



Policy on corruption, fraud and conflict of interest

Approved by the Board 2015-03-10; revised 2019-12-18 and 2020-06-04.

Definition

Swedwatch has adopted Transparency International's definition of corruption: the abuse of entrusted power for private gain.¹ Fraud refers to the use of deception to achieve personal benefit. Conflict of interest concerns a situation in which a person's private interest is or could be inconsistent with the interests of Swedwatch.

Purpose

Swedwatch denounces all forms of corruption, fraud and conflict of interest, a stance that shall be reflected in the conduct and actions of all employees and elected representatives. Staff and other representatives of Swedwatch must commit to a zero-tolerance policy on fraud, corruption and conflict of interest, recognising that such acts are contrary to fundamental values of integrity, transparency and accountability, and undermine organisational effectiveness and reputation. Swedwatch is responsible for assuring that adequate procedures are in place to prevent corruption, fraud and conflict of interest.

Scope

All employees, elected representatives and consultants contracted by Swedwatch are bound to follow the policy, which is included as an appendix to work contracts.

Policy requirements

- The principal means to achieve the policy and prevent future losses is by creating an organisational context that is strongly resistant to corruption/fraud/conflict of interest. Swedwatch's approach to this is holistic and includes a battery of measures such as: zero-tolerance messaging from the leadership; policies and procedures that promote transparency, integrity and accountability; stringent internal control and operational guidelines; standardised monitoring and evaluation practices for all projects; training of all staff and board members to prevent and detect corruption; comprehensive steps to ensure data security and traceability; regular audits; periodic reviews of policies; and regular risk-mapping by senior management.
- Elected representatives, employees and consultants shall not exploit their position at Swedwatch for their own or a third party's gain in their relations with employees, partner organisations or other individuals/groups.
- Elected representatives, employees and consultants shall not participate in decision-making nor prepare decisions in cases where their impartiality can be challenged. They shall not use

¹ http://www.transparency.org/whoweare/organisation/faqs_on_corruption/2/



their positions of knowledge gained from employment at Swedwatch in a way that could create a potential conflict between the interests of Swedwatch and themselves. Any actual or perceived violation of this prohibition shall be promptly disclosed in writing to the Director.

- It is prohibited to receive or allow to be promised, request or submit, promise or offer bribes or other improper rewards, recompense, compensation, improper gain or advantage of some form that may constitute illegal or improper behaviour. Benefits without financial value are also covered by this policy.
- Elected representatives, employees and consultants are expected to be cautious when being offered gifts from colleagues, partners, companies, public authorities or other individuals or groups. It is prohibited to accept gifts unless of insignificant value² and an appropriately modest expression of appreciation. Swedwatch's employees, elected representatives and consultants should not let themselves be invited to lunch or dinner by companies, public authorities or parties from whom Swedwatch may get an assignment. Exceptions can be made if lunch or dinner is provided as part of an official event and offered to all participants. Any gifts received should not be viewed as personal but rather belonging to the office.
- Any form of deception which is used to bring personal benefit to an employee, consultant or elected representative of Swedwatch is strictly prohibited. This includes misrepresentation of facts, intentional omissions in reporting, falsifying invoices and receipts, etc.
- Elected representatives and employees shall not commit the organisation, financially or otherwise, unless such action falls within the scope of their decision-making powers.
- Employees shall handle funds and material to which they are entrusted with care and be prepared to account for such funds or material, in full, at any given time.

Corruption investigations and sanctions

Any suspicions of corruption, fraud or conflict of interest should be reported immediately to the Director of the organisation or to the email address: info@swedwatch.org which may be used for anonymous reporting. Anonymous reporting can also be made by letter to Götgatan 100, 118 62 Stockholm. All information received will be treated confidentially. In case the suspicion concerns the Director, it should be reported directly to the Chair of the Board, who will launch an investigation in coordination with other Board members. In the event of suspected cases of corruption and/or breaches of this policy, and when a line manager or the Director is not deemed an appropriate venue to raise concerns, the Chair of the Board may be contacted at chair@swedwatch.org. This may also be done anonymously if preferred.

Actions to stop suspected corruption/fraud/conflict of interest must also be taken immediately and an investigation will be initiated and led by the Director of Swedwatch with support from senior management at the Director's discretion. When corruption, fraud or conflict of interest is suspected to exist in relation to projects, an internal audit will be conducted to estimate potential losses, identify gaps in operational and control procedures, and make recommendations to improve governance, risk and compliance processes. Results will be reported to the relevant funder in writing and recorded in the file for the project. To ensure protection of data and possible evidence, a full backup of office files will be conducted at the outset of the investigation and secured separately from the server.

² Max 500 SEK.



Throughout the investigation, it is vital to ensure that personal data is respected in line with Swedish legislation and the GDPR.

In the event that the investigation warrants the introduction of sanctions against staff found to be involved in any violations, the staff will be informed in writing to ensure full transparency. Any staff subject to sanctions will have a right of appeal to the Board of Swedwatch. In light of the circumstances of the violation, the police may also be informed by the Director. The issue of imposing sanctions on staff may be reviewed by legal counsel, at the Director's discretion, or at the discretion of the Board if the allegations involve the Director.

Implementation and accountability

Swedwatch's Director will be accountable for the implementation of the policy. All staff, elected representatives and consultants have a duty to adhere to the policy; in addition to making a formal commitment as part of their employment contracts, Swedwatch staff receive an awareness training on corruption, fraud and conflict of interest in development work. The Head of Finance and Administration will report annually on any compliance issues, as well as suggesting mitigation measures and adjustments. A record will also be maintained noting staff which have received the awareness training.