



ANTI CORRUPTION POLICY

Introduction

International Blue Cross (IBC) has a mission to prevent, treat and reduce substance use, abuse and dependency among the most vulnerable people around the world. Headquartered in Bern Switzerland, IBC is an international actor in the field of development cooperation and serves as the umbrella organization for its national member organizations. IBC has no regional offices but works with in-country partners.

The members are independent, non-political and non-denominational Christian associations that form a network to assist marginalised populations and people harmed by, or at risk to be harmed by, alcohol and drugs.

As a global organisation, IBC also implements international development cooperation programmes in the field of substance abuse in line with the United Nations 2030 Agenda. Project activities are run in grass roots settings in various locations and include alcohol and drug prevention, treatment and counselling for people with substance abuse problems, as well as international policy advice and lobbying.

The six core values of the International Blue Cross are: Liberating Spirituality, Excellence, Empowerment, Solidarity, Respect, and Inclusiveness.

Purpose

To carry out its mission to prevent and reduce substance abuse among the most vulnerable people around the world, IBC needs to ensure that development funds reach them in the most efficient, effective and transparent manner possible. There is no room for fraud and corruption, which divert resources elsewhere. The Anti-Corruption policy's goal is to prevent fraud and corruption in IBC-supported projects, and in its operations and contracts at the local, national, regional and international levels.

This policy has been designed by and for IBC and will be adopted by the Network Committee. In its commitment to ensure that all dealings with internal and external partners remain free of corruption, IBC will include an anti-corruption clause in its Project Partnership Contracts with Member Organizations. Furthermore, IBC will share the policy with its partners and members and encourage the adoption of a similar policy at the local level.

What is Corruption?

Understanding the phenomenon of corruption is essential in preventing corruption. It is not only a moral responsibility but corruptive practises can have legal implications. In many countries corruption is a criminalised act in legislation and therefore naturally, bad governance.

Corruption is an obstacle to development. It is a crime that works globally, crossing boundaries. Corruption distorts business and economic growth, increases environmental degradation and threatens democracy, the rule of law and human rights. It is a concern for individuals, societies, companies, governments and international organisations alike.

Corruption requires two sides. There is always a supply and a demand side, whether out of greed or out of need. The impact of corruption extends beyond the people involved in the corruptive activity. Corruption may reveal itself as unfinished bridges, ill-equipped schools and ultimately as lives lost.

Although corruption works globally, it impacts low-income people the most. People on low incomes pay relatively the highest price as a result of corruption. Corruption can affect them directly by impeding access to public services, such as water, health and education. It affects them indirectly too, by diverting resources away from investments in infrastructure and social services. (Anti Corruption Handbook for Development Practitioners, 2012)

Defining IBC Understanding of Corruption

IBC understands corruption as an abuse of entrusted power for private gain. Many acts which are unethical (and regarded as corrupt) may not necessarily be illegal. Corrupt practices take place in all levels of society and IBC recognises that there are different types of corruption:

a) BUREAUCRATIC, ADMINISTRATIVE or "PETTY" CORRUPTION is everyday corruption. It takes place at the implementation end of politics, where the public meets public officials. Petty corruption is described as "survival corruption", a form of corruption which is pursued by underpaid agents who depend on extra-payments to feed and house their families. Although petty corruption involves small sums of money, the amounts are not "petty" for the individual adversely affected. Petty corruption challenges the low income members of society, who may

experience bribes regularly in their encounters with public administration and services such as police, hospitals etc.

b) GRAND AND HIGH LEVEL CORRUPTION takes place at the policy formulation end of politics. It refers not so much to the amount of money involved as to the level at which it occurs - where policies and rules may be unjustly influenced. The kinds of transactions that attract grand corruption are usually large in scale. Political corruption is in some instances used synonymously with grand and high level corruption, referring to the misuse of entrusted power by political leaders. In others it refers specifically to corruption within the political and electoral processes.

c) STATE CAPTURE is recognised as a most destructive and intractable corruption problem. It is a phenomenon in which outside interests (private sector, mafia network etc.) are able to bend state laws, policies and regulation to their benefit through corrupt transactions with public officers and politicians.

Main Forms of Corruption

Corruption is susceptible to variations across time and space. The main forms of corruption are bribery, extortion, favouritism, embezzlement, conflict of interest and fraud. They take place in petty as in grand corruption, varying from legal to illegal practices. Corruptive transactions extend beyond financial practices to “non-financial corruption” such as nepotism, sexual exploitation and abuse, coercion and social or political gain.

1) BRIBERY is the act of offering money or other valuables in order to persuade someone to do something for you. Bribery is corruption by definition. Bribes are also called kickbacks, payola, hush money, sweeteners, protection money, boodle, gratuity etc. Bribery is widely criminalised through international and national laws.

2) EXTORTION is the unlawful demand or receipt of property or money through the use of force or threat. A typical example of extortion would be when armed police or military officers exact money for passage through a roadblock. Synonyms include blackmail, bloodsucking and extraction.

3) FAVOURITISM refers to the normal human inclination to prefer acquaintances, friends and family over strangers. It is not always a form of corruption. However, when public (and private sector) officials demonstrate favouritism to unfairly

distribute positions and resources, they are guilty of cronyism (friends) or nepotism (family), depending on their relationship with the person who benefits.

4) EMBEZZLEMENT is the misappropriation of property or funds legally entrusted to someone in their formal position as an agent or guardian.

5) CONFLICT OF INTEREST arises when an individual with a formal responsibility to serve the public participates in an activity that jeopardises his or her professional judgment, objectivity and independence. Often this activity (such as a private business venture) primarily serves personal interests and can potentially influence the objective exercise of the individual's official duties.

6) FRAUD is economic crime involving deceit, trickery or false pretences, by which someone gains unduly. An actual fraud is motivated by the desire to deceive another to his harm, while constructive fraud is a profit made from a relation of trust. (Anti Corruption Handbook for Development Practitioners, 2012)

Objectives

This policy aims to enable IBC to achieve the following objectives in all our interventions:

- To avoid corruptive practises
- To act and deal with suspicion of corruptive practises
- To seek to understand and dismantle actions that cause corruptive practises.
- To promote local ownership of development projects by increasing the resources and abilities of local project organisations to run financially viable corruption free projects
- To promote solidarity by supporting people from all backgrounds and genders so that they have equal access to our services and opportunities.
- To comply with legislation and regulations relating to anti corruptive practices.

IBC Position on Corruption

IBC has set itself the standard of being strictly against any form of corruption in terms of the acceptance or offer of bribes, kickbacks, presents, or other favours. Only gifts of small intrinsic value (pens, desk diary, and the like), may be accepted or offered.

Conflicts of interest with suppliers, partners, service providers, etc. due to a personal prejudice (friendship, family relation, ex-employee) have to be reported.

Corruption violates organisation's basic values of liberating spirituality, solidarity, excellence, respect, empowerment and inclusiveness. Corruption involves abuse of power, trust or position and leads to the abuse of human rights.

IBC will never accept corruption

IBC will always act on a case of corruption

IBC will always inform about the negative effects of corruption

Areas of Application

In our activities we will develop an action plan on how to achieve our anti corruption policy among the following four areas of application:

Our Member Organisations (MO's) and support recipients

For our MO's and support recipients, we will:

- Understand the needs and aspirations of all our MO's, particularly those from poor economies.
- Work with our MO's to design and adapt our services to promote anti corruptive practises so that they are feasible and appropriate in satisfying their needs.
- Foster access to funding, skills sharing, training and employment opportunities for marginalised and vulnerable groups, especially considering empowerment issues.
- Ensure that planned operations have clearly defined activities, results and goals.

- Provide separate specific risk management instructions if the risk of corruption is classified as high.
- 'Ensure that project reports are submitted at the agreed time
- Ensure that reports are processed within a reasonable time

Our employees

For our employees, we will:

- Adopt employment policies and practices that reinforce our vision and promote anti corruptive practises within IBC.
- Recruit, train and develop employees on merit.
- Through organisational structure: The General Assembly, Network Committee and Secretariat of IBC will commit to anti- corruptive practises.
- Always analyse any conflicts of interest.

Our partners and donors

For our partners and donors, we will:

- Promote and explain the rationale for anti corruptive practises and highlight issues of potential power imbalances.
- Take into account the risk of corruption when drafting project applications and assessing projects.
- Work with our donors and networking partners so that we have a like minded approach to anti- corruption regulations.
- Thrive for excellence on contractual delivery.
- Should IBC receive any evidence of mismanagement or corruption it must consider the eventuality of discontinuing its support to the project.
- In the event of mismanagement or corruption IBC will ensure/demand a separate external audit, if deemed justifiable.

The community

For the communities we work in, we will:

- Cooperate and work with relevant partners to help promote social, environmental and economic well being in a cohesive and inclusive manner.
- Empower persons without discrimination to be equally involved in service delivery and receiving services in local communities.
- Always act on suspicion of corruptive practises.

Responsibilities

The Network Committee (NC) is the driving force behind this policy. It provides **leadership** with the assistance to drive the IBC strategy, statutes and vision. All IBC employees are responsible for upholding, respecting and acting in accordance with this policy and two yearly signing that they have updated their knowledge on the topic.

Management provides direction, training and support to ensure employees and contracted partners understand their responsibilities and can apply this policy in their areas of work. The **Code of Conduct** state that it is the duty and the responsibility of all managers, employees and IBC representatives **to report** in line with this policy any suspicions or incidences of inappropriate behavior.

Complaints Procedure

IBC seeks to provide a safe environment through which stakeholders can voice a concern, without fear of reprisal or unfair treatment (Non-retaliation/whistleblowing principle). These instructions will apply to the handling of complaints unless they are in conflict with compulsory Swiss legislation in which case IBC complies with mandatory legislation. The Swiss law supplements the complaint procedure as necessary for handling the complaint. Complaints can be made in **English or in French** by filling in an online form, by e-mail, phone, in person, or by post. IBC website contains details of how to complain, including a sample complaints letter format. IBC implements a fast-track process for dealing with complaints about Sexual Exploitation and Abuse (SEA) and other gross misconduct issues.

IBC Secretariat

Complaints

Lindenrain 5a

3012 Bern, Switzerland

Tel.: +41 31 301 9804

Email: complaints@internationalbluecross.org

Webpage: www.internationalbluecross.org

The complainant shall receive confirmation of receipt of the complaint, within 5 working days after IBC receives the complaint. The email, letter or phone call should give the following information:

- when and how the complaint was received;
- how the IBC has responded to the complaint so far and what it will do next;
- the name of the focal point or person responsible for the complaint;
- the person to contact with questions or feedback.

IBC is committed to responding to all complaints and concerns of abuse in English or in French. IBC has responsibility for this work, and carries out investigations, and delivers support to survivors of and victims according to the [IBC complaints policy](#). IBC will communicate the preliminary outcome of an investigation to the complainant(s), where possible, within 60 days after acknowledgment of the complaint. In complex or exceptional cases, the investigation period may take longer.

Any investigation may result in disciplinary hearings and disciplinary action. Thereby, IBC applies the disciplinary guidelines of ACAS (Advisory, Conciliation and Arbitration Service) and the national employment law. Allegation of gross misconduct will result in immediate suspension of this person from work until investigation is concluded. Gross misconduct includes issues such as corruption, sexual or any other form of exploitation, violence, abuse and criminal acts (<http://www.acas.org.uk/media/pdf/f/m/Acas-Code-of-Practice-1-on-disciplinary-and-grievance-procedures.pdf>).

If the complainant(s) or subject(s) of complaint does not accept the outcome of the investigation, he/she/it/they can appeal the decision to the Network Committee (NC) using the IBC Complaints procedure as explained above. For a more detailed overview of the good practice on handling complaints we adapt the [ACT Alliance Complaints Procedure](https://actalliance.org/wp-content/uploads/2015/11/Complaints-and-Investigation-Guidelines-July-2010-1.pdf) (2016). Its guidelines are the basis for our process (<https://actalliance.org/wp-content/uploads/2015/11/Complaints-and-Investigation-Guidelines-July-2010-1.pdf>).

Policy Review

This policy will be reviewed every 4 years or as necessary. IBC will review the operation of this policy in consultation with the NC, employees and other stakeholders, where appropriate, in light of changing best practice and the law, amending the policy where required. IBC will take into account any lessons learned from handling complaints and to take into consideration any received feedback. IBC secretariat staff are responsible for the effective implementation of this policy in all IBC work

This policy is valid from: 5th of March 2019

Signed:

A handwritten signature in black ink, appearing to be 'Albert Moukolo', written in a cursive style.

Albert Moukolo
President IBC

A handwritten signature in black ink, appearing to be 'Anne Babb', written in a cursive style.

Anne Babb
General Secretary IBC