

ITF ENHANCING HUMAN SECURITY ANTI-CORRUPTION POLICY

The purpose of this anti-corruption policy is to support a behavior characterized by high standards of personal and organizational integrity, both internally and with other external stakeholders (partners). All parties and ITF partners involved in the implementation of ITF projects are expected to follow this anti-corruption and bribery policy and any breach of this policy shall be reported through the ITF complaint mechanism (specified below).

Corruption compromises good governance, sustainable development, democratic process, and fair business practices. Thus fighting corruption strengthens civil society and eliminates social injustice, which is in line with ITF's vision: *"A world free of threats to peace and security, where safety, well-being, prosperity and dignity of individuals and communities is assured."*.

According to Transparency International's Corruption Perception Index, the countries that ITF operates in are among the countries most at risk to corruption in the world. ITF must secure that the funds we manage do not end up in the wrong hands.

ITF is entrusted with funds from a variety of donors and works to secure they are spent correctly and transparently. ITF holds a great responsibility to avoid corruption and secure that the funds are spent correctly toward donors, partners and beneficiaries.

As employees of ITF, we are responsible for upholding and promoting the highest standards of ethical and professional conduct. Working in different countries, sometimes in complicated and difficult situations, among different languages, cultures and religions requires a lot from the employees. Knowledge, respect and common sense are some of the keywords that should be guiding our work.

GENERAL

Corruption is defined as *the misuse of entrusted power for private gain*. Corruption is best known as bribery, fraud, embezzlement and extortion, and some of the examples will be listed in more detail below.

Corruption has many faces. It may be in the form of money or of providing services in order to gain advantages such as favourable treatment, special protection, extra services, or reduced delays. It is important to realise that corruption is not exclusively a matter of money. In certain circumstances, a provision of job, a service, or other favours to an individual may also be construed as corruption. Personal security and safety should never be compromised in order to fully comply with this policy.

As ITF staff, we are responsible for following and abiding by the rules and regulations of national and international law. Furthermore, we have to abide by the international conventions signed by the country, in which we operate.

It is the responsibility of ITF to inform partner organizations and other relevant stakeholders about this policy.

ANTI-CORRUPTION PRINCIPLES

The following is a listing of the principles of ITF's anti-corruption policy:

1. Conflicts of interest
2. Abuse of power and extortion
3. Fraud and Embezzlement
4. Bribery
5. Nepotism and favoritism
6. Gifts

1. Conflict of interest

We will avoid any inexpedient conflicts of interest – real or potential – between our personal interest and the interest of the ITF.

Avoiding conflicts of interest is the overall principle in fighting corruption. Conflict of interest arises from situations in which you as a ITF employee have a private interest that could influence your professional performance.

Conflicts of interest can occur quite frequently and are not necessarily corrupt. It is how they are identified and managed that is important. If conflict of interest situations are not properly identified and managed, they can endanger the integrity of ITF and can result in corruption. The staff member is expected to show good judgment and when in doubt, contact the superior. In questions of conflict of interest, it is important to use personal judgment and common sense to make the right decisions.

The following principles are all in some ways examples of conflict of interests.

2. Abuse of power and extortion

We will not seek to influence any person or institution for private purpose by using our official position or offering them personal advantages. Likewise, we will not use ITF property, facilities, services and financial resources for private purposes except when permission is given. We will not use any forms of extortion as a method to gain advantages.

This principle implies that you should not use your professional status for private gain. Misuse could be to gain advantages that you would not have gained otherwise. Relations to suppliers

must not be used to gain reduced price on e.g. computers, cars, food, consultant support or travelling for private use. You are also not allowed to abuse your power as a manager to get personal favors or services done by employees.

3. Fraud and Embezzlement

Fraud and embezzlement are illegal and must not be used as methods to gain personal or professional advantages or property in relation to ITF, partner organizations or any other stakeholders.

Fraud is defined as economic crime involving deceit, trickery or false pretenses, by which someone gains advantages or funds unlawfully. Embezzlement is defined as the misappropriation of property or funds legally entrusted to someone in their formal position as an agent or guardian.

Examples of fraud and embezzlement are false documentation, lying about qualifications and abusing power/knowledge to steal cash and equipment from the office, misusing funds entrusted to us.

Rules for accounting and documentation should therefore be adhered to at all times, e.g. approval of payments should follow the ITF accounting procedures, approval of programs and projects should follow the ITF program and project procedures. All are expected to show honesty.

4. Bribery

We will not give nor accept bribery in any form.

Bribery is defined as the act of offering someone money, services or other valuables, in order to persuade him or her to do something in return. (Bribes are also called kickbacks, baksheesh, payola, hush money, sweetener, protection money, boodle, gratuity...)¹

¹ *Facilitation payments:* Facilitation payments are small payments made to public or other officials in order to expedite or secure activities and actions of a routine nature. Routine nature is here defined as activities and actions that are a part of our staff's daily duties and functions.

ITF strongly opposes facilitation payments and this type of payment should not be paid. ITF, however, acknowledges that we work in parts of the world where it can be extremely difficult to avoid these transactions altogether.

Facilitation payments must be documented with receipts and should (as all breaches of the anti-corruption policy) be reported using the complaint mechanism. This is done in order to ensure transparency and accountability, but also to learn from these examples so that ITF can avoid similar situations in the future)

One example is that we do not receive bribes from potential partners to make contracts with them and we do not give bribes to our partners as a way of influencing. We base our cooperation with partner organizations on mutual ownership, accountability, participation, equality, harmonization and alignment.

Bribery is illegal in all countries and harms the opportunities for fair trial and fair competition; it creates nontransparent business markets that can be hard or impossible to access.

5. Nepotism and favoritism

We will not favor friends, family or other personal relations in recruitment, procurement, aid delivery or other situations.

Nepotism is favoritism toward relatives and friends, based upon that relationship, rather than on an evaluation of ability or suitability. For instance, offering employment to a relative or friend, despite the fact that there are others who are better qualified and willing to perform the job, higher earnings, and other benefits to employees who are relatives of management.

It is important to underline that if conflicts of interests are handled, it can be acceptable to hire/work with family or friends.

6. Gifts

We will not give nor receive, directly or indirectly, any gift or other favor that may influence the exercise of our function, performance of duty or other ways of possibly harming ITF. Gifts are defined as but not limited to services, travel, entertainment, material things or favors. In order to respect local traditions and conventional hospitality minor gifts are accepted.

The value of an acceptable gift varies over the countries in which ITF operates. Cash gifts are never accepted. All employees are expected to show good judgment and when in doubt, contact the superior. A rule of thumb is that a gift should never influence your independent judgment.

HOW TO MAKE A REPORT ON BREACH OF ANTI-CORRUPTION PRINCIPLES

Any reports on breach of ITF anti-corruption principles should be made in writing either directly by the individual or organisation making the complaint or via someone acting on their behalf.

A complaint is sent to the e-mail address: complaint@itf.si. Both e-mail box addresses are only accessible by three employees from the HQ Unit in Ljubljana. An investigation committee will be set up and investigation will be undertaken based on each particular complaint.

Each individual complaint will be handled with confidentiality and with due respect to the complainant and the persons/organisations the complaint is directed at. Complaints may be submitted anonymously or with identification; all will be considered and assessed appropriately. However, please note that if a complaint is submitted anonymously, a formal reply or follow-up communication will not be possible.

All instances of dissatisfaction or criticism shall be reported through the ITF complaint mechanism. Those cases, where personal security is at risk, shall be reported through the complaint mechanism as well.

Receiving feedback and responding to complaints is an important part of improving ITF's accountability. Ensuring our stakeholders can hold us to account will improve the quality of our work in all areas.

Complaints addressing the following topics:

- general inquiry about ITF's work
- request for information
- contractual dispute
- request to amend records

will not be considered as a formal objection against ITF work.

The list of ITF Rules where the subject of this policy is regulated:

- Rules on Disciplinary and Damages Liability
- Policy on the Avoidance of Conflict of Interest
- Rules on Employment Relationship