



Framework directive to promote transparency and prevent corruption

Commitment and mandate

This framework directive to promote transparency and prevent corruption sets out a commitment by the signatory agencies. It lists minimum standards, and proposals for more far-reaching measures to be put into practice through guidance for implementation.

The framework directive is to be communicated in an appropriate manner to partners, member churches and beneficiaries as well as to the wider public. The aim is to work with partners towards common understanding and mutual agreement.

On the basis of this framework directive, agencies commit themselves to develop their own codes of practice, or to revise their existing codes accordingly. These are intended for all employees and volunteers. Representatives on governing bodies and persons with leadership responsibility have a particular role-model function.

Preamble

"Like good stewards of the manifold grace of God, serve one another with whatever gift each of you has received." (1 Peter 4:10)

God shares himself with us in Jesus Christ. Through the sending of his Holy Spirit he gives us a share in his community. Taken into God's mission, we are invited to the fullness of life that is realized when we share with one another who we are and what we have. In this we are both those who give and those who receive. The gifts and tasks for us are:

- respect for the dignity of all people,
- commitment that does not aim at one's own advantage but deploys limited assets and resources in mutual trust for their intended purpose,
- the courage to change and for metanoia, and
- the hope that, despite setbacks, does not give up.

"Whoever is faithful in a very little is faithful also in much; and whoever is dishonest in a very little is dishonest also in much. And if you have not been faithful with what belongs to another, who will give you what is your own?" (Luke 16:10,12)

Together we are partners in God's mission and assume responsibility collectively and individually for the success or failure of our cooperation. The assets that have been entrusted to us, our accumulated experience and skills, and our hopes are



not intended for our benefit alone. Therefore we commit ourselves to transparency and participation and to the shared fight against any form of embezzlement, misappropriation and corruption. In good stewardship and mutual accountability, we know that "all are naked and laid bare" before "the eyes of the one to whom we must render an account" (Hebrews 4:13).

"You shall take no bribe, for a bribe blinds the officials, and subverts the cause of those who are in the right." (Exodus 23:8)

In the biblical tradition, from the very beginning, corruption was denounced by the law. God presents himself as the one who cannot be corrupted, "who is not partial and takes no bribe, who executes justice for the orphan and the widow, and who loves the strangers, providing them food and clothing" (Deuteronomy 10:17-18). Seeking one's own reputation and one's own advantage at the expense of third parties is therefore inconsistent with the biblical principles to which we are committed.

Aware of this obligation, the church of Jesus Christ in its ecumenical fellowship advocates transparency, mutual accountability and fiduciary integrity to the best of its abilities. Corruption is not only an individual moral failing. It violates human dignity and hinders social development. Corruption destroys lives, suppresses the rights of the underprivileged, hinders economic development by circumventing the requirement of fairness, erodes good faith, destroys transparency and dependability and increases the potential for violence. Corruption is not a marginal phenomenon in this world. It has many causes, such as greed for money and power, but also the fear of losing one's reputation and making a sufficient livelihood. This can lead to one's own conscience becoming numb and allowing things that undermine one's credibility as a Christian. In reliance on the free grace of God, the church does not condemn the person because of their acts, but has the mandate to uncover and to correct corrupt practices within its own ranks. Therefore clear rules and guidance are essential as a guide both for individual behaviour and for that of churches and agencies.

"In this world you will have trouble. But take heart! I have overcome the world." (John 16:33b)

A commitment to transparency and against corruption requires great courage. Placing cherished relationships at risk, still more breaking them off, can be daunting and lead to manoeuvring and machinations.

Such a commitment, however, strengthens the church and its members in their prophetic mission. In the Christian community, peace in the sense of Shalom also means to have no need to be afraid to name personal misconduct, because the community of sisters and brothers in Christ will continue to exist. To this end, Christian agencies and partners need to act in an exemplary fashion.



Therefore, the agencies within the fellowship of/under the auspices of EMW commit themselves to the following principles and practices with respect to the use of their own funds and those that have been entrusted to them, and on this seek a common understanding with their partners.

Transparency as a central means of preventing corruption

All activities, but in particular the use of funds, are undertaken with transparency towards employees, boards, sponsors, member churches and partners, as well as beneficiaries, donors, and the wider church and non-church public.

By transparency we mean a situation of comprehensive information and accountability. This is dependent upon open communication between the stakeholders – especially in critical situations. In financial matters this requires clarity and honesty in dealing with the use of our own funds and those that have been entrusted to us, in the organizational arena it requires honest dealing, well-defined structures and compliance with the statutes and regulations that are applicable. This requires, in particular, procedures for applying for and disbursing funds, reporting systems as well as for public information. The earmarking of funds must be respected. Conflicts of interest should be avoided; should the situation arise, they should be resolved through a process of open communication. This needs in particular a clear division of responsibilities, through appropriate control mechanisms and participation in the sense of the appropriate involvement of relevant management bodies, stakeholders and interest groups.

Corruption is to be avoided at all levels of action. By corruption, we mean taking any advantage for oneself or others through the misuse of public or private power and the resources that have been entrusted to us. In most cases, this results in damage to the community, the target group of a proposed action, as well as the reputation of all parties, and contravenes the intentions of donors and recipients of funds. A reasonable suspicion of corruption needs to be investigated through an orderly procedure that aims to establish the facts. Proven corruption needs to be punished, taking into account the particular church and state legal systems, and must not remain without consequences.

Preventive measures

As a general rule, the following minimum standards should apply:

- Financial transfers and project management as well as the exchange of personnel take place within the framework of written agreements with partners and member churches, taking into account the standards set down in this directive.
- In matters with financial implications, responsibilities for decision making and responsibility for implementation should be kept separate (e.g., planning and drawing up and calling for tenders, decisions on contracts, as well as disbursing and accounting for funds).



- Administrative capacities are examined for their suitability and appropriateness and strengthened through continuing education and training, as well as appropriate personnel measures (capacity building).
- Employees and volunteer staff are required to commit themselves to follow the codes of conduct that exist. This is to be documented.
- The acceptance of gifts or other gratuities above a minimal threshold or outside the boundaries of what is culturally customary is to be prohibited.
- Actions constituting criminal offences are to be reported to the appropriate law enforcement authorities.

In the financial sector in particular the following measures need to be observed:

- In financial transitions the “four eyes” principle – requiring the oversight of two people – applies. Well-founded exceptions must be approved, communicated and documented by the competent persons or supervisory bodies.
- Accounting must take place in accordance with generally accepted national or international standards (e.g. church laws and church auditing requirements, government regulations and intergovernmental agreements on the use of resources and reporting mechanisms). In all cases, there should be a regular external audit, e.g. through a financial auditor and/or audit authority.
- Internal control mechanisms such as unannounced cash audits need to be put in place.
- Procedures relating to exchange of money or other services need to be documented in writing (e.g., purchase and service agreements, project management procedures, billing, service and employment contracts).

The following more far-reaching measures may also be considered:

- Areas susceptible to corruption should be identified through a risk assessment. Regulations introduced should take due consideration of the type and degree of risk. In areas particularly susceptible to corruption, it may be appropriate to introduce a rotation of personnel at fixed intervals.
- Common guidelines and regular training as well as appropriate discussions in workshops should be organized for financial managers of agencies, member churches and partners.
- Regulations to prevent the abuse of office, “nepotism”, using bribery to obtain positions need to be drawn up (e.g., when awarding contracts and scholarships, in filling vacancies, in order to limit terms of office, conflict of interest provisions).

Procedures for the investigation of cases of corruption

- Information about suspected issues of corruption may be gained through the control and audit procedures set out above, and independently of such procedures. Persons who obtain such information, regardless of their area of responsibility, are required to disclose such information to a competent person (e.g. supervisor, ombudsperson). This person has either to investigate the case themselves or involve other supervisory persons or bodies. Appropriate structures and mechanisms need to be created.
- A neutral person (ombudsperson) may be appointed to protect whistle blowers. Such a person or another competent neutral body is as a rule responsible for investigating cases of corruption. Whistleblowers can turn to them, for example, if in their view there a danger of personal disadvantage



due to their fulfilling their duty to disclose information (e.g., removal from office, dismissal/termination, transfer, as well as bullying).

- There needs to be an orderly procedure to permit an objective investigation and to ensure the individual protection of whistle blowers. Ombudspersons or bodies need to be clearly identifiable and to be available to be addressed by anyone at any time. Appointments should not be made from among professional employees. Members of voluntary supervisory bodies or external third parties may be used. In their investigations, the ombudspersons or bodies have access to the resources of the agency, the member church or partner: they ensure the facts are established; and they are solely responsible to the highest supervisory body. They must have unimpeded access to all relevant data.
- Especially in larger agencies, the establishment of an investigatory task force is recommended. It should also make recommendations for action to the decision-making bodies or persons, and be able to examine all relevant sources without hindrance. Persons with a conflict of interest are to be excluded from these procedures. Investigation of corruption allegations often takes place under time pressure. Therefore, swift investigation is needed. There needs to be clarity about the person or body responsible for concluding the investigation, for determining sanctions and, if necessary, for informing the wider public.

Sanctions

It is necessary to respond appropriately to proven corruption or the deliberate misuse of whistle blowing. It is necessary to distinguish between sanctions against persons and against institutions, within the area of their respective authority and responsibility.

Sanctions to be taken against individuals may include:

- labour and service law sanctions (e.g. a warning, ordinary dismissal, extraordinary dismissal, disciplinary procedures with varying consequences for their status as public servants, etc.),
- removal from office in the case of volunteers or persons otherwise elected or appointed,
- personal repayment of funds, e.g., through attachment of earnings,
- obligatory reporting to law enforcement agencies in the case of conduct constituting a criminal offence.

Measures to be taken against institutions may include:

- reducing or withholding of funds or allocations until any suspicions have been cleared up,
- reallocating funds or allocations to redress the damage (e.g. between block grants and project funds),
- agreement of "penalties" to be paid for violations, or deducted from transfers and applied to other statutory purposes,
- in extreme cases, termination of partnership.

Sanctions are subject to the requirement of proportionality and are to be graduated in their severity (e.g., for lack of willingness to cooperate in the promotion of transparency, obstruction of an investigation, or a proven case of corruption).



Public information work

Public information work has an important role to play in promoting transparency and eliminating corruption. The following aspects should be considered and implemented as appropriate:

- being transparent about accountability (e.g., on the website, in the annual report)
- explicit reference to one's own code of conduct,
- compliance with general principles or certificates or seals of approval and communicating this as appropriate (e.g. in Germany, the Initiative Transparente Zivilgesellschaft [Initiative for a transparent civil society] or the Spendensiegel [A seal of approval for the use of donations]),
- appropriate disclosure of cases of corruption,
- clear procedural rules for dealing in public with allegations and cases of corruption, including clear rules on the use of language and corresponding responsibilities (possibly oriented to different target groups such as donors, partnership groups, media),
- respect for privacy and data protection rights in complying with information requirements and obligations.

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