



GOZO REGIONAL
DEVELOPMENT AUTHORITY

Ethics Framework

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1.0 Introduction

- 1.1 The Gozo Regional Development Authority (hereinafter “the Authority”) places accountability, transparency and ethical standards at the centre of its activities throughout its structure. All members of staff and members of decision-making and other internal bodies of the Authority are expected to share this commitment.
- 1.2 Therefore, the Authority is hereby establishing an Ethics Framework comprising the ethics standards established through this Ethics Framework and its implementing procedures to be followed by all members of staff and members of decision-making and other internal bodies of the Authority.
- 1.3 Compliance with this Ethics Framework safeguards the credibility, reputation and public confidence in the integrity and impartiality of the Authority in fulfilling its functions in accordance with the Gozo Regional Development Authority Act (Cap 600 of the Laws of Malta), hereinafter referred to as “the Act”.
- 1.4 Appropriate disciplinary measures as outlined in this document in terms of the Act will therefore be instituted against members of staff for non-compliance with the provisions of the Ethics Framework.
- 1.5 The Board of the Authority shall appoint an Ethics Committee, made up of three members, to carry out the functions outlined in this framework including points 7.2 and 7.3.

2.0 Scope and Applicability

- 2.1 The Ethics Framework is applicable to all members of staff of the Authority.

General Provisions

3.0 Roles and Responsibilities

- 3.1 The entire governing, management and operational chain of the Authority share and distribute the responsibility to ensure the application of good ethical standards throughout the entire functions of the Authority. Thus, all members of staff and members of decision-making and other internal bodies of the Authority are required to be familiar with this Ethics Framework to be able to contribute towards the efforts of the Authority in maintaining and safeguarding its credibility and reputation. Members of staff and members of decision-making and other internal bodies of the Authority are therefore expected to demonstrate the highest standards of honesty and integrity at all times, both internally and externally, when representing the Authority. Failure by a member of staff or a member of a decision-making or other internal body of the Authority to report noted or perceived non-compliance with the established ethics standards under this Ethics Framework could negatively impact on the governance objectives of the Authority.
- 3.2 Without prejudice to the generality of paragraph 3.1 above, responsibilities shall be applied within the hierarchy of the internal structure of the Authority in accordance with the following paragraphs.

The Board

- 3.3 The Board shall assume ultimate responsibility to ensure that this Ethics Framework is maintained and effectively implemented within the governance structure of the Authority.
- 3.4 The Board shall be responsible to liaise with the Chief Executive Officer and the Human Resources Unit to ensure Ethics Framework is updated when and as may be necessary in accordance with the review provisions in this Framework.
- 3.5 The Board, through the Chief Executive Officer, shall ensure that the Ethics Framework is brought to the attention of all members of staff and members of decision-making and other internal bodies of the Authority, including new recruits and new appointments. It shall further ensure that procedures are in place to provide advice and guidance on interpretation, for ongoing raising of awareness and for educating accordingly.

Directors and Heads of Units

- 3.6 Heads of Units and other senior management shall ensure that staff and management in their areas of responsibility comply with the provisions of the Ethics Framework. To this effect Heads of Units and senior management shall ensure that their staff and management are fully aware of the Ethics Framework, that they have access to it, that they have read and understood it, and that they participate in any awareness raising/training in this regard.

Office Management

- 3.7 The ongoing responsibility for ensuring the application of ethics standards at business processes level rests primarily with office management which is expected to be the promoter of such standards.
- 3.8 In ensuring that members of staff are kept abreast with and comply with the ethics standards under the Ethics Framework, office management should ensure that members of staff under their responsibility have read and understood the Ethics Framework.

Ethics Committee

- 3.9 The Board may appoint the Ethics Committee which shall be responsible to monitor compliance with this Ethics Framework and to report accordingly to the Board.

Ethics Framework

- 3.10 For the purposes of the Ethics Framework, a Senior Officer shall assume the role of Ethics Officer of the Authority.
- 3.11 The Ethics Officer shall fulfil all responsibilities assigned to the Ethics Officer in terms of this Ethics Framework.

- 3.12 In case that no senior officer is appointed as Ethics Officer, the Chief Executive Officer will temporarily assume the role of Ethics Officer until such officer is appointed.

4.0 Communications and Awareness

- 4.1 The Authority shall apply a zero-tolerance approach to breaches of the Ethics Framework. This means that all instances of actual and suspected breaches shall be reported and will be investigated in accordance with the established reporting and investigation procedures of this Ethics Framework. To this effect, the Authority is committed to raising awareness of the ethical conduct expected of all its members of staff and members of its decision-making and other internal bodies.
- 4.2 The Senior Officer responsible to Compliance, or his/her delegate, shall provide guidance and interpretation of the provisions of the Ethics Framework accordingly.
- 4.3 The Compliance Officer through the Heads of Units, shall ensure that members of staff and members of decision-making and other internal bodies of the Authority provide signed declarations that they are familiar with the Ethics Framework and willing to comply accordingly.

5.0 Compliance Monitoring

- 5.1 On an ongoing basis compliance monitoring shall rest with office management who is expected to lead by example. In monitoring compliance, office management shall conduct regular checks and shall advise and guide staff accordingly where minor shortcomings are identified. Where shortcomings of a more serious nature are identified during office management checks, office management shall report in accordance with this Ethics Framework to the Ethics Officer.
- 5.2 Furthermore, office management shall identify and assess compliance risk in their area of responsibility, ensure the reporting of cases of non-compliance and contribute to the maintenance and updating of the Ethics Framework. Where a compliance risk is identified office management shall take the necessary measures to eliminate or manage such risk, seeking the assistance of the Ethics Officer where necessary.
- 5.3 The Ethics Committee shall ensure that the annual audit plan includes audit engagements in relation to compliance with the Ethics Framework. The Ethics Committee shall provide assurances to the Board on the effectiveness of the Ethics Framework and compliance, including recommendations for the better implementation of the Ethics Framework.
- 5.4 Notwithstanding the ongoing and periodic compliance checks as aforementioned, where a staff member or a member of a decision-making or other internal body of the Authority is identified or suspected of having breached the Ethics Framework, such person shall be subject to the investigation, and moreover disciplinary procedures established under the Act.

6.0 Reporting of Cases of Non-Compliance

- 6.1 Timely reporting of suspected or actual breaches of the Ethics Framework is essential for its effective implementation. Reporting should be appropriately made to the Ethics Officer.

- 6.2 The responsibility to report suspected or actual breaches of the Ethics Framework lies with the person who becomes aware of or suspects such situation. Therefore, any employee who detects or suspects breaches of the Ethics Framework shall immediately report to his/her Head who shall escalate the report to the Ethics Officer. Where an employee has made such a report but feels that no action is being taken, that employee is duty bound to escalate the report directly with the Ethics Officer.
- 6.3 The member of staff making the initial report shall forward with the report any supporting documentation or other evidence where available which should be forwarded to the Ethics Officer. The member of the staff making the report or Head receiving the report (referred to as the 'reporting officer') shall refrain from contacting the suspected individual to determine facts or in any way to confirm any suspicion of breach of the Ethics Framework. Moreover, in respecting the confidentiality of the matter, the reporting officer shall refrain from discussing the case, facts, suspicions or allegations or the filing of a report both internally and/or externally, unless specifically requested to do so by the Ethics Officer.
- 6.4 Confidentiality is an important element in the effective implementation of the Ethics Framework. To this effect all reports on suspected or actual breaches, including the identity of the reporting officer and of the person suspected of committing the breach will be dealt with in strict confidence. Moreover, the Authority will not tolerate any form of retaliation or inequitable or discriminatory treatment against individuals providing information on a reported case for the proper investigation of the matter.
- 6.5 The investigative process should not be misused. Therefore, any abuse such as raising unfounded allegations of breaches, shall be dealt with as a disciplinary matter in itself. This should not deter employees from raising genuine concerns (even if subsequently unfounded but made with good intent), as, in so doing, they will be supported in every possible way.

7.0 Follow up of Cases of Non-Compliance

- 7.1 All reported cases of breaches of the Ethics Framework shall be investigated.
- 7.2 The extent of the investigation, which varies according to the circumstances of each case, shall be determined by the Chairman of the Ethics Committee established by the Board of the Authority, which shall act independently.
- 7.3 Where, following an investigation, no case can be made against the member of staff or the member of decision-making and other internal bodies of the Authority suspected of having committed a breach of the Ethics Framework or of not having complied therewith, the investigation shall be closed with no further action and such person shall be informed accordingly in writing by the Chairman of the Ethics Committee.

8.0 Prevention of Misuse of Confidential Information

- 8.1 However, for the purposes of this Ethics Framework, the following term definitions shall apply:
"confidential information" shall mean any sensitive information pertaining to the performance of tasks conferred on the Authority or other sensitive information held by the Authority and which has not been made public or is not accessible to the public;

“insider” means a member of the Board or the staff, or a member of a decision-making or other internal body of the Authority who has access to confidential information. All members of the Board, staff and members of decision-making and other internal bodies of the Authority are prohibited from misusing confidential information. The prohibition on misusing confidential information shall cover, as a minimum, the disclosure of confidential information to any other person (unless such disclosure is made in the course of carrying out professional duties on a need-to-know basis), and/or the use of inside information in order to recommend or induce other persons to enter into financial transactions on the basis of such confidential information.

Breaches of the conditions laid down above shall be subject to the investigation and disciplinary procedures and could lead to a fine and/or termination of employment, subject to the right of appeal as laid down in the Act.

9.0 Conflicts of Interest

9.1 For the purposes of this Ethics Framework, the following term definitions shall apply:

“conflict of interest” shall mean a situation where a member of the Board, staff or a member of decision-making and other internal bodies of the Authority has a personal interest which may influence or appear to influence the impartial and objective performance of that person’s duties;

“personal interest” shall mean any benefit or potential benefit, of a financial or non-financial nature, for the members of the Board, staff or the members of decision-making and other internal bodies of the Authority, their family members and other relatives or for their circle of friends and close acquaintances.

9.2 In ensuring effective ethical standards by all members of staff it shall be the responsibility of a Recruitment Interviewing Board to establish at recruitment stage whether a person being considered for employment with the Authority as a member of staff in any position has a conflict of interest resulting from previous occupational activities or personal relationships. This should not preclude the Authority from recruiting such a person provided that any conflict of interest can be managed.

9.3 Throughout the duration of their employment/appointment, all members of the Board, staff and members of decision-making and other internal bodies of the Authority shall declare any interests or activities which they may have outside the Authority which may conflict with their duties and obligations as members of the Board, staff or members of decision-making and other internal bodies of the Authority.

9.4 Likewise, the Authority expects staff to avoid creating conflicts of interest in any occupational activities that they may undertake following the termination of their appointment on such decision-making or other bodies of the Authority.

9.5 Members of staff cannot undertake or engage in any activity or occupation whether remunerated or otherwise during office hours before obtaining prior consent from the Board. Moreover, members of staff who wish to engage outside office hours in any additional remunerated employment, shall apply to the Board for approval, giving details of such employment and the hours of work. The Board shall not give its approval, among others, where the activity could create conflicts of interest.

9.6 Except with the prior approval of the Board, members of staff and members of decision-making

and other internal bodies of the Authority shall not indulge in any political activity that can compromise their duties towards the Authority. To this effect, the aforementioned shall not speak in public on matters of political controversy concerning directly or indirectly the work of the Authority or on matter wherein the Authority may have an interest. Moreover, members of staff of the Authority shall not become a political candidate or hold office in any political organization, except with the prior approval of the Board.

- 9.7 Members of staff and members of decision-making and other internal bodies of the Authority shall report to the Board, situations that may create for them a potential conflict of interest.
- 9.8 Members of staff and members of decision-making and other internal bodies of the Authority who become aware of irregularities concerning conflicts of interest on the part of other members of staff or members of decision-making and other internal bodies of the Authority and which affect or could affect the integrity of the Authority, shall as soon as practically possible inform the Ethics Officer of such irregularities.
- 9.9 The Ethics Officer shall investigate all reports of actual or perceived conflict of interest and shall take such measures as may be necessary for each individual case to avoid such conflict. Such measures may include the reallocation of duties that would not conflict or requiring the incumbent to remove such conflict.

10.0 Acceptance of Gifts and Hospitality

- 10.1 For the purposes of this Ethics Framework, the following term definitions shall apply:

“advantage” shall mean any gift, hospitality, or other benefit of a financial or non- financial nature which objectively improves the financial, legal or personal situation of the recipient and to which the recipient is not otherwise entitled.

- 10.2 In safeguarding its integrity and reputation, the Authority attaches utmost importance in ensuring that its members of the Board, staff and members of its decision-making and other bodies do not accept any advantage or promises thereto that could be in any way connected with the performance of their official duties.
- 10.3 Members of staff and members of decision-making and other bodies of the Authority shall not give the impression that they can be influenced by considerations of personal gain in the performance of their functions or official duties. Members of staff and members of decision-making and other internal bodies of the Authority should not solicit or accept any advantage, or any promise thereof, from any person or company having business with the Authority. Any gifts or other benefits received, that exceed the value of €50 (fifty euro), shall be declared in writing to the Ethics Officer who may advise and give directions as appropriate.
- 10.4 Members of staff and members of decision-making and other internal bodies of the Authority who become aware of irregularities concerning the acceptance of advantages on the part of other members of staff or members of decision-making and other internal bodies of the Authority and which affect or could affect the integrity of the Authority shall as soon as practically possible inform the Ethics Officer.
- 10.5 Breaches of the conditions laid down above shall be subject to the investigation and disciplinary procedures and could lead to a fine and/or termination of employment, subject to the right of appeal as laid down in the Act.



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