

GIFT POLICY



Transparency Maldives, the National Chapter of Transparency International in The Maldives, is a non-partisan organization that promotes collaboration, awareness and undertakes other initiatives to improve governance and eliminate corruption from the daily lives of people. Transparency Maldives views corruption as a systemic issue and advocates for institutional changes that will punish and prevent corruption.



Authors: Mariyam Shiuna and Fathmath Anoola

Layout Designer: Haleema Abdul Gafoor

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Gifts, hospitality and expenses can be offered to organizations, sometimes disguised as bribes. Hence, it is important for organizations to understand what gifts and other related expenses are appropriate, reasonable and do not interfere in any decision-making process, or provide an advantage to the gift provider or its associate.

A gift policy provides guidelines on how and what gifts can be accepted or offered by an organization, and outlines gifts which are subject to prior review, which can be refused, and the procedures to administer gifts. Gift policies and procedures demonstrate an organization's commitment to self-regulation and accountability and will act as a tool to prevent bribery and attempts to exert undue influence in the decision-making process of an organization.

The following are some of the measures that organizations can undertake which can be adopted as part of a standalone gift policy or included as part of other organizational policies:

- ▶ Ensure that all gifts received or offered do not compromise or run counter to the organization's mission, principles and values.
- ▶ Ensure that the organization has a recording system for gifts that fall within a specified criterion. Include information on the source of the gift.
- ▶ Establish a review process for any gift accepted or offered in order to assess that gifts accepted or offered do not pose any risks to the organization's independence, programs, public perception, and does not result in any potential legal implications or additional expenses to the organization.
- ▶ Maintain consistency and ensure informed decisions are made with regard to the acceptance and offer of gifts.

The following is a template gift policy with minimum standards for a best practice gift policy, which organizations can modify, adapt and adopt relevant to the organization's structure, existing policies/procedures and operations. Annex 3 provides a Dhivehi translation of the gift policy template.

Template: Gift policy

Guidance Note:

A gift policy should include the following:

- ▼ Define the types of gifts/donations that the organization can accept.
- ▼ Clarify the forms of gifts/donations that can be accepted.
- ▼ Outline how gift acceptance procedures are administered.
- ▼ Assign responsibilities.
- ▼ Clarify when gifts are to be reviewed.

The following policy template sets minimum standards and individual gift policies can be expanded.

1. Introduction

This policy defines under what circumstances a governing board member, general member, employee or volunteer may accept a gift on behalf of (name of the organization) and the procedure to follow when accepting gifts. This policy covers gifts, entertainment, hospitality and other expenses that organizations may receive or offer.

1.1 Purpose:

The purpose of this policy is to set guidelines on accepting and offering gifts on behalf of (name of the organization), establish safeguards to prevent the organization from undue influence and hidden agenda; mitigate reputational damage; and ensure that gifts accepted and offered by the (name of the organization) are appropriate and to protect the interests of (name of the organization).

The purpose of this policy is also to provide guidance to prospective donors and other individuals who may wish to give gifts in various forms to (name of the organization).

This policy will also serve as a guideline to (name of the organization) governing board members, general members, employees, and volunteers involved with accepting or offering gifts.

1.2 Definition:

a. Donor: For the purposes of this policy donors are individuals or organizations that offer gifts.

b. (i) Gifts: A gift is an item of cash or goods or any service of commercial value that is accepted by or offered to an associate of the organization or the organization itself without any return of payment, and accepted on behalf of the organization.

(ii) "Gift" does not include 1) any discount or rebate made in the regular course of business 2) plaques or trophies or souvenirs 3) Attendance at lunches, dinner and other ceremonies that are part of the regular course of business; 4) Financial and material donations and sponsorships that are given as part of a program agreement.

1.3 Scope of application:

This policy is applicable to the governing board members, general members, employees, volunteers and resource persons who are in a position to accept or offer any form of gift on behalf of (name of the organization).

2. General Policy

2.1 (name of the organization) accepts and offers gifts for purposes that will help the organization further and fulfill its mission, support its core programs, as well as special projects.

2.2 All gifts accepted and offered must be in accordance with the overall mission of the organization; its policies and directives; and national laws and regulations.

2.3 A gift register shall be maintained by the organization to record all gifts accepted and offered by the organization.

2.4 The governing board shall assign administrative responsibilities to an assigned officer in order to administratively record gifts; and ensure compliance to this policy.

2.5 This policy shall be made available to all members and employees associated with (name of the organization).

3. Considerations prior to accepting and offering gifts

3.1 Gifts shall be accepted and offered by (name of the organization) after considering, but not limited by the following factors:

- a.** Whether the acceptance or offer of the gift compromises any of the core values or mission of (name of the organization).
- b.** Whether the acceptance or offer of the gift will damage the reputation of (name of the organization) or negatively impact public perception of the organization.
- c.** Whether acceptance or offer of gift would result in any unacceptable consequences for the organization.
- d.** Whether the primary benefit is to (name of the organization) or to the donor.
- e.** Whether the gift is accepted or offered in a form that (name of the organization) can use without incurring substantial expense or difficulty.
- f.** Whether the gift is offered from a controversial donor (e.g., political donor).

3.2 Decisions on the restrictive nature of a gift, and its acceptance or refusal, shall be determined by the governing board, in accordance with this policy.

4. Gifts accepted subject to prior review

The following forms of gifts should be subject to review prior to acceptance:

- a.** Gifts from unknown or unfamiliar donors with which the organization does not have an established relationship.
- b.** Gifts from institutional donors (including foundations, foreign government agencies, corporations, corporate foundations, or for-profit entities) that might not implicitly or explicitly share the core values and mission of the organization.
- c.** Gifts that require review by legal counsel: E.g., securities, tangible personal property, life insurance, or real estate.
- d.** Gifts that could lead to conflicts of interest.
- e.** Gifts that set limitations on the organization in any form.

5. Gifts generally accepted without review

- a.** Gifts from donors that explicitly share or align with the mission and values of the organization.
 - b.** Gifts from donors with which the organization has an established beneficial funding relationship.
 - c.** Gifts from non-controversial donors.
 - d.** However, if the value of the gift stated above in 5a, 5b, 5c, exceeds the value of (to be determined by the organization) the gift shall be reviewed by the governing board.
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