



BUSINESS ANTI-CORRUPTION CODE



2024

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I. Initial Provisions: Content and Purpose

Through this Code, prepared by USAID Kosovo Municipal Integrity activity grantee Riinvest Institute, its signatories commit to adhering to the most advanced standards of ethics, transparency, and integrity in their business activities. They pledge to steadfastly avoid any form of involvement in cases of corruption, offering gifts, or other favors to public officials or other individuals, whether public or private, aimed at securing privileges or unlawful benefits in favor of the company.

The Code aims to assist the private sector in implementing fair, transparent, and lawful activities.

The Code defines norms, activities, and encourages motivation for economic entities to acquire and implement the best international standards for combating and preventing corruption from the supply side, namely corruption by the private sector.

The provisions of this document reflect the comments and suggestions of business association representatives, suggestions from a considerable number of private sector representatives expressed during the consultative process for drafting the Anti-Corruption Code, as well as those expressed in the research conducted within the framework of the project: "The Code and the Business Coalition Against Corruption" as part of the project "Integrity of the private sector; corruption from the supply side," funded by USAID Kosovo Municipal Integrity activity and implemented by the Riinvest Institute.

In the following provisions, the areas and objectives of engagement for the governing bodies, senior management, officials, and employees of the companies will be specified, aiming to create a zero-tolerance environment for any form of corruption and unlawful actions, with the goal of ensuring an undeserved competitive position.

II. Main Provisions: Areas and Objectives

Article 1

The signatories to this Code pledge that we will not tolerate any form of corruption, whether direct or indirect, and actively support any initiatives aimed at combating it. We commit to conducting all business activities in accordance with ethical principles, supporting free and fair competition.

Article 2

1. Through this Anti-Corruption Code, business associations and governing bodies of businesses express their zeal and readiness to:
2. In their Strategic Plans, businesses will ensure that sustainability and the strengthening of competition in the market are developed based on improving their performance in offering quality and efficient services and will avoid any unlawful actions to gain favor or advantage in the market.

3. In business regulations, policies, and procedures, they will develop integrity standards that serve as codes of conduct for employees, clearly stating the commitment of owners, directors, and employees to standards and integrity: conducting business in a fair, honest, and open manner.
4. Business regulations, policies, and procedures will prohibit any practice that is contrary to fair competition and practices that may restrict or distort competition. Company employees must not take actions that hinder the legitimate interests of consumers or other operations in violation of the Competition Law.
5. In the internal regulatory acts of the companies, the giving of bribes and involvement in any suspicious activity of this nature by representatives or other officials of the company will be explicitly prohibited and sanctioned. This will be considered a serious disciplinary violation, for which appropriate punitive measures, including dismissal, should be provided. The internal acts will clearly state that the company has zero tolerance for corruption. It will be clearly stated that no employee should offer anything of value to public or private officials to gain unfair advantage for their business. The company prohibits payments and offers made directly or indirectly for the purpose of gaining unfair advantage for the business or individuals.
6. Through the provisions of internal legal acts, the private sector must ensure a supportive system of transparency and reporting of cases involving bribery or attempted entry into any activity prohibited by law.
7. Financial statements preparation will adhere to accepted accounting principles. No false or deceptive entries shall be made in the company's books and records for any reason, and no employee shall be involved in any agreement resulting in such prohibited acts.
8. Internal audit control standards shall be established, reflecting anti-bribery standards and ensuring transparent auditor reporting.
9. Internal legal acts shall ensure the avoidance of conflicts of interest, whether in cases of entering into contractual relationships with public authorities or private entities.
10. Internal policies will be developed to discourage personnel from engaging in corrupt practices, by imposing punitive measures on such cases and offering incentives to those who have contributed to combating corruption.
11. To embrace transparency standards, especially in public procurement, including supporting the monitoring of procedures and the contract implementation process related to public procurement.
12. Signatories to this Code will be committed to ensuring transparency and rigorous monitoring of contracts with public authorities, including financial offers, deadlines, and the quality of the works or services that are the subject of these contracts.
13. Ensure full transparency and ethical principles for contributions to political parties and sponsorships and keep records of all contributions made for this purpose.

Article 3

Requests for bribes, or any other form of conditioning by public officials to create undue favors for the economic operator, shall be promptly reported to the relevant authorities dealing with economic crime.

Whistleblower System

Article 4

1. Signatories of this Code pledge to establish a whistleblowing system in accordance with the applicable law, which will be accessible to all employees and other stakeholders.
2. In any case, the signatory of this Code guarantees strict confidentiality of the identity of the whistleblower, the person about whom the disclosure is made, and the facts presented in the report. Whistleblower reports are treated with full confidentiality, subject to applicable legal obligations and any administrative or legal proceedings.
3. Whistleblowers of corruption cases and other forms of unlawful conduct must be assured that they will not face any consequences for these actions.
4. Based on the paragraphs above, the private sector must sign a specific code of ethics regarding the conditions for obtaining the whistleblower status.

Staff training and awareness campaign

Article 5

1. Business management will ensure the provision of guidelines to inform their staff about all forms of corruption, as well as the legal consequences in cases where such activities are entered into or attempted.
2. The signatory parties to this Code are committed to organizing training sessions for employees to familiarize themselves with this Code. Additionally, businesses will conduct awareness-raising, integrity-building, and consciousness-raising training sessions as part of the fight against corruption within the business.
3. They will initiate or participate in campaigns to raise awareness among citizens about the damages and consequences of their involvement in any form of corruption.

Private Sector Integrity in Public Procurement Processes

Article 6

1. The private sector will commit to enforcing all applicable laws and regulations related to public contracts and services (public procurement) and ensure that their reports, certifications, and declarations to public officials are accurate and complete.
2. Training sessions will be organized within the companies for staff working in the sector of preparing bids for contracting authorities and those involved in monitoring and implementing contracts. These sessions will cover legal regulations against corruption, ethical principles in

business conduct, and the risks of individual and corporate consequences in cases of involvement in prohibited and corrupt activities.

3. As needed, in the training sessions mentioned above, external experts, and in certain cases international experts, will be provided, especially to convey international experiences in confronting and preventing these harmful phenomena.
4. In connection with the two preceding paragraphs of this section, economic entities will develop detailed plans.
5. Signatories of this Code pledge not to directly or indirectly contact, influence, or exert pressure on members of evaluation committees or procurement entity employees for the purpose of obtaining contracts or gaining favors.
6. All employees will be held accountable for their unethical actions in the procurement process.
7. The procurement unit staff/responsible individuals must not allow their activities to be influenced by unauthorized persons or potential requests for bribery or any form of favor.
8. The procurement unit staff will not share any information with other businesses regarding the bid.

Due diligence

Article 8

1. With the aim of safeguarding the reputation of businesses, contractual relationships and any cooperation with entities that do not adhere to ethical principles in business or in any way conflict with the provisions of this Code will be avoided.
2. The internal quality of the business partner (such as criminal history, sanctions, reputation, and integrity) and the verification of legal, economic, and material conditions associated with the business relationship (e.g., organizational structure of the business partner, contracts, legal and financial structure, and payment terms) should be assessed.
3. By conducting its due diligence before entering into a business relationship, the private sector is protected from any risks to its reputation or exposure to sanctions associated with unlawful practices.

Initiatives for improving the legal framework

Article 9

They will consider the OECD principles for corporate governance and corporate social responsibility, which will contribute to protecting the business reputation and professional relationships with shareholders, employees, suppliers, subcontractors, competitors, consumers, and the government.

Article 10

They will initiate efforts to enhance legal regulations concerning the prevention and combatting of corruption, should it be determined that specific provisions or relevant laws are not applicable or insufficient for prosecuting and penalizing individuals engaged in economic crimes and corrupt activities.

Article 11

They will be part of any initiative aimed at articulating and raising the voice of protest against competent institutions if they are not adequately active in investigating and punishing individuals responsible for corrupt affairs.

Article 12

The signatories of this Code request that the corresponding authority opens a website/online platform where all procedural breaches, corrupt cases, and measures taken against individuals or companies involved in unauthorized and corrupt affairs in public procurement procedures will be published.

Article 13

The membership of associations and the private sector staff will be informed about the content and objectives of the National Anti-corruption Strategy and will be encouraged to adhere to these objectives and be encouraged to actively participate in their development and advancement.

Article 14

They will consider the EU Anti-Corruption Strategy, international conventions, and the most effective international instruments for combating and preventing corruption.

Gifts, donations, and sponsorships

Article 15

1. Donations and sponsorship activities will be authorized only if they comply with the laws and regulations in force.
2. The signatories of this Code commit that donations and sponsorship activities will not be used with the purpose of obtaining or offering an unfair advantage or to influence a decision.
3. No donation to charitable entities or political parties shall be used as a method for bribery, favoritism, or other corrupt actions. The signatories pledge to refrain from giving donations in case any circumstances might make them appear as bribes or corrupt actions.
4. The parties from the private sector commit to drafting detailed regulations regarding sponsorships and donations.

III. Final Provisions

Article 16

The signatories agree to establish a Supervisory Committee for the implementation of this Code, composed of one representative from each of the initiating Associations for the signing of this Code. The Committee will be chaired on a rotating basis, annually, and will meet at least once every 6 months to discuss progress in the implementation of this code.

Article 17

The signing of this Code is voluntary.

Article 18

Changes and additions to this Code may be made upon the initiative of at least one-third of the signatories, and their approval is obtained with the consent of all signatories.

Article 19

The list of signatories to this Code is open for all businesses from the private sector and business associations that accept the provisions of this Code and express their willingness to be part of it and sign it.

Business associations may condition/encourage new businesses wishing to join the association to sign this Code beforehand.

Place and date:

The list of business associations and businesses signatory to the Code:

1. Kosovo Chamber of Commerce
Lulzim Rafuna, President
2. American Chamber of Commerce in Kosovo
Arian Zeka, Executive Director
3. German - Kosovar Business Association
Nora Hasani, Executive Director
4. The Kosovo Manufacturing Club
Astrit Panxha, Executive Director
5. Kosovo CSR Network
Zana Bajrami – Rama, Executive Director
6. ESNAF Association
Vasir Xhejlani, President

