

EUROPEAN FOREST INSTITUTE
ANTI-CORRUPTION POLICY

Adopted by the Board 13 September 2021, to come into force 15 September 2021

1. Recognizing the adverse effect of corruption and fraud on the effectiveness of its operations and use of donor funds, European Forest Institute ('EFI') is committed to a structured and systematic approach to the prevention and sanctioning of corruption and fraud in its internal work as well as in engaging with third parties.
2. The EFI Secretariat will not engage in or tolerate from its contractors, consultants, grantees, special advisers, or collaboration partners, any form of the following practices ('sanctionable practices'):
 - *Corrupt practice*: the offering, giving, receiving, or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party
 - *Fraudulent practice*: any act or omission, including a misrepresentation, that knowingly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation
 - *Coercive practice*: impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party
 - *Collusive practice*: an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party
 - *Obstructive practice*: impeding any investigation into allegations of one or more of the above mentioned prohibited practices either by deliberately destroying, falsifying, altering; or by concealing of evidence material to the investigation or by making false statements to investigators and/or by threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation, or by impeding EFI's rights of audit or access to information
3. Towards contractors, consultants, grantees, and special advisers, measures against *sanctionable practices* are implemented through contractual arrangements. These measures allow *inter alia* for termination of contract and funds to be recovered if the external party has been found having engaged in *sanctionable practices*.
4. Regulations and other measures have been adopted internally at the EFI Secretariat to combat *sanctionable practices*.

The Secretariat will engage in procurement and award of grants following the applicable EFI regulations.

The Secretariat will ensure effective financial controls for the Institute's assets to be used properly. In line with the EFI financial rules and policies, this especially includes:

- Segregation of duties, meaning that payments require a separate verifier and approver
- Regular internal financial reviews
- Engaging with agreed or statutory audits
- Providing and retaining appropriate supporting documentation for financial transactions, to ensure that it is clear what EFI is paying for and correspondingly what EFI is paid to do

It is prohibited to conduct off-the-book, fictitious or otherwise falsified transactions, or any other similar acts prone to be misconstrued as such.

It is prohibited to maintain undisclosed or unrecorded funds or assets for any purpose and records that disguise or misrepresent any aspect of a transaction.

Donor funds can only be used as agreed in funding agreements.

5. The Secretariat expects that its collaboration partners follow applicable legal and ethical frameworks.

The Secretariat will, as necessary and appropriate, address legal and ethical matters, including possible sanctions for violations, in written arrangements with its collaboration partners.

6. The Institute has put in place a whistle-blower system as stated in the EFI Whistleblowing policy.