



**Code of Business Ethics
and
Standards of Conduct**

Millennium Foundation Kosovo

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1. INTRODUCTION

The Millennium Foundation Kosovo (the “MFK”) is a local foundation established pursuant to the Threshold Agreement between the Government of the Republic of Kosovo, acting through the President of the Republic of Kosovo, and United States of America acting through the Millennium Challenge Corporation signed and ratified on 12th of September 2017 and the Law on Freedom of Association in Non-Governmental Organizations.

The MFK is fully committed to the principle of honesty, integrity and impartiality in the delivery of services to the public.

2. PURPOSE AND APPLICATION

This Code has been adopted by MFK to ensure that all MFK personnel are fully aware of the MFK’s expectations and policies regarding ethical business practices and standards of conduct and avoidance of conflict of interest and are therefore able to conduct themselves accordingly. It is a broad outline, designed to guide your decision making and help you handle business situations professionally, fairly and legally.

This Code applies to every board member, manager, staff member, agent and representative of the MFK (collectively referred to as “MFK Representatives”). Ultimately, each one of us is personally responsible for making sure that our actions comply with MFK internal policies, MCC’s guidelines and the legislation that applies to the MFK activities. All MFK Representatives are expected to avoid improprieties and circumstances that conflict with MFK’s policies, particularly those related to this Code of Business Ethics and Standards of Conduct (the “Code”), and to conduct themselves at all times according to the highest standards of efficiency, competency, and integrity. MFK Representatives should strive to avoid even the appearance of impropriety in the discharge of their duties. All MFK Representatives should ensure that all procurements and staff recruitments, are dealt with in an open, fair and impartial manner.

This Code aims at providing important administrative instructions and guiding principles, and to strengthen MFK’s commitment to comply with applicable laws and regulations on one hand and to ensure compliance with the following policies related to this Code -- MFK’s Conflict of Interest Policy and Confidentiality Policy, and the MCC’s Policy on Preventing, Detecting, and Remediating Fraud and Corruption in MCC Operations -- on the other hand (“MCC AFC Policy”). MCC’s AFC policy can be found at: <https://www.mcc.gov/resources/doc/policy-fraud-and-corruption> Definitions provided in both of these Policies shall apply to this Code. In case of inconsistencies between either of those Policies and this Code, the relevant policy will prevail.

MFK will publish a copy of this Code on its website to ensure easier access to all persons that are subject to this Code and that all those persons or parties with whom the MFK works or cooperates are aware and comply with the terms of this Code.

3. COMPLIANCE OFFICER

MFK CEO will appoint one of its staff members to act as MFK Compliance Officer. Each staff member will be required to annually declare a statement in writing to the MFK Compliance Officer that they have read and understand the Code, that their behavior is in accordance with the Code, and that they do not know of any violations of the Code except as specifically noted in their statement. Violations of the Code will not be tolerated and may result in immediate disciplinary action, including termination of employment or engagement. MFK Compliance Officer will be responsible to:

- Monitor and ensure proper implementation of the Code;
- Receive notice, allegations, and suspected violations of this Code; and
- Oversee the intake and response to questions from staff or agents regarding interpretation or the applicability of this Code.

4. STANDARDS OF CONDUCT

4.1 Proper Behavior

MFK Representatives are expected to treat each other professionally, based on mutual respect, trust and individual integrity. MFK prohibits any form of harassment. Actions or word that could be taken as hostile, improper or offensive must be avoided. Behavior that is offensive or unwelcome or that unreasonably disrupts another person in his or her work amounts to harassment. Therefore, everyone who sees this conduct has the duty to report it in order to protect his/her coworkers and make MFK a better place to work.

4.2 Anti-Fraud and Corruption

MCC's AFC Policy applies to all MFK Representatives, as well as all individuals and entities acting on the MFK's behalf. In accordance with MCC's AFC Policy, the MFK prohibits staff or anyone acting on its behalf from offering, giving, soliciting, accepting or receiving a bribe, as well as the other fraudulent or corrupt practices provided as examples below. MFK Representatives and implementing entities must comply with all anti-bribery and anti-corruption laws applicable in the Republic of Kosovo which prohibit making, offering or promising any payment or anything of value (directly or indirectly) to a government official when the payment is intended to influence an official act or decision to award or retain business.

4.3 Zero tolerance policy

The MFK has zero tolerance for corruption or other illegal or unethical conduct on the part of any MFK Representative or vendors. Compliance with all applicable laws as well as with MFK policies and procedures including this Code, Conflict of Interest Policy and MCC's AFC Policy is required even if such compliance is inconsistent with local practice. Any MFK Representative who is found

to violate any aspect of the Code becomes immediately subject to disciplinary action including termination of employment/contract.

4.4 Duty to Report

As required under the MCC's AFC Policy, every MFK Representative is obliged to promptly report suspected fraud or corruption, and any allegations made of fraud or corruption that they receive, either:

- a) to the MCC Anti-Fraud and Corruption (AFC) Team (Hotline@mcc.gov), which, with the Office of the Inspector General (OIG), will decide on the sharing of information with MCC staff, MFK staff, and/or local authorities, or
- b) directly to the OIG website (<https://oig.usaid.gov/content/mcc-hotline-report-fraud-or-corruption>)

Neither the MFK nor any of its staff or agents shall take any retaliatory action against a staff member or agent for the reporting of illegal misconduct, ethical violations or breaches of this Code to the MFK's Compliance Officer or CEO, MCC or the OIG.

4.5 Prohibition against Payments, Gifts, or Entertainment to Public Officials

MFK Representatives must not offer or give directly or indirectly, money, gifts, benefits, gratuities, or entertainment to:

- a) Any current official or employee of any governmental or intergovernmental body (including Government and Municipalities of Kosovo, the United States Government and other bilateral, multilateral or international organizations) with which the MFK does business, has done business or seeks to do business, or to any member of the immediate family of, or individuals or entities associated with, such an official or employee; or
- b) Any current official or employee of any Governmental body (including the United States and other bilateral, multilateral or international organizations), candidate for public office, political party or party official in order to gain a business advantage.

4.6 Prohibition against acceptance of offers, gifts and entertainment from costumers and business partners

MFK Representatives are prohibited from soliciting or accepting money, gifts of merchandise, personal services, gratuities, entertainment or other benefits from prospective or existing contractors, suppliers, subcontractors, Advisors, agents or other persons with whom the MFK does business or has done business above a "de minimus" amount or equivalent of twenty euros (20€) Euro on a single occasion, with a maximum cumulative amount of no more than fifty euros (50€) in any twelve-month period. Gifts received must be reported to the MFK Compliance Officer. Any gifts received which are unacceptable under this Code must be returned.

MFK Representatives are expected to conduct themselves at all times according to the highest standards of efficiency, competence and integrity. Each MFK Representative's actions should promote the public's trust that this responsibility is being met. For this reason, employees should

consider declining otherwise permissible gifts if they believe that a reasonable person with knowledge of the relevant facts would question the employee's integrity or impartiality as a result of accepting the gift.

4.7 Gifts, Entertainment, and Favors

MFK Representatives must refuse to accept any entertainment, gifts, or personal favors that could, in any way, influence, or appear to influence, business decisions in favor of any person or organization with whom or with which the MFK has, or is likely to have, business dealings. Similarly, MFK Representatives must not accept any other preferential treatment under these circumstances because their positions with the MFK might be inclined to, or be perceived to, place them under obligation to return the preferential treatment.

4.8 Full and accurate MFK books and records

MFK is committed to make responsible decisions by meeting legal, financial, regulatory requirements and maintaining good governance standards. All MFK directors, managers and other employees must never hide, alter, falsify or disguise the true nature of any transaction. All business transactions must be properly recorded on the books and records of MFK and its associated entities. Any payment must be made only for the purposes described in the records.

5. OUTSIDE ACTIVITIES

5.1 Personal Conduct

MFK Representatives must at all times conduct themselves in their activities in a manner which does not adversely affect their job performance or negatively reflect on the MFK.

5.2 Compliance with health, safety and environment standards (HSE)

It is the MFK's commitment to ensure compliance with health, safety and environment standards. In practical terms focusing on safeguarding employee's their health, operating safely by protecting the environment and fostering good relationships with the communities with which MFK cooperates.

5.3 Employer-Employee Link of Trust and Outside Employment

While working for MFK, MFK personnel are expected to devote their full time and attention to their MFK duties and responsibilities. MFK personnel cannot undertake any outside work or activities that may interfere with their ability to carry out their role at MFK, either in terms of time and energy or by being incompatible (or perceived as incompatible) with their status as a MFK

personnel. MFK does, however, generally support and approve activities that contribute to professional development and further the MFK's objectives.

While all personnel should guard against outside activities that may give the appearance of or create a conflict of interest, all are required to obtain prior approval from MFK before engaging in any outside activities, whether paid or not, part time or full time. Generally, prior approval is not required for studies, or private unpaid social or charitable work unrelated to MFK work, where those activities are conducted outside of working hours; still it may be advisable to discuss these with their supervisors. MFK personnel will always need to obtain approval to own a business, participate on a board, panel, committee or such group, to take on outside employment, and for other outside work or activities. Public speaking and publication also require approval by MFK.

5.4 Memberships

MFK strives to be a good civic neighbor. The MFK supports staff involvement in community activities and professional organizations. Pursued in a responsible manner, these interests may be beneficial to the staff member, the MFK and the community. However, MFK Representatives must remain in compliance with the MFK COI Policy. Before becoming involved in such activities, the staff member must evaluate carefully whether these activities may create, or appear to create, a conflict of interest and if it does, he or she should abstain, and must consult with the MFK Legal Advisor if there are any potential concerns.

5.5 Political Contributions and Activities

MFK staff and implementing entities may participate in political activities but only strictly within their individual capacities, and not while engaged or perceived to be acting on behalf of, or on the premises of, the MFK. MFK Representatives are not permitted to make any political contributions in the name of, or on behalf of, the MFK, are prohibited from using MFK funds, facilities, or assets for political activities, and may not seek to induce other MFK Representatives to participate in political activities or make any political contribution. MFK Representatives may not, either directly or indirectly, use their participation in political activities or their making of political contributions as a means to influence the award of any governmental contract or to obtain any benefit on such a contract.

5.6 Avoiding and disclosing conflict of interest

A conflict of interest is a situation that has the potential to undermine the impartiality of a person because of the possibility of a clash between the person's self-interest and professional interest or public interest. MFK Representatives are expected and required to avoid such conflicts including situations that may be perceived as creating a conflict of interest. A conflict of interest can arise if you have personal, social, financial, political or other interests that could potentially interfere with your responsibilities at work. You are expected to put MFK business interests ahead of your own.

You must ensure that neither you nor any member of your family receives any improper personal benefit as a result of your position in MFK.

Selecting contractors and suppliers and approving their quotations or invoices are activities in which MFK employees must exercise special care by following all internal procedures and always avoid any situation that could appear to be a conflict of interest. It is a general rule that anyone who has a personal interest with a supplier or contractor must not deal with them. Instead, they should inform their supervisor who can assign someone without a conflict of interest to the transaction. MFK staff members and agents must comply with the MFK COI Policy at all times.

5.7 Confidential information and protection of personal data

MFK files may contain personal data protected by privacy laws, data that must not be disclosed, or data whose disclosure could cause damage to MFK itself.

Each MFK Representative is required to safeguard the private and confidential nature of the information acquired as part of his/her work duties, and – more specifically – to comply with the provisions of the MFK Confidentiality Policy at all times.

All information, knowledge and data acquired or processed by an MFK Representative by way of their duties belongs to MFK and must not be utilized, disclosed or divulged without prior and specific authorization being granted by their superior and the MFK Legal Advisor.

MFK shall ensure that any processing of personal data is carried out only after the following conditions have been met:

- the data subject has given his/ her consent;
- the processing is necessary for the performance of a contract to which the data subject is party or in order to take steps at the request of the data subject prior to entering into a contract;
- the processing is necessary for compliance with a legal obligation to which the controller is subjected;
- the processing is necessary in order to protect the vital interests of the data subject;
- the processing is necessary for the performance of a task carried out in the public interest or in the exercise of official authority vested in the controller or in a third party to whom the data are disclosed.

MFK shall ensure that every disclosure of personal data shall be done and in accordance with Kosovo's Law on Protection of Personal Data and other applicable legislation.

5.8 Improper Acts

Any act by any MFK Representatives contrary to the policies of the MFK, particularly those embodied in the present Code, may be cause for disciplinary action, up to and including summarily termination without notice. Violations which could constitute cause for immediate termination without notice include, but are not limited to:

- Theft, offering or taking bribes, fraud and corruption, fraudulent practices, fraudulent record keeping, embezzlement, forgery, or any other criminal, unethical, or dishonest conduct;
- Any coercive, collusive, or corrupt practice, any obstructive practice or any other prohibited practice;
- Harassment, sexual harassment, abuse of authority or retaliation;
- Reporting to work impaired by alcohol or drugs;
- Releasing confidential information without authorization;
- Insubordination;
- Knowingly providing false or falsified information on any MFK document (including an MFK employment application);
- Misconduct on or off the job that materially and adversely affects the MFK;
- Any material violation or repeated violations of the present Code.

5.9 Exceptions

While some MFK policies must be strictly adhered to without any exceptions, in other cases, exceptions may be possible. For example, a potential conflict of interest situation can sometimes be resolved simply by disclosure of the possible conflict to all interested parties. There may also be situations where a business unit believes that the circumstances are such that the strict application of the MFK's policies does not make sense and prohibit an important opportunity that is otherwise legal and allowable. Any staff member who believes that an exception to any policy is warranted should make a written request to the MFK's Legal Advisor. The Legal Advisor shall review and research the issue. If the Legal Advisor believes that the requested activity should be allowed, the CEO shall be notified and the CEO shall determine in writing if the request is approved. Depending on the subject matter, this request may also require a no-objection from MCC.

5.10 Accountability

Each director and manager are accountable for providing the resources necessary to maintain defined and expected performance levels throughout the organization. All employees are individually responsible and accountable for adhering to MFK's policies, standards and procedures and work instructions within their area of activity.

6. ACKNOWLEDGEMENT OF RECEIPT AND OF UNDERSTANDING

Every MFK Representative must acknowledge receipt of the present Code and his or her understanding of its contents, on an annual basis by providing a signed statement in writing. The statement is provided below.

ACKNOWLEDGEMENT OF RECEIPT AND OF UNDERSTANDING

I, _____ [*insert name in capital letters*], acknowledge that I have received a copy of the MFK's Code of Business Ethics and Standards of Conduct.

I acknowledge having read this Code, that I understand its terms and contents, and that I am bound by the provisions therein.

Signature: _____

Date: