

ANTI-CORRUPTION CODE OF CONDUCT

PART OF THE GENERAL CODE OF CONDUCT FRAMEWORK



FORESTS OF
THE WORLD

1. Introduction

Forests of the World prescribes a policy of zero tolerance towards corruption. Our guiding principle is a high standard of work ethics as well as personal and organisational integrity, both internally and externally with partners. . The target group of this Code of Conduct is Forests of the World staff and partner organisations in the South.

This Code of Conduct guides and complements other written guidelines, strategies and procedures, such as our financial management, partnership and organisational development strategy, monitoring system, cooperation agreements, contracts and local agreement "Husaftalen".

The purpose of the Anti-Corruption Code of Conduct is:

- To ensure that all parties involved in our work and development cooperation act in a responsible manner and with a high standard of personal and organisational integrity
- To outline the actions to be taken in the event of suspicion or certainty of acts of corruption or other misuse, mismanagement or serious irregularities in connection with our activities

2. Corruption

This Code of Conduct adopts the definition of corruption as:

"The misuse of entrusted power for private gain"

This definition corresponds to the concept of corruption in the Danish Penal Code and in international anti-corruption conventions, including the United Nations Convention against Corruption. Corruption is best known in the form of bribery, fraud, embezzlement or extortion. However, corruption does not exclusively involve money changing hands, it may also include providing services to gain advantages, such as favourable treatment, special protection, extra services or quicker case processing. Conflicts of interest are managed in accordance with FoW's Conflict of Interest Code of Conduct, which outlines how

actual, potential and perceived conflicts must be identified, declared and handled to prevent corruption and misuse of position.

Forests of the World staff will respect and promote the principles of following Code of Conduct:

A. Bribery

Bribery is the act of offering, giving, promising (active bribery), receiving, soliciting or accepting (passive bribery) something of value with the purpose of influencing the performance of public or legal duties.

We will not give or accept bribery in any form

B. Extortion

Extortion occurs when money or property is unlawfully demanded or received through intimidation. Extortion may include threats of harm to a person or their property, threats to accuse them of a crime/illegal act or threats to reveal embarrassing information.

We will not for private purposes seek to influence any person or body by using official position or by using force or threats

C. Fraud

Fraud is the use of deception with the intention of obtaining an advantage (financial or otherwise), avoiding an obligation or causing loss to others. This involves being deliberately dishonest, misleading, engaging in deceitful behaviour, practising trickery or acting under false pretences.

We will not use deception, trickery or breach of confidence to gain an unfair or dishonest advantage

D. Embezzlement

Embezzlement is the misappropriation or other diversion of property or funds legally entrusted to someone by virtue of their position.

We will not misappropriate or otherwise divert property or funds entrusted to us

E. Gifts

In the context of corruption, a gift is a financial or other benefit, offered, given, solicited or received in the expectation of receiving a benefit in return. Gifts and hospitality may be in themselves a manifestation of corrupt behaviour. They may be used to facilitate corruption, or may give the appearance of corruption. Gifts may include cash or assets given as presents, and political or charitable donations. Hospitality may include meals, hotels, flights, entertainment or sporting events.

Minor gifts are valued under 50 USD.

We will not give, solicit or receive directly or indirectly any gift or other favour that may be seen to influence the exercise of our function, performance of duty or judgement. This does not include conventional hospitality or minor gifts

F. Nepotism

Nepotism is favouritism shown to relatives or friends without regard to merit. Relatives or friends are treated favourably based on the close personal relationship alone rather than on a professional and objective assessment of their skills and qualifications.

We will not favour our friends, family or other close personal relations in recruitment, procurement, aid delivery, consular services or other situations

G. Reporting Corruption

All staff are obliged to familiarise themselves with the Code of Conduct and respect its principles. They are obliged to report any evidence or reasonable suspicion of a breach of the Code to their superiors referring to FoW's Feedback and Complaint Mechanism.

Misuse, mismanagement and irregularities

We recognize there can be acts of misuse, mismanagement and irregularities that cannot be considered acts of corruption, but rather non-compliance with agreements, which we also consider of great importance to avoid possible further development to actual acts of corruption.

Transparency

Maximum openness and transparency is essential when fighting corruption. Failure to disclose or enable full transparency of contract management or any potential conflict of interest with partner organisations, service providers, suppliers and business partners is also considered a serious irregularity. This includes any attempt to conceal close family relations, shareholder arrangement or other decisive relationships.

We will report any evidence or reasonable suspicion of breach of this Code of Conduct

3. Suspicion and Proof

Suspicion of acts of corruption may be based on, for example:

- lack of correct and timely financial accounts and reports
- complaints from beneficiaries claiming that they have not received promised and reported services
- purchases of supplies at a much higher price than normally reported
- observations such as staff spending beyond their presumed financial capabilities, e.g. buying cars or building houses
- missing or weak reconciliation of cash, bank statements and accounts

Well-founded suspicion may be based on suggestive and circumstantial evidence of acts of corruption, for example:

- lack of proper documentation on refunded expenditures
- missing signatures or incomplete lists of persons that have been paid an allowance to attend workshops or meetings
- strong indication that signatures and documents have been falsified

Proven corruption is based on clear documentation of the type of acts in question and/or confession of the offender, ready to be presented to police investigators and courts of law.

4. Measures of prevention

Description of administrative, financial, management, procurement, monitoring, partnership guidelines, strategies and procedures should be in place in order to minimise and prevent cases of corruption, misuse, mismanagement and irregularities.

The following anti-corruption clause of The Ministry of Foreign Affairs of Denmark must be included in all project and funding agreements and contracts:

Anti-corruption clause: “No offer, payment, consideration or benefit of any kind, which could be regarded as an illegal or corrupt practice, shall be made, promised, sought or accepted – neither directly nor indirectly – as an inducement or rewards in relation to activities funded under this agreement, including tendering, award or execution of contracts. Any such practice will be grounds for the immediate cancellation of this agreement and for such additional action, civil and/or criminal, as may be appropriate. At the discretion of the Royal Danish Ministry of Foreign Affairs, a further consequence of any such practice can be the definite exclusion from any projects funded by the Danish Ministry of Foreign Affairs”.

Book-keeping and accounting: Forests of the World and partners should maintain secure and reliable accounting. Each organisation must ensure that the economic procedures are satisfactory and with sound internal control routines. The organisation's bookkeeping must be kept up-to-date, be documented with vouchers and in general observe good bookkeeping and accounting practice. The organisation must retain the accounting materials in compliance with the provisions of the Danish Bookkeeping Act for five years after completion of the activity.

Auditing: Audits are to be conducted according to recognised international standards and according to Forests of the World donor's audit instructions. The auditor must verify the correctness and accuracy of the project accounts and check whether the transactions presented in the accounts are in conformity with the allocated grants, negotiated agreements, contracts concluded, and legislation and other rules for grant management. The auditor must also assess the extent to which due financial consideration has been exercised in the administration of the grant funds and the operational support comprised by the accounts.

During supervision visits Forests of the World meet regularly with accountants, financial staff and local auditors to check financial procedures, guidelines and

auditing principles. Partner organisations are expected to facilitate such meetings and visits.

5. Measures of prevention

Forests of the World refer to our General Code of Conduct Framework and our [Feedback and Complaint Mechanism](#), when it comes to handling and reporting cases or suspicion of corruption. On our web sites feedback and complaints can be submitted – also anonymously.

6. Implementation and monitoring

FoW will continuously monitor and report on this CoC and the work related to Anti-Corruption.

7. Review

The Anti-Corruption CoC will be reviewed along with the General Code of Conduct Framework every year.

Date for latest update	Changes made	Responsible
2019	First version adopted	
February 2024	Minor changes to the wording	ANH
August 2024	Minor changes regarding conflict of interest	JKR
November 2025	Layout	KSK