KATHMANDU UNIVERSITY
SCHOOL OF MEDICAL SCIENCES

DHULIKHEL HOSPITAL(DH)

Anti-Corruption Policy

1. Background

Corruptions divert resources intended for development. Link to corruption in any way damages the reputation of an organization and undermine the trust and support of project participants, funding partners, government and the wider public.

DHULIKHEL HOSPITAL(DH) is committed to function in a transparent and accountable manner. Integrity is everything we do is central to DHULIKHEL HOSPITAL(DH)'s values.

DHULIKHEL HOSPITAL(DH) is entrusted with funds from different funding partners. It is our responsibility and obligation to ensure that these funds are spent for the purpose they were intended for in a transparent and accountable manner. This requires DHULIKHEL HOSPITAL(DH) to avoid any form of corruption while spending the funds we are entrusted with. All board members and employees of DHULIKHEL HOSPITAL(DH) are responsible for upholding and promoting the highest standards of ethical and professional conduct.

This Policy reflects the commitment of DHULIKHEL HOSPITAL(DH) and its management of high ethical standards in all internal and external functions. This policy is also a commitment of DHULIKHEL HOSPITAL(DH) to follow the best practices of governance and enhancing the organizational culture and image.

2. Legal Context

DHULIKHEL HOSPITAL(DH) will comply with all Nepal government laws, regulations and policies relating to anti- corruption. These include:

- Corruption Prevention Act, 2002
- Anti-Money Laundering Act, 2008

Additionally, DHULIKHEL HOSPITAL(DH) will also comply with the anti-corruption policies of its funding partners and the partners' corresponding counties laws and regulation wherever applicable andrequired.

3. Definitions/Terminology

In this Policy, the following terms shall have the following meanings:

Corruption: is defined as ***'misuse of entrusted power for private gain'***. It includes practices such as bribery, fraud, extortion and, embezzlement and money laundering. It also includes an offer or receipt of any gift, loan, fee, reward, or other advantage to or from any person as an inducement to do something that is dishonest, illegal, or a breach of trust in the conduct of the organization's activities. This may include cash or in-kind benefits, such as free goods, gifts, and holidays, or special personal services provided for the purpose of an improper advantage or that may result in moral pressure to receive such an advantage. Occasional minor gifts and entertainment should be handled in accordance with the applicable Conflicts of Interest Policy or other related policies.

Bribery: the offering, promising, giving, accepting or soliciting of money, gifts or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out an organisation's activities.

Facilitation Payments: These are bribes and are usually small unofficial payments made to secure or expedite the performance of a routine or necessary action to which the payer of the facilitation payment has legal or other entitlement.

Fraud: is the use of deception with the intention of obtaining an advantage (financial or otherwise), avoiding an obligation or causing loss to others. This involves being deliberately dishonest, misleading, engaging in deceitful behaviour, practicing trickery or acting under false pretenses. Fraud is a criminal offence in Nepal.

Embezzlement: is the misappropriation or other diversion of property or funds legally entrusted to someone by virtue of his or her position. Embezzlement is a criminal offence in Nepal.

Nepotism: is favouritism shown to relatives or friends without regard to merit. Relatives or friends are treated favourably based on the close personal relationship alone rather than on a professional and objective assessment of their skills and qualifications.

4. Purpose

The purpose of this policy is to set out the responsibilities of all board members,Directors, employees and those who work for DHULIKHEL HOSPITAL(DH) in regards to observing and upholding our zero-tolerance position on corruption.

This policy helps them recognize and deal with corruption issues, as well as understand their responsibilities.

This policy sets out behavior characterized by high standards of personal and organisational integrity, both internally and with other external stakeholders, inducing funding partners, government agencies and project participants.

The policy also establishes controls to ensure compliance with all applicable anti-corruption regulations, and to ensure that the DHULIKHEL HOSPITAL(DH)'s internal and external functions are conducted in responsible, transparent and accountable manner.

5. Principles

DHULIKHEL HOSPITAL(DH)'s anti-corruption policy is guided by the following principles:

5.1 . Zero tolerance of corruption in any form.

5.2 Implement policies to counter corruption, including:

5.2.1 High-level commitment: The board and management of DHULIKHEL HOSPITAL(DH) is committed to and oversee the implementation of a policy of zero-tolerance, recognizing that corruption is contrary to fundamental values of integrity, transparency and accountability and undermines organisational effectiveness. Everyone related to DHULIKHEL HOSPITAL(DH) will have the responsibility, obligation and accountability to prevention corruption.

5.2.2 Risk assessment and implementation of anti-corruption procedures: Corruption risk assessment will form part of DHULIKHEL HOSPITAL(DH)'s overall and ongoing risk management process. DHULIKHEL HOSPITAL(DH) will develop, implement and maintain appropriate procedures relating to anti-corruption. Implementation of anti-corruption will be monitored as part of

overall risk management and internal control processes. Periodic reviews of anti-corruption will be made and changes in the procedures make accordingly.

6. Policy statement

DHULIKHEL HOSPITAL(DH) is committed to conducting internal and external organizational functions in an ethical and honest manner, and is committed to implementing and enforcing systems that ensure corruption is prevented. DHULIKHEL HOSPITAL(DH) has zero-tolerance for corrupt activities. We are committed to acting professionally, fairly, and with integrity in all business dealings, relationships and operations.

DHULIKHEL HOSPITAL(DH) will constantly uphold all laws relating to anti-corruption and in all the jurisdictions in which we operate. We are bound by the laws of the Nepal government.

DHULIKHEL HOSPITAL(DH) recognises that corruptions are punishable by law. If our organization is discovered tohave taken part in corrupt activities, we are aware that we will be subjected to legal punitive actions and face serious damage to our reputation. It is with this in mind that we commit to preventing corruption in our business, and take our legal responsibilities seriously.

7. Scope

This policy applies to all individuals associated with DHULIKHEL HOSPITAL(DH), including board members,Directors , employees (whether temporary, part-time or fixed-term), volunteers, interns, trainees, consultants, external contractors, suppliers, vendors, or any other person or persons associated with us.

This Policy is applicable to all transactions, operations, projects, bid processes, procurement, negotiations, arrangements, documentation processes, applications, activities, agreements, contracts, awards, decisions, practices and other dealings of DHULIKHEL HOSPITAL(DH).

8. Coverage

This policy covers:

8.1 Bribes:

Board members , Directors and employees must not engage (give or take) in any form of bribery, eitherdirectly or through any third party (such as an agent or distributor).

Bribery here would mean dishonestly persuade (someone) to act in one's favour by a gift of money or other inducement; dishonestly persuade (someone) to act in one's favour by a gift of money or other inducement. Bribe includes “anything of value” such as, gifts in the form of tangible materials, free meals, job opportunities, contract, etc.

8.2 Gifts and hospitality:

- Board members, Directors and employees must not accept any gift or hospitality from suppliers or contractors if:
  a) It exceeds NPR 1500 in value for each individual gift.
  b) It is in cash, or
  c) There is any suggestion that a return favour will be expected or implied.
  d) If it is not appropriate to decline the gift, the gift may be accepted, provided it is

then declared by the recipient to the management. If the recipient fails to declare this then it shall be deemed violation of policy and the matter shall be subject to punitive action.

- Board members, Directors and employees must not offer or give any gift or hospitality to any public employee or government officials or representatives, or politicians or politicalparties.

8.3 Facilitation payment:
The board, Directors and employees may not make any facilitation payments - these are a form of bribery made for the purpose of expediting or facilitating the performance of a public official or of a private official, and not to obtain or retain business or any improper business advantage.

8.4 Fraud:
The board members, Directors and employees shall not use deception, trickery or breach of confidence to gain an unfair or dishonest advantage.

8.5 Embezzlement:
The board members, Directors and employees shall not misappropriate or otherwise divert propertyor funds entrusted to DHULIKHEL HOSPITAL(DH).

8.6 Nepotism and favouritism:
The board members, Directors and employees should not favour friends, families or other close relations in recruitment, procurement, aid deliver, consultant services or other situations.

8.7 Political Contributions:
No one associated with DHULIKHEL HOSPITAL(DH), including board members, Directors and employees, one behalf of DHULIKHEL HOSPITAL(DH), should make donations, whether in cash or kind, in support of any political parties orcandidates, as this can be perceived as an attempt to gain an improper business, favour, or other advantage.

8.8 Conflict of interest
The board members, Directors and staff shall avoid any conflict-actual, potential or perceived- between personal interest and the interests of DHULIKHEL HOSPITAL(DH).

Any attempt to commit an act of fraud or corruption by members of board, Directors, staff, volunteers and other associated with DHULIKHEL HOSPITAL(DH) will be taken seriously. Board members, Directors, employees and volunteers involved in fraud and corruption of any kind will be subjected to disciplinary action within the organisation and may be reported to external authorities for criminal prosecution, if appropriate.

9. Responsibility

Every person to whom this Policy applies is expected to familiarize themselves with the provisions, stipulations and commitments stated herein. Ignorance of any of the provisions of this policy shall not be an excuse or defense for violation or breach of any of its provisions, stipulations and commitments.

It is the responsibility of the DHULIKHEL HOSPITAL(DH)'s management to ensure visible commitment to this policy and to provide leadership, resources and active support for its

successful implementation across the organization. The management should also ensure that all Employees comply with this Policy.

It is the responsibility of board, Directors, staffs and those who are associated with DHULIKHEL HOSPITAL(DH) to aDhulikhel Hospital(DH)ere to the requirements of this policy.

All the board members, Directors, employees, volunteers, consultants and third party personnel providing services to DHULIKHEL HOSPITAL(DH), is required to report any violation of this Policy to DHULIKHEL HOSPITAL(DH)'s board or management. The complaint mechanism is specified in annex 1.

10. Risk Assessment

DHULIKHEL HOSPITAL(DH) will assess the likelihood of corruption in all internal and external functions of DHULIKHEL HOSPITAL(DH). These include but are not limited to:

- dealing with government agencies and personnel
- recruitment of staff
- procurement
- emergency relief distribution/humanitarian response
- bidding for projects

The risk assessment areas and process will be periodically reviewed and updated appropriately and as needed.

11. Internal Controls and Compliance Mechanisms

a) Compliance to this policy is verified through various methods, including but not limited to, reports from internal and external audits, self-assessment, and/or feedback to the policy from funding partners.

b) DHULIKHEL HOSPITAL(DH) is responsible to maintain accurate, reasonably detailed records that fairly reflect its transactions. Therefore, DHULIKHEL HOSPITAL(DH)'s personnel (board,director and staff) are prohibited from making any false or misleading statements in DHULIKHEL HOSPITAL(DH)’s books and records for any reason.

c) **Non-Compliance**: Deviations or non-compliance with this policy, including attempts to avoid the stated policy/process by bypassing or knowingly manipulating the process, system, or data may result in disciplinary actions, up to and including termination.

12. Dealing with Corruption

12.1 Rejection

In all cases the response should be to reject demands for or offers of bribes and DHULIKHEL HOSPITAL(DH)'santi-corruption stance should be made clear.

12.2 Investigation

Any instance of actual or potential bribery will be properly and promptly investigated. To enable proper investigation, the associated person should be required to record the details of any bribery or requested or attempted bribery, as soon as possible after the event.

The process of investigation is specified in annex 1.

12.3 External reporting

DHULIKHEL HOSPITAL(DH) will report incidents of corruptions to appropriate individuals and agencies. These include:

- Reporting to the police or other law enforcement agencies locally.
- Reporting to an appropriate government department, or other relevant government agencies.
- Reporting to the funding partner/s, if the matter is considered a 'serious incident'.

12.4 Record keeping

The records of any bribes offered, made, solicited or received will be appropriately recorded. The information will be used for the risk management purpose.

13. Review of Policy

This policy will be reviewed when the practiceindicates the need for change.

Annex 1: Reporting and Investigation of Corruption

1. Making a Complaint

A person wishing to make a complaint on any suspected case of bribery can file a complaint with the Anti-Corruption Committee. The complaint should be made in writing and addressed to Chairperson of committee within 5 working days of any such incident.

The constitution of the Committee shall be-

- Chair of the "Anti-Corruption" Committee (Member of Executive Board)
- Director (if the case is not against or by him/her)
- Two members from staff, preferably one from Program unit and one from Accounts unit

2. Once a complaint has been filed:

2.1 Investigation

Once a complaint has been filed an investigation will be undertaken immediately. In instances where there is an alleged respondent, the respondent will be notified immediately. The complainant and the respondent will both be interviewed along with any individuals who may be able to provide relevant information.

2.2 Timelines

DHULIKHEL HOSPITAL(DH) will investigate all complaints immediately and will work towards the prompt resolution. The first round of investigation and conclusion shall be arrived at within 10 working days from the date of filing of the complaint.

2.3 Fairness

All complaints will be investigated in the same manner with the aim of promoting, fairness and equality.

2.4 Confidentiality and the Right to Privacy

DHULIKHEL HOSPITAL(DH) will preserve the confidentiality of all individuals involved in such

complaint.

If the investigation fails to find evidence to support the complaint, no documentation concerning the complaint will be placed on the file of the respondent. DHULIKHEL HOSPITAL(DH) will retain all documentation for 12 months for informational purposes in the event that there is an internal appeal or a complaint filed with an outside agency.

3. Outcomes and Remedies

DHULIKHEL HOSPITAL(DH) will act swiftly to ensure that such practices are stopped as soon as possible and may remedy the situation in a number of ways. The main focus will be to ensure that no such incident is repeated in future.

4. Appeal Process

Within 10 days from the result of first round of investigation, either the complainant or the respondent may make a written request that an investigation be reviewed stating which aspect of the investigation is inadequate. The request must be submitted to the board. The board will determine if the investigation is to be re-opened in order to address the concerns raised.

In case the appeal is taken up, then the investigation shall be completed within 15 working days by the same committee with the inclusion of an independent member. The result of the appeal shall be binding on the complainant for all purposes.

Annex 2: Anti-corruption Code of Conduct

Conflict of Interest and Anti-Corruption Code of Conduct

1. I will avoid any conflict – real or potential – between my personal interests and the interests of DHULIKHEL HOSPITAL(DH). I will disclose any conflict of interest that I have to the board and or management.

2. I will not give or accept bribery in any form.

3. I will not for private purposes seek to influence any person or body by using my official position or by using force or threats.

4. I will not use deception, trickery or breach of confidence to gain an unfair or dishonest advantage.

5. I will not misappropriate or otherwise divert property or funds entrusted to me and DHULIKHEL HOSPITAL(DH).

6. I will not give, solicit or receive directly or indirectly any gift or other favour that may influence the exercise of my function, performance of duty or judgment. I will disclose any gifts received to the board and or management.

7. I will not favour friends, family or other close personal relations in recruitment, procurement, aid delivery, consultant services or other situations.

8. I will report any evidence or suspicion of breach of this Code of Conduct.