



Institutional directives

Gifts and hospitality: Rules and decision-making aid

Risk Management and Internal Auditing
General Secretariat
June 2019





On 24 January 2018, Handicap International’s global movement became Humanity & Inclusion.

The Federation, which runs projects in around sixty countries, is now working under the operating names of “Humanity & Inclusion”, “Handicap International” or “Atlas Logistique”.

Any document with the letterhead “Humanity & Inclusion” applies de facto to Atlas Logistique and Handicap International teams.

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1. Key principles

The purpose of these directives is to ensure respect for HI's value of integrity and compliance with associated policies and the principle of disinterested management.

They aim to prevent conflicts of interest or apparent conflicts of interest and demonstrate the commitment of HI's members and personnel to treating all persons or bodies with which we are planning to or are already collaborating in an impartial manner and in the sole interest of HI and its beneficiaries.

They further seek to prevent unequal treatment internally and the appearance of advantages or benefits for certain categories of members or employees as a result of their position or their relations with certain external actors, especially suppliers.

These directives do not claim to be exhaustive or cover all situations. It is therefore important for all of HI's trustees, employees, volunteers, voluntary workers and partners to show common sense and consider the principles outlined in these directives before accepting or offering a gift or hospitality.

Any situation contrary to applicable laws and regulations or to HI's code of conduct which is supplemented by these directives may result in an internal alert.

2. Scope of application

These directives apply to all of HI's trustees, employees, volunteers and voluntary workers, whether members of the Federation, national associations or attached entities (Institutes). National Association directors, as well as the directors and managers of field programs, may, at their discretion and according to the country and local requirements, establish specific rules that may be more strict than those given in these directives, but never less so.



These directives do not apply to private invitations or personal gifts between HI members, paid for out of people's own pocket.

E.g.: A gift given by colleagues in a private capacity and at their own expense when an employee or voluntary worker leaves the organization or to mark the end of a trustee's term of office.

3. Rules to be applied

3.1. Rules governing gifts and hospitality

Gifts and hospitality may be considered appropriate in very strict and exceptional circumstances. In such cases, the following rules apply:

3.1.1. Rules concerning gift of nominal value

In the course of their work, members and employees may be offered gifts. They are usually symbolic and of nominal value. In any case, it is important that these gifts do not affect or appear to affect the sound professional judgement of the HI member or employee receiving them.

3.1.2. Accepting gifts for reasons of protocol

For reasons of protocol, the representatives of a partner body or administration may, at official events, offer a usually symbolic gift to HI's representatives.

Such gifts must then be handed over to the HI organization (headquarters, national association or programme concerned by the event) which will decide what is to be done with them.

3.1.3. Accepting a gift or hospitality by obligation or under constraint

In situations where a gift exceeds a symbolic value and HI's members and employees who should otherwise refuse it are unable to do so for practical, psychological or even security reasons, they should accept this gift and then refer immediately to line-management for the attitude to adopt and steps to be taken which will be the least prejudicial to the person concerned and the organization.

3.1.4. Offering a gift or hospitality

- **Hospitality:** Trustees, employees and volunteers are authorized to offer hospitality to external work partners or voluntary workers if this hospitality is part of a normal working relationship with the person concerned and is of a reasonable nature.
- **Gift:** After obtaining prior agreement from the person in charge of the entity, body, division, program or service concerned, a manager may decide to offer a gift to someone as a thank you for services rendered to HI. The value of this gift must be nominal.

For reasons of protocol, the person in charge of the entity, division, service or programme concerned may decide to offer a gift at an official event to the representatives of a partner body or administration.

The choice of gift should meet the following criteria:

- have symbolic rather than monetary or commercial value
- be intended to honor the partner body (and not reward its representative personally).

>•< Special cases justifying a derogation with regard to cost or value:

- Communication partnerships: a joint initiative of stake-holders who pool their contributions (activity, time, energy) for communication or representation purposes.
- Ambassador functions given to well-known people to develop the organization's brand image.

The directors and managers of these projects must ensure that any payments, reimbursements, gifts or hospitality given as compensation or as an act of courtesy are overseen, budgeted for and justified. This concerns both the nature and value of gifts (financial and ethical aspects) and compliance with internal procedures, including their disclosure.

3.1.5. What is considered “reasonable”?

Any gifts or hospitality offered must be reasonable. In other words, they must be proportionate and not lavish, extravagant or excessive.

The reasonable nature of a gift or hospitality should be determined in light of the geographic area (cost of living in the country) and existing practices in the sector of activity.

3.1.6. Appropriateness of the circumstances surrounding a benefit

In no circumstances should the offer of gifts or hospitality create a situation that could unduly influence professional behavior. In certain situations the risk can be particularly high. The circumstances must therefore be analyzed in light of:

- **The giver's function:** The offer and acceptance of a gift or hospitality must not occur at a strategic point in business relations. For example, during the negotiation of calls for proposals or when the giving or receiving of a gift and/or hospitality could reasonably be considered to be influencing the parties in a business relationship (signature, renegotiation of a contract, vote, agreement, etc.)
- **Practices, customs and local laws:** When gifts and hospitality are offered because this is a custom and common practice in a particular country, HI members and employees should still consider whether it is proper to accept them. Although cultural habits may legitimize the offering of a gift or hospitality to some extent, in no way can they justify infringing the rules given in these directives.

3.2. General rules governing what is proscribed

HI members and employees must never say or imply that they can accept gifts or hospitality in a private capacity (individually or as a group), whatever their value.

The following offers of hospitality are never acceptable:

- when they may be considered excessive or are not directly linked to a work situation;
- when they are in violation of local or international regulations;
- when they contravene HI's code of conduct with regard to safeguarding against sexual abuse, exploitation and harassment (places, participants, activities or events of a sexual nature);
- when the beneficiary knows that the person offering the hospitality does not have the authority to do so.

The following gifts must not be accepted in any circumstances:

- cash or cash equivalents, such as gift cards;
- gifts that do not comply with local or international regulations;
- gifts that are in fact a bribe or backhander offered to obtain or renew a contract, for example, or undue advantages such as tax benefits.
- gifts that the beneficiary knows are prohibited by HI or by the organisation of the person offering it;
- gifts given in the form of services or other benefits in kinds (for example, the promise of a job);
- any gifts, whatever their value, from a public official.

4. Rules governing the disclosure of gifts and hospitality

Hospitality or gifts, accepted or offered, whose estimated value would be greater than 50 euros must be disclosed by sending an email to the following address gift.register@hi.org. It will then be recorded in a centralized register which can be consulted by management, specialized services or the organization's control bodies.

| Information to be disclosed in the email | | | | |
|--|--------------------|------|---|------------------------------|
| Gift or hospitality | Giver and function | Date | Description of the gift or the hospitality and the circumstances in which it was given or received. | Estimated or confirmed value |

NB 1: By definition, the Welcome Kits produced by HI do not need to be disclosed: goodies, Tote bag, stationery, accessories in HI's colors, etc. intended for new staff, voluntary workers and trustees to help with their induction.

NB 2: Work-related hospitality including travel and/or accommodation must be formally approved by line-management and disclosed.

5. Non-compliant gifts or hospitality

Should an HI member or employee receive a gift or hospitality inappropriately, HI reserves the right to ask the person concerned either to return this gift or hospitality or to inform the giver that s/he has accepted the gift on behalf of the HI Federation. It will then be handed over to HI's Comité d'Entreprise (work council) at headquarters (or equivalent body on a field program), which redistributes this kind of gift as part of its welfare mission.

Offers of hospitality, including travel and/or accommodation with no clear business purpose should be refused.

HI members or personnel offering gifts or hospitality inappropriately (for example, without prior authorization or despite a refusal from HI) are in contravention of Federation's internal rules and notably of its Code of Conduct and anti-bribery and corruption policy. The person concerned is thus liable to be sanctioned according to the provisions in HI's Rules of Procedure.



DECISION-MAKING AID AND PRACTICAL ADVICE

Offering or accepting gifts or hospitality from a third party is not reprehensible as such, provided that:

- they are of nominal value;
- they are not recurrent;
- they can in no way influence or appear to influence a contractual or commercial decision.

The most important thing when offering or accepting gifts or hospitality is to act in a transparent manner, both internally and towards third parties, stay within the limits of what is reasonable and always give due consideration to how your acts may be perceived or interpreted by others.

A – Inform people in advance and be prepared to refuse gifts and offers of hospitality

To avoid finding yourself in a situation that is difficult to manage, the easiest thing is to inform HI personnel, but also potential suppliers and partners in advance of the existence of internal directives on gifts and hospitality which govern and drastically limit this type of practice. HI members and employees must never say or imply that they can accept gifts or hospitality in a private capacity (individually or as a group), whatever their value, but rather explain that HI has strict rules on the matter.

Similarly, pre-contract or contractual documents should mention that HI members and personnel may not accept gifts or hospitality in a private capacity and are required to disclose any offers made to them to their line-management.

It is also essential for HI members and personnel to abstain from offering gifts or hospitality which could incite their contacts to engage in this type of practice in return.

B – Gifts and hospitality to refused on principle

- Any gift that would be difficult to justify with colleagues or the media or that HI would be unable to reciprocate;
- Any advantage or gift which, because of its nature, value and/or frequency, could lead to an HI member or HI personnel not acting in the best interests of the organization or put the organization in an embarrassing situation;
- Any advantage offered by a third party which you know or suspect of being offered to obtain an undue advantage.

There are a number of questions that you can ask yourself to help you determine whether a gift or hospitality is unreasonable and refuse it:

- Would we be able to offer this type of gift: would HI cover the cost of an equivalent gift?
- Could accepting this gift create an implicit obligation or encourage the giver to expect something in return, such as preferential treatment, prices or conditions or a contract deal.
- Would you be embarrassed if your colleagues found out about this gift or hospitality; would it be embarrassing for HI if it were revealed to the trustees, members of personnel, the beneficiaries of our actions, the media or our donors?
- Would accepting an excessive or inappropriate gift or hospitality (too valuable or not usual practice) put the organization's reputation at risk?

C – Anticipate and be prepared to refuse a « poisoned chalice »

It is essential to anticipate so as not find yourself in a situation where it becomes impossible to refuse a gift or hospitality, with two main risks:

- accepting and giving impression that you now owe the giver something in return;
- refusing and creating a diplomatic or commercial incident or, in certain circumstances, physical risks.

How to refuse hospitality?

- Thank the person for the invitation and simply explain that the organization's rules do not allow you to accept it;
- If appropriate, and in compliance with rules on expenditure commitment, propose that HI covers your expenses (meal or participation in an event).

If you have advance knowledge of the nature of the offer, you could also diplomatically suggest a less costly alternative.

Lastly, in certain circumstances it is useful, essential even, to inform and even obtain written authorization from your line-management to offer or accept hospitality that might appear inappropriate, excessive or unreasonable.

D – Ways of assessing whether a gift or hospitality is reasonable

Concerning gifts

For head office: any gift whose symbolic value could be perceived as exceeding €50 is not considered reasonable.

For the field: the cost of a gift should be adapted to the cost of living in the geographical area. If in doubt, contact your line-management.

Concerning hospitality

Hospitality sometimes concerns not only restaurants, but also accommodation, transport, travel, shows or receptions.

- An invitation for a meal at restaurant costing €35 is considered reasonable.
- One or two meals of this kind per year and per supplier would be considered a reasonable frequency.
- Hospitality costing more than €50 is thought to exceed what could be considered reasonable, as are successive and repeated offers of hospitality from the same person (more than twice a year), even for a value of under €50.

NB. Hospitality that includes travel and/or accommodation must be formally authorised by line-management and disclosed if accepted.



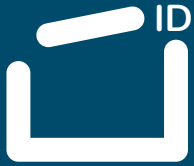
Documents linked with this directive

In "Institutional policy" series:

- Humanity & Inclusion. [Anti-fraud, bribery, and corruption policy](#). Lyon: Humanity & Inclusion, 2014, Updated version in 2019
- Humanity & Inclusion. [Logistical management](#). Lyon: Humanity & Inclusion, 2018

In "Institutional directives" series:

- Humanity & Inclusion. [Reporting suspicions on fraud and abuse](#). Lyon: Humanity & Inclusion, 2018
- Humanity & Inclusion. [Code of conduct: Prevention of abuse and safeguarding](#). Lyon: Humanity & Inclusion, 2018



Gifts and hospitality: Rules and decision-making aid

This institutional directive is devoted to defining the rules, advice and decision-making aids for the acceptance or offer of gifts or invitations by members and staff of Humanity & Inclusion.

In summary, whatever the amount, a gift or invitation accepted or offered must be the subject of a declaration on the centralized register gift.register@hi.org which will be consulted by the association's managers, specialized services or control authorities.

The most important thing is to act in a transparent manner internally towards third parties and its hierarchy, to remain within reasonable limits and always to question the way in which acts could be perceived or interpreted by an external viewpoint.

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