

## Anti-Corruption Policy

### Introduction

The Sapan Program fosters constructive citizen engagement with the Royal Thai Government as a means to support participatory democratic political processes, promote principles of good governance and mitigate social tension. The Sapan Program primary objectives are:

- Enhance the capacity of key independent agencies to provide effective government oversight;
- Strengthen the capacity of civil society organizations and media to serve as checks and balances for political processes and public policy; and
- Support civic peace-building efforts and diminish the potential for radicalization and escalation of violent conflict in Southern Thailand.

### Program Values

**Integrity** guides employees working on the Sapan Program in dealing fairly and honestly with each other, partners and other stakeholders. This in turn promotes a sense of **ownership** of the program among the Sapan Program and its partners, which begets shared responsibility for policies, activities and beneficiaries that can only be successfully managed through **teamwork**. Adopting this cooperative approach enables the Sapan Program and its partners to meet challenges with a creative, **pioneering spirit** that facilitates personal and professional growth and positively influences program activities and beneficiaries. The **impact** of this collective, creative interaction is innovative ideas and actions that improve people's lives.

Elemental to these values is a commitment to mitigate corruption in all aspects of program operations. The Sapan Program is committed to fighting corruption. It is dedicated to providing a transparent, fair and just work environment for its staff and its partners. All citizens of Thailand are affected by corruption and have roles to play in promoting principles of accountability, transparency, and responsive governance to reduce corruption. Engaging a broad range of leaders to actively address corruption in their areas of work and to advocate for strong government oversight is a central element of the program strategy. Program manuals include policies and checklists that clearly state anti-corruption policies to help guide implementation.

### Definitions

Transparency International defines **corruption** as “the misuse of entrusted power for private gain.” It notes two types of corruption: “according to rule” and “against the rule.” According to the rule corruption includes facilitation payments, where a bribe is paid to receive preferential treatment for something that the bribe receiver is required to do by law. Against the rule corruption occurs when a bribe paid to obtain services the bribe receiver is prohibited from providing.

A **conflict of interest** is any situation in which an individual or corporation (either private or public) is in a position to exploit a professional or official capacity in some way for their personal or corporate benefit. Those who may often find they have conflicts of interest are politicians, business executives, police chiefs and civil servants. Individuals may be in a position to give deals or contracts to friends or family instead of awarding them on merit, or tempted to make policies that are of more direct benefit to themselves rather than to the public in general.

The United Nations Convention against Corruption (UNCAC), to which Thailand became a signatory in December 2003, does not provide a specific definition of corruption. It highlights specific acts of corruption that should be considered in every jurisdiction covered by UNCAC. These include bribery and embezzlement, money laundering, concealment and obstruction of justice. UNCAC sees corruption as “... a complex social, political and economic phenomenon that affects all countries.

Corruption undermines democratic institutions, slows economic development and contributes to governmental instability. Corruption attacks the foundation of democratic institutions by distorting electoral processes, perverting the rule of law and creating bureaucratic quagmires whose only reason for existing is the soliciting of bribes. Economic development is stunted because foreign direct investment is discouraged and small businesses within the country often find it impossible to overcome the 'start-up costs' required because of corruption."

## Policy Statement

*The Sapan Program is committed to promoting principles of accountability, transparency and responsiveness in governance to reduce corruption in all aspects of its work, from policy guidelines and procedures, relationships with stakeholders at all levels, and in program design, implementation and monitoring.*

In implementing this policy, the Sapan Program considers: (1) *Transparency* in program administration and in selection of partners for grant and subcontract awards; (2) *Accountability* of the use of funds for program operations and grant and subcontract activities; and (3) *Integrity* in program management communicated through Sapan Program office culture and interactions with partners and stakeholders.

The Sapan Program recognizes that formulation of an Anti-Corruption Policy is only the first step in addressing and mitigating corruption in all aspects of its work. Monitoring implementation of the policy and measuring achievements are also critical. Annual staff workshops will be conducted to assess progress, review relevant program documents and provide recommendations to management for improvements, as necessary and appropriate. The Sapan Program will provide safe, culturally relevant ways for staff and stakeholders to share their ideas, concerns and suggestions so that managers of the Sapan Program can address quickly and professionally issues as they arise.

## Program Implications

The Sapan Program focuses on fostering constructive civil society engagement with the Royal Thai Government as a means to support democratic political processes, promote principles of good governance and mitigate social tension. Underlying these program objectives is firm commitment to promote transparency and accountability to mitigate corruption. It is therefore incumbent upon the Sapan Program to monitor and evaluate progress in all components and as a whole. Corruption mitigation considerations will be integrated in technical design, monitoring and evaluation as well as in beneficiary participation, whether the beneficiaries are individuals or institutions. Program examples include, but are not limited to:

- Civil Society—enhance and strengthen civil society advocacy networks and organizations working on government oversight functions, facilitate citizen participation in local government oversight, and build technical expertise on oversight and budget analysis to promote transparency and accountability;
- Independent agencies—advocate for reports, recommendations and action plans that address corruption; increase understanding of ethics and standards of conduct among agency staff, and strengthen technical capacity of NACC and OAG staff; and
- Media—strengthen capacity to investigate issues of corruption among journalists; encourage media partners to develop clear anti-corruption policies and guidelines on ethics and standards of conduct, and promote accountability and integrity in media coverage of social and political issues.

## Human Resource Management

Human resource management includes all phases of personnel recruitment, employment policies and procedures, and the office culture or work environment.

*Recruitment.* Recruitment for staff and consultants is transparent, including clear guidelines on the recruitment and hiring process, advertisements in appropriate media and recusal of staff from the interviewing process where conflicts of interest may arise.

*Annual reviews and salary increases.* As each employee's performance is reviewed, supervisors ensure that they are fair and just and that all staff have equal opportunity for excellent ratings and merit increases, as possible within the contract limits. In addition, the Chief of Party assesses all personnel reviews for possible conflict of interest so that all staff have opportunity for increases and promotions.

*Policy Manuals.* Supan Program policies include measures to ensure transparency and accountability in procurement, accounting of program funds and selection of vendors and grantees.

## Office Environment

The Sapan Program does not tolerate acts of corruption on the part of its staff, consultants, or individuals acting as its representative. When it has determined that an act of corruption has been committed, the Sapan Program takes disciplinary action against individuals involved and may, as appropriate, refer the matter to relevant Thai authorities. The Sapan Program also protects from reprisals individuals who submit allegations of corrupt practices.

In addition to procedures to address corruption, the Sapan Program will establish a Focal Point as the designated person(s) for staff to talk to if they encounter corrupt or fraudulent acts or practices. In addition, staff working on the program will participate in periodic trainings and workshops on corruption to promote better understanding, mutual understanding and teamwork.

## Partnerships and Procurement

The Sapan Program awards sub-contracts and grants to partner organizations, which may in turn be further sub-contracted to additional partners. The program also procures the services of consultants and vendors to provide goods and services. Implementation of these activities must comply with Thai Law, and USAID and DAI policies and procedures, including relevant anti-corruption considerations. Compliance to these laws, policies and regulations ensures that program partners, consultants and vendors have established and are using corruption mitigating policies and processes in their work with the program and in their use of program funds.

*Grants and sub-contracts.* As a normal practice, the Sapan Program requires that all grantees and vendors provide a "transparency and accountability statement" at the outset of their work with the program. The document presents, among other things, steps the partner will take to ensure transparency in the selection of beneficiaries and accountability in the use of funds. Partners are encouraged to meet or exceed the same standards that Sapan Program adopts for itself.

Specific considerations include, but are not limited to:

- Are corruption reducing measures incorporated into program implementation and evaluation?
- Do partners have an anti-corruption policy? If so, is it functional?
- Is there transparency and accountability in all aspects of the project and organization, e.g. program, staffing, budget?
- What provisions are available for staff training on corruption issues?

*Procurement of consultants and vendors.* Procurement procedures include checks and balances to ensure transparency and accountability in the selection of vendors and use of program funds. Periodic audits are performed to determine the continued effectiveness and impact of these procedures. As necessary, staff are instructed to adjust procedures to mitigate potential conflicts of interest and potential for fraud.

The Sapan Program shall sanction organizations where it has determined, through an investigation performed by the program or by another competent entity, that corruption has occurred in activities financed through program grants and sub-contracts. This policy applies to Sapan Program-funded activities whether supervised directly by Sapan Program or by a cooperating institution. The Sapan Program will continue to improve its internal controls, including controls inherent or pertaining to activities it funds, to ensure that it is effective in preventing, detecting and investigating fraudulent, corrupt, collusive and coercive practices. The Sapan Program also protects from reprisals individuals who submit allegations of corrupt practices.

This policy is reviewed and amended annually, as necessary.