

Prevention of Corruption

DVV International Guidelines

Preface

In recent years, corruption has increasingly become a public topic. Corruption violates the rules of competition and fosters decisions which are neither oriented towards public welfare nor functional. Corruption is legally punishable in many countries.

In the year 2001, Transparency International formulated a vision of a world in which governments, politicians, society and the lives of people would be free from all forms of corruption. The ethical values projected from this vision are transparency, reliability, integrity, solidarity, courage, justice and democracy. As non-governmental organization specialized in adult education based in Germany, DVV International endorses the goals for the prevention of corrupt behavior pursued by Transparency International and presents binding guidelines for its work in Germany and abroad.

The guidelines were elaborated and adopted by DVV's managing board in the year 2018. In case of violations of the guidelines and particularly of the rules of behavior outlined below a zero-tolerance policy will be applied, that materializes in disciplinary or contractual sanctions.

1 Area of Application

The instructions and regulations in the guidelines, in so far as individual points are not otherwise addressed, apply to:

- employees of DVV International working in its headquarter in Bonn, Germany and seconded to manage offices and projects abroad as well as their relatives
- national employees in DVV International offices abroad as well as their relatives
- members of committees and employees of partner organisations who are supported or co-funded by DVV International
- experts, consultants and other freelance persons who are active on behalf of DVV International under service contracts,
- persons active on behalf of DVV International on a voluntary basis.

2 Definition of Corruption

Within the context of these guidelines, corruption is defined as the abuse of entrusted power for private advantage¹. This includes the offering, giving, demanding or receiving of gifts, loans, rewards, provisions or any other advantages from or for a third person as incentive to do something which is dishonest, illegal or a breach in confidence within the framework of normal business.

Amongst others, the following criminal acts count as corruption: bribery and reception of bribes, granting and receiving advantages, fraud and embezzlement, agreements reducing competition and money laundering.

3 Rules of Behavior

The groups of persons named under Point 1 are obliged to uphold the following rules of behaviour:

- Personal relations or individual advantages must not influence decisions of employees and partner organizations of DVV International
- Corruption in any form, whether direct or indirect, is forbidden. This includes the return of a part of a contractual payment („kickback“), the use of other ways or channels for improper services by contractors, suppliers, partners, their employees or through public officials as well as the reception of bribes or kickbacks through or for the profit of relatives.
- The offering or receiving of gifts, hospitality or expense reimbursement is forbidden in cases where this can influence the materializing of business or cooperation, and where this exceeds the limits of reasonable and appropriate expenditure.
- Payment of bribes or other financial incentives with the objective of assuring or expediting an official procedure to which one has a legitimate right is to be refrained from.
- Direct or indirect donations to parties, politically-active organisations or individual persons are prohibited especially when a business advantage is targeted by this.

4 General Anti-Corruption Principles and Standards

DVV International commits itself to apply the following principles and standards for the fight against corruption:

- DVV's managing board approves without restrictions the guidelines at hand and supports DVV International's management as to their implementation in case of need.

¹ Definition according to Transparency International, Korruption in der Entwicklungszusammenarbeit – ein Problem auch für kirchliche Organisationen, 2007, S. 6. Vgl. zu diesem Thema auch: Cremer, Georg, Korruption begrenzen. Praxisfeld Entwicklungspolitik, Freiburg/Br. 2008

- DVV International's Management takes care that employees in Germany and in offices abroad obey the guidelines and put them into praxis.
- It will be clearly communicated that no employee will be disadvantaged when he/she refuses to pay bribes. Employees are encouraged to report violations and concerns as early as possible. For this purpose, secure, easily-accessible and trustworthy channels of information will be established (see para 6).
- Partner organisations will be regularly advised and checked regarding the compliance of these principles, especially at the beginning of the first cooperation.
- Contractors such as experts and service providers must bindingly confirm that they reject corrupt behaviour according to the definition outlined above and have never been legally convicted of fraud or corruption. In the case that bribes have been paid within the period of contract, the right to end the contract should be reserved.
- Disciplinary or contractual sanctions (warning, dismissal without notice, termination of cooperation, etc.) are foreseen for violations of these guidelines by DVV International's employees or partner organizations. In case of elements of crime juridical actions may be taken.
- Existing procedures and internal processes, which aim at the prevention of corruption, are to be regularly revised and improved. The Central Administration Department of DVV International regularly supervises the compliance of the guidelines, their suitability, appropriateness and effectiveness and reports about these to DVV International's management.
- Key staff of DVV International is subject to regular rotation in order to guarantee a nonbiased view on all issues and prevent nepotism.

5 Preventive Measures in Financial Administration

- DVV International applies own **management guidelines** (so-called Marili), which clearly regulate roles and responsibilities for project administration. They transfer donor specific requirements into guiding templates and internal provisions, along the full life cycle of a project. These management guidelines are regularly checked and revised according to legal or donor specific amendments.
- DVV International organises its **procurement practices** in a fair and transparent manner and obeys the legal stipulations for the use of public funds established by donors and in partner countries. To this end, DVV International's staff in headquarter and in the offices abroad as well as from partner organisations is regularly trained. In addition, project administrators in head quarter regularly cross-check the due application and compliance of procurement rules. A central procurement unit based in DVV International's headquarter supports the procurement of goods in services realized in Germany.

- The **four-eyes-principle** is applied for grant authorizations, partner agreements, payment orders and project settlements. Details are stipulated in the most recent internal management guidelines and the signatory rules of DVV International. Reimbursements of travel and material costs must not be directed by employees who at the same time become payment beneficiaries.
- The **assessment of project accounting** of offices and partners abroad is undertaken by project administrators at headquarters who are familiar with donor and country specific requirements. All reports on expenditure of funds elaborated at DVV International's headquarter are subject to internal quality assurance through the head of administration. All final project reports, including technical and financial aspects, undergo a special revision before submission to donors.
- DVV International's headquarter realizes **regular revision missions to offices abroad**, in order to duly check accounting, documentary evidence and compliance of donor and internal guidelines (Marili, etc.).
- In the framework of the **overall audit of the German Adult Education Association (DVV)**, the operational division of DVV International is yearly checked with respect to its annual accounts and its book keeping. Inasmuch as documentary evidence is not sent to headquarter, the use of funds in due form is controlled through the provision of certificates from chartered accountants, in line with standardized and internationally accepted rules.
- In case of external revisions of donors in headquarter or in offices abroad DVV International cooperates with **absolute openness and transparency**.

6 Implementation of Guidelines

All employees contracted through DVV International's headquarters in Germany will be informed about the guidelines which will be included in the institute's internal regulations. The guidelines will become integral part of agreements and contracts with foreign staff, partners and other contractors such as experts and service providers.

The first contact point to report violations of the guidelines is placed in the Human Resource Department in DVV's headquarters in Germany. This responsible ombudsman can be reached under ombudsperson@dvv-international.de.

About DVV International

DVV International is the Institute for International Cooperation of the German Adult Education Association (DVV). DVV International is a non-independent entity directed and controlled by the managing board of DVV. DVV is a registered non-for-profit association based in Bonn, Germany.