



PMU's policy for anti-corruption

Background and purpose

PMU believes that every person is unique and with equal value. Any form of oppression infringes on that unique value. Corruption is a form of oppression or misuse of power that does not respect people's dignity. This policy describes PMU's view of corruption and the way PMU wants to work against it. Practical anti-corruption guidelines have been compiled to compliment this policy.

The results of corruption have many negative consequences. Where resources allocated for development are not forthcoming or are minimised, economic and social development are restricted as well as hindering the development of democracy and a well-functioning justice system in society. For the individual, it means there is an unfair distribution of resources that favours the wealthy and those who have power and influence, at the expense of the poor. In regard to development cooperation, corruption often leads to higher costs with deficient results as fewer resources actually reach right's holders. Working against corruption is therefore a necessary component in fighting poverty. Corruption damages people's trust in the value of giving aid and also minimises the desire of donor countries to give funding for development programmes.

PMU's definition

PMU defines corruption as the misuse of entrusted power or position of an individual or group for their unwarranted benefit. This can mean:

- **Bribery:** A person who demands or accepts undue reward for a particular service is guilty of accepting bribes. A person who gives or offers an undue reward is guilty of giving bribes.
- **Blackmail:** forcibly persuading someone to do or neglect to do something that can result in that person or someone representing that person suffers financial loss and the other person gains.
- **Favoritism and nepotism:** giving preferential treatment to a person or group.
- **Embezzlement:** withholding entrusted property or money that a person is responsible to give account for resulting in financial loss for the person or company and gain for the person.
- **Partiality:** being involved in a process or decision where the person himself or a near relative has an interest.
- **Swindle:** spreading misleading information to the general public that influences the market price of particular products, shares and bonds or property.

Policy

PMU's policy is never to allow any form of corruption but to always react and inform any parties suspected of engaging in corrupt practices. This can in some cases, cause delays, difficulties or even cancellation of a planned programme. PMU is prepared to accept these consequences rather than allow any form of corruption.

- Employees, elected members or appointed consultants are not to supply, request or accept any form of gift or service that can be defined as corruption. Corruption is also not acceptable in any interventions financed by PMU in Sweden or any of the countries it cooperates with.

- If corruption is suspected, PMU will decide if an inquiry is necessary as per PMU's approved anti-corruption guidelines.
- PMU's employees, elected members, appointed consultants and all partner organisations are expected to inform PMU if they detect any suspected or confirmed corruption. PMU in turn is responsible for informing any financial back-donor. Any person informing PMU of any charges of corruption can be anonymous.

Scope of the Policy

The policy influences the formation of all organisational structures and systems as well as relating to how priorities are made within the interventions both in Sweden and in PMU's partners globally.

Implementation of the policy

Implementation of the policy takes place in all stages of project development from project idea, contextual analysis, project design and follow-up and evaluations.

- All PMU employees responsible for a defined area of work within the organisation, is responsible for seeing that all his/her co-workers know about PMU's Anti-corruption Policy and practice it in their work.
- All PMU employees shall practice the Policy in their work. This means that they should draw attention to any suspected form of corruption and report it as per PMU's established guidelines.
- All elected members or persons contracted by PMU shall practice this Policy in their agreed assignment for PMU
- Swedish organisations and local partner organisations shall practice this Policy wherever PMU finances an intervention. This means that they are expected to inform PMU if any form of corruption is suspected.

Guiding principles in working against corruption

The following are some basic principles for working against corruption within development cooperation:

- **Transparency** The cooperation between PMU and its partners should be evident by having access to their policies, strategies, plans, decisions, reports and financial issues. This openness strengthens good administration and financial management and creates trust between employees, donors, partners and target groups.
- **Requires specific mandates and areas of responsibilities.**
- Persons and organisations responsible for a specific area of work are required to give account for their actions. Clear and well documented routines for decisions and responsibilities as well as an administrative system that provides good internal control are important components for maintaining a high standard of responsibility.
- **Participation**
- Target groups and other relevant groups should have ownership and influence over all processes involved in development cooperation making it possible to practically fight against corruption.

Preventative actions

- **Programme planning:** When PMU compiles its country/regional programme, strategies and development programmes, an analysis of risk for corruption should be carried out followed by a description of how the risk shall be managed.
- **Organisational assessment:** PMU shall assess its local partners' capacity to manage funding adequately.

- **Programme assessment:** Risk for corruption is assessed in all projects as well as the possibility that the project can contribute to minimising corruption. PMU will certify that all planned programmes have clearly defined descriptions of its activities, outcomes and goals.
- **Follow-up:** PMU administrates reports being submitted at the agreed time and that they are screened within a reasonable time. If there is suspicion of some form of corruption, PMU shall see that an extra external audit or inquiry be carried out. If evidence for mismanagement or corruption is found, PMU can decide to discontinue support to the project, demand repayment of the funds, cancel the agreement and even begin legal procedures. PMU has the right to carry out any form of checks to make sure there are no corrupt practices.
- **Agreement:** All partner and project agreements shall include a clause on anti-corruption. The agreement should contain a clear statement of the action to be taken if corruption is suspected.
- **Guidelines:** PMU shall compile practical guidelines that contain routines and working methods that prevent, reveal and manage corruption.