

The Development Fund's
Ethical Guidelines



1 Introduction

«Ethical Guidelines of The Development Fund» are, along with «Code of Personal Conduct» and The Development Fund's values, intended to assist and guide our personnel in making ethically sound decisions, while acting competently and responsibly within all areas of The Development Fund's work. The Guidelines are not exhaustive, and must be supplemented by personal judgement and respect for others in one's work for The Development Fund.

The Guidelines also helps to assure responsible management of our funds, so they are used for their intended purpose and reach their target group. Ethical and responsible operations strengthen the reputation and credibility of The Development Fund and of our contributors and donors.

The Guidelines apply to our employees and others who in various contexts represent the organisation. Employees must be conscious of the fact that they may be considered representatives of The Development Fund even in private situations. The same goes for guests one brings along on journeys. During work-related travel, the Guidelines also apply outside working hours.

2 Partnership and cooperation

Partners are defined as organisations and other collaborators with which The Development Fund has binding cooperation of a certain financial scope, or cooperation that for other reasons is important for the organisation's purpose. The Development Fund is committed to strive for inclusive and open relations with all its partners, and to maintain well-organized and well-understood collaborative arrangements, distinguished by mutual respect and tolerance. Employees must be conscious that The Development Fund often is the financially stronger party in these relations, and that this may influence cooperation and power relations, and thus also the potential for abuse of power.

3 Private interests and loyalty

It is important that everyone is cognizant of the fact that private relations and circumstances must be kept separate from the organisation. This applies particularly to hiring's, purchases and distribution of funds.

Employees shall fulfil their duties in a spirit of loyalty to the values, purpose and decisions of The Development Fund. Employment outside The

Development Fund shall be cleared with one's immediate superior.

As regards gifts and representation, please see «Guidelines for Representation, Entertainment and Gifts» in The Development Fund's handbook.

Employees and other representatives of The Development Fund shall in their demeanour and work methods contribute to prevent and stop corruption.

4 Notification of misconduct

When censurable conditions are discovered in connection with the organisation's work, management urges employees to give notification of the conditions. The same is true of the work of partner organisations. When notification is given in Norway, it should be done in accordance with the rules for notifications described in The Working Environment Act [§2A Notification], primarily to one's immediate superior, alternatively to the CEO or Head of the Board. Notification may be given indirectly, via employee representatives, safety representatives, colleagues or other third persons. If the issues are not resolved through dialogue, or it is difficult to address them directly with the person in question, we recommend that our online whistleblowing mechanism below be used.

www.utviklingsfondet.no/om-oss/whistleblowing

A separate guide for notifications has been prepared for the use of partner organisations and other external parties: «Guidelines for Reporting of Misconduct». This document should always be reviewed with partners and appended to all partner contracts.

If unethical conditions are discovered it is important to follow the organisation's rules for «Notification of Misconduct», which may be found in our handbook, so The Development Fund can do a professional follow-up and give further notification when necessary. Whistleblowers have the right to particular protection and The Development Fund must ensure that their security and interests are taken care of.

5 Relationship to other rules and regulations

All cooperation and work taking place under the auspices of The Development Fund shall be imbued with respect for human rights, for the laws, culture and religion of other countries, and with zero tolerance for corruption and abuse of power, including sexual abuse.

The host country's laws, culture and religion shall be respected, to the extent that this does not conflict with international standards of human rights.

All employees shall follow the articles of their employment contracts and job descriptions, and of handbooks for staff.

Violation of The Development Fund's Ethical Guidelines may be prosecuted, and may, in the case of serious violations, have consequences for the employment relationship.

To further optimal consciousness and understanding of the Ethical Guidelines and «Code of Personal Conduct», this document shall be reviewed with all new employees, and also be discussed regularly with all staff.

Consultants and other cooperation partners shall be informed of the «Ethical Guidelines of The Development Fund» and «Code of Personal Conduct» by having them appended as enclosures to the contracts.

Annexes:

- 1) Code of Personal Conduct
- 2) Guidelines for Representation, Entertainment and Gifts, Head Office Oslo
- 3) Notification of Misconduct/Sexual harassment
- 4) Guidelines for Reporting of Misconduct
- 5) Procedures for reporting of sexual harassment

1 Code of Personal Conduct

1. Preamble

All Development Fund personnel are ambassadors of the organisation and must act as such. The following code of conduct applies when personnel during employment in The Development fund in external and internal contexts both in Norway and abroad. Equally important is that the Code of Conduct represent values which should be expressed internally as a tool for internal trust- and team building.

In all Development Fund Office, both abroad and in Norway, all personnel must establish relations and working methods in accordance with the core values of The Development Fund to strengthen confidence in and within the organisation. All staff must be aware that mistakes and misbehaviour made in the accomplishment of their missions will cause damage to The Development Fund as well as to partners and target groups.

In conflict situations like war, internal disorder, and various states of emergency, the employees may run risks which should not be underestimated. Employees should therefore exercise the moderation and discipline called for by the prevailing circumstances.

The aim of the guidelines is to strengthen the employee's ambassador-role for the sake of The Development Fund, its partners and our target groups. We wish at the same time to make it clear that disregard for this code of conduct may have contractual consequences for the employee concerned.

2. General rules and codes of conduct

2.1 Absolute rules, employees must:

- Practice zero tolerance towards any form of embezzlement of the organisations' funds, be it in Norway or abroad.
- When on contract or engaged on a mission for The Development Fund, be it in Norway or abroad, show necessary discretion and caution to political or military matters in countries where the DF is operating. This applies to official and private communications, including conversations, telephone calls, radio messages, cables, e-mails and letters.
- Act with loyalty to The Development Funds instructions and directives.

2.2 Codes of conduct, employees in The Development Fund should:

- Apply the attitude through their daily work that all staff-members are equally important for the function.
- Apply with an attitude of constructive, matter-oriented discussion on any issue being brought up by any other staff contribute to the resolving of conflicts between staff members with an open, honest and fair attitude be ready to give understanding and support to any other staff in need of such care.
- Respect and stay loyal towards decisions made through regular organisational practice in the organisation, including rules and responsibilities of the participation of employees.

3. When on travels abroad

3.1 Absolute rules, employees must:

- Make no use of prostitutes. Prostitution is widespread in destitute countries where there is social need. It is in direct contravention of the DF's ideology to take advantage of this situation
- Observe strictly local laws and regulations, including those governing security, traffic regulations, and currency exchange
- Not make use of, or at any time have in his/her possession any weapons except for a knife as a regular travel kit
- Practise zero tolerance against corruption. Employees must refuse any financial or material gift or promise of such gifts or other inducements, and refrain from giving any irregular financial or material inducements to public servants or other personnel. Exceptions are token expressions of regard or gratitude which are customarily offered. All matters regarding transfer of financial or material resources shall be subject to total transparency.
- Not use any illegal drug by the country's or Norwegian law, nor involve in situations where such drugs are being used. Exceptions are personal use of medicines prescribed by doctors.

3.2 Codes of conduct, employees should:

- Behave respectfully towards all employees of the partner organisation regardless of their position, sex, age and religion not intervene in partner organisations' internal affairs without the consent of the partner organisation. Exceptions are cases of misconduct, misuse of funds and other issues which are antagonistic to the basic values of the partnership.

- Show respect for the religious beliefs, customs and habits of the population, and conduct himself/herself accordingly
- Behave respectfully towards people of the local population regardless of their position, sex, age and religion
- Take photos discretely and not without the consent of specific persons being portrayed
- Use alcohol moderately
- Seek advice and information on local customs regarding dressing and behaviour, dress and behave in a manner appropriate to the assignment and avoid giving any impression of having military status
- Abstain from undertaking any public, professional or commercial activities other than those connected with the assignment unless prior permission from the Director of The Development Fund
- Show discretion in relation to any incidents or other event she/he may witness.
- Keep your office well informed of his/her movements and not leave the country of assignment or take local leave without permission from the Director/Country Director or Head of Department
- Refrain from publishing articles or research findings related to the mission without prior clearance from one's superior

In the event of contravention of the Code of Conduct, The Development Fund shall have access to legal redress. The employee may be given verbal and/or written warning; the employee's job description, position and/or duty station may be changed; the employee may be given notice of dismissal, or the contract terminated. Should e.g. the employee cause damage to a motor vehicle under the influence of alcohol or drugs, the employee shall be fully liable for damages. Should an employee use any DF property improperly, he/she may be held responsible for damages incurred.

2 Guidelines for Representation, Entertainment and Gifts

Background

The Development Fund's Guidelines for Representation, Entertainment and Gifts have been formulated in accordance with the organisation's basic values and goals, and in consideration of The Development Fund's reputation among partners, donors, supporters, the public and authorities. As regards gifts to and from partner organisations, it is difficult to set general, fixed rules valid for all countries, because of different price levels, cultural differences and varying practices in the organisations.

1. Representation and entertainment

1.1 General

Representation and entertainment on the part of The Development Fund shall demonstrate a moderate and cost-conscious attitude.

1.2 What is representation?

Representation includes expenditures for food and drink, as well as for events, excursions and social functions for guests and cooperation partners of The Development Fund. Expenses for representation shall follow the Norwegian government's rules as far as reasonable, if nothing else is stipulated in the points below.

1.3 Representation must have prior approval

Expenditures for representation shall normally be subject to prior approval from the Director/Country Director, or Department Manager / Head of Finance and HR, in the absence of the Director/Country Director. If the all above-mentioned are absent, one may apply to have expenditures for representation covered in arrears.

1.4 What qualifies as representation?

Representation is normally only covered in the event of meetings with representatives of partner organisations, embassies, evaluators, and other representatives of organisations.

1.5 Upper limit of costs

The upper per person limit for expenditures on meals is 50% of per diem rates given by government travels (Statens reiseregulativ) for the country where the representation takes place.

2. Gifts and favours

2.1 General

Valuable gifts received by employees in connection with their work are considered the property of The Development Fund.

Gifts from The Development Fund shall be kept on a modest level. Gifts shall have prior approval from the Director/Country Director, or Department manager / Head of Finance and HR, in the absence of the Director/Country Director. If all the above-mentioned are absent, one may apply to have expenditures for gifts covered in arrears.

2.2 Gifts and tokens of appreciation to The Development Fund's employees

Gifts to employees and members of the Board on special occasions may be covered with a maximum of NOK 800. Country Offices will need to have separate rate for gifts.

2.3 Gifts to partner organisations or beneficiaries

Gifts to partner organisations shall be kept on a modest level. Individual staff are responsible for ensuring that the cost level of gifts is not perceived as extravagant or as bribes or palm greasing, whether in Norwegian public opinion and administration or in the home countries of the partner organisation. Information about gifts given shall therefore be reported in writing in travel reports / project reports.

2.4 Gifts from partner organisations/communities/beneficiaries

Individual staff members may receive gifts from partners as expressions of good cooperation and partnership. The individual employee is responsible for not accepting gifts and / or services that may be perceived as attempts at bribery or palm greasing, whether in the partner organisation's country or in Norwegian public opinion and administration. Information about gifts received shall therefore be reported in writing in travel reports / project reports.

3. Specification of expenditures for representation and gift purchases

Expenditures shall be covered in accordance with receipts itemized in appendices. In the case of representation, details shall be provided on the persons and the occasion involved. In the case of gift purchases, information shall be provided on the person(s) for whom the gift is purchased.

3 Guidelines for Notification of Misconduct/Sexual Harassment

Purpose:

The purpose of these Guidelines is to describe how censurable conditions at work shall be dealt with, so the conditions can be brought to the attention of the person or persons concerned.

The Guidelines apply to all employees on all levels of the organisation.

Censurable conditions:

The Norwegian Working Environment Act covers all situations you may be acquainted with through your employment relationship, which are or may be in violation of laws and regulations, The Development Fund's Guidelines, or common perceptions of prudent or ethically acceptable behaviour.

As censurable conditions, we consider violations of laws, internal rules and/or regulations.

Notification may be given for example in cases of violation of legal rules, internal rules, guidelines or ethical and professional values and norms including conducts such as sexual abuse, discrimination and drug abuse; conditions which are dangerous for life and health; financial irregularities such as embezzlement, corruption, fraud, and nepotism.

How to give notification:

If you, as an employee of The Development Fund, experience or obtain knowledge of conditions such as mentioned in these Guidelines, you are responsible for giving notification to your employer / superior. Notification may be given in the following way:

- Notification may be given according to enclosure 4: "Guidelines for Reporting of Misconducts".
- As a general rule, the employee should give notification to his or her immediate superior or to higher levels of management. The employee may also give internal notification to management indirectly, via employee representatives, safety representatives, colleagues or other councillors.

- If the issues are not resolved through dialogue, or it is difficult to address them directly with the person in question, we recommend that our online whistleblowing mechanism below be used.

www.utviklingsfondet.no/om-oss/whistleblowing

Consequences:

All whistle-blowers shall be treated professionally. Proportionate measures and follow-up shall be implemented.

Whistle-blowers have the right to particular protection, including anonymity.

Relevant laws, contracts and internal routines shall be followed during follow-up of whistle-blowers and cases where notification has been given.

Learning:

Experience should be shared internally for learning.

4 Guidelines for Reporting Misconduct

What is misconduct?

Misconduct is violation of legal rules, internal rules, guidelines or ethical and professional values and norms including conducts such as sexual harassment, discrimination and drug abuse; conditions which are dangerous for life and health; financial irregularities such as embezzlement, corruption, fraud, and nepotism.

Who can report misconduct?

Anyone affected by our work or the projects we support may complain, including:

- Employees, consultants and others directly involved in the organisation
- Our partner organisations
- Institutional/individual donors
- Supporters and stakeholders

How to report misconduct?

We encourage that complaints of misconduct are directed to the person concerned and/or the relevant line manager because this person is closest to the activities. If the issues are not resolved through dialogue, or it is difficult to address them directly with the person in question, we recommend that our online whistleblowing mechanism be used:

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The Minister of Foreign Affairs' Central Control Unit shall be notified in writing about complaints of financial irregularities or sexual abuse. Norad/MFA are to be notified of misconduct even if the funds do not come from Norway. DF shall always notify NORAD and NORAD shall notify the embassies.

If necessary, partner staff can report misconduct directly to MFA's through their website: <http://www.regjeringen.no/en/dep/ud/selected-topics/civil-rights/antikorrupsjon/whistleblowing.html?id=495009>

It is also possible to report misconduct directly to Norad via e-mail to

varsling@norad.no, or access Norad's electronic reporting form:
<https://dh8342.customervoice360.com/uc/admin/9453/ospe.php>

It is possible to notify the Norwegian embassies directly. If investigation concludes it is a criminal case, DF will notify the local authorities. If the funding comes from multiple donors, all donors shall be notified.

When to report misconduct?

There is zero tolerance for financial irregularities. Sexual harassment, exploitation and abuse are completely unacceptable. As soon as you have a reasoned suspicion about misconduct, it shall be reported.

What should the report contain?

What happened? Is it a violation of the law or a violation of the company's written ethical guidelines?

How did you find out about the misconduct?

Who is involved?

Where did it happen? Where was it discovered?

When did it happen?

Has it happened multiple times?

Were there witnesses present?

Please specify whether you have witnessed this information first hand, whether it is something you suspect or whether it is something you have heard from others. Attach specific examples and evidence/documentation if available. Also feel free to provide contact information on any witnesses to the incident(s). Even if you do not have complete information, you should report any suspicion of misconduct.

Consequences

An external auditor will be employed by DF to investigate and document the misconduct. Change in routines to prevent similar situations in the future shall take place. Statement which tells how embezzled funds will be recovered shall be sent to DF.

DF will stop future transfer until the case is clarified and the risk of future case eliminated. Funds already transferred may also be blocked and required returned to DF. Embezzled funds which are not settled have to be paid back to DF.

At the sole discretion of DF, the contract may be terminated, and prosecution will be considered.

5 Procedure for Reporting and Responding to Reports of Improper Behaviour and Sexual Harassment

The Development Fund aspires to be an attractive organisation to work for and cooperate with. This demands that all employees and partners are informed that The Development Fund does not accept improper behaviour or sexual harassment of any kind.

The Norwegian Equality and Anti-Discrimination Act defines sexual harassment as follows:

“Harassment” means acts, omissions or statements that have the purpose or effect of being offensive, frightening, hostile, degrading or humiliating.

“Sexual harassment” means any form of unwanted sexual attention that has the purpose or effect of being offensive, frightening, hostile, degrading, humiliating or troublesome.

The Development Fund has employees in Norway and in the program countries in which the organisation works, and in addition cooperates with consultants and local organisations. In The Development Fund it is expected that everyone will be met with respect and will not experience harassment of any kind. Asymmetrical power relations may represent a challenge for organisations such as The Development Fund and our cooperation partners, where access to money and influence due, for example, to age or position may open opportunities for improper behaviour. It is incumbent, in particular, on the management and employees of The Development Fund to contribute to a culture where everyone can thrive, and to stimulate good attitudes among our cooperation partners.

There must be clear guidelines for how to report and respond to improper behaviour in case it occurs. Assistance must be provided to employees who are exposed to incidents which they themselves experience as offensive, or to harassment, threats or abuse during assignments or at events carried out under the auspices of The Development Fund. There must be a low threshold for seeking help or reporting unwanted incidents. It

is also important to communicate that the same standards apply to organisations with which The Development Fund cooperates, and to ensure that the standards are understood and followed up by these organisations.

How are reports of improper behaviour processed by The Development Fund?

The following basic principles shall be applied when reports of improper behaviour or sexual harassment are processed:

- All reports shall be taken seriously.
- The recipient of a report shall always ensure that it is dealt with in a responsible way.
- The complaint is handled by the committee responsible for complaints in The Development Fund: the head of the board, the secretary general and the staff safety representative.
- Reports shall be treated confidentially. Confidentiality in this case means that disclosure of the identity of the individual reporting improper behaviour and of the individual(s) accused of such behaviour shall be limited to what is necessary for the further processing of the case.
- The person reporting improper behaviour shall as soon as possible receive confirmation that his or her report has been received, and shall within a month receive information about the outcome of the report, except when notice was given anonymously.
- The recipient of the report shall, as promptly as possible, conduct necessary investigations of the allegations made in the report and take appropriate action on the basis of the investigation's results. In each individual instance, a specific evaluation must be made of who should be involved in the further handling of the case. The person making the report shall be given the opportunity to present his or her view of the case, and to receive assistance from a trusted representative.
- If further investigation of a report is initiated, the person(s) accused of improper behaviour shall be informed of the report and the allegations it contains. The accused shall be given the opportunity to present her or his view of the case, and to receive assistance from a trusted representative.
- In cases where this is necessary for the purpose of police investigations, the person accused of improper behaviour shall not be informed of the report.
- If the outcome of the case demonstrates that blameworthy conditions do not obtain, the parties to the case shall be informed that the case has been closed. If no blame-worthy conditions have been found, and the person accused of improper behaviour has already been acquainted with the report, both the complainant and the accused

shall be informed about the closure of the case. This information shall be given as promptly as possible, and in such a way that the accused may feel free from suspicion. If the accused has not been informed of the report and no blameworthy conditions have been discovered, it is in principle not natural that he or she be given information about the closure of the case.

- The recipient(s) of the report of improper behaviour shall draw up a log for each case received, stating whether the case was processed, how it was processed, which persons participated in the processing, and which actions resulted from the report. The log and other case documents shall be archived as confidential and stored in a secure manner.

To whom should report of improper behaviour be submitted?

We encourage that complaints of improper behaviour are directed to the person concerned and/or the relevant line manager because this person is closest to the activities. If the issues cannot be resolved through dialogue, or it is difficult to address them directly with the person in question, we recommend that our online whistleblowing mechanism be used:

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Potential sanctions

Depending on how serious the case is, The Development Fund may implement the following sanctions:

If an employee is found guilty of improper behaviour:

- Warning – in writing or verbally
- In particularly serious cases, dismissal and police investigation

If a partner organisation is found guilty:

- Warning – in writing
- In particularly serious cases, termination of the cooperation contract

See also: Notification of Misconduct