

# ANTI-CORRUPTION CODE OF CONDUCT

## Ghana Developing Communities Association (GDCA)

### 1. Why deal with the issue of corruption?

The purpose of the Anti-corruption Policy for the GDCA is to ensure and support behaviour and work ethics that represent high standards of personal and organisational integrity, both internally and externally with partners. The target group of the policy is committee and board members GDCA and its implementing units, including seconded personnel.

GDCA is applying funds received from development partners to undertake interventions in various areas of economic and social development, including education, food security, citizens participation in governance micro and medium enterprise support in order to contribute to reducing poverty in Ghana, especially in the Northern Ghana. Corruption is a hindrance to poverty reduction, which is the overall goal of GDCA, and has serious political, social, economic and environmental consequences. Corruption undermines the legitimacy of democratic institutions, diverts resources from their proper use, creates gross inefficiencies in the public and private sector and leads to environmental degradation.

By introducing an anti-corruption policy GDCA sends a clear signal to partners, employees and donors of the organisations' commitment to fight corruption both in programme work and by keeping our house in order. At the same time it sets a good example and contributes to Ghana's national commitment to fight corruption.

### 2. What is corruption?

In line with Danida, the World Bank and international conventions corruption is defined as the "*misuse of entrusted power for private gains*". Corruption is a broad term covering a wide range of misuse of entrusted funds and power for private gain:

Bribery is understood as the offer or receipt (active or passive bribery) of any gift, loan, fee, reward or other advantage to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust, in the conduct of GDCA activities.

Facilitation payments are demanded by officials in exchange for providing services to which one is legally entitled without such payments.

Fraud is defined as economic crime involving deceit, forgery, trickery or false pretences, by which someone gains unlawfully.

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

Gifts and hospitality in the context of corruption are financial or other benefits, offered, given, solicited or received with an obligation to provide any benefit in return. Gifts and acts of hospitality are acceptable if they are reasonable and not excessive.

Nepotism is favoritism toward relatives and friends, based upon that relationship, rather than on an objective evaluation of ability or suitability.

Kickback is the return of a part of a contractual payment.

### **3. When should we be suspicious?**

Suspicion of fraud or corruption etc. may be based on, for example:

- (a) Persistent disregard of laid down procedures e.g. in procurement, payments without the necessary documents, approval and receipt of funds without issuing official receipts etc.
- (b) Lack of correct and timely financial accounts and reports.
- (c) Complaints from beneficiaries claiming that they have not received promised and reported services.
- (d) Purchases of supplies at a much higher price than normal.
- (e) Observations such as staff spending beyond their financial capabilities and living extravagant lifestyle; and
- (f) Missing or weak reconciliation of cash, bank statements and accounts.

Well-founded suspicion may be based on suggestive and circumstantial evidence of fraud, for example:

- (a) Lack of proper documentation on refunded expenditures.
- (b) Missing signatures or incomplete lists of persons that have been paid an allowance to attend training seminars.
- (c) A strong indication that signatures and documents have been falsified; and
- (d) Disruption of or tampering with records.

Proven fraud is based on clear documentation on the type of fraud in question and/or confession of those involved, ready to be presented to police investigators and court cases.

### **4. What do we do if we suspect or detect corruption?**

Every staff member of the GDCA has the responsibility to report suspected cases of corruption. If there is a case of well-founded suspicion or proven fraud, corruption, misuse of funds, or serious irregularities the staff member who has observed this should immediately report to the GDCA Executive Director, who will set up a committee to do an initial investigation and confirm within 24 hours. If the case is confirmed the GDCA Executive Director should inform the Steering Committee immediately and it should be agreed what steps to be taken to prepare for informing the donor. The suspected fraudster should be suspended while a comprehensive investigation is conducted by a committee by the SC in conjunction with the GDCA Executive Director in order to be able to provide the following information:

- (a) A clear description of the case, persons involved; level and duration of fraud or corruption and steps already taken to investigate and rectify the matter, including internal disciplinary actions and/ or civil and legal steps set in motion or planned. The description should be supported by documentation of e.g. reporting of the case to local police/anti-corruption authorities and/or the auditor of the partner.
- (b) Steps taken to recover loss of project funds and assets and how recovery of loss is expected e.g. through insurance or third party claims.

- (c) An assessment of the extent to which existing internal guidelines, procedures and control mechanisms have been violated or adhered to, and if relevant, an assessment of why fraud has been possible in spite of such regulation.
- (d) Suggestions on how internal guidelines, procedures and control mechanisms can be strengthened in order to avoid similar cases in the future.
- (e) How and when the matter is expected to be resolved.

Full cooperation and transparency with police and anti-corruption authorities, auditors and other bodies investigating and preparing prosecution of those under suspicion, including unrestricted access to all relevant documentation, is expected. However, if the nature of the fraud is such that, the organization does not possess enough skills to investigate such fraud conclusively, outside help may be sought.

### **5. How do we try to prevent corruption?**

GDCA places emphasis on prevention and will continually monitor and improve systems and procedures to avoid fraud and corruption. We also believe that prevention of corruption, fraud and misuse of funds is closely linked to the development of legitimate and transparent civil society organisations, which is one of the reasons why the GDCA focuses on democracy GDCA will seek to build organisational structures and systems that will ensure a high level of democratic control by the board, members as well as the target group.

### **6. Code of conduct**

The attached Code of Conduct outlines the principles that the organisations subscribe to in order to prevent corruption and fraud. The Code of Conduct is signed by **Staff, Committee** and **Board members** of all organisations of GDCA.

## GDCA ANTI-CORRUPTION CODE OF CONDUCT

### Principles

- 1. Conflict of interest.** We will avoid any conflict – real or potential – between our personal interests and the interests of the GDCA.
- 2. Misuse of official position.** We will seek not to influence for personal gain any person or institution by using our official position or offering personal advantages.
- 3. Respect for laws.** We respect national laws.
- 4. Proper personal conduct.** We will ensure that our private conduct does not compromise our role as staff, committee or board members of the organisations in the GDCA. We will not engage in activities involving fraud and embezzlement.
- 5. Nepotism and favouritism.** We will not favour friends, family or other personal relations in recruitment, procurement, aid delivery or other situations.
- 6. Active and passive bribery.** We will not give, solicit or receive directly or indirectly any gift, kickback or other favour that may influence the exercise of our function, performance of duty or judgement.
- 7. Gifts and hospitality.** Gifts and hospitality must be reasonable, not excessive and not exceed nominal values. When dealing with Government, hospitality and gifts must be within the norms and regulations of Ghana and Denmark. Hospitality and gifts which are excessive or could be seen to influence judgements is not acceptable. Gifts received must whenever possible be shared among staff, committee and board members. If in doubt the immediate supervisor must be consulted.
- 8. Obligation to report.** In accordance with the principle of “zero tolerance”, we are obliged to report instances of well-founded suspicion or evidence of corruption observed or experienced in any part of GDCA activities. The responsible superiors will ensure the legal rights and due protection of the informant and the accused before, during and after any investigation.
- 9. Dissemination of the code.** We will make our Code of Conduct known to our partners and suppliers.

As staff, committee or board member of the organisations of the GDCA, I hereby declare that I will respect the principles of this code of conduct.

Date 13/07/2022

DELELIGNE Julie

NAME

  
SIGNATURE