



# **STATE SUPREME AUDIT**

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## **CODE OF ETHICS**

### **OF**

## **STATE SUPREME AUDIT**

(approved by decision no. \_\_\_\_, date \_\_\_\_ 2005, of the Chairman of the State Supreme Audit)

Tiranë, July 2005

# Chapter I

## GENERAL PROVISIONS

### Article 1

#### What do “ethics” and “ethical behavior” mean for State Supreme Audit?

The ethics help all the members of State Supreme Audit staff in order to define their roles and responsibilities, relating to themselves, to their colleagues, their partners and the institution where they work. In KLSH, ethics mean for you to:

- Support, either formally or spiritually, the principles, the rules and the instructions that are implemented in KLSH.
- Stimulate the responsibility.
- Eliminate the lack of respect towards others, the injustice and the dishonesty.
- Be active when you have to face ethical problems.
- Encourage the dialogue and open discussions without prejudices.
- Work with honesty and to learn from mistakes.
- Respect the basic standard manners inside and outside the environment of KLSH.
- Feel proud on what is achieved and about the way of achieving it.
- Be modest relating to what can be improved and about the way of doing it.

Ethical behavior is not a passive process, and requires that the staff of KLSH makes a choice or a decision honestly, as well as makes a sound judgment in conformity with ethical values of KLSH, which are written in this code. During your work you must know these basic instructions below:

- You should work with honesty, professionalism, objectivity, devotion and without bias when carrying out your duties.
- You should never use individually any confidential information that is provided throughout your work in KLSH.
- You should avoid the private activities, which can rationally be seen as conflicts of interests.
- You should treat the others with respect.

Sometimes, you can perceive that in a certain situation, your behavior is not appropriate. This code will help you with what are you going to do in a given situation. When you suspect about the way of an ethical behavior towards an action you can consult with the staff of KLSH, before you take actions.

You always have to ask yourself (for your actions):

- Are these actions correct and legitimate?
- Am I sure I am acting right?
- Do my actions influence negatively or positively upon me or KLSH?
- What would a reasonable person think about my actions?
- Do I feel embarrassed if the others will look at me when I will take an action?
- Do I have any possibility of taking other actions that can not cause ethical conflict?

## **Article 2**

- 2.1 The aim of this code is to serve as a guide for all of you who are members of KLSH staff, relating to your everyday work, in conformity with your mission, principles and your basic values. This code does not have all the answers for each problem that you are going to face concerning ethics. It does not replace the role of sound judgment and does not eliminate or leave aside different instructions that KLSH has implemented. It serves as a bridge that links your desires and everyday actions taken at work, and also expresses the commitment to the mission of KLSH. Also the code is an effective means to encourage discussions related to ethics, and to improve the manners and reactions at work (those reactions that are doubtful to ethics).
- 2.2 The main objective of KLSH is that everyone who works in this institution should respect and implement the high standards of ethics. You, the members of this staff, have the responsibility for better “governing” of KLSH in order to keep a better name on this institution regarding honesty, accuracy, judgment, integrity, neutrality and professionalism.
- 2.3 KLSH will always encourage and keep a positive working environment, in order to maintain the ethical behavior inside the institution. The directors of KLSH will encourage actively the ethical dialogue, will give

advices through training programs and materials or through other resources, as well as will make sure that the inner systems, policies and procedures of KLSH are in complete conformity with ethical goals of this important institution.

### **Article 3**

- 3.1 The Code of Ethics of the State Supreme Audit (KLSH) is a collection of the values and principles, which should lead the everyday work of KLSH staff.
- 3.2 The Code of Ethics should be considered as an addition to international auditing standards of INTOSAI and law requirements “For the ethical behavior of civil servants”.
- 3.3 The auditor of public sector has the autonomy, competency and responsibility to determine the high ethical demands for the staff of KLSH.

### **Article 4**

#### **Our Mission**

- 4.1 While performing their functions, the employees of KLSH should respect the general principles of ethics, defined by law “For the rules of ethics in public administration” as well as in the Code of Ethics of INTOSAI, which determines the general principles of ethics.
- 4.2 Working with passion and professionalism to achieve the best results.
- 4.3 Being a credible institution, and able to encourage and train a reliable staff with the appropriate skills. This staff should listen, learn and know how to succeed.

### **Article 5**

#### **The principles that lead us**

- Being responsible for the high results achieved while working.
- Working with passion and devotion and with honesty on financial

issues.

## **Article 6**

### **Our basic values**

- Honesty, integrity, credibility, professionalism.
- Common work in group based on honesty and on mutual confidence.
- Everyone has the possibility to develop and respect diversities.
- Encouraging the others who face challenges and their responsibilities.
- Evaluating the public judgment on the activities of KLSH.

## **CHAPTER II**

### **THE RULES OF ETHICS IN KLSH**

## **Article 7**

### **The basic standards of behavior**

7.1 The members of the staff of KLSH have to implement higher standards of ethical behaving, in complete conformity with the values of integrity, neutrality and prudence. You should avoid all the bad manners that are obvious to your behavior. While performing your work, you should remain loyal to KLSH, its objectives, goals and principles.

7.2 The basic values of autonomy, neutrality, prudence and integrity should lead all the aspects of your behavior while working.

## **Article 8**

### **Autonomy**

8.1 The employees of KLSH should behave in public in a way that increases their autonomy, either in the audited subjects or in other interested groups. They, also, should be objective on examining different issues and problems.

- 8.2 It is fundamental that the employees of KLSH should be independent and neutral. Their independence should not be controlled by personal or external interests.
- 8.3 The employees of KLSH should avoid involvement in all issues, which they take a personal interest. Regarding this, they should obey the law “For preventing the conflicts of interests and implementing the public functions”.
- 8.4 The employee of KLSH should respect the position and should be independent, refusing to accept any instruction related to official duties and their performance from other sources outside KLSH. Under the terms of employment in KLSH, each member of the staff agrees and promises to execute his/her duties only under the authority of law or its acts.
- 8.5 The employees of KLSH should keep their formal or actual political neutrality and accurately keep to the limits of organic law of KLSH regarding this issue.

## **Article 9**

### **Impartiality**

You, as the members of the staff of KLSH should act without bias. You should pay attention to your personal views and believes without compromising the results of the given tasks or the interests of KLSH. Your behavior as official should be characterized by objectivity and professionalism. You should not allow that their personal affairs, including here prejudices, partiality or favors, influence on the results of their official tasks. In the same way you should avoid different situations that create conflicts of interests.

## **Article 10**

### **Discretion**

You, as the members of the staff of KLSH should be more discreet during your actions, be tactical and reserved with the declarations you give, in conformity with your statute of KLSH. You should deflect from participation in different activities that are in conflict with the interests of KLSH, or can damage your reputation. You should respect and keep secret the information learned or placed at your disposal, as a result of your position in the official

hierarchy or being part of KLSH.

## **Article 11**

### **Integrity**

- 11.1 You should behave with integrity during all your official activity and avoid any kind of bad behavior that makes you and KLSH look different. In KLSH, integrity means honesty, accuracy, justice and loyalty to the work and institution. You should provide KLSH with complete and correct information, relating to everything is needed for the administration of the subject matters of the staff. You should immediately report to the sector of human resources the changes on your personal circumstances, which can affect your proportion of income.
- 11.2 It is not the duty of KLSH to investigate on different statements or declarations that you have broken the law. But, if the concerns relating to your behavior outside the office are communicated by a third party, KLSH will inform you about this problem in question (in cases this is possible).
- 11.3 It is not the duty of KLSH to find out if you have broken or not the law in force, this is the duty of the Court. Anyway, if KLSH is required to accomplish a legal service by the Court or any other authority that has the executive power to fulfill the legal obligation as regards wage deductions for a member of its staff, then KLSH is going to execute it.

## **Article 12**

### **Appearance at work, good manners and respect**

- 12.1 Your appearance at work should be appropriate and demonstrate:
- Permanent care and seriousness of your look;
  - Required level of your personal hygiene;
  - Fulfillment of the necessary requirements for your clothes in the environment of KLSH and into your office;
  - Due care for the way you communicate and behave in the environment of KLSH and any other place you perform your duty.
- 12.2 You should treat your colleagues (superiors, peers, or your subordinates) with respect, and could not physically harassed them or speak in intimate

privacy. During the work, you should also deflect from those compartments that, though they do not bear marks of abuse and harassment, could create an unfriendly environment or fear.

12.3 All those attitudes, which unjustly interfere with the work of anyone or create a fearful, hostile and insulting environment inside the office, are considered and treated as harassment. A reliable working place is essential for your work efficiency in KLSH, and protects the ethics of the staff. All the unpleasant sexual attempts, favors in exchange of sexual harassment or other behaviors (physically or in words), which interfere with the work, restrain you from employment, or create a fearful, hostile and insulting environment inside the offices you perform your work, are considered and treated as sexual molestations.

## **Article 13**

### **Compliance with the Work Schedule**

- 13.1 During your working relationships in KLSH you must use effectively your work time. It must not be used for any other purpose, except the cases when you are authorized to do so in conformity with the laws and rules in force.
- 13.2 You should not ask for, encourage or allow the employees to use the work time for any other purpose except for those tasks which you are hired and authorized to do so in conformity with the laws and rules in force.
- 13.3 Also, in order to make effective use of resources you have at your disposal, you should dedicate your work time to official activities of KLSH.

## **Article 14**

### **Diversity**

Because of democratic and professional character of KLSH and the value the latter one gives to diversity, you should act with tolerance, sensibility, respect and without bias towards other persons who do not have the same level of education and professionalism. On the other hand, KLSH will react to any kind of abusive behavior, which is considered as an offence against the environment or concrete persons.

## **Article 15**

### **Responsibility**

- 15.1 The workers of KLSH, auditors in particular, are required to implement the approved standards of auditing.
- 15.2 The employees of KLSH should fulfill their tasks with competence and without bias, implementing high professional standards while performing their tasks as well as should be responsible for the prepared materials.
- 15.3 You should always not exceed the authority you enjoy from your work position. You are responsible for the tasks that you assign to the others and you are expected to supervise and control everything that is related to your work.

## **Article 16**

### **Use of properties, equipments and resources of KLSH**

- 16.1 During your work in KLSH, you should protect and keep safe its property. It is not allowed to use directly or indirectly the property of KLSH for other purposes, except for the performance of the work. By property of KLSH it is meant every real and unreal estate that is used and possessed by KLSH, as well as the official documentation.
- 16.2 You are responsible to ensure that KLSH resources at your disposal will be used for conducting your official tasks.

## **Article 17**

### **Solution of personal problems and conflicts**

- 17.1 The departments' directors have the responsibility to be available for their staff members, who want to raise issues and worries in confidence and treat them with honesty, objectivity and without bias or discrimination in any kind of situation.
- 17.2 The directors of the departments should create an environment in which the staff members feel free to use (without feeling anxiety for penalties) the existing institutional ways in order to solve any kind of problem or

conflict, as well as to address their worries relating to problematic and conflicting situations in which they are involved in, as regards their relationships inside and outside KLSH.

## **Article 18**

### **Protection from baseless claims**

18.1 The damage caused as a result of baseless and unserious accusations discourage the staff as regards their behavior and compliance with the high ethic standards. Consequently, KLSH protects its own staff when they become object of baseless accusations raised by everyone that remains displeased due to their accurate performance of their duties.

18.2 The right and responsibility to raise different issues or matters is essential to empower the staff as well as to provide the integrity of the institution. To this end, KLSH will protect the staff from any kind of revenge including even those deriving from the attitudes they maintain in case different issues or concerns are raised. The duty to protect the staff members is undertaken against those individuals, which threat or take revenge against its own staff during their tasks performance. The complaints raised in these cases will be seriously treated and will be explained immediately by the superior.

## **Article 19.**

### **Confidentiality**

19.1 KLSH respects the staff privacy. The confidential information (including personal files, medical notes, information related to several investigations as well as disciplinary measures) is not allowed to be misused or disclosed, except those persons that are authorized to be acquainted with them. KLSH maintains the confidentiality of any kind of information in conformity with the respective legal or sub-legal acts issued by it.

19.2 KLSH respects your work discretion and will not require to change your attitude or behavior until it can damage the work results, or in cases when it does not comply with the respective legal and sub-legal acts.

19.3 KLSH respects the equilibrium set between family and work regarding it as a challenge to achieve the defined objectives and appreciates the efforts and your commitment in order to maintain these proportions. KLSH will make efforts to create an internal environment as good as possible in order to support you to obtain an effective balance between the work, family and private life.

19.4 KLSH respects your intimacy and does not want to interfere with your private life. However, your status as a member of KLSH staff consequently makes it be binding on your behavior at work and outside it. KLSH pays much attention to the execution of all legal and sub-legal acts into force on your side, as well as to the deflection from actions that may be perceived as abuse of the prestige that KLSH and its staff enjoys and possesses; the negligence in this regard will be reflected in your relationships with KLSH.

19.5 Furthermore KLSH will have a very sharp-eye on your bad behaviors, widely expressed as regards the violence or abuses within the family or the maltreatment of the family members.

### **Chapter III**

#### **Article 20**

##### **Conflict of interest**

20.1 The cases of conflict of interests have been defined by law “For the prevention of the conflict of interests in the course of performing public functions”.

20.2 By conflict of interests is meant the conflict between the private and public interest of the staff, in the course of juridical work relationships in KLSH.

20.3 You should always act in the interest of KLSH and support its mission. As a result you should avoid the conflicts or - even their manifestations - between your interests and responsibilities derived from being a member of KLSH staff.

20.4 There are many potential conflicts of interests. Without prejudicing the required discipline regarding the execution of the rules by the staff of KLSH some of the types of interests that trigger conflicts are stated as follows:

- a) Interests that are classified according to the above legal definitions.
- b) Other interests defined by sub-legal acts issued for the execution of law.
- c) Interests of a commercial or non commercial character that you have in:
  - Profitable or non-profitable juridical subjects in which you act as a consultant, partner, representative or an agent etc.;
  - Juridical subjects with whom you have negotiated for or agreed on your contractual or non-contractual future employment.;
  - Every kind of commercial or non-commercial interest declared by you in KLSH.

20.5 In the course of employment in KLSH, you may be entitled to or may earn the right of profiting properties or interests that prevent you or cause conflicts of interest. In case these interests are classified as such and you are required to relinquish them, you should comply with this request. Otherwise, the conflict of interests is resolved by being transferred to a new job or by breaking up the juridical work relationships.

20.6 In cases when you occur to be under circumstances that make the performance of your tasks impossible due to conflict of interests relating to you personally or other persons around you, you should inform your superiors and the human resources department in writing.

20.7 You should avoid not only the circumstances that cause conflict of interests but also those, which show any manifestation of this kind of conflicts. In case of circumstances that bring about the manifestation of such a conflict, you should immediately and thoroughly notify your superiors as well as ask for their opinion on your detachment from them.

20.8 The verification of several situations, which may be considered as conflict of interests is carried out by a special commission defined by the Chairman. This commission draws up a report that defines the respective circumstances (if they constitute or not a conflict of interests) and then submit it to the Chairman.

20.9 The possible conflict of interests of an applicant for a vacant position in the administration of KLSH should be resolved before its admission.

## **Article 21**

### **Obligation to make declarations of yourself**

21.1 You should declare any kind of commercial or financial profits you or a member of your family may have, which may cause a conflict of interests with the office you hold in KLSH. You should declare everything about such issues to the Human Resources Department of KLSH.

21.1 KLSH may require that some of its staff member declare periodically and confidentially all activities and financial interests in their personal files, according to the preliminary adopted form.

## **CHAPTER IV**

### **USE AND DISSEMINATION OF INFORMATION**

## **Article 22**

### **Use and dissemination of confidential information**

22.1 You are responsible to protect any confidential information provided from KLSH or produced by it. Consequently you should pay special attention to the way you use it in order to prevent the dissemination of unauthorized information. The basis concepts of the rules and guidelines related to the safety of information is that confidential information may be communicated to the staff members only if it is in compliance with the law “For the State Supreme Audit” and other legal and sub-legal acts related to the classified information.

22.2 It is not allowed to give and receive information for different benefits or in case it triggers a conflict of interests during the working relationship in KLSH.

22.3 During the working relationship in KLSH, you should not unofficially:

- a) Allow to disclose or publicize confidential information, which you have obtained by performing your tasks.
- b) Allow this information to be used for personal benefits.

### **Article 23**

#### **Relationships with media, public declarations and publications**

23.1 If you are not authorized you should not give, publish or disclose documents for public use concerning the policies or activities of KLSH or any other kind of issue relevant to it as well as documents that are not classified as information for being made available to public. Meanwhile you should avoid any kind of behavior in public that can be translated or related in any way with the office you hold in KLSH. The status of an employee of KLSH requires him to be reserved and tactful.

23.2 KLSH has defined special procedures as regards the availability to be in contact with media. Before you give a response or take the initiative to get in contact with the press concerning the policies or activities of KLSH or any other issue relevant to it, you should consult with your superior who, in turn, should consult with the authorized person responsible for communicating with the media well in advance of the permission given to fulfill his request.

## **CHAPTER V**

### **EXTERNAL ACTIVITIES AND OTHERS**

#### **Article 24**

##### **Employment outside KLSH**

24.1 You can not establish other working relationship with public, private and non-profitable subjects, whether you are paid or not, except teaching lessons, getting the right of the authorship and cultural activities, delivering speeches and lectures. In case these activities are carried out within the working hours, you should always have an authorization by the Chairman.

24.2 You may participate in voluntary activities of a particular community

outside working hours or in charity activities, without having first the consent of KLSH. However, in case you have doubts that the activity where you intend to participate may be contrary to the above-mentioned criteria, you should consult with the Human Resources Department that monitors the implementation of the work ethic, before you participate in it.

## **Article 25**

### **Gifts, entertainments and benefits to employees**

25.1 During the working relationship within KLSH, it is not allowed to ask for or receive directly or indirectly, gifts, benefits, favors, entertainments, credits, loans or any other thing of monetary value from persons or subjects that:

- Have or want to obtain benefits from administrative procedures, binding contracts or any other relationship with KLSH.
- Carry out transactions or activities which are supervised or administered by KLSH
- Have interests which are substantially affected by the performance of official tasks assigned to any employee of KLSH.

## **Article 26**

### **Commitment to working environment**

You should perform your tasks with responsibility and in compliance with laws and sub-legal acts that protect the working environment. KLSH pays special attention to the impact of its actions on the protection of working environment. KLSH has the responsibility to raise issues and concerns as regards the conditions that are considered harmful to health, as well as the safety of human beings and working environment, inside and outside KLSH.

## **Article 27**

### **Employment and restrictions applied after leaving your job in KLSH.**

If you have left or are about to leave your job in KLSH, you should comply with the respective rules regarding the use of information and data protection. In particular, if you are about to leave your job in KLSH you should not use or disclose reserved information on which you have full knowledge as a result of the office you have held in KLSH. You are not allowed to give reserved information to your ex-colleagues who should be treated as every other third party outside your working environment from the moment they leave their job in KLSH.

### **Article 28**

#### **Acknowledgement of obligations deriving from application of rules**

At the beginning of every year or of any working relationship, you should make a declaration wherein you acknowledge and assume your responsibilities or other obligations defined in this code or legal acts issued by KLSH.

## **CHAPTER VI**

### **GENERAL PROVISIONS**

#### **Article 29**

The KLSH employees that infringe the principles and provisions of this code, in case it does not constitute a penal action, will be penalized by taking disciplinary measures according to requisitions of the legislation of the Labor Code or of the status of civil servants, as the case may be.

**CHAIRMAN**

**Robert ÇEKU**