



Conflict of Interest Policy

Title	Conflict of Interest Policy	Version Number	V1.0
		Version Date	1 July 2026
		To be reviewed by	1 July 2028
Authorized by	Maldivian Red Crescent Governing Board	Approval Date	1 July 2026
Applicable To	Governing Board Members, Unit Board Members, Committee Members, Staff, Lead Volunteers, Volunteers, Third Parties		

1. PURPOSE

The Maldivian Red Crescent (MRC) is committed to maintaining the highest standards of integrity, impartiality, and public trust. This Conflict-of-Interest Policy ("the Policy") establishes a clear framework for identifying, disclosing, and managing actual, potential, or perceived conflicts of interest across all levels of the organization.

The Policy is established in accordance with:

- Rules of Procedure, Rule 54 – Whistleblowing and Conflict of Interest, which requires the Governing Board to develop a Conflict-of-Interest Policy and establish procedures to address conflicts of interest across all levels;
- MRC Statutes, Clause 8.5, which requires all governance members to sign a Code of Conduct committing them to disclose and manage conflicts of interest;
- MRC Statutes, Clause 10 – Compliance, Integrity and Dispute Resolution, which establishes the obligation to avoid conflicts of interest and handle actual or possible conflicts of interest appropriately.

This Policy applies to all people who serve or work in any capacity for MRC, including elected governance members, staff, volunteers, and third parties engaging with MRC.

2. SCOPE OF APPLICATION

This Policy applies to all the following, hereinafter collectively referred to as "MRC Personnels":

Category	Includes
Governance Members	Members of the Governing Board, Unit Boards, Complaints Committee, and all ad-hoc and standing committees (whether elected or appointed)
Staff	All MRC employees, whether permanent, fixed-term, part-time, internship, or contractual
Lead Volunteers & Volunteers	People serving in any voluntary capacity, including those in supervisory, leadership, or coordination roles
Third Parties	Vendors, suppliers, contractors, consultants, partner organizations, or any individual or entity entering into a contractual or operational relationship with MRC

3. DEFINITIONS

For the purposes of this Policy, the following definitions apply:

Conflict of Interest: A set of circumstances in which a MRC Personnel's personal, financial, professional, or other interests could improperly influence, or could reasonably be perceived to improperly influence, their judgement, objectivity, or decisions in the performance of their duties to MRC.

Actual Conflict of Interest: A situation where a conflict currently exists between a MRC Personnel's duties to MRC and their private or personal interests.

Potential Conflict of Interest: A situation where a conflict could arise in the future, due to existing circumstances or relationships.

Perceived (Apparent) Conflict of Interest: A situation where a reasonable and objective person would consider that a MRC Personnel's private interests could improperly influence their decisions or actions, even if no actual conflict exists.

Family Member: A spouse, spouse, domestic partner, or intimate partner, parent, sibling, child, in-law, or any other person with whom the MRC Personnel has a close personal relationship that could influence their conduct.

Close Personal Relationship: Includes intimate relationships, close friendships, or other personal associations that may create an expectation of preferential treatment.

Personal Interest: Any financial, professional, political, or other interest-direct or indirect-held by a MRC Personnel or their Family Member, that is separate from their duties to MRC.

Benefit: Any financial gain, personal advantage, service, gift, hospitality, or other form of profit derived from a decision, action, or relationship connected to MRC.

Third Party: Any individual, business, organisation, or other entity external to MRC that provides or seeks to provide goods, services, or other support to MRC.

Recusal: The voluntary withdrawal of a MRC Personnel from any decision-making, discussion, or process in which they have or may have a conflict of interest.

Disclosure: The formal, written declaration by a MRC Personnel of an actual, potential, or perceived conflict of interest.

4. EXAMPLES OF CONFLICTS OF INTEREST

Conflicts of interest at MRC may arise in a variety of situations. The following are illustrative examples and are not exhaustive:

4.1 Governance Members (Elected and Appointed)

- Spouses, domestic partners, or close relatives serving simultaneously on the same Unit Board or Governing Board. While such people may be lawfully elected, the relationship must be declared and managed appropriately.
- A Board member participating in a vote or decision that directly benefits a business, organisation, or initiative in which they or a Family Member holds an interest.

- A governance member using their position to facilitate the appointment, election, or advancement of a Family Member or close associate to any MRC role.
- Procurement of goods or services from a business owned by, or affiliated with, a governance member, including the purchase of refreshments, supplies, or services from a café, shop, or vendor connected to a Board member - without proper disclosure and competitive process.

4.2 Staff

- A staff member's spouse, intimate partner, or close relative serving on a Unit Board or in a volunteer capacity within MRC, in a manner that could influence the staff member's official decisions.
- A staff member involved in the recruitment, performance management, or supervision of a Family Member or close associate.
- A staff member engaging in an intimate or close personal relationship with a volunteer or governance member, where such a relationship could be perceived as creating favoritism, preferential treatment, or undue influence in operational matters.
- A staff member engaging in secondary employment or consultancy work that conflicts with their MRC responsibilities.
- A staff member involved in procurement or vendor selection for a business connected to a Family Member or close associate.

4.3 Lead Volunteers and Volunteers

- A Lead Volunteer in a supervisory or coordination role who assigns tasks, opportunities, or benefits preferentially to Family Members, close friends, or associates under their authority.
- A Lead Volunteer who facilitates or approves expenses, grants, or resources in favour of parties with whom they have a personal relationship.
- A volunteer participating in decisions regarding another volunteer or staff member with whom they have a close personal relationship.

4.4 Third Parties

- A contractor, vendor, or service provider that has a familial, intimate, or financial connection to a MRC Personnel involved in the procurement or contracting decision.
- A partner organisation where a MRC governance member or staff holds a formal or informal role, creating a potential for preferential treatment.

5. OBLIGATIONS OF MRC PERSONNELS

All MRC Personnels have the following obligations under this Policy:

5.1 Duty to Disclose

Every MRC Personnel must promptly disclose any actual, potential, or perceived conflict of interest to the appropriate authority as set out in Section 6. Disclosure must occur:

- Prior to commencing a role, assignment, or duty with MRC, through the completion of the Annual Conflict of Interest Declaration Form (Annex A);
- At the beginning of each calendar year, by renewing the Annual Declaration for continuing members before 31 January
- Immediately, as soon as any new conflict arises or is identified during the course of service, regardless of the time of year.

The obligation to disclose applies regardless of whether the MRC Personnel believes the conflict is minor or unlikely to influence their conduct.

5.2 Duty to Recuse

Where a conflict of interest has been disclosed or is reasonably apparent, the MRC Personnel must:

- Withdraw from any discussion, deliberation, or vote concerning the matter to which the conflict relates;
- Not attempt to influence, directly or indirectly, the decisions of others in relation to the matter;
- Leave any meeting during which the relevant matter is discussed, unless requested to provide factual information only.

5.3 Duty to Avoid

MRC Personnels must not place themselves in situations where a conflict of interest is reasonably foreseeable and avoidable. This includes refraining from:

- Soliciting or accepting gifts, hospitality, or other benefits from Third Parties that could influence their decisions;
- Using MRC resources, information, or their position for personal benefit or the benefit of Family Members or associates;
- Entering into personal business arrangements with MRC vendors, partners, or beneficiaries without prior disclosure and approval.

5.4 Duty of Confidentiality

All MRC Personnels must treat information about declared conflicts of interest as strictly confidential, using it only for the purpose of managing the conflict in accordance with this Policy.



6. DISCLOSURE PROCEDURE

6.1 To Whom to Disclose

MRC Personnel	Discloses To
Governance Members	Governing Board Members to the President. All other board members to their respective Chairperson of the board If related to the President or Chairperson, to be disclosed with the Secretary General
Unit Board Member	Unit Board Chairperson; if the conflict concerns the Chairperson, disclose it to the Secretary General
Staff Member	Secretary General; if the conflict concerns the Secretary General, disclose to the MRC President
Lead Volunteer / Volunteer	Responsible staff supervisor or Unit Board Chairperson
Third Party	Secretary General or designated staff member
Secretary General	President
President	Secretary General

6.2 How to Disclose

All disclosures must be made in writing using the MRC Conflict of Interest Declaration Form (Annex A). Verbal disclosures are not sufficient and must be followed promptly by a written declaration. Where a MRC Personnel is unsure whether a situation constitutes a conflict of interest, they are encouraged to disclose and seek guidance. Disclosures shall be submitted to the designated recipient as early as possible, becoming aware of the conflict. The receiving authority shall provide written acknowledgement of receipt within 3 working days.

6.3 Record-Keeping

Completed Declaration Forms shall be:

- Maintained securely by the Secretariat;
- Retained as a matter of record for a minimum of five (5) years;
- Kept confidential and accessible only at the discretion of the Secretary General
- Management decisions, rationales, and documents should be maintained and kept by the secretariat
- For record keeping purposes, all documents should be forwarded to the Secretary General

7. MANAGEMENT OF CONFLICTS OF INTEREST

Upon receipt of a disclosure, the receiving authority shall review the situation and determine the appropriate course of action. Where the disclosure involves the Secretary General, the disclosure shall be referred to the President for review and determination of appropriate management measures. The President may assume responsibility for managing the matter or designate an appropriate staff member who is free from the identified conflict to handle the matter. Possible management measures include:

- **Recusal:** The MRC Personnel steps back from the relevant discussion, decision, or process.
- **Monitoring:** Where recusal is not necessary, the conflict is noted and the MRC Personnel's conduct is monitored to ensure it does not influence outcomes.
- **Reallocation of Duties:** Reassigning responsibilities to remove the MRC Personnel from the conflict situation.
- **Competitive Process:** Ensuring that any procurement or contracting decision involving a potential conflict is subject to a transparent, competitive, and independently reviewed process.
- **Resignation or Removal from Role:** In serious cases where the conflict cannot otherwise be managed, and where the interests of MRC so require, the MRC Personnel may be asked to resign from the specific role or function.

The receiving authority shall document the decision taken and communicate it to the MRC Personnel within fourteen (14) working days of receipt of the disclosure. Where the matter is complex or contested, it shall be referred to the Governing Board or Complaints Committee as appropriate.

7.1 Special Considerations for Elected Governance Members

The MRC recognizes that elected governance members - including Unit Board members - are chosen through an electoral process and cannot be unilaterally removed solely due to a declared relationship (such as spouses serving on the same Board). In such cases:

- Both persons must fully disclose the relationship at the point of election or appointment and at each annual declaration;
- They must recuse themselves from any decision that could be perceived as providing mutual benefit or advantage;
- Meeting minutes must record their recusal for transparency; Any recusals pertaining to a board decision must be recorded in the meeting minutes for transparency;
- The Governing Board may, at its discretion, issue specific procedural guidance to govern such situations.

7.2 Intimate and Close Personal Relationships

MRC recognises that close personal and intimate relationships between staff members and volunteers, governance members, or other persons over whom the staff member exercises



authority or influence may give rise to real or perceived conflicts of interest, compromise organisational integrity, and undermine the trust placed in MRC personnel. Accordingly, MRC strongly discourages such relationships where a difference in role, authority, or organisational standing exists. This discouragement reflects MRC's commitment to maintaining impartiality, professionalism, and a safe environment for all - particularly volunteers and members who may be in a position of relative vulnerability in relation to staff.

Where a close personal or intimate relationship exists between a staff member and a volunteer, governance member, or other colleague, the staff member must immediately disclose the relationship to the Secretary General. Following disclosure:

- Arrangements shall be made to ensure that neither party has supervisory, evaluative, or operational authority over the other;
- Resource allocation, task assignment, and performance assessment affecting the volunteer or member shall be handled by a different staff member;
- Any perception of favouritism must be proactively mitigated.

7.3 Procurement-Related Conflicts

No MRC Personnel may participate in any procurement or contracting decision where they or a Family Member has a financial, ownership, or employment interest in the vendor, supplier, or contractor. This applies explicitly to:

- Purchase of refreshments, supplies, or services from cafés, shops, or businesses connected to governance members, staff, or their Family Members;
- Engagement of consultants or contractors affiliated with governance members or staff.

All such situations must be disclosed before any procurement process commences. The relevant procurement decision shall be made by a person free of the conflict, and where practicable, subject to competitive quotation or tendering.

8. CONSEQUENCES OF NON-COMPLIANCE

Failure to comply with this Policy is a serious matter and following a review of the case, it may result in:

- Formal disciplinary action for staff, including written warning, suspension, or termination of employment, in accordance with MRC's HR regulations;
- Removal from a committee, working group, or leadership role for volunteers
- Referral to the Governing Board or Complaints Committee for governance members;
- Termination of contract for third parties;
- Referral to relevant authorities where the conduct constitutes a criminal offence or violation of applicable law.

Concealment of a conflict of interest - whether deliberate or through negligence - is considered a more serious breach than the conflict itself. MRC will investigate any suspected concealment with the full weight of applicable procedures.

9. CONFIDENTIALITY AND WHISTLEBLOWER PROTECTION

MRC encourages all MRC Personnels and others to report conflicts of interest in good faith. Persons who make disclosures or raise concerns in good faith shall be protected from retaliation, intimidation, or adverse consequences of any kind, in accordance with MRC's Statutes and Rules of Procedure Rule

All information obtained through the disclosure and management process shall be treated with strict confidentiality and used only for the purpose of managing the declared conflict.

10. POLICY REVIEW

This Policy shall be reviewed at least every two (2) years, or earlier if there are significant changes to MRC's structure, operations, or applicable regulatory requirements. The Secretary General is responsible for initiating the review process and presenting any proposed amendments to the Governing Board for approval.

11. RELATED DOCUMENTS

- MRC Statutes
- MRC Rules of Procedure
- MRC Code of Conduct
- MRC Staff Rules and Regulations
- MRC Finance Manual
- Fundamental Principles of the International Red Cross and Red Crescent Movement

ANNEX A

MALDIVIAN RED CRESCENT ANNUAL CONFLICT OF INTEREST DECLARATION FORM

PART A: PERSONAL DETAILS

Full Name	
Role / Position	
Category	☐ Governing Board Member ☐ Unit Board Member ☐ Committee Member ☐ Staff ☐ Lead Volunteer ☐ Volunteer ☐ Third Party
MRC Unit / Department	
Period of Declaration	From: _____ To: _____
Date of Completion	

PART B: CONFLICT OF INTEREST QUESTIONNAIRE

Please answer each question honestly and to the best of your knowledge. Attach a separate sheet if additional space is needed.

1. Do you or does a Family Member hold a position, ownership interest, or employment in any business, organisation, or entity that provides or may provide goods, services, or funding to MRC?

Note: Include cafés, shops, vendors, NGOs, government bodies, consultancies, etc.

Answer	☐ Yes ☐ No ☐ Not Applicable
If Yes, provide details:	

2. Do you have a Family Member currently serving on any MRC Governing Board, Unit Board, committee, or in a staff or volunteer role?

Note: Include spouses, partners, parents, siblings, children, and other close relatives.

Answer	☐ Yes ☐ No ☐ Not Applicable
If Yes, provide details:	

3. Do you have a close personal or intimate relationship with any MRC staff member, volunteer, governance member, or vendor that could be perceived as creating preferential treatment?

Note: This includes current or recent relationships that may affect your duties.

Answer	☐ Yes ☐ No ☐ Not Applicable
If Yes, provide details:	

4. Are you involved in, or do you have personal influence over, the recruitment, appointment, supervision, evaluation, or promotion of any person with whom you have a Family or close personal relationship within MRC?

Answer	☐ Yes ☐ No ☐ Not Applicable
If Yes, provide details:	

5. Do you or does a Family Member hold a financial interest, directorship, partnership, or consultancy role in any organisation that has or is seeking a contractual relationship with MRC?

Answer	☐ Yes ☐ No ☐ Not Applicable
If Yes, provide details:	

6. Have you or a Family Member received any gift, hospitality, or benefit from a Third Party in connection with your MRC role during the past 12 months?

Note: Exclude token gifts of nominal value (below MVR 500).

Answer	☐ Yes ☐ No ☐ Not Applicable
If Yes, provide details:	

7. Do you hold any secondary employment, consultancy, or advisory role - paid or unpaid - that may conflict with your duties to MRC?

Answer	☐ Yes ☐ No ☐ Not Applicable
If Yes, provide details:	

8. Are you aware of any other actual, potential, or perceived conflict of interest not covered by the above questions?

Answer	☐ Yes ☐ No ☐ Not Applicable
If Yes, provide details:	

PART C: DECLARATION

I declare that the information provided in this form is true, accurate and complete to the best of my knowledge. I understand that it is my ongoing responsibility to update this declaration whenever my circumstances change in a way that may give rise to a new or modified conflict of interest. I acknowledge that concealing a conflict of interest, or providing false information in this declaration, constitutes a serious breach of MRC's policies and may result in disciplinary action.

Signature:

Received By:

Full Name:

Designation:

Date:

Date:

For Official Use Only: Reference Number: _____ Action Taken: _____