PMU's policy for anti-corruption

Background and purpose

PMU believes that every person is unique and of 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 action plans 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, this means that economic and social development are restricted. Corruption is also an obstacle for the development of democracy and a well-functioning justice system. For the individual, it means 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 rights 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 révisé mai 2024

PMU defines corruption as the misuse of entrusted power or position of an individual or group for their unwarranted benefit. This includes, among other things:

- **Bribery:** A person who demands and/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 means financial harm for that person, or someone representing that person, and a corresponding gain for another person.

- **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 damage for the victim and a corresponding gain for another 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.

- **Money laundering**: to conceal or convert money or other assets from criminal activity using legal financial transactions.

- **Illegal financing of political parties**: to secretly finance political parties where legislation prohibits such funding.

- **Financing of organizations that are on the EU list of sanctions:**
https://www.sanctionsmap.eu/#/main

Policy

PMU's policy is never to allow any form of corruption but always react and inform interested parties when there is suspicion of corruption, as well as to work actively in order to prevent corruption. This

can in some cases, cause delays, difficulties or even cancellation of a planned program. In view of the damage caused by corruption, PMU is prepared to accept these consequences.

- Employees, elected members, any other persons sent out by PMU or any 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 action plans.

- PMU's employees, elected members, any other persons sent out by PMU or any appointed consultants and all partner organizations are expected to inform PMU if they detect any suspected or confirmed corruption. PMU in turn is responsible for informing Sida, the SMC or any other financial back-donor. Information of suspected corruption can be done through PMU's complaint response mechanism which is described on PMU's website, www.pmu.se , or be sent by other means directly to PMU. Any person informing PMU of any charges of corruption can be anonymous, if that person so desires. A person or organization that informs PMU of suspicion of corruption will, according to PMU's complaint response mechanism, not be subject to any kind of reprisal.

- Employees are obliged to comply with PMU's Code of Conduct, which clearly states a zero tolerance against corruption and a duty to report corruption.

Scope of the Policy

The policy will serve as a guide in the formation of all organizational structures and systems as well as in 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 is carried out continuously, in all stages of project development from project idea, contextual analysis, via project design, to follow-up / evaluations.

- All PMU employees responsible for a defined area of work within the organization are responsible for seeing that all their co-workers know about PMU's Anti-corruption Policy and practice it in their work.

- All PMU employees, and any other persons sent out by PMU, 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 organizations and local partner organizations 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 characterized by transparence concerning 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.

- **Specific mandates and accountability.**

Persons and organizations responsible for a specific area of work should be held accountable 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 requisites 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.

Preventive measures

- **Program planning:** When PMU compiles its country/regional program, strategies and development programs, an analysis of the risk for corruption should be carried out, followed by a description of how the risk shall be managed.

- **Organizational assessment:** PMU shall assess its local partners' capacity to manage funding adequately.

- **Program assessment:** Risk for corruption is assessed in all projects as well as the possibility of the project to contribute to minimizing corruption. PMU will certify that all planned projects/programs have clearly defined descriptions of its activities, outcomes and goals.

- **Follow-up:** PMU shall work to ensure that reports are submitted at the agreed time and that they are processed within a reasonable time frame. If there is suspicion of corruption, PMU shall see that an extra external audit or inquiry be carried out, if this is considered justified. If evidence for mismanagement or corruption is found, PMU will consider whether or not to discontinue support to the project, demand repayment of the funds, cancel the agreement and begin legal procedures. PMU may carry out controls focused on detecting corrupt practices.

- **Agreement:** All partner and project agreements shall include a clause on anti-corruption. The agreement should contain a clear statement of the division of responsibilities for actions to be taken and for follow up, if corruption is suspected.

- **Action plan:** PMU shall compile a practical action plan that contains routines and working methods that prevent, detect and remedy corruption.

Areas of Risk

There is a risk for corruption in all contexts, there are however specific risks in connection with development cooperation and humanitarian interventions. The following need to be emphasized:

Examples of external risks

- War and conflict areas
- Development projects implemented in countries with a high level of corruption
- Weakly developed democracies and insufficient transparence
- Low economic growth which is unequally distributed
- Weakly developed civil societies and insufficient media coverage
- When procuring goods or services
- Limited scope of functioning banking systems

Examples of internal risks

- Handling large sums of cash in an organization/project
- Close ties of friendship between colleagues and /or representatives for the parties under contract
- A lack of internal control, e g a lack of documented internal control or if the follow up on whether procedures are followed is replaced by an exaggerated trust in coworkers.

Protection from Sexual Exploitation, Abuse and Harassment (PSEAH)

There is a risk for SEAH in all contexts. There is however a specific risk in connection with development cooperation and humanitarian interventions. There needs to be best practices for PSEAH in place in all levels of the work. The following needs to be emphasized:

Areas where risk for SEAH needs to be considered and prevented:
- Programme design and implementation
- Organizational structures, policies and guidelines
- Actions and documentation
- CRM mechanisms
- Safeguarding of beneficiaries and personnel
- Working with the most vulnerable groups e.g. children and refugees
- Participation of beneficiaries
- Information security structures
- Division of roles and responsibilities
- Recruitment and screening of new personnel

CHS alliance provides introduction to PSEAH in English, French, Kiswahili and Arabic via this link:
https://www.chsalliance.org/get-support/resource/pseah-index/

Follow up and Evaluation of the Policy
The management team of PMU, or a group appointed by the same, will be responsible for following up on the implementation of this policy.