



INTOSAI Development Initiative Anti-Corruption Policy



Preface

IDI has established itself as a trusted and long-term partner of SAIs with the mission to sustainably enhance their performance and capacities. IDI's reputation has been built up owing to the quality of its work over the years. As the global capacity development body of INTOSAI, IDI has a responsibility to lead by example when it comes to ethical behaviour both at the organisational and individual levels.

In conducting their work, IDI staff leave their footprints across the globe. It is essential to realise that regardless of where one is and, in whatever capacity IDI is being represented, the actions and conduct of IDI staff have to be impeccable. IDI has a zero-tolerance policy towards fraud, bribery and corruption and is committed to combating it in all our work.

The purpose of the IDI Anti-Corruption Policy is to communicate IDI's commitment to prevent corruption and to promote a culture in which corruption is difficult to perpetrate. This policy sets out the main definitions of fraud, bribery and corruption related issues that IDI is likely to encounter in its work. It also clarifies the applicable legal framework and the roles and responsibilities at IDI's different levels of governance for ensuring compliance.

All IDI staff, and those working on behalf of the IDI are expected to familiarise themselves with this document, and related policies, and to apply it in all aspects of their work in and for IDI.

Dated: 26 February 2019


Director General

1. About this Policy

IDI works to promote public sector accountability and transparency by supporting Supreme Audit Institutions around the world. It is vital that IDI sets a strong example to the organizations it is supporting. As part of a community that works to root out fraud, bribery and corruption in government, IDI has zero-tolerance towards fraud, bribery and corruption in the use of IDI funds and actions of IDI representatives. For IDI, that means that all reported suspicions will be investigated and all offences, no matter how minor they are, will be reported to the appropriate authorities and subject to appropriate disciplinary action. In addition, IDI encourages and supports SAIs to lead by example in fighting fraud, bribery and corruption in their countries. IDI's Bilateral policy mentions this specifically as a point to be raised in bilateral cooperation meetings.

This policy is intended to ensure that IDI, its staff and all who work on behalf of the organization are adhering to the highest standards of integrity and accountability. It highlights areas of IDI's work where risks of fraud, bribery and corruption can emerge, provides principles and guidance for mitigating those risks and outlines the procedures and consequences of and breaches to the policy.

The scope of the policy covers actions taken when representing IDI anywhere in the world. It applies to IDI's Board members, management, staff, resource persons working on behalf of IDI and anyone contracted to work for IDI or anyone working on behalf of IDI in any situation. These are hereafter referred to as IDI-representatives.

2. Definitions

IDI uses Transparency International's anti-corruption glossary. The Following are key definitions that are relevant for this document.

Bribery is the offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages (taxes, services, donations, favours etc.).

A **Conflict of Interest** is a situation where an individual or the entity for which they work, whether a government, business, media outlet or civil society organisation, is confronted with choosing between the duties and demands of their position and their own private interests.

Corruption is the abuse of entrusted power for private gain.

Embezzlement is a type of fraud where a person holding office in an institution, organisation or company dishonestly and illegally appropriates, uses or traffics the funds and goods they have been entrusted with for personal enrichment or other activities.

Fraud is wrongful or criminal deception intended to result in financial or personal gain.

Procurement is a multi-step process of established procedures to acquire goods and services by any individual, company or organisation — from the initial needs-assessment to the contract’s award and service delivery.

Whistleblowing is making a disclosure in the public interest by an employee, director or external person, in an attempt to reveal neglect or abuses within the activities of an organisation, government body or company (or one of its business partners) that threaten public interest, its integrity and reputation.

3. Relevant Laws and Regulations

As a Norwegian foundation, the Norwegian Criminal Code applies to all companies and individuals who act on behalf of IDI, regardless of their nationality and the country in which they are doing business. Section 276a of the Norwegian Criminal Code stipulates that any person who

- a. For himself or other persons requests or receives an improper advantage or accepts an offer thereof in connection with a position, office or assignment, or
- b. Gives or offers any person an improper advantage in connection with a position, office or assignment Shall be liable to a penalty for corruption. ‘Position, office or assignment’ in the first paragraph also mean a position, office or assignment in a foreign country.

The Norwegian Criminal Code also prohibits trading in influence, as section 276 c dictates that any person who

- a. For himself or other persons requests or receives an improper advantage or accepts an offer thereof in return for influencing the conduct of any position, office or assignment, or
- b. Gives or offers any person an improper advantage in return for influencing the conduct of any position, office or assignment shall be liable to a penalty for corruption.

‘Position, office or assignment’ in the first paragraph also means a position, office or assignment in a foreign country.

As a Norwegian Foundation, IDI can be prosecuted for violations of the law, even if no individual is punished for the offense. Other consequences for IDI may include civil liability, loss of funding and a damaged reputation. Individuals involved in acts of corruption may also be exposed to civil and criminal liability.

If other countries laws apply, or where Norwegian law may not have sufficient jurisdiction, IDI will also assess the possibility of reporting activities in other jurisdictions.

4. *Related Applicable Policies in IDI*

The IDI Anti-Corruption Policy forms part of the suit of IDI documents and policies designed to raise awareness and promote a culture of integrity in all aspects of IDI's work. It should thus be read in conjunction with the following documents.

The [IDI Code of Ethics](#) comprises the principles and practices of ethical behaviour in IDI.

The [IDI Complaints Framework](#) lays out the processes for filing complaints related to any level of hierarchy in the IDI and firmly establishes IDI's commitment to address complaints in an appropriate manner.

The **IDI's Safeguarding Policy** sets out principles and practices to ensure that appropriate safeguards are in place to protect children, young people and vulnerable adults in communities where IDI staff live and work, as well as IDI's own staff and other representatives, from sexual exploitation, abuse, harassment, and bullying.

The [IDI Procurement Policy](#), regulates IDI's purchase of goods and services.

The **IDI Employee Handbook** details rules and regulations for travel, gifts, and benefits.

5. *Principles and Governance*

Our Principles

IDI's Strategic Plan 2019-2023 has defined the following three principles for the organization:

Effective IDI

This principle represents IDI's commitment to respond to SAI needs, strive for professional excellence in everything we do, contribute to and facilitate SAI performance, innovate and adapt to the changing SAI environment, collaborate with INTOSIA and other partners for sustainable positive change and promote internal cooperation and team spirit.

Accountable IDI

This principle is IDI's commitment to ethical and respectful behaviour, holding itself to account by measuring and reporting on performance and having open and transparent processes for our work.

Inclusive IDI

IDI is committed to inclusiveness through promoting and supporting gender equality and diversity in all forms, providing equal opportunities for participation in our initiatives and leaving no one behind by taking into account the needs of different types of SAIs and staff, including the most vulnerable.

These principles underpin our ethical culture. As an organization that works to develop improvements in public sector transparency and accountability globally, our ethics and work against fraud and corruption are of paramount example and we strive to lead by example in this regard.

Governance

Good Governance is key to aligning to the interests of IDI's funding organizations, management, employees, recipients of support and other stakeholders. IDI believes that Good Governance practices are a key to setting a strong example for the organizations we work with.

The IDI Board has the responsibility for the overall governance of the organization. It approves this policy and has the overall responsibility for ensuring that the IDI complies with it. The Board consists of a majority of Auditors General who scrutinize IDI's financial reporting, financial risk, and the work of the external auditor. The Board meets physically twice a year and has other virtual meetings where necessary.

The Director General of IDI appoints a management team of Deputy Directors General to assist in his or her stewardship duties delegated by the Board and in day-to-day management. The Director General and deputies are responsible for ensuring that the policy is followed in all operations of the IDI. As the IDI management team, they have the responsibility for setting the tone from the top and put in place a culture where fraud and corruption is not tolerated, is reported. They are also responsible for notifying the Board and other relevant stakeholders.

The IDI staff are responsible for individually complying with the policy and raising any issues they come across with management.

IDI resource persons and contractors will also be asked to comply with IDI's code of ethics and this policy, which means they will also be accountable for their actions and reporting on any issues related to this policy when working with IDI.

6. Requirements for IDI-Representatives

The requirements for those representing IDI are as follows:

- Read and be familiar with the Anti-Corruption Policy
- Never engage in or authorize any corrupt activity
- Exercise due care in decision making and never compromise ethics when doing business
- Report anything that is likely to constitute a breach to your line manager and the Director General
- Participate in relevant training

7. Key Elements in IDI’s Anti-Fraud and Anti-Corruption Work

Culture and Tone at the Top

IDI’s Director General and Deputies provide explicit visible support and commitment to IDI’s policies against violations of anti-corruption or anti-fraud law and the Code of Ethics.

Risk Management

IDI’s risk management process identifies, evaluates, and manages risk related to developmental, operational, reputational, and natural risks. These include issues related to internal governance, including financial governance, conflicts of interest and staff conduct, which are all closely related to fraud and corruption.

The following table outlines the key risks IDI’s representatives may face and how they should respond:

Risk	Relevance	Response	Reporting
Giving and receiving bribes	<p>IDI staff travel to countries where solicitation of bribes may be high risk, for example from customs, immigration, police etc.</p> <p>IDI staff conduct and review SAI performance assessments; quality assure cooperative audit reports; and oversee examinations related to SAIs and SAI staff. Such situations could give rise to opportunities for the solicitation or offer of bribes.</p>	<p>IDI staff should never solicit, pay or receive a bribe in any circumstance¹, this includes when they act in a private capacity. Normally IDI staff are accompanied by local SAI officials, which mitigates this risk significantly.</p>	<p>Any violation or attempted violation must be reported to the line manager and the Director General. Instances involving staff, must also involve the HR manager.</p>
Giving and receiving gifts or favours	<p>IDI staff receive gifts from host SAIs or participants in IDI activities that are intended to influence their decision making. Gifts and favours can also include excessively</p>	<p>IDI staff must register all gifts on IDI’s gift registry. In accordance with Norwegian tax law, gifts over 500 NOK must be declared and taxed. As a result, IDI does not allow staff to keep gifts with a</p>	<p>Any violation must be reported to the line manager and the Director General. Instances involving staff, must also involve the HR manager.</p>

¹ IDI considers that if an inappropriate request for money or other resources is accompanied by a credible physical threat to, or credible threat to report a crime by, the IDI representative, their family, friends or associates, then meeting this request may not be considered payment of a bribe. It may instead be extortion or blackmail. In such cases, the IDI representative should report the incident to IDI as soon as possible, for further action to be taken. If appropriate, they may also choose to report the incident to the appropriate legal authorities. If not, IDI will consider the need to do so.

Risk	Relevance	Response	Reporting
	expensive dinners, travel or other forms of entertaining where there is a likely intention to influence.	higher value. Often cultural norms do not allow IDI staff to refuse gifts, but when they receive gifts worth more than 500 NOK they must hand these over to IDI.	
Embezzlement	This risk is most likely to occur with IDI's payments of allowances to outside resource persons, where meal deductions are not made, the period of travel is misstated, or the recipient is receiving allowances from both IDI and their own organization.	<p>IDI carries out most of the bookings on behalf of participants and arranges most official meals. By having control of this process, we are able to minimize this risk.</p> <p>To mitigate the risk of double allowance claims, IDI ensures that the agreement to use a resource person includes a clear statement of which organization will pay the allowances.</p>	IDI representative must report any violation relevant line manager and the Director General. If IDI suspects this, it must investigate by contacting appropriate representatives of the persons own organisation.
Fraud – false invoicing or transfer requests	Fraud may also occur through faulty invoices, new forms of digital fraud such as so-called CEO fraud.	IDI has a robust approval process that is now in a closed system, where all transactions have at least two levels of processing or more.	Attempts at CEO-fraud are reported to the IT-service provider. Suspicions of fraudulent invoicing will be reported to relevant authorities
Procurement Processes	<p>IDI staff carry out procurements regularly, and there is a risk of collusion between the point of contact and suppliers</p> <p>Sometimes IDI is assisted by local SAIs or regional secretariats in the procurement of hotels and travel, they are harder to monitor than our own staff.</p>	<p>IDI has a robust procurement regulation, based on Norwegian/EEA regulations that requires a set number of suppliers depending on the threshold and multiple levels of approval.</p> <p>Those supporting IDI must be familiar with IDI's regulations and adhere to these. IDI will ensure both the employer and the individual employees are aware of the regulations and consequences of breaches. The procedure for external complaints will apply to them.</p>	<p>Any violation must be reported to the line manager and the Director General.</p> <p>Suspected breaches will be reported to the employer of the person supporting IDI and any relevant legal authorities.</p>

Internal Controls

IDI has a system of financial and accounting procedures, including a system of internal controls, designed to ensure the maintenance of fair and accurate books, records and accounts in key anti-corruption areas. These controls are designed to provide sufficient appropriate documentation for transactions and approval processes that mitigate the risk of fraud to IDI. IDI is subject to an annual financial audit.

Training and Communication

IDI requires that all staff sign a declaration to confirm that they have read, understood, and will comply with the Code of Ethics. In addition, we have included training on the IDI code of ethics in our e-learning programme for new staff. Discussions of corruption, bribery, fraud, ethics and compliance issues are also topics we strive to address at staff meetings.

Whistleblowing / Internal Complaints

IDI has a complaints framework that includes suspected instances of fraud and corruption among the examples of complaints. The framework lays out procedures for reporting and investigating complaints from both internal and external partners. It is also rooted in Norwegian Labour Law, which gives both the right to file complaints and provides legal protection for whistle-blowers.

Disciplinary Procedures

A range of possible disciplinary procedures may be applied in the event of a breach to IDI rules and procedures, including the IDI Anti-Corruption Policy, as set out in section 4.3 of the Code of Ethics.

“IDI has a responsibility to have appropriate safeguards in place to ensure the ethical behaviour of IDI staff or those performing work on behalf of IDI, to follow up any suspected or reported breaches in an effective and fair manner, and to take corrective action if there are established violations of laws and regulations or IDI policies (including the Code of Ethics). Any violations of applicable laws have to be reported to the appropriate legal authorities, while breaches of IDI rules and procedures may lead to a range of disciplinary actions dependent on the seriousness of the violation. Disciplinary actions may include, but are not limited to: oral warnings, written warnings, change of job level, suspension and in severe cases dismissal or non-renewal of contracts.”

Non-IDI staff working for and on behalf of IDI, including resource persons from SAIs and other partners, or hired consultants, could breach IDI rules and procedures, including the IDI Anti-Corruption policy. Regarding resource persons, possible actions may include removing the individual from the initiative, raising a formal complaint with their employer, and blacklisting them from future work for IDI. Regarding consultants, possible actions may include termination of the contract, raising a formal complaint with their employer (if they are not self-employed), and blacklisting them from future work for IDI. In both cases, IDI will also consider the need to report the matter, including the name of the individual involved, to relevant external partners. In all cases, violations of applicable laws have to be reported to the appropriate legal authorities.

Documentation

IDI's HR Unit maintains a register of complaints and issues related to fraud and corruption. IDI also complies with the General Data Protection Regulation (GDPR) and will maintain these records in accordance with IDI HR regulation and recommendations from the Norwegian Human Resources Organization, HR Norge. The documentation will be kept for three years after the alleged incident has taken place.

Notification

IDI considers all complaints regarding fraud, bribery or corruption to require the formal complaint procedure described in the Complaints Framework. The Framework describes the process of reporting and notification within the IDI Operational and Governance Structure, all formal complaints are processed by the Director General, but if the complaint is regarding the Director General, the Chair of the Board must be involved. IDI is also committed to reporting instances of fraud and corruption to all relevant stakeholders. This will follow the internal or external process described in the Complaints Framework