Balkan Rural Development Network

Anti-corruption and integrity policy

Prepared by: BRDN Secretariat

December, 2021

Adopted by BRDN Assembly, at the meeting held on: 02.12.2021

President of BRDN

Balkan Rural Development Network

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1. Purpose and Scope

The purpose of this policy is to establish organizational measures to prevent, detect and combat corruption efficiently and effectively, to promote integrity and accountability and to clearly define roles, responsibilities and courses of action.
This policy is valid for BRDN Assembly, BRDN members, BRDN Secretariat, staff, Working Groups' members and interns/trainees/volunteers or consultants/service providers acting on behalf of BRDN. It is a policy that applies for BRDN members' countries.

2. Introduction

BRDN defines corruption as "The abuse of entrusted power for illegitimate individual or group benefit".
Corruption erodes trust, weakens democracy, hampers economic development and further exacerbates inequality, poverty, social division and the environmental crisis.
Corruption negatively impacts the enjoyment of all human rights – civil, political, economic, social and cultural, as well as the right to development, which underscores the indivisible and interdependent nature of human rights.
Rural women, disadvantaged and vulnerable groups suffer disproportionately from corruption. They are often more reliant on public services and public goods and have limited or no means to look for alternative private services. The corruption increases their vulnerability by denying them free and fair access to the services that they are entitled to. The literature tends to agree that the poorest segments of the population are those who suffer the most from corruption, as they tend to be more vulnerable to bribe extortion and the amount of bribes represent a higher share of their income.

What is corruption?

Common forms of corruption include, but are not limited to:

- **Favoritism/nepotism:** The unfair favoring of a person or group at the expense of others and favoring of relatives or personal friends because of their (close) relationship rather than their abilities.
- **Bribery:** To offer, give or receive an item of value intended to influence the actions of an official or other person involved in decision making.
- **Sharing of profits:** When a supplier of goods or services offers part of the profit to the one/s placing the order, such as kickbacks, cuts etcetera.
- **Diversion of resources for private gain:** Including fraud, misappropriation, and theft etc.

- **Misuse of position:** To use entrusted power for personal benefits e.g. request money, services, sexual favors etc. in exchange for advantageous staff benefits, a certain win in a tender process, private discount on purchases made from the supplier etc.
- Related practices include protecting corrupt individuals, concealing incidents that have occurred, etc. Negligence and/or mismanagement can be considered as corruption.

Integrity

Integrity and corruption are two opposing phenomena, that is, any corrupt action involves a violation of integrity. Integrity is a quality of action in accordance with generally accepted moral values and norms in favor of the public interest.

The concept of integrity is an integral part of the system of good governance. When we talk about good governance, we basically mean building and nurturing the spirit of integrity at individual and institutional level, by which, the independence, professionalism and accountability will be encouraged, in the performance of competencies established by laws and other regulations.

At organizational level, integrity means "resistance to corruption", while an integrity system represents the sum of all policies, standards and procedures established in an organization that strengthen its resistance to corruption and reduce the risk of corrupt behavior by its members, employees. In other words, an integrity system is the establishment of a functioning system of work in institutions and organizations, the removal of risk points, the establishment of anti-corruption principles and procedures on a long-term sustainable basis.

On personal level, integrity means having knowledge and skills, but also personal ethical capacity, determination and professionalism to respect established rules and practices and always work in the public interest, to avoid possible conflicts of interest and not to contribute for creating negative and harmful conditions and circumstances in the work.

3. Anti-corruption approach of BRDN

BRDN has a zero tolerance against corruption.

Fighting corruption requires systematic efforts and full commitment of all: BRDN Assembly, BRDN members, BRDN Secretariat, staff, Working Groups' members and interns/trainees/volunteers or consultants/service providers acting on behalf of BRDN.

BRDN is subject to Macedonian legislation and regulations, independent of where and with whom the organization is working. Local legislation, rules and regulations must be adhered to, but never as an excuse for supporting corrupt or other unethical behavior.

Addressing the awareness, conducting corruption risk assessment, strengthening the integrity with the organization and establishing internal controls, are primary tools in the anti-corruption approach of BRDN.

Besides dealing with the effects from corruption by establishing sound internal control mechanisms, BRDN is strongly focused on preventing the corruption by building integrity with the organization. For BRDN, integrity entails a commitment to a clear purpose, vision and set of

values, which together govern decision-making at every level. It's also crucial to reducing costly errors, avoiding illegal activity, and keeping the organization's core values top of mind.

4. Awareness raising and Preventing corruption

As opposed to the corruption, BRDN will focus its efforts on building the organizational integrity, by encouraging personal integrity and culture of ethical behavior in the organization.
As prerequisite to organizational integrity, BRDN will put efforts on creating ethical culture focusing on transparency, strong and shared ethical values, trust and good governance. A clearly defined Code of Conduct will help communicate the values and provide benchmarks for behavior. Identifying the right values, acting in accordance with them and promoting them to others goes some way towards establishing a culture of trust.
Policies, procedures, training programs, organizational structure and so on can be analyzed in terms of the values they express. How consistent they are with the right values is likely to coincide with how resistant they are to corruption and how effective they are operationally. Therefore, the developed organizational systems, policies and procedures shall assist BRDN in maintaining shared values and translate them into practical actions and decisions.
BRDN will continuously work on improvement of the administrative and control systems, setting clear rules and regulations, including segregation of duties, as well as capacity building and awareness raising for the people that implement them. To enhance and develop internal control systems, BRDN needs to constantly learn from both mistakes made by human error and from confirmed corruption cases. A culture of openness and integrity is essential to learning. To raise concerns about risks and weaknesses in systems already in place, or to suggest improvements or mitigation measures, shall always be encouraged. Reflecting upon errors committed is, and shall be considered, something positive.

5. Reporting corruption and taking actions

BRDN Assembly, BRDN members, BRDN Secretariat, staff, Working Groups and interns/trainees/volunteers or consultants/service providers acting on behalf of BRDN are committed to staying accountable and transparent, upholding BRDN's values and integrity, following internal procedures and policies, and safeguarding BRDN's entrusted means. They are prohibited from engaging in corrupt activities that would compromise BRDN's image and integrity.
To mitigate risks of corruption and provide quality in the work, BRDN ensures that the BRDN Assembly, BRDN members, BRDN Secretariat, staff, Working Groups and

interns/trainees/volunteers or consultants/service providers acting on behalf of BRDN are familiar with:

- BRDN Statute and rulebooks
- BRDN Internal staff regulation
- BRDN Anti-Corruption and Integrity Policy
- BRDN's Risk assessment and management system
- BRDN Operational Procedure Manual

BRDN Assembly, BRDN members, BRDN Secretariat, staff, Working Groups and interns/trainees/volunteers or consultants/service providers acting on behalf of BRDN are obliged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage.

All reported suspicions of corruption will be taken seriously and investigated as appropriate in accordance with professional, transparent and fair procedures. BRDN is committed to protecting reporting persons' confidentiality and rights and does not tolerate retaliation against reporting persons.

In case of suspicion for corruption conducted by any of BRDN Assembly, BRDN members, BRDN Secretariat, staff, Working Groups and interns/trainees/volunteers or consultants/service providers acting on behalf of BRDN, it must be reported to the BRDN President. The BRDN President is obliged to inform the BRDN Assembly on the corruption case, protecting the reporting persons' confidentiality and rights. The BRDN Assembly then decides on the remedial or disciplinary actions that should be taken.

In case of suspicion for corruption related to the BRDN's President, it must be reported to BRDN Vice President who will further take this issue to the BRDN Assembly, ensuring the anonymity of the reporting person. If the Assembly determines facts, which prove that the President is involved in some corruption actions, according to Article 23 of BRDN Statute, the Assembly members may vote, with qualified majority, to open a procedure for premature dismissal of the President and election of a new one.

In case of sub-granting, BRDN reserves the right to freeze or withdraw agreed support, or deny additional funding, when suspicion of corruption exists at a BRDN member network, or any other organization sub-granted by BRDN. BRDN will compile a register/ black list of the sub granting organizations which have taken actions of corruption during previous sub-granted project implementation. This list should be duly taken into consideration in future evaluation of project applications or procurement processes, omitting the subjects from applying for a period of 5 years.

BRDN reserves the right to suspend a staff member from duty (with salary and benefits intact) during the internal investigation if suspicion of corruption exists.

BRDN will take all available legal action to restore lost funds and to make the responsible people accountable. BRDN will also analyze confirmed cases to see what lessons can be learned and if systems, routines and trainings can be changed to minimize future risks of corruption.

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6. Security concerns

Security issues must be considered when a potential corruption case is discovered. BRDN will not endanger anyone's security due to strict adherence to the anti-corruption policy.