SARS MODEL FOR ETHICS MANAGEMENT

PROMOTING RESPONSIBLE CONDUCT
A BRIEF BACKGROUND

- The first Ethics Office in the Public Sector.
- Established in 2004.
- To proactively promote responsible conduct.
- To provide preventative capacity to complement the internal fraud prevention strategy.
- A part of the Anti-corruption and Security structure.
- Certified Ethics Officers staff complement.
ETHICS MANAGEMENT

• COMPLIANCE DRIVEN
  - Investigations
  - Vetting and Security Clearance
  - Risk Assessment
  - Policies and Procedures

• VALUES DRIVEN
  - Ethics Awareness
  - Code of Ethics
  - Gifts Policy
  - Declaration of Private Interests Policy
ETHICS DEFINED

- Well based standards of right and wrong that prescribe our rights, obligations and benefits to society.

- Ethics is about how we ought to live, treat others, run or manage our lives and organisations.
• Ethics cannot be a product of legislation, policies and procedures.

• Whilst the organisational arrangement may support ethics, ultimately ethics is the product of a congruency between values and behaviour.
SARS ensures organisational integrity in the following ways:

- Creating systems and procedures to introduce, monitor and enforce the ethical code.
- Assessing the integrity of new appointees in selection and promotion procedures.
- Communicating with and training all employees regarding ethics, morality, SARS values, standards and compliance procedures.
- Employees are encouraged to report on corruption and unethical behaviour through established and well communicated reporting mechanisms or the Anti-Corruption Hotline.
- Responding to offences and preventing occurrences.
- Consistently enforcing appropriate discipline.
- Providing monitoring and audit safe systems for reporting unethical behaviour (King 2).
CREDIBILITY OF THE ETHICS OFFICE

Credibility of the Ethics Office depends on the following:

- Enjoy full recognition, commitment, support and respect from senior management.
- Be populated by specially trained individuals.
- Be active throughout the organisation, in all locations and facets of business.
- Enjoy organisation-wide trust and not be directly involved in employee evaluative processes.
- Not be prone to becoming embroiled in organisational politics.
- Set and be custodians of consistently applied standards for ethical conduct throughout the organisation among all employment hierarchies.
- Possess the knowledge, skill, budgets and organisational support to address the building of an ethical organisation.
OBJECTIVES OF SARS ETHICS OFFICE

- Embed ethical behaviour through an education and awareness campaign.
- Conduct Security awareness.
- Advise employees on ethical dilemmas and decision-making.
- Create awareness of the ethics policies and procedures and values.
- Administer and monitor compliance with SARS’s Code of Conduct and ethics-related policies.
- Prevent and eradicate corruption and fraud.
- Target driven to reach identified regions and 2500 people per year.
Objectives of ethics awareness workshops are:
- Ethics training, advice and guidance, maintaining and cultivating integrity.
- Ethics training covers a general overview of ethics, values, SARS Values, policies, codes and rules, procedures and systems, including the functions of the Ethics Office.
- To empower employees with knowledge and skills to make proper ethical analysis and judgement.
- To help employees to develop the inclination and commitment to behave ethically.
Use of Case Studies in Training

- While focusing on a scenario, participants have an opportunity to identify problems or dilemmas, apply relevant codes, policies or rules; decide on the correct course of action (ethical decision making).

- By presenting their findings to the rest of the group, there is a further opportunity for learning when evaluating the suitability, feasibility and acceptability of the suggested solution.
SARS VALUES AND WHAT THEY MEAN

SARS values which all employees should subscribe to are:

- Transparency and openness
- Mutual respect and trust
- Integrity and honesty
- Equity and fairness
- Courtesy and commitment

SARS VALUES
DEVELOPMENT OF MORAL VIRTUE AND MORAL COURAGE

Moral Courage refers to:

- the intrinsic strength required to stand up for what is right even in difficult situations
- what a person judges is ethically called for in spite of his/her instinctive reaction to the perceived dangers and difficulties in which such an action will result.
ETHICAL DECISION MAKING TOOLS
The chosen option and action taken should also be evaluated in the light of the following Quick Test:

P = Policies
   Is the decision consistent with my organisation's policies?

L = Legal
   Is it acceptable under the applicable laws and regulations?

U = Universal
   Does it conform to the universal principles/values my Organisation has adopted?

S = Self
   Does it satisfy my personal definition of right, good and fair?
Code of Ethics

Declaration of Private Interests Policy

Gifts Policy

Draft Whistle-blowing Policy
CODE OF ETHICS

- Helps SARS employees to understand the required standards of personal and professional behaviour.

- It increases public trust.

- Encourages consistent behaviour and decision-making.
CODE OF ETHICS – areas covered

- Relationship with legislature and executive
- Relationship with the Public
- Employer / employee relationship
- Performance of duties
- Relationship among employees
- Personal conduct and private interests
DECLARATION OF INTEREST POLICY

- SARS employees shall … refrain from knowingly engaging in any outside matter of financial and or any other interest incompatible with the impartial, objective and effective performance of their duties.

- Annual declaration of private interests required.
GIFTS POLICY

- The solicitation or acceptance of gifts, gratuities, favours, bribes or kickbacks by a SARS employee is prohibited (with a few exceptions iro gifts).

- SARS employees shall NOT:
  
  - Accept gifts, entertainment, invitations to events (e.g. tickets to sport events) or special consideration from a taxpayer, traveler, supplier of goods and services doing business with SARS)
  - Accept loans from taxpayers (unless in business of making loans)
  - Procure goods or services for personal use at a discounted rate not offered to the general public
ANTI-CORRUPTION HOTLINE

- An independent third party administers a SARS anti-corruption hotline, which is accessible to SARS employees and members of the public to report acts of corruption.

- The hotline allows for anonymous reporting.

- Corruption or suspicion of corruption may be reported on the Anti-Corruption Hotline No. 0800 0028 70

- Ethical Violations should be reported directly to the SARS Ethics Office. The e-mail address of the Ethics Office is ethics@sars.gov.za
SARS Ethics Office continues to introduce and refine the ethics related documents and programmes that provide further guidance to employees.
Thank You