	<b>CHAMROEUN Microfinance Institution</b>	
	CML-SPMCToR-2012/00	<b>SPM Committee Term of Reference</b>
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# Terms of Reference

**Social Performance Management Committee**

## Revision History


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Revision No.	Effective Date	Description of Changes	Ref. No.
00	June 25, 2012	Initially formulation	2012/00

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## I. Purpose

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The Social Performance<sup>1</sup> Management (SPM) Committee is established as a permanent committee of the Board. It has an advisory role to the Board.

The primary function of the SPM Committee is to assist the Board in protecting the institution's social mission while ensuring financial sustainability. The creation of the SPM Committee aims at formalizing the supervision of the achievement of Chamroeun's social mission into governance.

Chamroeun's mission statement is quoted below:

- “1. Assist poor families living in urban depressed areas increase their incomes, overcome unexpected expenses and develop long term projects through the provision of loans, savings and micro insurance services.
2. Help poor microentrepreneurs improve their business skills and self-confidence through the provision of training and business counseling.
3. Support poor families and their relatives with social counseling and referral to relevant organizations.”

## II. Role and Responsibility


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Subject to the powers and duties of the Board, the SPM Committee will perform the following duties:

1. **Mission:** The Committee makes sure that the mission statement is regularly reviewed and ensures that there is a clear understanding and consensus on the mission at all organizational levels. It is also the committee's responsibility to make sure that Chamroeun's mission is translated in the strategy with clear targets and metrics.
2. **Social performance monitoring:** The Committee ensures that social performance concerns are adequately addressed through the governance process, the committee is actively engaged in monitoring the achievement of the institution's mission and the compliance with stated values. It makes sure that the mission is embedded in the institution's operations. The committee reviews, analyses and discusses information on relevant social performance indicators and topics.
3. **Promotion of good practices:** The Committee advises the institution on good practices to further enhance Chamroeun's social performance. It provides Chamroeun with updated information on the main initiatives worldwide in the field of social performance management.

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<sup>1</sup> defined by the Social Performance Task Force as “the effective translation of an institution's mission into practice in line with accepted social values.” <http://sptf.info/hp-what-is-sp>

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### III. Detail

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#### 5.1. Membership

The initial members of the Committee are:

- |                                                            |             |
|------------------------------------------------------------|-------------|
| 1. Mr. Philippe GUICHANDUT, GCAMFF representative          | Chairperson |
| 2. Mr. Raksa PHENG, Chief Operating Officer                | Member      |
| 3. Ms. Eugénie CONSTANCIAS, EdM Social Performance Manager | Member      |
- a. The members of the committee and the Chairperson shall be appointed by the Board of Directors.
  - b. There should be at least one Board member among the members of the Committee. At least one member of the Committee shall have recent and relevant experience in social performance management. The number of members should not be less than three and not more than five.
  - c. The Committee may also invite the CEO and any relevant senior management to attend meetings but they have no right of vote.
  - d. The mandate of members is two (2) years renewable.

#### 5.2. Meeting Frequency


The conduct of meetings will greatly influence the ability of Committee members to achieve the SPM Committee's objectives.

- a. Meetings of the Committee shall be called by the Chairperson of the Committee at the request of any of its members.
- b. Unless otherwise agreed, notice of each meeting confirming the venue, time and date together with an agenda of items to be discussed, shall be forwarded to each member of the Committee and any other person required to attend no later than five working days before the date of the meeting. Supporting papers shall be sent to Committee members and to other attendees as appropriate, at the same time.
- c. Meetings of the Committee will be held as frequently as the Committee considers appropriate, but it will normally meet not less than quarterly before Board meeting.

#### 5.3. Ground Rule

To conduct the SPM Committee's meeting effectively and efficiently, all members of the SPM Committee should comply with ground rules below:

- a. All members should actively and regularly participate in meetings and Committee activities.
- b. All members should complete action items properly and timely as appointed and agreed in the meeting.
- c. Every member is encouraged to contribute ideas and comments to ensure the success of the Committee.

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- d. Discussion is focused on the desired agenda item's outcomes and agreed action items are ensured.
- e. Chairperson should recap and clarify decisions and action items at the end of each agenda item

#### **5.4. Quorum**

- a. The meeting can be conducted with quorum at least 51% of committee members with the presence of the Chairperson.
- b. Voting voice on meeting results is effective in case of 50%+1 voices of all qualified members.

#### **5.5. Minutes**

At the beginning of each committee meeting, the members present agree on who will take notes on discussions and decisions, and prepare the minutes.

- a. Minutes are complete, clear and concise, providing a summary of the issues, outcomes and actions with clear responsibilities and timelines attached.
- b. Draft minutes are provided to the chair at most five working days after meeting for review and approval and then sent to SPM Committee members within two weeks of the meeting.
- c. The minutes of meetings of the Committee shall be circulated to all members of the Committee and the Chairperson of the Board, and made available on request to other members of the Board.
- d. The original meeting minutes must be kept with the Administration Department for documentary and archiving purpose.
- e. The Chairperson should brief the board on significant issues.
- f. The minutes are signed by the Chairperson at the subsequent meeting.

### **IV. Validity**

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- 6.1 These Terms of Reference will be amended according to real situation of operation.
- 6.2 These Terms of Reference are valid for official application from the date of acknowledgment and signature by the Committee members.

**V. Acknowledgement**

<b>No.</b>	<b>Name</b>	<b>Position</b>	<b>Acknowledged and signed</b>
1	Mr. Philippe GUICHANDUT	Chairperson	
2	Mr. Raksa PHENG	Member	
3	Ms. Eugénie CONSTANCIAS	Member	