

# ELFCN Anti-Corruption Policy<sup>1</sup>

(the original document is the Norwegian version)

*Last update: June 2019*

## Introduction

This document must be understood in relation to the ELFCN's Code of Conduct.

God calls the worldwide church community, of which the ELFCN and local partners are a part, to fight unfair power structures, inequality, discrimination of the poor, and other forms of injustice. God is a God who will empower the powerless and enable justice for the oppressed.

Corruption is commonly defined as "the abuse of power for private gain" (Transparency International). Corruption can take form in one or several ways: bribery, collusion, embezzlement, facilitation payments, fraud and nepotism (definitions included at the end of this policy document).

With power comes a special accountable stewardship of resources and environment. We all have a moral obligation to take care of and take responsibility for each other and for creation. To combat corruption effectively, ELFCN staff and local partners must act responsibly and with integrity.

## Objective

The ELFCN's overall goal is that the unreached people groups will be reached with the gospel of Jesus. However, as a church and also with cooperation partners, we need an anti-corruption policy to set the standard of how to steward our resources – which are gifts from private people, churches, from Norad and some others. Our aim is that the resources that are entrusted us, will exclusively be used to reach our goals.

All ELFCN staff and local partners are required to use prudent judgment to make decisions and choices with utmost integrity, in accordance with this anti-corruption policy and ELFCN's Code of Conduct.

## Scope

This Anti-Corruption policy applies to all employees of the ELFCN, volunteers who represent the ELFCN, and consultants working for the ELFCN. Further, we expect all our partners to prioritize anti-corruption in their work, on a policy level as well as on a practical level.

The ELFCN prohibits all staff from practicing any form of corruption as described under "Definitions", at the end of this document.

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<sup>1</sup> This document is Digni's Anti Corruption Policy that is adjusted, and some places re-written, to fit ELFCN mission department (md), march 2019. This document must be understood in relation to ELFCN md's code of conduct.

## Responsibility

The ELFCN has the overall responsibility of the implementation of the present Anti-Corruption Policy. The mission leader ensures that all critical cases are handled and reported appropriately, and that staff is regularly reminded and updated on the content of this document.

ELFCN staff, volunteers representing the ELFCN and consultants working for the ELFCN are responsible for being familiar with, and personally adhering to the Anti-Corruption Policy. They are also responsible for raising concerns or using whistleblowing channels to report any observations of breach of the Anti-Corruption Policy. Whistleblowing is further described under "Definitions".

ELFCN partners are responsible for harmonising their own policies, management routines and practices with the standards set out in this policy.

## The ELFCN's approach to combating corruption

The ELFCN has a holistic approach to corruption, focusing on three levels: Prevention, Detection and Response.

### ***Prevention***

The ELFCN's leadership prioritises combating corruption in its strategic thinking, in relations with employees, volunteers and partners. The ELFCN's leaders and employees strive towards accountability and transparency (as signed upon in the Code of Conduct). The ELFCN prioritises raising awareness by confronting corruption directly and openly, and the ELFCN encourages partners to apply this approach.

The ELFCN is committed to keep routines and procedures up to date to ensure key control mechanisms remain effective. The ELFCN contributes to enhancing partner staff's competence in financial management and awareness of corruption risks, with an emphasis on the partner who receives Norad funds. ELFCN staff and partners' staff are encouraged to take the practical Anti-Corruption course designed by Wycliffe with Digni's input.

The ELFCN has focus on ensuring that conflicts of interest do not arise in a variety of situations, through gifts to individuals or to ELFCN staff.

Any instances of offering or soliciting a bribe or facilitation payments will be treated with no tolerance. The ELFCN prohibits gifts, hospitality or expenses that could affect or be perceived to affect decision making, because they can be a cover for bribery. Receiving gifts can create situations placing an individual in a conflict of interest.

### ***Detection***

From experience, the following are the most common ways through which corruption is detected, particularly in the Norad funded projects:

- Objective analyses of project reports (financial and narrative in coordination)
- Information received through whistleblowing or complaints channels
- Assessments and Evaluations
- External and internal audit
- Project visits

A combination of the above usually forms the basis of detections.

According to global surveys, most corruption cases are revealed through "whistleblowing". This may be in the form of direct information from an individual or group who has observed irregularities. The ELFCN takes a firm stance in protecting whistleblowers or those raising concerns against any form of retaliation or revenge.

### **Response**

The ELFCN uses procedures to act responsibly in response to all reports of suspected corruption or abuse of power. All such information is registered, followed through and treated confidentially.

All reported suspicions or knowledge of incidents are followed up according to ELFCN procedures. This includes the following key steps:

- An Action Team is set up for following up the case
- A log is created to record progress in the case, including correspondence and reports received.
- For Norad/Digni supported projects, the ELFCN will alert Digni, and discuss how to proceed. Digni provides guidance to own staff and members in the form of practical questions to members reporting incidents as well as a suggested work plan for handling cases. In accordance with Digni's agreement with Norad, all cases that entail a reasonable suspicion, will be reported to Norad's Fraud Unit. Norad's Fraud Unit will inform Digni of further desired action and keep in close contact with Digni's Action Team until the case is concluded. Digni's internal routines ensure follow up of all suspected cases of corruption, regardless of how Norad's Fraud Unit responds. If considered necessary for the nature and seriousness of the case, a forensic audit will be commissioned. The ELFCN will be in close dialogue with Digni if a corruption case occurs and take necessary action.

### **Learning and transparency**

The ELFCN recognises the value of learning from actual cases.

Each case provides unique examples of how control mechanism and other routines have failed or contributed to detect the incident of mismanagement. After each case, the ELFCN will ask their teams or their partner who have experienced the corruption, to document new routines that will protect for new, similar cases. The CEO and the action team will according to the seriousness of the case, decide how to follow up and for how long.

### **Integrity when receiving support**

The ELFCN and/or partner organisations, may seek or be offered support (financial or other forms) from governmental donors, private donors, organisations or churches.

Before accepting such support, there should be an assessment of whether the supporting relationship will result in a compromise with the ELFCN's core values, specified through the ELFCN's Code of Conduct and other policies. In the event of support resulting in a compromise with the ELFCN's core values, the support shall not be accepted.

There must be no personal conflicts of interest in any support. In situations where a conflict of interest arises, any individuals with a conflict shall withdraw from any associated decision-making process.

## Differences in laws and cultural norms

Situations in which standpoints in this policy are challenged may arise in reality.

When there are differences between applicable laws and regulations, and the standards set out in this policy, the highest standard consistent with applicable laws shall be applied.

When gifts are offered from a group as a form of cultural acceptance and gratefulness, they should be handled transparently while delicately avoiding insult to cultural norms.

Individuals in such situations should inform their line managers or superiors, including the factors considered.

## Taking action if you suspect corruption

The ELFCN encourages all employees and individuals cooperating with us to report suspected breaches, also known as whistleblowing.

This can be done either by making contact with an employee at the ELFCN mission department or anonymously.

### ***For Norad funded projects:***

(<http://digni.no/en/our-work/anti-corruption/>).

One can report through [varsling@norad.no](mailto:varsling@norad.no) with your name and contact details or anonymously. More information about Norads whistleblowing is found here: <https://www.norad.no/en/front/about-norad/whistleblowing/>.

The ELFCN is committed to taking action in response to all reports of suspected corruption or violations of integrity. The ELFCN will not tolerate any attempts to threaten or retaliate against whistleblowers.

## Definitions

Integrity is the quality of being honest and having strong moral principles that you refuse to change (Cambridge University Press dictionary).

Corruption is "obtaining improper advantage by virtue of one's position" (translated from Norwegian law). This advantage can be misused to commit fraud, embezzle funds or obtain personal favour.

The following are terms used in connection with corruption:

- Bribery: 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.).
- Collusion: A secret agreement between parties, in the public and/or private sector, to conspire to commit actions aimed to deceive or commit fraud with the objective of illicit financial gain.
- Conflict of interest: A conflict of interest occurs when personal relationships, participation in external activities or interest in another venture can influence or can be perceived to influence a person's decision. The person then experiences a conflict between the interest of the organisation's priorities and his or her personal interest.

- **Embezzlement:** When 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.
- **Facilitation payments:** A small unofficial payment, also called a 'facilitating', 'speed' or 'grease' payment; made to secure or expedite the performance of a routine or necessary action to which the payer has legal or other entitlement.
- **Fraud:** To cheat. The offence of intentionally deceiving someone in order to gain an unfair or illegal advantage (financial, political or otherwise). Countries consider such offences to be criminal or a violation of civil law.
- **Nepotism:** Form of favouritism based on acquaintances and familiar relationships whereby someone in an official position exploits his or her power and authority to provide a job or favour to a family member or friend, even though he or she may not be qualified or deserving.
- **Solicitation:** The act of a person asking, ordering or enticing someone else to commit bribery or another crime.
- **Whistleblowing:** Reporting or informing of concerns about corrupt behaviour (see list above), criminal offence, someone's health and safety or covering up breach of policies. Whistleblowing may be done at any time about an incident that happened in the past, is happening now, or is believed to happen in the near future.

## References

### *External*

<https://www.transparency.org/glossary/>

<https://www.norad.no/en/front/about-norad/whistleblowing/>

### *Internal, Digni*

<http://digni.no/en/our-work/anti-corruption/>

Anti-corruption course (Digni/Wycliffe): <http://digni.no/en/antikorrupsjonskurs/>

Dignis governing documents and guidelines:

- Policy for trosbasert tilnærming til rettigheter
- Guidelines for handling financial and non-financial irregularities
- Relevant questions in cases of irregularities (guideline for members)

### *Internal ELFCN documents related to this document*

- Code of conduct