

# Anti-corruption strategy of the FPA

Andreas Nemec  
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**IPA 2008 TWL project “Strengthening capacities to remedy irregularities in public procurement procedures**

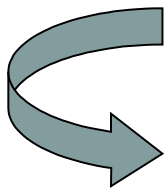
# Definition: Corruption

- Corruption is the abuse of entrusted power for private gain.
- Corruption affects the image of public administration and of economy in general as well as the image of involved institutions and their employees.



# Goals

- Rise awareness for the subject
- Provide clear definitions and clarifications
- The FPA wants to set benchmarks
- Applicability and usability of the strategy



## **The FPA Strategy for prevention of corruption**



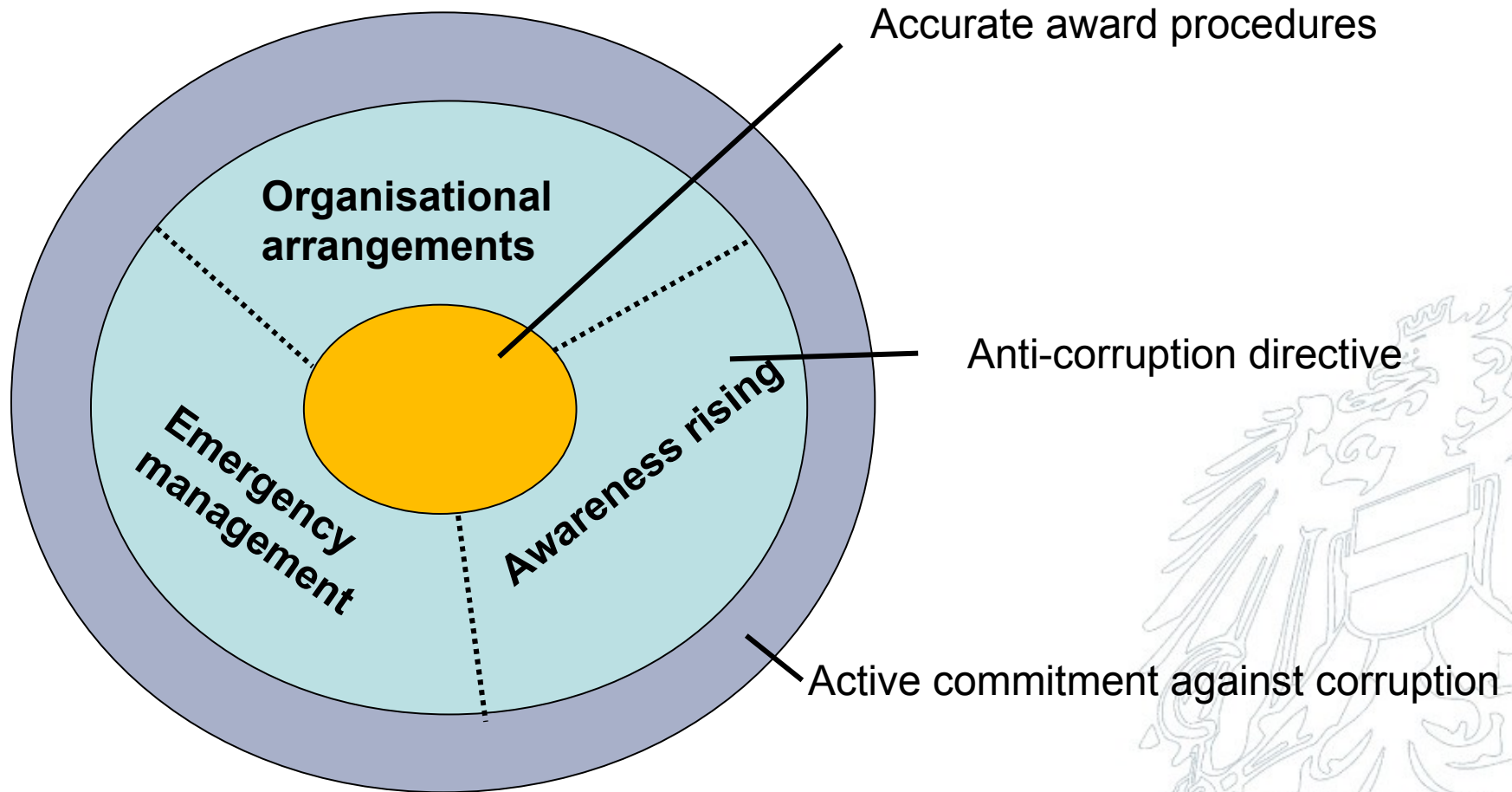
# FPA anti- corruption strategy

## The goal of the strategy is the avoidance of corruption

In order to achieve this

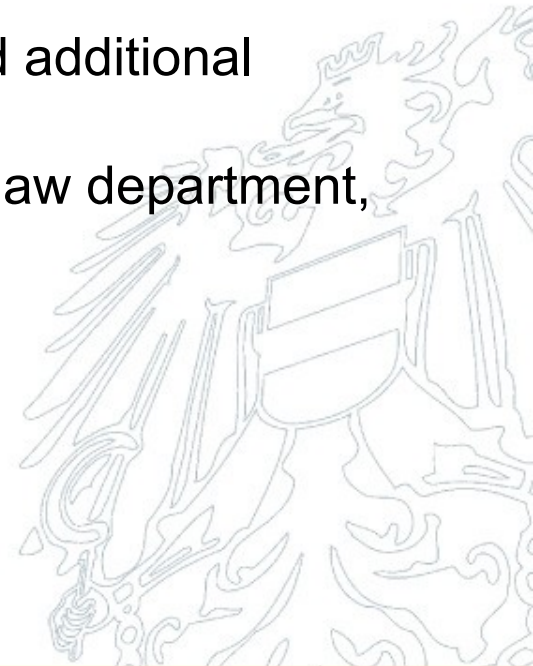
- all the necessary organisational arrangements need to be taken
- „anti-corruption“ needs to be integrated in the workday life
- we are constantly reassessing, renewing and improving the strategy
- we are raising the awareness of the employees
- we are sharpening the focus on the consequences of corruption

## FPA anti- corruption strategy



# Anti- Corruption Directive

- Explicit regulation of the main values and strategies regarding prevention of corruption
- Clear definition of grey areas (difference between customer care and corruption; what is permitted, what not?)
- Clear rules on accepting gifts, incentive events and additional occupation
- Clear allocation of roles (anti corruption assignee, law department, PR department, CEO,...)



# Structure of the Anti-Corruption Directive

- Organisational arrangements
- Raising and renewing awareness
- Emergency management



## Organisational arrangements

- Mission and values
- Transparent acting
- Intern control system
- Specifications in the award process
- Directives: gifts, additional occupation, conflict of interest, lobbying
- Provisions in the field of human resources
- Communication system





# Mission

- The aim of the FPA is to contribute to an efficient, effect-oriented and transparent public administration.
- The FPA is contributing to the discharge of the public budget by optimising the price performance ratio of the procured products and the procurement cycle through modern ICT.
- Bundling and standardisation of demands is the core activity of the FPA. Our know-how is also used in the collection of demands and in the definition of relevant standards and policies.

# Mission

- According to the legal assignment, the FPA provides central procurement services to federal agencies. Our aspiration is to convince also other public sector organisations of our services.
- Procurement procedures of the FPA are transparent and fair and are considering the participation of SMEs
- The FPA is bound to the principle of sustainability



# Werte

Die BBG ist eine Non-Profit Organisation und will zu einer wirkungsorientierten, effizienten und transparenten öffentlichen Verwaltung beitragen.

Daher sind folgende Werthaltungen für uns von zentraler Bedeutung:

## ➤ **Leistungsorientierung:**

- Ressourcen effizient und zielorientiert einsetzen
- Leistungsangebot an Kunden unter Berücksichtigung des gesetzlichen Standardisierungsauftrages ausrichten
- Leistungsorientierung durch Management und Mitarbeiter leben und belohnen

## ➤ **Transparentes Handeln**

## ➤ **Wertschätzung:**

- motivierte und engagierte Mitarbeiter sind eine wesentliche Säule des Erfolgs
- ehrlicher und respektvoller Umgang ist die Basis für ein funktionierendes Miteinander. Dies gilt sowohl innerhalb des Unternehmens wie auch im Umgang mit den externen Stakeholdern.
- keine Bevorzugung/ Benachteiligung von Mitarbeitern aufgrund von Herkunft, Geschlecht, Religion etc.

# Wertemanagement

- Bereits ein nicht korrekt durchgeführtes Vergabeverfahren oder schon im Vorfeld eines Vergabeverfahrens gelegene, den freien Wettbewerb behindernde Vorgänge können beträchtliche Nachteile für die vergebende Stelle, den öffentlichen Auftraggeber und damit letztlich für den einzelnen Steuerzahler bedeuten.



# Risks of Corruption

- Ban on accepting gifts
- Ban on additional occupation, non-competition clause
- Bias
- Duty to keep confidential
- Other obligations of secrecy



# Transparency

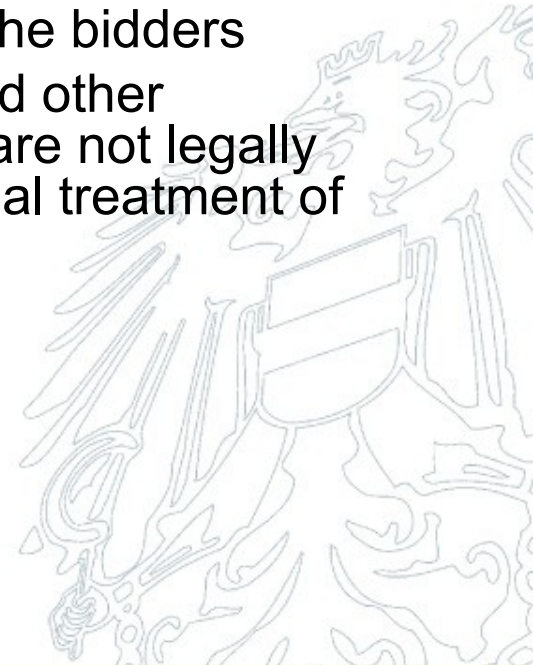
Transparency is an important component in the definition of the mission and values. For the FPA, acting transparent means:

- fair competition between bidders
  - decision making is transparent, objective and documented
  - special attention is given to prevention of corruption.
- Consequent approach in the case of violation of the principle („zero tolerance“)

# Prevention of Distortion of Competition

The FPA employees are asked to declare that they will refrain from:

- disseminating information, documentation or other materials which could lead to a competitive advantage for one of the bidders
- defining discriminatory technical specifications and other requirements in the tender documentation which are not legally and factual justified and which lead to a preferential treatment of one of the bidders



# Prevention of Distortion of Competition

- the imposition of requirements and supporting documents which in principle are admissible but which do not have any factual connection to the object of procurement
- The admission of bidders which had a direct or indirect contribution at the elaboration of the bidding documents if their participation at the tender would provoke a distortion of competition.





# Internal control system

- Four eyes principle
- Division of functions
- Documented processes



# Provisions in the procurement process

- legally binding (Austrian Public Procurement Law 2006)
- Choice of procurement procedure
- Choice of award criteria
- Receiving of offers
- Build-up of the tender panel
- Opening of offers
- Legal protection



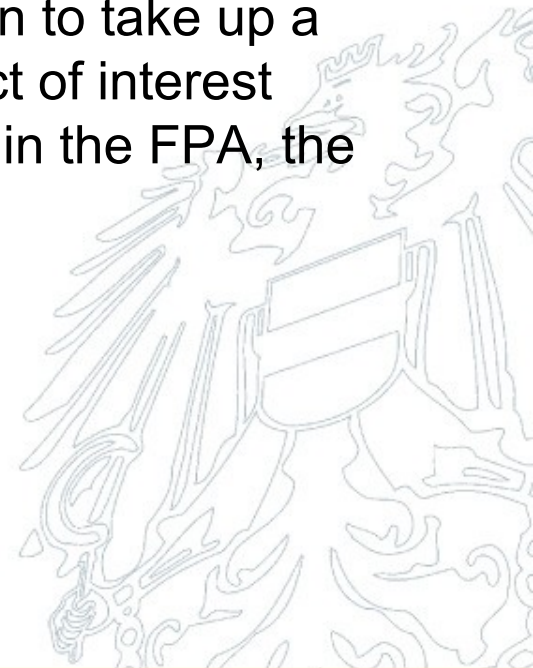
# Acceptance of gifts

- **Generally we do not accept any gifts at FPA!**
- **Policy for Christmas gifts**



## **Additional occupation**

Each employee has to announce in written the intention to take up a remunerated, additional occupation. If there is a conflict of interest between the additional occupation and the activity within the FPA, the employee is not allowed to carry it out.



# Bias

- The person who, although biased, is carrying out actions in his or her name or in the name of family members, renders himself liable for disciplinary prosecution.
- In the case of bias, the employees are asked to communicate this without delay to the anti-corruption assignee or to the manager. They will register all the reported cases.



# Lobbying

- The FPA guarantees a free and fair competition for the economy. Each company can get into contact with the FPA.
- From the point of view of the FPA, lobbying is not needed. In no case can lobbying lead to a better treatment in the tendering process.
- The FPA can not ban companies to hire lobbying companies.
- Companies will not have any advantage or disadvantage if any lobbying company was called in.
- From the point of view of an efficient public administration, FPA prefers companies to offer better prices instead of investing in lobbying.

# Provisions in the Field of Human Resources

- Active debate on the subject
- Rotation of employees (job rotation)
- Examination of new employees



# Notification System

- In case of suspicion or perceived action, the anti corruption assignee has to be notified. All the notifications will be treated confidential.
- The notification can be done both in written or oral. Written notifications can be anonymously.
- The independence and confidentiality of the contact point is guaranteed.





# Raise of awareness

- Code of Conduct
- Training measures



# Code of Conduct

The code of conduct of the FPA addresses prevention measures against corruption. It has to be signed by each employee together with the contract of employment.



# Code of Conduct

FPA employees are bound to not accepting any

- money or gifts or equivalent values for private usage (e.g. theatre or opera tickets, plane tickets, etc.)
  - free services (e.g. maintenance or renovation services, consultancy, etc.)
  - savings bank books, custody accounts, jewellery, coins, or provisions
- neither for them nor for any third party, from contractors with whom they are in contact through their activity in the FPA.

# Training measures

The FPA constantly organises trainings and workshops and disseminates learning materials.



# Responsibility of managers

- Managers are an example for their employees. Their behaviour and their advertence is of outmost importance for the prevention of corruption. It is their responsibility to act actively in the personnel management and control and to inform the employees about this directive and its importance. They also need to guarantee that employees strictly adhere to the provisions of the directive.
- In order to detect „alarm indicators“, special care is needed in fields of work where corruption is likely to occur. In this case, clear responsibility rules and a transparent organisation of assignments can help. Prevention of corruption depends on ones own sensitivity and on rising awareness among the employees. This is where managers need to act intensively.

# Emergency management

- Group of people responsible
- Ad hoc measures in concrete case (preservation of evidence)
- Definition of an intern and extern communication channel
- Rules on how to handle suspected persons
- Sanctions in case of infringement



## Group of people responsible

- Executive board
- Anti-corruption assignee
- Law department
- Internal and external communication



## Ad hoc measures in concrete case

- Setting up of a „emergency team“ from the group of people responsible
- Acting according to the defined emergency plan
- Communication according to the defined rules (crisis communication)





## Sanctions in case of infringement

- Obligations according to the Austrian employee law, the civil servant law e.g. Prohibition of accepting gifts
- Criminal offences according to the Austrian criminal law, eg. bribe
- Other offences according to
  - Data protection law
  - Law against unfair competition



**Thank you for your attention!**

