

STICHTING OXFAM INTERNATIONAL

RULES OF PROCEDURE

as lastly amended by the Meeting of Executive Directors on 7 October 2014 and as approved by the Board of Supervisors on 15 December 2014

Defined terms not otherwise defined herein shall have the same meaning as set out in the constitution ('statuten') of Stichting Oxfam International as they have lastly been amended on 13 February 2013.

The convening and conduct of meetings of the Board of Supervisors

1. Notice of an Annual Board of Supervisors Meeting must be given to each member of the Board of Supervisors and all Affiliates by the Chair at least thirty (30) calendar days in advance of the date of the annual Board of Supervisors meeting.
2. Additional meetings of the Board of Supervisors may be convened by the Chair or following a request in writing to the Chair by not less than thirty per cent (30%) of the members of the Board of Supervisors and all Affiliates, and following notice to the members of the Board of Supervisors of not less than fifteen (15) calendar days before the date of the requested meeting.
3. Any member of the Board of Supervisors who did not receive notice of a meeting as referred to in Clauses 1. and 2. of these Rules, and who, for this reason, was not present at a meeting, and who disagrees with a resolution of the Board of Supervisors adopted in his or her absence may, within twenty-one (21) calendar days of receiving notification of the resolutions of the Board of Supervisors, request in writing an additional meeting of the Board of Supervisors for the purpose of reconsidering the contested resolution of the Board of Supervisors. Once such a request has been made and until the additional meeting of the Board of Supervisors is held, the implementation of the contested resolution of the Board of Supervisors shall be deferred, excepting when the Board of Supervisors decided that the resolution concerns an urgent matter which affects the interests and reputation of several Oxfam Affiliates and Oxfam International which required measures urgently.
4. Minutes of previous meetings of the Board of Supervisors shall in principle be approved by the Chair before they are circulated to the members of the Board of Supervisors and all Affiliates. The members of the Board of Supervisors shall be requested to approve the minutes of the previous meeting of the Board of Supervisors as an accurate record of that meeting.
5. Points of order shall be examined immediately after they have been notified to the Chair, who may not accept new substantive topics for examination by the meeting. The Chair's decision on a point of order is final.
6. Voting shall normally be by a show of hands, but shall be by secret ballot upon the request of any member of the Board of Supervisors. Blank or spoiled ballot papers shall be deemed not to have been cast. Any dispute regarding a vote for which no

provision has been made either in these Rules or in the Constitution shall be decided by the Chair.

7. Subject to Articles 10f of the Constitution, the Board of Supervisors may consider and adopt resolutions with members of the Board of Supervisors participating by telephone or video conference, provided that:
 - a. due notice has been given to all members of the Board of Supervisors;
 - b. all members of the Board of Supervisors have been given the opportunity to participate in the examination of the resolution;
 - c. all members of the Board of Supervisors have been given the opportunity to vote on the resolution;
 - d. a resolution of the Board of Supervisors thus adopted shall take effect only after a report of the telephone or video conference and the resolution of the Board of Supervisors, signed by the Chair, has been forwarded to the members of the Board of Supervisors and all Affiliates; and
 - e. any resolution of the Board of Supervisors shall be subject to the quorum requirement for participation of fifty per cent (50%) of the members of the Board of Supervisors.
8. If a member of the Board of Supervisors is unable to attend a particular meeting of the Board of Supervisors, another person who is a voting member of the same Affiliate's Board of Supervisors or Trustees may be delegated by the relevant Affiliate to attend the meeting of the Board of Supervisors on its behalf and in place of the member of the Board of Supervisors who is unable to attend, such person shall not be entitled to vote. In advance of any meeting of the Board of Supervisors in which an Affiliate will be represented by a different person than its regular member of the Board of Supervisors, this Affiliate shall notify the Board of Supervisors in writing of the name and function of the person who will represent it at the meeting.
9. Persons other than the members of the Board of Supervisors and the persons mentioned in Clause 8 of these Rules may only attend meetings of the Board of Supervisors upon invitation or with the consent of the Chair. They shall only be allowed to take the floor when invited to do so or with the approval of the Chair; they shall not be entitled to vote.
10. The working language of the Board of Supervisors shall be English; it is, however, understood that the language preference of the representatives of an Affiliate present at meetings of the Board of Supervisors shall be taken into account by having recourse to interpreters and/or translators whenever this is reasonable and feasible.
11. In the event of a conflict of interest between the Foundation and a member or members of the Board of Supervisors, that member or those members of the Board of Supervisors shall at the meeting of the Board of Supervisors abstain from participating in the debate on the issue causing the conflict of interest and shall not take part in the vote on that particular issue, unless the Board of Supervisors

(excluding the member or members affected by the conflict of interest) explicitly decides otherwise.

Office bearers - nominations, elections and terms of office

12.
 - a. The position of Chair will be held by an individual who is not a member of the board of any Affiliate or an employee of any Affiliate. Well in advance of the expiry of the tenure of the incumbent Chair the Board of Supervisors shall establish a selection committee for the purpose of making nominations for the position of Chair, as referred to in Clause 15 below. The Board of Supervisors shall draw up a profile as guidance for the selection committee and seek the advice from the Meeting of Executive Directors on the profile.
 - b. The Board of Supervisors may decide whether the position of Treasurer will be held by a member of the board of an Affiliate or, alternatively, by an individual not related to any Affiliate. In case the Board of Supervisors decides to appoint such independent individual, it may establish a selection committee for the purpose of making nominations for the position of Treasurer, as referred to in Clause 13 below. The Board of Supervisors shall draw up a profile as guidance for the search committee, and seek the advice from the Finance and Audit Committee on the profile.
 - c. The position of Deputy Chair is reserved exclusively to chairperson of the board of an Affiliate. In case the Chair is temporarily prevented from performing his or her duties, he or she may be replaced by the Deputy Chair for a period not exceeding six months. The seat of the Affiliate represented on the Board of Supervisors by the Deputy Chair may be temporarily occupied by another Board member of that Affiliate for the time the Deputy Chair is Acting Chair.
13. Nominations for the positions of Chair, Deputy Chair and Treasurer, accepted by the nominee, shall be received by the Oxfam International Secretariat and forwarded to all members of the Board of Supervisors and all Affiliates not less than twenty-one (21) calendar days before the Annual Board of Supervisors meeting.
14. The Chair, Deputy Chair and Treasurer shall be elected by single transferable vote, whereby each member of the Board of Supervisors entitled to vote marks the ballot paper to indicate his or her order of preference among the candidates. If, on the first ballot, no candidate receives more than fifty per cent (50%) of the first preference votes, the second preferences of the candidate who has the least number of first preference votes shall be added to the number of votes cast for the other candidates and this process shall continue until one candidate attains more than fifty per cent (50%) of the votes cast.
15. The Chair, Deputy Chair and Treasurer shall serve for a term of three (3) years extendible for one further three (3) year term. For the purposes of this rule a year shall mean the period between the day following the last day of one Annual Board of Supervisors meeting and the last day of the next Annual Board of Supervisors meeting (and therefore, may extend for more or fewer days than one calendar year).

The Executive Director of the Foundation

16. a. The Executive Director of the Foundation shall be primarily responsible for ensuring that income, expenditure and cash flow follow the approved budget, and for reporting any significant departures in actual performance to the Board of Supervisors (or to the Board ED-Committee between meetings of the Board of Supervisors).
- b. The Executive Director of the Foundation shall be responsible for ensuring that the decisions of the Board of Supervisors and those of the Meeting of Executive Directors are implemented.
- c. The Executive Director of the Foundation shall be responsible for ensuring that proper books of account and records are kept.

The Executive Director in relation to meetings of the Board of Supervisors

17. The Executive Director of the Foundation shall be responsible for the coordination of the preparation and the servicing of the notices and agendas of all meetings of the Board of Supervisors and of any supporting papers or statements required for the members of the Board of Supervisors, as well as for ensuring that accurate minutes of all meetings of the Board of Supervisors are prepared, agreed and forwarded to all members of the Board of Supervisors.
18. The Executive Director of the Foundation shall normally be in attendance at meetings of the Board of Supervisors, unless the Chair decides otherwise.
19. The Executive Director of the Foundation shall act as teller for any secret ballot of votes for any purpose other than one which affects him/her personally, in which latter case the Chair shall appoint another person as teller.

Convening and conduct of meetings of the Meeting of Executive Directors

20. The Meeting of Executive Directors may be convened by the Executive Director of the Foundation or on the written request of not less than thirty per cent (30%) of the members of the Meeting of Executive Directors to the Executive Director of the Foundation, whereby a delay of not less than fourteen (14) calendar days must be respected between the notice to the members of the Meeting of Executive Directors and the proposed meeting date.
21. Any member of the Meeting of Executive Directors who did not receive notice of a meeting as referred to in Clause 20 of these Rules, and who, for this reason, was not present at a meeting, and who disagrees with a resolution of the Meeting of Executive Directors adopted in his or her absence may, within seven (7) calendar days of receiving notification of the resolutions of the Meeting of Executive Directors, request in writing an additional meeting of the Meeting of Executive Directors for the purpose of reconsidering the contested resolution of the Meeting of Executive Directors. Once such a request has been made and until the additional meeting of the Meeting of Executive Directors is held, the implementation of the contested resolution of the Meeting of Executive Directors shall be deferred.

22. Minutes of previous meetings of the Meeting of Executive Directors shall in principle be approved by the Executive Director of the Foundation before they are circulated to the members of the Meeting of Executive Directors. The members of the Meeting of Executive Directors shall be requested to approve the minutes of the previous meeting as an accurate record of that meeting.
23. Points of order shall be examined immediately after they have been notified to the Executive Director of the Foundation. The Executive Director's decision on a point of order is final.
24. Voting shall normally be by a show of hands, but shall be by secret ballot upon the request of any member of the Meeting of Executive Directors. Blank or spoiled ballot papers shall be deemed not to have been cast. Any dispute regarding a vote for which no provision has been made in either these Rules or in the Constitution shall be decided by the chair of the Meeting.
25. The Meeting of Executive Directors may consider and adopt resolutions with its members participating by telephone or video conference, provided that:
 - a. due notice has been given to all members of the Meeting of Executive Directors;
 - b. all members of the Meeting of Executive Directors have been given the opportunity to participate in the examination of the resolution;
 - c. all members of the Meeting of Executive Directors have been given the opportunity to vote on the resolution of the Meeting of Executive Directors;
 - d. a resolution of the Meeting of Executive Directors thus adopted shall take effect only after a report of the telephone or video conference and the resolution of the Meeting of Executive Directors, signed by the Executive Director of the Foundation, has been forwarded to the members of the Meeting of Executive Directors; and
 - e. any resolution of the Meeting of Executive Directors shall be subject to the quorum requirement for participation of fifty per cent (50%) of the members of the Meeting of Executive Directors.
26. If a member of the Meeting of Executive Directors is unable to attend a particular meeting due to illness or insurmountable travel difficulties, his/her deputy may be delegated by the relevant Affiliate to attend the meeting in his/her place, subject to approval by the Executive Director of the Foundation, such person shall not be entitled to vote.
27. The Meeting of Executive Directors shall use English as its working language.
28. In consideration of Article 12a of the Constitution, the chair of the Meeting of Executive Directors and any two members of the Meeting of Executive Directors will only represent the Foundation if so requested or approved, as the case may be, by the Meeting of Executive Directors.

29. In the event of a conflict of interest between the Foundation and a member of the Meeting of Executive Directors or the Affiliate represented by that member in the Meeting of Executive Directors, that member shall not take part in the vote on that particular issue, unless the Meeting of Executive Directors (excluding the member affected by the conflict of interest) explicitly decides otherwise.
30. The Executive Director of the Foundation shall be responsible for the coordination of the preparation and the servicing of the notices and agendas of all meetings of the Meeting of Executive Directors and of any supporting papers or statements required for its members, as well as for ensuring that accurate minutes of all meetings of the Meeting of Executive Directors are prepared, agreed and forwarded to all its members.
31. The Executive Director of the Foundation shall be the chair of the Meeting of Executive Directors.
32. The Executive Director of the Foundation shall act as teller for any secret ballot of votes for any purpose other than one which affects him/her personally, in which latter case the Executive Director of the Foundation shall appoint another person as teller.

The Oxfam International Secretariat

33. The Executive Director of the Foundation shall work from an Oxfam International Secretariat at such location or locations as shall be decided by the Meeting of Executive Directors, subject to approval by the Board of Supervisors.
34. The Oxfam International Secretariat shall monitor public statements and publications produced by Affiliates. All Affiliates shall keep the Secretariat timely and properly informed about all matters relevant to the policies and the standing of Oxfam International and of other Affiliates.
35. The Oxfam International Secretariat shall open and operate bank accounts in the name of the Foundation. The Meeting of Executive Directors shall designate signatories for the bank accounts within specified financial limits.

Notices

36. Any notice which has a legally binding effect and which has been served by fax, e-mail or other information technology shall be immediately confirmed by registered mail.

The Board-ED Committee

37. a. The members of the Board-ED Committee shall be appointed by the Board of Supervisors. It shall be chaired by the Chair of the Board of Supervisors. The other members are the Deputy Chair, the Treasurer, the chairperson of an Affiliate, two Affiliate Executive Directors and the Executive Director of the Foundation. The chairperson of the Affiliate and the Executive Directors shall be elected by the Board of Supervisors and shall serve for 2 years, once renewable. The Meeting of Executive Directors has the right to nominate the two Executive Directors.

- b. The Board-ED Committee shall meet at least four times a year, either face to face or by telephone or videoconference. It shall:
 - (i) ensure proper mutual information of the Meeting of Executive Directors and the Board of Supervisors;
 - (ii) assist the Board of Supervisors in supervising the functioning of the Oxfam International Secretariat and the Executive Director of the Foundation;
 - (iii) assist the Executive Director of the Foundation in the preparation of meetings of the Board of Supervisors;
 - (iv) assist the Executive Director of the Foundation in preparing potential new affiliates for their accession to the Foundation;
 - (v) advise on the work of other Board of Supervisors Committees;
 - (vi) advise on urgent risk mitigation; and
 - (vii) perform any other tasks delegated to it by the Board of Supervisors.

The Governance Committee

- 38. The Governance Committee is directly accountable to the Board of Supervisors and will advise the Board of Supervisors on measures to ensure effective governance. Accordingly, it will:
 - a. Conduct regular reviews of the performance of the Board of Supervisors, its collective roles and responsibilities and those of its committees; and its relations with the Meeting of the Executive Directors, the Board-ED Committee, the Oxfam International Secretariat, and affiliates;
 - b. Review and advise on practices concerning conflicts of interest, confidentiality and related matters;
 - c. Advise on revisions of the Constitutional documents;
 - d. Support the process of the election of the Board of Supervisors Chair, Deputy Chair and Treasurer;
 - e. Support the induction of the new Board of Supervisors members;
 - f. Support the effective governance of affiliates through the promotion of the Oxfam International Governance Standards;
 - g. Prepare annual reports of the Committee's activities for the Board of Supervisors.

39. The committee shall have a maximum of 6 members, a maximum of 5 of whom shall be appointed by the Board of Supervisors from amongst its members, including the Board of Supervisors' Deputy Chair who shall be an *ex officio* Committee member. An additional member shall be appointed by the Meeting of Executive Directors from amongst its members. All Committee members are appointed for a 3-year term, renewable once.
40. The committee meet in person during annual and extraordinary Board of Supervisors meetings, and have virtual meetings at other points in the year as required. Minutes of meetings shall be circulated to the Board of Supervisors and the Meeting of the Executive Directors.

The Finance and Audit Committee

41. a.
 - (i) The Finance and Audit Committee shall consist of at least three members of the Board of Supervisors and a maximum of two external financial experts. The Board of Supervisors shall also appoint an Affiliate's Executive Director to the Finance and Audit Committee. The Meeting of Executive Directors has the right to nominate this member. The Executive Director of the Foundation and the Oxfam International Director of Operations shall also participate in its meetings.
 - (ii) The Finance and Audit Committee shall be chaired by the Treasurer of the Board of Supervisors.
 - (iii) The Finance and Audit Committee shall meet at least four times a year, usually by means of teleconferences.
 - (iv) Members of the Finance and Audit Committee (with the exception of the Treasurer and the Executive Director of the Foundation) shall serve on the committee for three years, once renewable.
- b. The Finance and Audit Committee shall:
 - (i) review the Foundation's budget, accounts and audits;
 - (ii) monitor the overall financial situation of the Foundation and the Oxfam Affiliates to assess possible risks to the entire Oxfam organization, without, however, taking over an Affiliate's ultimate responsibility for its own financial health;
 - (iii) make recommendations to the Board of Supervisors on the adoption of the annual accounts and on the approval of the budget of the Foundation and make recommendations on the appointment of the auditor;
 - (iv) advise the Board of Supervisors on all financial matters accruing from the Board of Supervisors' tasks;

- (v) advise Affiliates, if and when necessary, on financial policies in order to overcome Affiliates' financial problems which might affect other Affiliates and the financial health and reputation of the entire Oxfam organization;
- (vi) make its agenda and minutes available to the Board of Supervisors, the Meeting of Executive Directors; and
- (vii) carry out any other tasks entrusted to it by the Board of Supervisors.

Contributions to the budget

- 42. a. The Meeting of Executive Directors shall prepare and propose the apportionment formula of Affiliates' contributions, which requires the approval from the Board of Supervisors.
- b. Each Affiliate's contributions shall initially be calculated using the Affiliate's reporting currency, based on 'internal' income as defined in Clause 44.
- c. Affiliates may elect to be invoiced (and pay) in US dollars, euros or pounds sterling.
- d. Where the Affiliate's reporting currency is not the same as the invoicing currency, currency conversion rates shall be the interbank foreign exchange rate on the first day of the contribution period.
- e. Contributions shall normally be due within one (1) month of the start of the contribution period.

However, the Oxfam International Secretariat shall be mindful of cash flow considerations and may propose or agree payment by instalments to optimize the cash flow of Affiliates. In this case, payment terms shall be detailed on the invoice issued to the Affiliate at the start of the financial year. Any subsequent variation in payment terms shall be formally agreed beforehand with the Oxfam International Secretariat under the responsibility of the Executive Director of the Foundation.

- 43. The Meeting of Executive Directors shall have the power to make special arrangements with any Affiliate temporarily unable to meet its financial obligations; such arrangements may include criteria for the reduction of an Affiliate's contributions for any period not exceeding three (3) years. If an Affiliate is unable to resume its full contribution under the apportionment formula after the maximum period of three (3) years for reduced contributions, its eligibility to continue as an Affiliate shall be examined and debated under the mediation procedure below.

Definition of Oxfam International 'Internal' Income

- 44. The following principles underpin the definition of *Internal Income*:
 - *Equity/Consistency* - The definition of *Internal Income* shall be applied by all Affiliates in a uniform way, based on their total income.

- *Simplicity* - *Internal Income* is simple to calculate.
- *Transparency* - The source of the numbers behind the calculation of *Internal Income* is clear and accessible to all Affiliates.
- *Growth* - The definition supports the growth of Oxfam fundraising, whereby one or more Affiliates raise funds to be utilized by other Affiliates.

An Affiliate's *Internal Income* is its total Income as reported in its audited financial statement, adjusted for:

	Adjustment	Action	Notes
a)	Fundraising - costs of sales of trading operations (covers purchased goods and services, created goods and services and donated goods).	Deduct	This would apply, for example, when an Affiliate buys tickets for a concert with a view to reselling them at a higher price.
b)	Donated goods and services used by the Affiliate for operational purposes.	Deduct fair value	Removes items that do not represent cash inflows.
c)	Profit on disposal of capital assets reinvested in replacement assets.	Deduct	
d)	Income from other Affiliates.	Deduct	Prevents double accounting/entry of income transferred between Affiliates by ensuring that the income is only reflected in the internal income of the primary receiving Affiliate.
e)	Institutional Income transferred to another Affiliate.	Deduct	<i>Institutional Income</i> includes - grants received from institutions including governments, multilaterals (for example World Bank) trusts and foundations (for example Gates).
f)	Humanitarian appeals income.	Adjust where cap applies	Where a spike in humanitarian appeals would otherwise cause three year rolling average <i>Internal Income</i> to increase in any one year by more than five per cent (5%), the increase in rolling average <i>Internal Income</i> will be capped at five per cent (5%). Humanitarian appeals include funds raised from institutions and the general public.

Accounts

45. The Board of Supervisors shall at any time have the right to inspect the account books and financial and other records of the Foundation.

The Single Management Structure

46. All programs, whether in a single country or throughout a region, shall be implemented in accordance with the Single Management Agreement (SMA).

Monitoring and dispute mediation

47. On-going monitoring shall be carried out, inter alia through formal deposition of documents by the Affiliates with the Oxfam International Secretariat.
48. In principle, Affiliates shall lodge complaints on the Foundation or on the conduct of any Affiliate in the first place with the Executive Director of the Foundation. The Executive Director shall be entitled to request such further information from any parties to the complaint as may reasonably be required to mediate or resolve the dispute. In relation to the Single Management Structure, however, Affiliates are expected to use in the first place the dispute resolution processes agreed by the Meeting of Executive Directors.
49. In the event of a dispute between Affiliates regarding the meaning, interpretation or alleged violation of the Constitution, the Code of Conduct, the Rules of Procedure, Affiliate Trade Mark Licences, Affiliation Agreements or any other basic document for the government of the Foundation which the Board of Supervisors may adopt, or any disagreement on a matter of principle affecting an Affiliate which arises at a Board of Supervisors' meeting or at a meeting of the Meeting of Executive Directors, the following procedure shall apply:
 - 49.1 The Executive Director of the Foundation shall at an early stage use his/her best endeavours to mediate between the disputing parties before making any formal recommendation;
 - 49.2 If an Affiliate disagrees with a formal recommendation of the Executive Director of the Foundation and gives notice to the Chair of its intention to appeal within twenty-one (21) calendar days from the date on which the formal recommendation was made, the Chair shall either reserve the matter for a decision at the next annual Board of Supervisors meeting or, in case of urgency and at the sole discretion of the Chair, may set up an ad hoc committee to propose a solution or convene an extraordinary meeting of the Board of Supervisors to decide on the matter;
 - 49.3 If an Affiliate disagrees with a decision of the Board of Supervisors and so indicates by giving notice to the Chair within twenty-one (21) calendar days from the date of that decision, the disputing parties may submit the matter to independent arbitration. The arbitrator shall either be a person mutually agreed by the disputing parties within twenty-one (21) calendar days following service of the said notice or, in the absence of agreement, a person appointed by the Chair within fourteen (14) calendar days after the expiry of the period of twenty-one (21) calendar days mentioned above in this paragraph. The decision of the arbitrator shall be final and binding upon the parties and shall include the allocation of the cost of the arbitration in the way the arbitrator sees fit;

- 49.4 In the case of a violation of an agreement, attempts shall always be made to resolve disputes without resorting to sanctions. However, if sanctions become necessary an incremental scale will be adopted which may include monitoring of the offending Affiliate and the appointment by the Board of Supervisors of members of the board of the offending Affiliate for a specified time. The ultimate sanction shall be the expulsion from the Foundation as provided for under Article 22 of the Constitution, with the consequence of the withdrawal of the agreement to use the Name and of the licence to use the Trade Mark.

Member liaison with the Oxfam International Secretariat

50. Each Affiliate shall nominate a staff member who shall be responsible for liaison with the Foundation on Foundation-related matters. Affiliates shall transmit without delay to the Executive Director of the Foundation the name of their liaison officer.

New affiliations

51. All membership criteria as laid down in the Code shall also apply for new affiliates. The Board of Supervisors shall decide on the admission of any new Affiliates after having received a proposal by the Meeting of Executive Directors.
52. New affiliate organizations shall only be developed and/or admitted based on a strategic framework to achieve the objectives of the Foundation. This may be done either by building new affiliate organizations or by negotiating the affiliation of existing agencies.
53. All new applications shall be assessed from a management perspective by the Meeting of Executive Directors in relation to the Foundation's capacity to fully integrate a new Affiliate at any given moment. It shall be the prerogative of the Meeting of Executive Directors to delay on this ground applications which meet all other criteria.
54. The Board of Supervisors shall prioritize those applications with the greatest added value for achieving the Foundation's strategic objectives of influencing the international agenda on issues of global social justice.
55. Furthermore, the Board of Supervisors may delay, reject or prioritize one application over another on the basis of the Foundation's intention to diversify its membership. Applications from organizations from linguistic, cultural or geographical areas which, compared to global patterns, have little or no representation in the Foundation, may be prioritized on the basis of their greater added value to the Foundation's diversity.
56. When accepting the application of a new Affiliate, the Meeting of Executive Directors and the Board of Supervisors should be confident that the applicant conforms to the key characteristics of an existing Affiliate; e.g. that it is a non-governmental organization with a commitment to strive for excellence in the area of poverty alleviation and the struggle against injustice, based on a broad transnational or international experience. It should furthermore be clear that an applicant is prepared and able to comply with the document setting out the Foundation's purpose and beliefs as referred to in the Constitution and the common working principles as set out in the Code of Conduct.

57. The applicant must also commit itself unconditionally to the Single Management Structure. This shall require negotiation of its participation in SMS countries where the global map permits a role, either as a managing, or implementing Affiliate or, when this is not possible, as a contributing Affiliate. The Foundation must provide full support in this process.
58. The process and criteria for organizations applying to join the Foundation shall follow the four phases of exploration, planning, observer and affiliation which form part of the Board of Supervisors' approved global growth strategy.

Grantee relationships

59. When a new Affiliate has been accepted, existing Affiliates should be able to extend into the future existing grantee relationships in the country of the new Affiliate.

However, all Affiliates with grantee relations in their country shall be committed to the SMS framework. In a case where an Affiliate already has grantee relationships in the country of a new Affiliate, new grantee relationships should only be established following consultation with the local Affiliate.

In the case of disagreement, the mediation process referred to above shall be applied. The SMS framework shall aim at finding ways to increase coordination and collaboration between all Affiliates with grantee relationships in a country.