

## ANNEX 1: CODE OF BUSINESS ETHICS AND STANDARDS OF CONDUCT

### 1.1 Principles and Purposes

The Code of Business Ethics and Standards of Conduct (the “Code”) in this HR Manual is adopted to primarily ensure that MCA-Kosovo staff members are fully aware of MCA-Kosovo’s expectations and policies regarding ethical business practices and standards of conduct and are therefore able to conduct themselves accordingly. Such a Code cannot address each of the numerous ethical and legal issues encountered in everyday situations. Rather, the present Code is intended to serve as both fundamental administrative rules and guiding principles, and to reinforce that the MCA is committed to conform itself with the spirit and letter of all relevant laws, regulations, and policies, to support and respect fundamental human rights and to ensure that it operates and conducts its administration according to the highest ethical standards.

This Code incorporates into this HR Manual and the Code MCC’s *MCA-Kosovo Conflicts of Interest (COI) Policy* and MCC’s *Policy on Preventing, Detecting, and Remediating Fraud and Corruption in MCC Operations (MCC’s AFC Policy)*. Each Policy applies independently and as part of the Code to the conduct of the MCA-Kosovo as provided in each Policy. MCC’s AFC policy can be found at: <https://www.mcc.gov/resources/doc/policy-fraud-and-corruption>. The *MCA-Kosovo Conflicts of Interest (COI) Policy* is included as Annex 9. MCA-Kosovo shall finalize and adopt each Policy through its board of directors, each staff member shall be trained as to each Policy, and each staff member, as part of his or her onboarding, shall acknowledge in writing receipt of and an understanding of each Policy. In the case of any inconsistency between either of those Policies and this Code, the relevant policy will control. The definitions in both of these Policies apply in this Code.

All staff members and agents of MCA-Kosovo are required to provide annually to the MCA-Kosovo DAF (or individual designated with the responsibilities of this position) a statement in writing pursuant to this Code stating 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 shall not be tolerated and may result in immediate disciplinary action, including termination of employment.

The MCA-Kosovo’s Compliance Officer is responsible for:

- Monitoring and ensuring the proper implementation of the Code
- Receiving notice, allegations, and suspected violations of this Code
- Overseeing the intake and response to questions from staff members or agents regarding interpretation or the applicability of this Code

The present Code is applicable to every board member, manager, staff member, agent, and representative of MCA-Kosovo (together, “MCA Representatives”). MCA-Kosovo will post a copy of this Code on its website and will endeavor to ensure that those persons or parties with whom MCA-Kosovo works or interacts with are aware of this Code, and do not cause a violation of this Code.

## 1.2 Standards of Conduct

### 1.2.1 Proper Behavior

MCA-Kosovo representatives are expected to act in accordance with the present Code in their internal and external work and business dealings, to avoid improprieties and circumstances that conflict with the MCA-Kosovo's policies, particularly those related to the present Code, and to always conduct themselves according to the highest standards of efficiency, competence, and integrity. MCA-Kosovo representatives should strive to avoid even the appearance of impropriety in the discharge of their duties.

### 1.2.2 Anti-Fraud and Corruption

MCC's AFC Policy applies to all MCA-Kosovo representatives, as well as all individuals and entities acting on MCA-Kosovo's behalf. In accordance with MCC's AFC Policy, MCA-Kosovo prohibits staff members 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. MCA-Kosovo representatives and implementing entities must comply with all national and local anti-bribery and anti-corruption laws – for instance, national laws which forbid 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.

### 1.2.3 Zero Tolerance Policy

MCA-Kosovo has zero tolerance for corruption or other illegal or unethical conduct on the part of any MCA-Kosovo representative or vendors. Compliance with all applicable laws, as well as with MCA-Kosovo policies and procedures (including the Code, MCA's COI Policy, and MCC's AFC Policy), is required even if such compliance is inconsistent with local practice. Any MCA-Kosovo representative found to violate any aspect of the Code becomes immediately subject to disciplinary action including termination of employment or termination of contract.

#### 1.2.4 Duty to Report

In accordance with MCC's AFC Policy, every MCA-Kosovo representative is required 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](mailto:Hotline@mcc.gov)), which, with the Office of the Inspector General (OIG), will decide on the sharing of information with MCC staff members, MCA-Kosovo staff members, and/or local authorities, or
- b. directly to the OIG website (<https://oig.usaid.gov/content/mcc-hotline-report-fraud-or-corruption>)

Neither MCA-Kosovo nor any of its staff members 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 MCA-Kosovo's Compliance Office or CEO, MCC or the OIG.

#### 1.2.5 Prohibition Against Payments, Gifts, Or Entertainment to Public Officials

MCA-Kosovo representatives are prohibited from **offering or giving**, directly or indirectly, money, gifts, benefits, gratuities, or entertainment to:

- Any current official or staff member of any governmental or intergovernmental body (including the national and local Governments, the United States Government and other bilateral, multilateral, or international organizations) with which MCA-Kosovo 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 staff member; or
- Any current official or staff member 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.

#### 1.2.6 Offers of Gifts and Entertainment

MCA-Kosovo 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, consultants, agents, or other persons with whom MCA-Kosovo does business or has done business above a "de minimis" amount or equivalent of 20 US Dollars ("USD") on a single occasion, with a maximum cumulative amount of no more than 50 USD in any twelve-month period. Gifts received must be reported to the MCA-Kosovo DAF. Any gifts received which are unacceptable under this Code must be returned.

As noted above, MCA-Kosovo representatives are expected to always conduct themselves according to the highest standards of efficiency, competence, and integrity. Each MCA-Kosovo representative's actions should promote the public's trust that this responsibility is being met. For this reason, staff members should consider declining otherwise permissible gifts if they believe that a reasonable person with knowledge of the relevant facts would question the staff member's integrity or impartiality as a result of accepting the gift.

### 1.2.7 No Kickbacks or Rebates

MCA-Kosovo representatives are prohibited from, either directly or indirectly, soliciting or accepting personal rebates, kickbacks, or any form of ‘under-the-table’ payment. This not only includes cash payments, but any other service or thing of value.

### 1.2.8 Company Books and Records

No false or misleading entries may be made in any MCA-Kosovo’s books, records, or reports for any reason whatsoever. No unrecorded funds or books shall be established or maintained for any purpose. All transactions shall properly be recorded in the books and records of MCA-Kosovo and its associated entities. Payments shall not be made for purposes other than what is described by the records supporting the payment.

## 1.3 Outside Activities

### 1.3.1 Personal Conduct

MCA-Kosovo representatives must always conduct themselves in their activities in a manner which does not adversely affect their job performance or negatively reflect on the MCA.

### 1.3.2 Employer-Staff Member Link of Trust and Outside Employment

Staff members are not allowed to take outside employment while engaged in an Employment Agreement with MCA-Kosovo. In addition, MCA-Kosovo staff members may not negotiate for future employment with, any entity engaged in similar work as that of MCA-Kosovo at any time during the period of their employment with the MCA or be employed by, or seek employment with, any company or other entity, including Implementing Entities, which has, or seeks, a business relationship with MCA-Kosovo. After their engagement with MCA- Kosovo, staff members must wait at least 6 months or one year before securing employment with an organization that has a business relationship with MCA Kosovo.

### 1.3.3 Memberships

MCA-Kosovo strives to be a good civic neighbor. MCA-Kosovo supports staff members involvement in community activities and professional organizations. Pursued in a responsible manner, these interests may be beneficial to the staff member, the MCA, and the community. However, MCA-Kosovo representatives must remain in compliance with the MCA-Kosovo 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 MCA-Kosovo General Counsel if there are any potential concerns.

### 1.3.4 Political Contributions and Activities

MCA-Kosovo staff members 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 MCA-Kosovo. MCA-Kosovo staff members are not permitted to make any political contributions in the name of, or on behalf of the MCA, and are prohibited from using MCA-Kosovo funds, facilities, or assets for political activities, and may not seek to induce other MCA-Kosovo representatives to participate in political activities or make any political contribution. MCA-Kosovo representatives may not, either directly or indirectly, use their

participation in political activities or their making of political contributions to influence the award of any governmental contract or to obtain any benefit on such a contract.

## 1.4 Conflicts of Interest

MCA-Kosovo staff members and agents must always comply with the MCA-Kosovo COI Policy.

## 1.5 Improper Acts

Any act by any MCA-Kosovo representatives contrary to the policies of the MCA, 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 MCA-Kosovo document (including an MCA-Kosovo employment application)
- Misconduct on or off the job that materially and adversely affects the MCA-Kosovo
- Any material violation or repeated violations of the present Code

### 1.3.1 Exceptions

While some MCA-Kosovo 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 MCA-Kosovo'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 MCA-Kosovo's General Counsel. The General Counsel shall review and research the issue. If the General Counsel 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.

## 1.6 Acknowledgement of Receipt and of Understanding

Every MCA-Kosovo 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 MCA-Kosovo'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: