

## GIZ Policy on “Conflict of Interest”

As a federal enterprise, the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH supports the German Government in achieving its sustainable development goals. The company is accountable to a very high standard for all the funding it uses.

GIZ promotes a corporate culture in which all actions are guided by universal ethical values and principles. Integrity, honesty, openness, non-discrimination and respect for human dignity are at the heart of this culture. Adhering to rules and processes and acting in accordance with the company's values are just as important as respecting the interests of commissioning organisations, co-financing providers, cooperation partners and staff. In individual situations, however, there may be a conflict between different interests. A conflict of interest arises when a person or institution is no longer able to act impartially in situations involving mutually exclusive obligations, ties or objectives.

GIZ expects its staff and business partners to handle conflicts of interest in an appropriate and responsible manner. This includes ensuring that potential conflicts of interest are made transparent, excluded or professionally managed through risk mitigation measures, and documented accordingly. Within GIZ, the system for dealing with conflicts of interest includes:

- Clear guidance on GIZ's expectations of its staff as set out in the Code of Conduct and the Code of Ethics
- A requirement for all staff to observe the Code of Conduct and rules of conduct governing the acceptance/granting of gifts and personal benefits
- Clear internal rules (Processes and Rules (P+R)) to be observed by all staff on dealing with and excluding conflicts of interest, including a duty of disclosure and a requirement to introduce risk mitigation measures if conflicts of interest cannot be excluded entirely
- Role of managers: At GIZ, managers have a great degree of responsibility for dealing with conflicts of interest, including a requirement under the Code of Conduct to make discretionary decisions and document them in a way that is comprehensible to third parties
- Wide-ranging preventive measures (e.g. regular staff training and awareness-raising on how to deal with conflicts of interest), regular staff rotation in accordance with GIZ's Flexibility and Mobility policy, and an effective internal control system
- Compliance and Integrity Advisory Services that are impartial and autonomous and can be contacted at any time
- A functioning whistleblower system that is generally accessible, protects the confidentiality of the person providing information and has regulated reporting channels (including an external ombudsperson) in the event of violations of the (internal) rules on dealing with conflicts of interest, as well as procedures for clarifying any violations
- Clear responses from the company under (employment) law to violations of the rules for dealing with conflicts of interest

GIZ also requires its business partners to establish a suitable and appropriate system for dealing with conflicts of interest. It does so by consistently inserting provisions to this effect (e.g. the GIZ Code of Conduct for Contractors and the company's General Terms and Conditions) into contracts and funding agreements. In addition, GIZ's whistleblower system can be used by third parties to submit information related to GIZ's work and the activities of its (business) partners.

The following outlines plausible examples of conflicts of interest and possible risk-mitigation measures. External impacts and any reputational risks must also be considered when assessing whether there is a conflict of interest. Even if the risk of a conflict of interest can be minimised by adopting the measures described, it is important to avoid any adverse external impacts. Documentation must be available that is clear for third parties to understand.

Conflict type	Conflict description	Risk mitigation measures
Employing closely connected persons	Someone who has a close connection to a staff member applies for a position at GIZ.	<ul style="list-style-type: none"> <li>The staff member must not be involved in the application process or the selection procedure.</li> <li>Ensure that there is no direct line of management or any other superior/subordinate relationship.</li> </ul>
Commissioning legal entities or natural persons with whom there is a close connection	A person with a close connection to a staff member or a legal entity in which the staff member has a financial interest, takes part in an award of or invitation to tender for services/procurements in the work context of a GIZ staff member.	<ul style="list-style-type: none"> <li>The staff member is required to disclose the existence of a conflict of interest.</li> <li>Staff with connections of a personal nature that could give rise to conflicts of interest or with connections of a family or financial nature to GIZ business partners, participants in competitive tenders or their staff are excluded from any involvement in decisions on relevant contract award procedures and in the implementation of the respective contract.</li> </ul>
Accepting/granting gifts or benefits	A staff member accepts/grants a gift or advantage (above the permissible threshold) that could create at least the appearance of dishonesty, impropriety or obligation.	<ul style="list-style-type: none"> <li>Rules of conduct for accepting/granting gifts and other advantages</li> </ul>
Extracontractual activity	<p>A staff member has formed their own company or works part-time at a third-party company.</p> <p>A staff member works as a volunteer in an organisation, e.g. an NGO.</p> <p>A staff member would like to work as a consultant for a third-party company or university.</p>	<ul style="list-style-type: none"> <li>The extracontractual activity must be reported.</li> <li>The company in question is partially excluded from GIZ competitive tenders where conflicts of interest may exist, or appropriate measures are taken to ensure that competition is not distorted by the company's participation.</li> <li>The staff member is excluded from GIZ contract award procedures and from involvement in the implementation of the contract in question.</li> </ul>
Honorary position	A staff member accepts an honorary position at a company that has contractual links to GIZ.	<ul style="list-style-type: none"> <li>This type of extracontractual activity must also be reported.</li> <li>The staff member is excluded from contract award procedures in which the company in question participates and from any involvement in the implementation of the contract.</li> </ul>
Accepting/granting cash or vouchers	See above	<ul style="list-style-type: none"> <li>Cash/vouchers must not be accepted or granted regardless of the amount.</li> </ul>