name] or to represent any person or entity in a matter that involves the government of [country].

**1.5 Future employment.** You discuss or negotiate your possible future employment with anyone that is doing business with the MFK.

**1.6 Inducement of others.** Any effort that induces an MFK director, officer, employee, agent, representative, volunteer, or member of a stakeholders’ committee to do anything that would violate any one of these rules.

**1.7 Prohibited outside positions.** Acting as a paid attorney, agent, broker, employee, officer, director, trustee, or consultant for any person or entity that you know, or should reasonably know, is doing business or seeking to do business with the MFK.

**1.8 Prohibited ownership interests.** You, your spouse and any of your children under 18 years of age possess a financial interest in any part of a business or entity that does business with the MFK.

**1.9 Disclosure.** The failure to disclose to the MFK any circumstance that presents a possible COI.

## **2. MFK CONFLICTS-OF-INTEREST-POLICY FREQUENTLY ASKED QUESTIONS**

### ***2.1 What is the Purpose of the Conflicts of Interest Policy?***

The Policy is designed to ensure that an MFK director, officer, employee, agent, representative, volunteer, or member of a stakeholders' committee always acts in the best interest of the MFK, and to protect against an alternative or conflicting financial, commercial, family, private or other interest interfering with the implementation benefits of the Threshold program.

***2.2 Who adopted the Conflicts of Interest Policy?*** The Policy was finalized by MFK senior management and adopted by the MFK's Board of Directors.

### ***2.3 Why does MFK have a conflict of interest policy?***

MFK has a policy to make sure that no MFK director, officer, employee, agent, representative, volunteer, or member of a stakeholders' committee:

- Uses his or her position with the MFK for private gain.
- Gives preferential treatment to any person or firm.
- Loses independence or impartiality in making decisions for or on behalf of the MFK, thereby causing a risk to achieving the Threshold's goals and objectives.
- Creates the perception of a conflict, thereby damaging the reputation of the Threshold and the MFK.

### ***2.4 Why have you created the Conflicts of Interest Acknowledgment, Disclosure Form, and Checklist?***

Each MFK director, officer, employee, agent, representative, volunteer, or member of a stakeholders' committee is required to disclose either to the Board or the MFK Chief Executive Officer and the MCC Resident Country Director any actual, potential, or apparent conflict under the Policy. Disclosure permits the MFK to respond to, advise on, and either eliminate or adequately mitigate a conflict. Failure to disclose a potential conflict increases the risk that the conflict will harm the MFK and the Threshold program. To assist each MFK director, officer, employee, agent, representative, volunteer, or member of a stakeholders' committee understand the circumstances that should be reported, the MFK has adopted a checklist for each individual to complete when commencing their professional relationship with the MFK, and annually thereafter. There are no correct or incorrect answers. It is always better to report even if you are not sure if there is a conflict.

### ***2.5 What happens if I have a conflict?***

There is a process in the Policy for what to do next. Once you report the conflict, the MFK legal advisor's office will review the disclosure and share with the legal advisors at MCC. Then, they will let you know how to resolve or mitigate a conflict, if such exists. Most of the time, MCC and MFK will agree on a process to be sure that the actual conflict does not arise, and to protect against

the harmful effects of perceived conflicts. This response will be recommended by MFK’s legal advisors and approved by MCC and MFK.

***2.6 If I have questions about whether I have a conflict, whom can I contact?***

If you have questions, you can always ask MFK’s legal advisor for assistance, which inquiries will be maintained confidential and disclosed only as permitted under the MFK COI Policy.

**3. MFK CONFLICT OF INTEREST POLICY**

This Conflict of Interest Policy is developed in accordance with Article 6 paragraph 1 of the Statute of Millennium Foundation of Kosovo approved by the Board of Directors of MFK on the first meeting held on (date to be provided) and MCC’s Guidelines for Accountable Entities and Implementation Structures.

**3.1 Policy Statement and Purpose**

As a public institution serving the Republic of Kosovo, the Millennium Foundation Kosovo (“MFK”) occupies a position of trust. It also recognizes that the public has the right to expect that each MFK director, officer, employee, agent, representative, volunteer, or member of a stakeholders’ committee places the interests of the MFK as paramount to its own when taking actions or making decisions on behalf of MFK, and that they will not be affected by self-interest or personal gain. Conflicts between the MFK’s interests and personal or private interests of those associated with MFK, if not appropriately and effectively handled, can undermine this public trust.

All persons associated with MFK need to recognize that both actual and apparent conflicts of interest sometime occur in the course of conducting the affairs of MFK. It is equally important to appreciate that even the appearance of a conflict of interest can cause harm to the transparent nature of MFK’s activities and to its reputation even if no conflict in fact exists.

Individuals associated with MFK include leaders in government, civil society and the private sector with multiple affiliations and interests. While this experience represents a valuable resource to assist MFK to achieve its objectives, it also creates the likelihood that conflicts of interest, whether actual, potential or apparent, will arise from time to time.

For these reasons, it is crucial that MFK ensure that any personal or private interests that conflict with the MFK’s activities or interests are identified and managed effectively. Accordingly, MFK is committed to transparently managing any actual, potential, or apparent conflicts of interest that may arise in the course of conducting the affairs of MFK.

The general purpose of the policies and procedures outlined in this document (this “Conflicts of Interest Policy” or “Policy”) is:

- To protect and preserve the integrity of the internal decision-making processes of MFK;
- To prevent the personal interests of members of MFK’s Board of Directors, officer, employee, agent, representative, volunteer, or member of a stakeholders’ committee from compromising the performance of their duties to MFK; and

- To ensure those individuals, or their family members or associates, do not obtain personal financial, professional or political gain at the expense of MFK, its stakeholders or the Millennium Challenge Corporation (“MCC”).

This Policy is intended to comply with any current and future legislation, as well as applicable laws in Kosovo, on the subject matter.

Conflicts of interest may not always be obvious. Such may be complex or nuanced. Each person or entity covered by this Policy should err in favor of disclosure, mindful that such may only enhance the reputation of MFK and protect the viability of its mission.

### **3. 2 Applicability and Effectiveness**

This Policy applies to all Covered Persons as defined below and shall become effective on the date it is approved by the Board of Directors of MFK and MCC.

## **4. DEFINITIONS**

The following terms used under this Policy shall have the meaning as given under each definition. Whereas capitalized terms used but not defined in this Policy have the meanings given to them in the Threshold Agreement.

**“Acknowledgement”** means the acknowledgement and declaration form attached to this Policy as Appendix II.

**“Board of Directors”** means the Board of Directors of MFK;

**“CEO”** means Chief Executive Officer of MFK;

**“Conflict of Interest”** means an actual, potential or apparent conflict between (a) the responsibilities of a Covered Person in connection with their duties to MFK on the one hand, and on the other hand either

- a) the private interests of the Covered Person, his or her Immediate Family or members of his or her household, his or her business associates, or any person or organization with whom a Covered Person is negotiating, or has any arrangement concerning, prospective employment (**“Personal Conflict of Interest”**), or
- b) the interests of the Covered Person via any organizations with which the Covered Person is associated as a result of his or her employment or appointment as board member or any similar institutional association (**“Institutional Conflict of Interest”**).

Examples of a **“Personal Conflict of Interest”** include, but are not limited to, the following:

1. a Covered Person or a member of his or her immediate family or household, or any organization with whom any such person has a business or professional affiliation, seeks

to participate in a transaction with MFK or directly or indirectly stands to benefit (or may potentially benefit) from MCC Funding or a transaction involving MFK.

2. a Covered Person or a member of his or her immediate family or household, or any organization with whom any such person is affiliated, receives a payment, gift, other gratuity or benefit or offer of employment from any source (other than MFK) that directly or indirectly stands to benefit (or may potentially benefit) from MCC Funding or a transaction involving MFK or
3. a Covered Person is related to another Covered Person by blood, marriage, or domestic partnership.

An example of an ***“Institutional Conflict of Interest”*** includes, but is not limited to, the following:

An organization where a Covered Person is associated as Board Member, officer or employee seeks to participate in a transaction with MFK, or directly or indirectly stands to benefit or may potentially benefit (thereby imputing a benefit to the Covered Person), from MCC Funding or a transaction involving the MFK.

***“Covered Person”*** means each (a) member of the Board of Directors; (b) each Key Staff, employee, consultant, contractor, agent, representative or volunteer engaged by or providing services to MFK; and (c) each member of any MFK Stakeholder Committee; *provided* that MCC and its employees, consultants, contractors, agents or other representatives, including the MCC representative on the Board of Directors, are not considered Covered Persons for purposes of this Conflicts of Interest Policy.

***“Immediate Family”*** means a spouse, children, parents, grandparents, grandsons, granddaughters, siblings, their children and spouses and immediate in-law family members (parents in law, brothers and sisters in law and their children);

***“Key Staff”*** has the meaning provided in the MCC Accountable Entity Guidelines.

***“Millennium Foundation Kosovo”*** or ***“MFK”*** means a local foundation organized and registered pursuant to the Threshold Agreement between Government of Republic of Kosovo, acting through the President of the Republic of Kosovo, and United States of America, acting through the Millennium Challenge Corporation (***“MCC”***), signed and ratified on 12th of September 2017 and Law No. 04/L – 057 on Freedom of Association in Non-Governmental Organizations;

***“MCC Accountable Entity Guidelines”*** means the “Guidelines for Accountable Entities and Implementation Structures” furnished to MFK by MCC, which may be found on the MCC Website, as amended from time to time.

***“Threshold Agreement”*** means the Threshold Program Grant Agreement entered by and between the Republic of Kosovo acting through the President of the Republic of Kosovo (the ***“Government”***), and the United States of America, acting through the Millennium Challenge Corporation (***“MCC”***), signed on September 12, 2017.

## **5. PROHIBITED ACTIVITIES**

5.1 No Covered Person shall participate in the selection, award, administration, oversight or implementation of a contract, grant or other benefit or transaction funded in whole or in part (directly or indirectly) by MFK with MCC Funding, in relation to which the Covered Person has a Conflict of Interest, unless:

- i. such Covered Person has first declared and fully disclosed the Conflict of Interest and otherwise complied with the procedures set out in Section 5 of this Policy; and
- ii. such Conflict of Interest has been eliminated, mitigated or otherwise resolved in accordance with the procedures set out in Section 5 of this Policy.

5.2 No Covered Person involved in the selection, award, administration, oversight or implementation of any contract, grant or other benefit or transaction funded in whole or in part (directly or indirectly) by MFK or with MCC Funding, shall:

- i. solicit, accept from or offer to a third party or seek or be promised (directly or indirectly) for himself or herself or for another person or entity, any payment, gift, gratuity, favor or other benefit of any kind or nature, other than items which are of de minimis value and are otherwise consistent with such guidance as the Board of Directors or MCC may provide from time to time; or
- ii. engage in any activity which is or gives the appearance of being a Conflict of Interest.

5.3 Any payment, gift, gratuity or other benefit that cannot be courteously declined or returned shall be delivered to MFK for charitable disposition or such other disposition as the Board of Directors and MCC deem appropriate.

5.4 No Covered Person shall use MFK inside information for personal benefit.

## **6. DUTIES OF COVERED PERSONS RELATING TO CONFLICTS OF INTEREST**

Each Covered Person, when acting in his or her capacity as a member of the Board of Directors or a member of any Committee, or as an officer, employee, agent, consultant, contractor, representative or volunteer of MFK, as the case may be, shall:

- i. act with a duty of undivided loyalty to MFK and exercise his or her duties solely in accordance with the best interests of MFK and the successful and proper implementation of the Threshold, placing the interests of MFK above his or her personal interests or the interests of any other individual or any other organization with which the Covered Person is associated;
- ii. not undertake any action that is contrary to the interests of MFK or which would or could reasonably be expected to result in direct or indirect personal gain or a Conflict of Interest;

- iii. as promptly as possible, disclose any actual, potential or apparent Conflict of Interest in accordance with the procedures set out in Section 5 of this Policy;
- iv. not disclose confidential information acquired in connection with his or her capacity as a member of the Board of Directors or a member of any Committee or as an officer, employee, agent, consultant, contractor, representative of MFK;
- v. not disclose information the disclosure of which might be averse to the interests of MFK; and
- vi. not disclose or use information relating to the business of MFK for the personal profit or advantage of himself or herself, members of his or her family or household, his or her business associates or any organization with which he or any of the foregoing individuals is associated with.

## **7. PROCEDURES TO BE FOLLOWED RELATING TO CONFLICTS OF INTEREST**

### **7.1 Disclosure for Non-Board Members**

- i. Each Covered Person (except a director of the MFK Board of Directors and the Chief Executive Officer), shall make, as promptly as possible, a full disclosure in writing of any and all actual, potential, or apparent Conflicts of Interest to the Chief Executive Officer. The Covered Person may be asked to submit a detailed report of the Conflict of Interest using the attached template. If the matter is the subject of action by the Board of Directors or any committee of the Board, or involves any member of the Board or the Chief Executive Officer of MFK, the disclosure will be made to the Chairperson of the Board of Directors;
- ii. A Covered Person who is present at a meeting or discussion during which a matter is raised which may give rise to a Conflict of Interest and before the Covered Person is able to disclose the conflict in writing pursuant to paragraph (1) above, shall disclose the Conflict of Interest orally and immediately recuse himself or herself from the meeting or discussion. Such disclosure shall be recorded in the minutes of the meeting or discussion, if applicable. Such Covered Person shall then promptly provide a written disclosure of the Conflict of Interest as required by paragraph (1) above;
- iii. Following disclosure of a Conflict of Interest, the Chief Executive Officer shall consult with MCC's Country Director for Kosovo, and the two shall determine whether a Conflict of Interest exists, and if so, the Chief Executive Officer, with MCC's input and approval, shall pursue any action deemed necessary to address the conflict and protect the MFK's best interests. Any determination as to whether a Conflict of Interest exists and any resolution thereof made by the Chief Executive Officer will be reported to the Board of Directors at its next meeting, including a report of the nature of the conflict and the manner in which it was resolved;

- iv. A Covered Person that has or may have a Conflict of Interest shall not participate in any discussion, deliberation or decision-making in any stakeholders/advisory committee or the management unit of MFK, or any committee or subcommittee thereof, in which the matter giving rise to the Conflict of Interest is being considered. However, such Covered Person may be present to provide clarifying information in such discussion or deliberation if requested by a majority of the disinterested members of such stakeholders/advisory committee or the management unit of MFK, or any committee or subcommittee thereof, as applicable;
- v. Any member of any stakeholders/advisory committee who is considering employment with MFK must take a temporary leave of absence from his or her position on such stakeholders/advisory committee, as the case may be, until the position is filled.

## **7.2 Disclosure for Board Members and the Chief Executive Officer**

- i. Each MFK Board member or Chief Executive Officer shall make, as promptly as possible, a full disclosure in writing of any and all actual, potential, or apparent Conflicts of Interest to the Chairperson of the Board of Directors, directly or via the Secretary to the Board. The Covered Person may be asked to submit a detailed report of the Conflict of Interest using the attached template. The Chairperson shall arrange immediately thereafter for the disclosure of the Conflict of Interest to the MCC Country Director for Kosovo;
- ii. If the Conflict of Interest involves the Chairperson of the Board of Directors, such written notice shall be delivered to the Chief Executive Officer and to the MCC Country Director for Kosovo;
- iii. Following disclosure of a Conflict of Interest, the Board of Directors (excluding the individual who has the Conflict of Interest) and MCC Country Director for Kosovo shall determine whether a Conflict of Interest exists and, if so, the Board, with MCC's input and approval, shall discuss and vote to authorize or reject the transaction or take any other action deemed necessary to remove or best mitigate the Conflict of Interest in a way that defers to the MFK's best interests;
- iv. Any decision-making by the Board of Directors shall be by a majority vote of the voting members of the Board of Directors without counting the vote of any Covered Person who has such Conflict of Interest, even if the disinterested voting members are less than a quorum, provided that at least one consenting voting member of the Board of Directors is disinterested;
- v. A Covered Person that has or may have a Conflict of Interest shall not participate in any discussion, deliberation or debate of the Board of Directors, in which the matter giving rise to the Conflict of Interest is being considered or voted upon. However, such Covered Person may be present to provide clarifying information in such a discussion, deliberation or debate if requested by a majority of the disinterested members of the Board of Directors;

- vi. Any member of the Board of Directors who is considering employment with MFK must take a temporary leave of absence from his or her position on the Board of Directors, as the case may be, until that position is filled.

### **7.3 Acknowledgement of Policy**

- i. A copy of this Conflicts of Interest Policy shall be given to each Covered Person upon commencement of such person's relationship with MFK or upon the official adoption of this policy;
- ii. Each Covered Person shall sign and date an Acknowledgement at the beginning of his or her term of employment or service with MFK or upon the official adoption of this Conflicts of Interest Policy;
- iii. Each Covered Person shall thereafter sign and date an Acknowledgement on an annual basis;
- iv. The annual acknowledgement requirement does not relieve any Covered Person of his or her obligation to disclose as promptly as possible any matter as required under this Conflicts of Interest Policy;
- v. Failure to sign an Acknowledgement does not nullify this Conflicts of Interest Policy or otherwise limit its application to any Covered Person.

### **7.4 Use of Information Disclosed under Policy**

7.4.1 Decisions regarding the mitigation of actual, potential, or apparent Conflicts of Interest will be made jointly and documented by the MFK Chief Executive Officer and the MCC Country Director for Kosovo; or, in cases involving the MFK Chief Executive Officer or members of the MFK Board of Directors, by the MFK Board of Directors (excluding the individual who has the Conflict of Interest) and the MCC Country Director for Kosovo.

- i. Decisions regarding the mitigation of actual, potential, or apparent Conflicts of Interest will be made taking a number of factors into account. These factors include, but are not limited to:
  - the extent to which a Covered Person would obtain a financial benefit from the transaction or arrangement giving rise to the Conflict of Interest;
  - the extent to which a Covered Person can be removed from decision-making processes (including procurement, award, and management of contracts) pertaining to the Conflict of Interest so as to remove the actual Conflict of Interest; and
  - the reputational risk of the apparent or perceived Conflict of Interest;

- ii. The MFK Legal Advisor will create and maintain a consolidated record of all business and financial interests in firms disclosed by all Covered Persons. An edited version of the record which lists only the firm names shall be provided to the MFK Procurement Manager to check against the list of vendors doing business with MFK (past, current, and pending). The MFK Procurement Manager will inform the MFK Legal Advisor of any overlap for discussion with the MFK Chief Executive Officer, the MCC Country Director for Kosovo, and/or the individual in question, if the actual, potential, or apparent Conflicts of Interest have not previously been reported and/or mitigating actions have not yet been taken.
- iii. This review process does not relieve any Covered Person of his or her obligation to disclose as promptly as possible any matter as required under this Conflicts of Interest Policy.

### **7.5 Non-Compliance with Policy**

Failure to comply with this Policy may result in disciplinary action ranging from notice to discontinue a specific activity to termination of employment in the case of any employee or resignation from the Board or stakeholder committee in the case of a member of the Board of Directors or a stakeholder committee, even if he or she does not actually benefit from a transaction or contract.

- i. If the Board of Directors or the Management Unit of MFK has reasonable cause to believe that a Covered Person has failed to declare a Conflict of Interest, it shall inform such Covered Person the basis for such belief and afford the Covered Person an opportunity to explain the alleged failure to declare the Conflict of Interest.
- ii. If, after hearing the Covered Person's response and after making further investigation as warranted by the circumstances, the Board of Directors or the Management Unit of MFK, as applicable, concludes that the Covered Person failed to disclose a Conflict of Interest, the Board or Management Unit of MFK, in consultation with MCC, shall take appropriate disciplinary and/or corrective action as deemed fit. Such disciplinary and/or corrective action may include: discontinuance of a specific activity connected to the undeclared Conflict of Interest; ii) issuance of a warning; iii) suspension; iv) termination of engagement or employment; v) demand for the resignation, or removal, from the MFK Board of Directors or any Board Committee as applicable.

### **7.6 Record-Keeping and Point of Contact**

All determinations as to whether a Conflict of Interest exists and any plans developed to resolve or mitigate any such Conflict of Interest, whether taken by the Board of Directors or Chief Executive Officer, shall be properly documented in the form of a Conflicts of Interest Decision Memo signed by the MFK Chief Executive Officer and the MCC Country Director for Kosovo.

While Board decisions shall be reflected in the minutes of the meetings, all other decisions will be considered confidential and will not be publicly released unless required by local or international legal authorities or by the best interests of MFK or MCC, subject to MCC's no-objection.

All such documentation shall be maintained by the MFK Legal Advisor, as well as all signed Acknowledgements and copies of all written disclosures of Conflicts of Interest made under Section V. In addition, the MFK Legal Advisor shall serve as the point of contact for any questions or information regarding the application or meaning of this Policy.

### **7.7 Review of Policy**

This Policy shall be reviewed annually by the Board of Directors to ensure that it meets the requirements of applicable law and the needs of MFK. Any changes to the Policy shall be communicated immediately to all Covered Persons.

Date of approval by the Board of Directors of MFK: **February 28, 2019**

**APPENDIX I**

**ACKNOWLEDGEMENT AND ANNUAL DECLARATION FORM**

This acknowledgement and declaration form (“this Acknowledgement”) must be filed annually by each Covered Person, as defined in the MFK Conflicts of Interest Policy, approved by its Board of Directors on [date] (“the Conflicts of Interest Policy”). Capitalized terms used in this Acknowledgement have the meanings given to them in the Conflicts of Interest Policy.

I \_\_\_\_\_ have received and carefully read the Conflicts of Interest Policy and have considered not only the literal expression of the policy, but also its intent. By signing this Acknowledgement, I hereby confirm that I understand the contents of, and my responsibilities under, the Conflicts of Interest Policy and affirm that I agree to comply with the Conflicts of Interest Policy.

If any situation should arise in the future that I think could potentially involve a Conflict of Interest, I will promptly declare and fully disclose the circumstances thereof in writing to the Chairperson of the Board of MFK, the Chief Executive Officer of MFK or the MCC Country Director for Kosovo, as applicable, as required by the Conflicts of Interest Policy.

As of the date of this Acknowledgement:

I have no actual, potential, or apparent Conflict of Interest to report.

I have the following Conflict(s) of Interest to report (please specify- use the checklist in Appendix III to help identify potential conflicts):

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Signature:

Printed name:

Date:

## APPENDIX II

### MFK CONFLICTS OF INTEREST CHECKLIST

1. Does anyone in your family or household work for (or intern for) MFK?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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2. Does anyone in your family or household work for or is associated with a contractor, consultant or firm contracted to provide works, a good or service to the MFK? This includes a family member or household member who has a financial interest in the contractor, consultant or firm.

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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3. Does anyone in your family or household derive a benefit from or have a financial interest in a contractor, consultant or firm contracted to provide works, a good or service to the MFK?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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4. Have you been promised any future work by a contractor, consultant or firm contracted by MFK?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
-----	--------------------------	----	--------------------------

5. Are you currently serving in any elected or appointed position outside of MFK?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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6. Does any decision you make in your duty as an employee of MFK also affect your personal financial or other interests (such as political interests) outside of MFK? For example, do you own land in a project area?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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7. Have you had any current or past relationship, affiliation or association with a contractor, consultant or firm engaged by MFK outside of your MFK duties?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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8. Do you receive any money separate from your MFK salary for other jobs or obligations?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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9. Have you ever received a gift or gifts from a contractor, consultant or firm engaged by, has requested to be engaged, or is soon to be likely will be engaged by MFK? This includes monetary gifts, invitations to special events, dinners, entertainment (concerts or sporting events), trips, preferential pricing on personal goods or services, promises of employment for you, a member of your family or household, or friends or associates.

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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10. Do you have any questions about this checklist?

Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
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## ANNEX III

### DETAILED DECLARATION OF ACTUAL, POTENTIAL, OR APPARENT CONFLICT OF INTEREST – SAMPLE

Date: February XX, 2019

To: MFK Chief Executive Officer

From: MFK Procurement Manager

RE: Declaration of Actual, Potential, or Apparent Conflict of Interest

**Conflict of interest:** It has come to my attention that the consulting engineering firm *XYZ Consulting* participated in the bidding for the Consultant Services Contract for the Design and Supervision of the *Rehabilitation of District Heating System, MFK/RFP/R1.1*. I wish to declare a conflict of interest. My daughter, *Nora Gashi*, is in the employ of *XYZ Consulting* as a *legal consultant*. She is not a partner in the business and was not named as a member of the key personnel in their offer.

**Suggested mitigation:** I wish to declare that I will not actively participate in the selection process or attempt to influence the Technical Evaluation Panel for this procurement in any manner. I recuse myself from participating in the Technical Evaluation Panel, giving advice to the Technical Evaluation Panel members, and reviewing the Technical Evaluation Report and Proposed Award. I will furthermore fully abide by any restrictions in my conduct that may be imposed on me by MFK or MCC regarding this procurement and the management of the resulting contract.

**Extenuating or mitigating circumstances:** I wish to state the following to demonstrate that the potential conflict of interest is either very minimal and/or has been duly mitigated:

#### **Terms of Reference:**

- The Terms of Reference were drafted by the MFK Energy Director with inputs from the XX Director and MCC.
- I had limited input during the packaging of the RFP, which was the responsibility of the MFK Procurement Agent. I did participate in discussions with the MCC Country Director for Kosovo and the MFK Procurement Manager on aspects such as required minimum professional liability and third-party insurance amounts to be specified in the Conditions of Contract.
- I reviewed and submitted the RFP for MCC no-objection via the official channels as per the review matrix in the Procurement rules. The advertisement of the RFP was arranged by the MFK Procurement Manager.
- The Technical Evaluation Panel was selected by the MFK Energy Director from the database of candidates who had responded to a Request for Expression of Interest that had been previously initiated by me. I participated in some discussions regarding the

appropriate experience of some of the candidates with the MFK Energy Director and the MCC Country Director for Kosovo.

**Selection Process:**

- As noted above I have recused myself from the selection process.

**Contract Negotiations and Supervision:**

- Final contract negotiations are unlikely to result in a conflict of interest. Contract negotiations are aimed at clarifying matters such as staff availability, mobilization, and final scope of work and not the material terms and conditions of contract or the payment schedules, which formed the basis of the tender and selection process.
- Contract supervision will mostly be the responsibility of the MFK Energy Director with very minimal input from me in administrative matters.

**ANNEX IV**

**CONFLICT OF INTEREST DECISION MEMO – SAMPLE**

Date: February XX 2019

To: MFK Procurement Manager (Z.Y.)  
Chairperson of MFK Board of Directors  
File (kept by MFK Legal Advisor)

From: MFK Chief Executive Officer

RE: Conflict of Interest Declaration by MFK Procurement Manager

MFK Procurement Manager (H. K.) declared an actual, potential, or apparent conflict of interest pertaining to the Consultant Services Contract for the Design and Supervision of the *Rehabilitation of District Heating System*, MFK/RFP/R1.1. (Copy of memo is attached.)

We agree that the potential conflict of interest in this matter can be mitigated, provided that the following measures are taken:

1. The bid in which XYZ Consulting participated will not be disqualified.
2. MFK Procurement Manager (H.K.) will be recused from the evaluation process of Tender MFK /RFP/R1.1.
3. The Technical Evaluation Panel members will be informed about Mr. H.K.'s recusal from the process.
4. The Technical Evaluation Report and Award Proposal will be reviewed by the MFK Chief Executive Officer, prior to submission to MCC for no objection.
5. In the event of the selection of XYZ Consulting as the successful bidder, the Procurement Manager will not have any consequent role or oversight of this contract, and any consequent review of Contract Modifications and/or Change Orders will be done by the MFK Energy Director and the MFK Procurement Specialist, in consultation with the MFK Legal Advisor.

Accordingly, provided the above procedures are implemented, it has been determined that any actual or apparent conflict of interest has been adequately eliminated or mitigated so as to remove an actual or reputational risk to MFK that may result in damage or harm.

Signed:

MFK Chief Executive Officer