

Handling Corruption Risks

Work Instruction

1	Introduction	This work instruction provides guidelines on practical implementation of the CERES anti-corruption policy.	
2	Identification of risks of corruption	CERES should be sensitive to suspicions of corruption among staff, as e.g.:	
		Factors leading to suspicion	Possible other explanations to be considered
		a. Inspectors never identifying any substantial non-conformities (NCs), although the overall situation indicates that such NCs must exist.	There are many reasons, why certain inspectors do not find or do not report NCs, such as: Incompetence, fear of losing clients, lack of critical attitude, "longing for harmony", etc. etc.
		b. Inspectors or branch office managers defending the interests of clients, when NCs are identified by evaluation officers (EOs), or in case of residue findings or complaints from third parties.	See (a)
		c. "Rumours" and complaints (even anonymous) from colleagues, clients or third parties about corruption.	In some countries, corruption rumours are omnipresent. Such rumours can be based on personal animosities, competition between businesses, revenge from dismissed staff, and are often not substantial.
		d. Inconsistencies and contradictions between reports from different inspectors.	See (a)
		e. A lifestyle that cannot be explained by the person's official income.	Other sources of income, wrong information...
		<p>Factors that may increase the suspicion:</p> <ul style="list-style-type: none"> • General high level of corruption in the respective country (see the annual Transparency International "Corruption Perception Index") • Any of the indicators listed under (2) above continuing over a long time, or several of these indicators being combined. <p>CERES staff and managers, be it in the head quarter or in branch or partner offices, are obliged to report such suspicions to the quality manager (QM). It's possible to do this anonymously.</p>	
3	What to do in case of suspicion	<p>If, after considering the "possible other explanations" (see above), the suspicion of corruption persists, one or several of the following steps should be undertaken:</p> <p>a. Conduct unannounced check-audits to the same operation that has been visited shortly before by an inspector who is suspected to be involved in corruption (refer to work instruction 2.2.4, Section 4 for further details). These check-audits must be carried out by experienced inspectors from other countries, and they should be "unannounced" not only towards the client, but also towards the respective inspector.</p> <p>b. Interview trustworthy clients, applicants, or third parties about their</p>	

		<p>experience with the suspected person.</p> <p>c. Set up a “trap” for the suspected person, asking e.g. trustworthy clients to offer the person a bribe, and record everything.</p> <p>d. In some cases, and some countries, it may be advisable to involve the official government anti-corruption authorities.</p>
4	Decision and Sanctions	<p>a. Since corruption always involves at least two parties, and both parties have much to lose, a 100% proof is often not possible. E.g. the above-mentioned check-audits may yield very poor results (many substantial NCs found during the check-audit, but not reported by the previous inspector), but then it is still not clear, if we are dealing with incompetence or with corruption. An inspector who is still new, may be given another opportunity – for an inspector working already for a long time, both explanations (corruption or incompetence) should lead to the same conclusion: suspension or dismissal. Even more, when the check-auditor informs having been offered a bribe, too.</p> <p>b. Such investigations often end up in a “he said / she said” situation. CERES normally does not take a “neutral” stance. Considering we have selected a trustworthy auditor to investigate performance of a person suspected to be involved in corruption, what the trustworthy auditor says has much more weight for us.</p> <p>c. We normally satisfy ourselves with 70 or 80% probability for sanctioning the respective staff – even accepting that this may in a few cases involve the risk of an unfair decision. The sanction can only consist in immediate suspension / dismissal of the respective person.</p> <p>d. Only in really “minor” cases, or when the probability of making an unfair decision is higher than indicated above, there should first be a “warning”, followed by further sanction steps if new incidents come up.</p>
5	Reporting	For Rainforest Alliance auditors, cases of proven corruption and ongoing corruption investigation must be reported immediately to the standard owner.
6	Related documents	<p>2.1.1 Policy on impartiality and conflicts of interest (Pol)</p> <p>2.1.6 Anti-corruption policy (Pol)</p> <p>2.2.4 Inspector audits (WI)</p> <p>7.1.1 Basic inspector contract (Con)</p>