



## **Union Aid Anti-Corruption Policy**

### **Purpose**

Corruption: The offering, promising, giving, accepting or soliciting of money, gifts or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out our organization's activities.

Union Aid make the payment or offer of payment or other corrupt payment as gross violation, subjecting individual employees to immediate dismissal or even introducing him/her to judicial authorities depending on the amount of loss the corruption has caused to the organization.

The anti-corruption law of Union Aid make it a serious breach to the rules and regulations of Union Aid to pay, offer, or give anything of value to someone for the purpose of influencing the acts or decisions of the ones who are offered, paid or given bribes to put an individual employee or organization in an unfair advantage in a non-legitimate manner.

The purpose of this policy is to ensure compliance by all employees of Union Aid and its portfolio organizations with the anti-corruption principles. This Policy covers the following:

- Bribes, or Other Corrupt Payments
- Facilitation Payments
- Relationships with Third Parties

### **2.Scope**

Anti-corruption policies and procedures cant effective unless there is a clear message from Trustees, the Chief Executive and Directors that corruption will not be tolerated. There is a top level commitment in Union Aid to establishing a culture across the organization in which corruption is unacceptable. This also requires senior managers to lead by example.

Union Aid has put in place a clear policy statement demonstrating its commitment to preventing bribery. It is unambiguous and communicated regularly to staff, partners and other stakeholders.

Senior managers ensure that their annual statutory statement of risks fully considers risks related to corruption and that their ongoing oversight of risk management addresses bribery.

The Policy applies to officers, directors, and all employees of Union Aid and its portfolio organizations. This policy should be considered in conjunction with Union Aid Operational Manual.

### **3. Policy**

It is policy of Union Aid that, in doing business anywhere nationally and globally, Union Aid officers, directors and all employees or any portfolio organizations, and all persons that act as brokers, agent, or advisor to Union Aid must strictly abide by the applicable anti-corruption laws. It is a gross violation that Union Aid employees offer, give, solicit or receive any form of bribe, or other corrupt payment direct or indirectly from any person or organization including government, and donor agencies, private companies under any circumstances.

This ban applies:

- At national and global level, without exception.
- Without regard to regional customs, local practices or competitive conditions.
- To the indirect payment of any such bribe, or other corrupt payment that may be carried out through third parties, such as representatives, consultants, brokers, contractors, suppliers, joint ventures or affiliates, or any other intermediary or agent acting on behalf of Union Aid.

#### **4. Union Aid implements policies to counter bribery, including**

**5. High-level commitment:** The senior management commits to and oversees the implementation of a policy of zero-tolerance, recognizing that corruption is contrary to fundamental values of integrity, transparency and accountability and undermines organizational effectiveness.

**6. Risk assessment:** Corruption risk assessment forms part of the organization's overall and ongoing risk management process.

Union Aid implements and maintains robust anti-corruption procedures, which are proportionate to the risks and to the size, resources and complexity of the organization.

**7. Dissemination and communication:** Union Aid has established effective internal and external communication of its policy and procedures. The organization undertakes training and awareness programs to ensure staff, agents and partners are aware of the potential risks, how corruption might affect them, what they should do if they are offered a bribe, and the consequences should they be found to have made or received a bribe.

**8. Monitoring and evaluation:** Implementation of anti-corruption procedures is monitored as part of overall risk management and internal control processes. Periodic reviews of anti-corruption procedures are made and reported as part of governance and accountability processes.

#### **9. Suppliers, contractors and other third parties**

Union Aid communicates its zero-tolerance policy to suppliers, contractors and other third parties. Before entering into contracting arrangements NGOs should assess the risk involved and conduct appropriate due diligence. Written contracts incorporate appropriate anti-corruption clauses.

**10. Conflicts of interest:** Union Aid does not make contributions to political organizations or individuals, as a means of obtaining an advantage.

**11. Staff training and awareness:** Union Aid attempts to promote awareness for all relevant staff of the potential risks, how corruption might affect them, what they should do if they are offered a bribe, and the consequences of making or accepting bribes.

Union Aid ensures that human resources practices reflect the organization's commitment to eradicating bribery. These practices include recruitment, promotion, training, and reward.

We ensure that employees will not suffer for refusing to pay bribes, even if such refusal may adversely affect the NGO. Union Aid seeks further advice on the implications of any corruption legislation from their external auditors or other advisers.

**12. Investigation:** Union Aid with a zero-tolerance approach may not be able to prevent all bribes. Any instances of actual or potential corruption are properly and promptly investigated. To enable proper investigation, staffs are required to record the details of any corruption or requested or attempted bribery, as soon as possible after the event.

#### **The objectives of an investigation are:-**

- Confirm whether or not a bribe has taken place, and to identify who was responsible.
- Confirm whether internal controls and anti-corruption procedures have worked in practice.
- Identify any improvements required to anti-corruption procedures.

Union Aid will make sure its employees are not reprimanded for any delay or loss caused by his or her refusal in getting involved in a corrupt deal

### **13. Third Parties**

This policy is aimed at prohibiting corrupt offers, promises and payments made through partners, intermediary agents, consortiums, or third parties. Therefore, Union Aid is obliged to exercise great caution on such issues and should disregard or ignore deals which very apparently indicate a high probability of the occurrence of a corrupt payment. The due diligence in this regard should ensure that Union Aid retains only prestigious/well-known agents, representatives and partners to the maximum possible extent.

In addition, Union Aid will always put in place certain mitigating measures to ensure the risk of potential non-legitimate payments is effectively avoided during making contracts with agents or third party representatives.

However, Union Aid is also highly cautious in making any facilitation payments. Facilitation payments are payments of small amounts made to secure or speed up the performance of routine government actions. Although, facilitation payments are generally prohibited but they could be allowed conditioned to the following:

1. The failure to make these payments could risk the employee which cannot be averted by abstaining these facilitation payments
2. A payment could only be categorized under facilitation payment only all members of the management board agree on it unanimously
3. The failure to make payment could result in substantial economic loss or cost to Union Aid

**14. Collective action:** Union Aid is committed to sharing information and strengthening collective action to prevent bribery.

### **15. Books and Records**

For transparency reasons, such facilitation payments must be properly recorded in Union Aid books and records. It is also imperative that any facilitation payment be reported to management board and recorded as a facilitation payment. If not properly recorded, even an approved facilitation allowed under the law can result in liability to Union Aid.