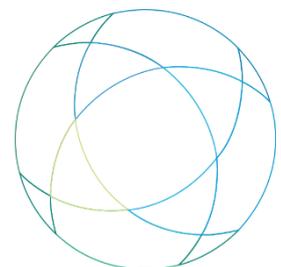




CODE OF CONDUCT FOR RECIPIENTS OF GCERF FUNDING

Approved in December 2015



1. BACKGROUND

The Global Community Engagement and Resilience Fund (“GCERF”) is the first global effort to support local, community-level initiatives aimed at strengthening resilience against violent extremist agendas. Operating at the nexus of security and development, GCERF works in partnership and consultation with governments, civil society, and the private sector in beneficiary countries to support national strategies to address the local drivers of violent extremism.

2. PURPOSE AND SCOPE OF THE CODE OF CONDUCT

The purpose of this Code of Conduct (the “Code”) is to establish the principles and standards of conduct required of all recipients of GCERF funding, including, without limitation, Potential Principal Recipients, Principal Recipients, Sub-Recipients (altogether the “Recipients” and each a “Recipient”). The Code applies at all steps of the GCERF funding process, regardless of whether Recipients are successful in obtaining a grant from GCERF. Those principles are further elaborated through the legal obligations laid out in the grant agreement between GCERF and the Principal Recipient as well as in the agreements between the Principal Recipient and Sub-Recipients.

3. PRINCIPLES

3.1 Core Values

Recipients shall ensure that their conduct is consistent with and reflects the values enshrined in the Universal Declaration of Human Rights: respect for fundamental human rights, social justice and human dignity, and respect for the equal rights of women and men. Specifically, Recipients shall respect all persons equally and without any distinction or discrimination based on race, gender, religion, colour, national or ethnic origin, language, marital status, sexual orientation, age, socio-economic status, disability, political conviction, or any other distinguishing feature.

3.2 Accountability to Communities Served with GCERF Support

Recipients shall ensure that GCERF-supported activities are informed by all relevant stakeholders. In all instances, the views of local communities affected directly by GCERF-supported activities will be afforded the highest priority. Specifically, Recipients shall seek the genuine, informed, consensual participation of local communities and their representatives in GCERF-supported activities, ensuring that they have the opportunity to authentically contribute to the design, implementation, monitoring and evaluation of these activities.

3.3 Partnerships

Recipients shall ensure that the relationships with their partners implementing GCERF-supported activities are characterised by mutual respect and by a commitment to two-way learning and support. Recipients shall specifically ensure mutual clarity and agreement about the objectives of the partnership and the respective roles, responsibilities and mutual accountability mechanisms.

3.4 Conflict Sensitivity

Recipients shall integrate a conflict-sensitive approach into the design and implementation of GCERF-supported activities so that they do not cause harm or exacerbate conflict, and aim to address and mitigate potential root causes of conflict. Recipients shall ensure that they:

- Understand the context they operate in;

- Understand the interaction between the GCERF-supported activities and that context; and
- Act upon that understanding in order to minimise negative impacts and maximise positive impacts on conflicts.

3.5 Accountable Use of GCERF Resources

Recipients shall preserve and protect the GCERF resources entrusted to them. Recipients shall ensure that such GCERF resources are used solely for the purposes set out in the signed grant agreement or Sub-Recipient agreement under which they were made available.

4. STANDARDS

4.1 Ethics and Conflict of Interest

4.1.1 Recipients shall not apply or seek to apply undue influence on the decision-making processes of GCERF and shall not engage in any conduct that breaches or facilitates the breach of the GCERF Policy on Ethics and Conflict of Interest.

4.1.2 Recipients shall take all necessary precautions to avoid conflicts of interest, as defined in Section 10 of this Code. In particular, Recipients shall maintain standards of conduct that adequately identify, mitigate and address any actual, apparent or potential conflicts of interest in connection with the decision-making processes of GCERF concerning the allocation of resources, and the administration of GCERF contracts, grants, or other benefits resulting from GCERF resources.

4.2 Prohibition on Fraud and Corruption

4.2.1 Recipients have a duty to ensure that the design as well as the implementation of their human resources, administrative and financial policies and procedures is effective at deterring, preventing and handling occurrences of Fraudulent Practice, Corrupt Practice, or Misappropriation (as defined in Section 10 below, and together constitutes “Misuse”) in relation to GCERF-supported activities. This applies to activities conducted within their organisations as well as to activities conducted with third parties either directly or under their direction and in particular with participants, suppliers, service providers, community leaders, partner organisations, or government officials. The grant agreement and Sub-Recipient agreement will state an obligation to immediately report any incident of suspected or confirmed Misuse of GCERF resources to the GCERF Secretariat. Recipients shall take timely and appropriate action to investigate any Misuse and take prompt remedial steps if and when required.

4.2.2 Recipients shall not solicit, offer, give, receive, promise, or represent to offer fees, gratuities, rebates, gifts, commissions, other payments or benefits in connection with GCERF-supported activities. This shall include, but not be limited to, activities in connection with the procurement process, in contract execution or in any determination of the use, employment, assignment or participation of any other Recipients in GCERF-supported activities or processes.

4.3 Transparency, Confidentiality and Security

4.3.1 Recipients shall ensure that all communication related to GCERF-supported activities is accurate, clear, timely, and directed to all relevant parties leading to transparency to the extent possible without compromising the security of potential

and current beneficiaries of GCERF-supported activities, Recipients' staff and representatives.

4.3.2 Recipients shall endeavour to take every precaution to ensure the risks to potential and current beneficiaries of GCERF-supported activities, Recipients' staff and representatives are minimised and shall not divulge information which might endanger their security. Equally, when the trust of those they seek to assist is dependent upon confidentiality, Recipients shall not publish, disseminate or otherwise divulge information which might prejudice or undermine the work they are engaged in.

4.4 Prohibition Against Exploitation and Abuse

4.4.1 Recipients shall prevent, oppose and combat all forms of exploitation and abuse of potential or current beneficiaries of GCERF-supported activities. This includes degrading or exploitative behaviour such as exchange of money, employment, goods or services for sex or sexual favours, or any exchange of assistance that is due to beneficiaries.

4.5 Sound Financial Management

4.5.1 Recipients shall safeguard all resources provided by GCERF, including financial resources. Recipients shall have an Internal Control System that allows for GCERF resources to be protected from risks and safely managed, and to be used in a prudent and responsible manner.

4.5.2 Recipients shall use GCERF resources in accordance with the terms and conditions included in the signed grant agreement or Sub-Recipient Agreement. Recipients shall ensure that expenses charged to GCERF grants are reasonable, necessary and exclusively incurred for the benefit of GCERF-supported activities. All expenses funded by GCERF shall be approved, accounted for and documented in accordance with the Recipient's policies, applicable international and domestic laws including taxation law, and generally accepted accounting and financial practice.

4.5.3 Recipients are expected to handle financial matters in a cooperative and transparent manner together with the GCERF Secretariat. They are invited to ask questions to the Secretariat whenever the need arises. Recipients are expected to be transparent about issues and challenges and accept to implement remedial action if and when needed.

4.5.4 Recipients shall ensure that GCERF resources are not used to support, finance or promote violence, aid terrorists or terrorist-related activity or fund organisations or individuals known to support terrorism.

5. LEGAL REQUIREMENTS

5.1 Recipients shall ensure that their organisations have in place compliance systems and processes to ensure that they comply with all applicable domestic and international laws.

6. ACCESS AND COOPERATION

6.1 Recipients shall fully cooperate with the authorised representatives of GCERF in audits, investigations, financial reviews, evaluations or other activities that GCERF deems necessary to ensure GCERF resources are used in accordance with the terms and conditions of the Grant

Agreement or Sub-Agreement. Cooperation includes providing access to all relevant records, documents, personnel, sites, electronic materials and computerized records generated, or in the possession of the Recipient that pertain to activities and expenditures supported by GCERF resources. The full or partial denial of access may result in sanctions, as described in Section 8 below.

7. DISSEMINATION

7.1 Principal Recipients shall ensure that this Code is communicated to all Consortium Members and receive from such Recipients an acknowledgement of their awareness of their obligations under this Code.

8. VIOLATION OF THIS CODE OF CONDUCT

8.1 Recipients shall undertake to exercise diligence in regularly examining how GCERF-supported activities are conducted to ensure that they are in line with this Code. Recipients shall notify GCERF through the Secretariat upon discovery of conduct which is inconsistent with this Code and take timely and appropriate remedial or corrective actions in such situations, and if necessary, coordinate such actions with the Secretariat.

8.2 If it is determined that this Code has been violated prior to the signature of a grant agreement between GCERF and the Potential Recipient(s), GCERF may take actions to correct the matter and this may result in decisions including, but not limited to, imposing sanctions on the Potential Recipient(s) and potentially not signing a grant agreement.

LINKS

This Code of Conduct links to the following documents and information resources on GCERF's website:

- [GCERF Core Funding Mechanism \(CFM\)](#)
- [GCERF Policy on Ethics and Conflict of Interest](#)

9. DEFINITIONS

9.1 **Conflict of Interest:** A conflict of interest arises when a Recipient participates personally and substantially in any particular GCERF-related matter in which, to his or her knowledge, he or she has a financial, professional or other interest, if the particular matter may have a direct and predictable effect on that interest. In general, without limitation, conflicts may be deemed to exist in the following situations:

- Where a Recipient's financial interest could affect the conduct of his or her duties and responsibilities with respect to GCERF or result in a reasonable perception that such conflict exists;
- Where a Recipient's actions compromise or undermine the trust that the public places in GCERF; or
- Where the Recipient's actions create the perception that the Recipient is using his or her position at GCERF for personal benefit.

9.2 **Corrupt Practice:** Corrupt practice means the offering, promising, giving, receiving or soliciting, directly or indirectly, of anything of value or any other advantage to influence improperly the actions of another person or entity.

9.3 Internal Control System: An Internal Control System is broadly defined as a process, effected by an entity’s governing board, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- Effectiveness and efficiency of operations;
- Reliability of financial reporting; and
- Compliance with applicable laws and regulations.

9.4 Fraudulent Practice: Fraudulent practice consists of any act or omission, including a misrepresentation that knowingly or recklessly misleads, or attempts to mislead, a person or entity to obtain a financial or other benefit or to avoid an obligation.

9.5 Misappropriation: Misappropriation is the intentional misuse or misdirection of money or property for purposes that are inconsistent with the authorised and intended purpose of the money or assets, including for the benefit of the individual, entity or person they favour, either directly or indirectly.