



**MEDITERRANEAN INFORMATION OFFICE  
FOR ENVIRONMENT, CULTURE AND SUSTAINABLE DEVELOPMENT**

## **CODE OF CONDUCT**

2020

## Preamble

The CODE of CONDUCT is the evolution of the “*Internal Rules and Regulations of MIO-ECSDE*” compiled upon decision of its Executive Bureau (39th Executive Bureau Meeting, Corfu, 5 May 2007). In 2016, mandated by the 59<sup>th</sup> Executive Bureau held in Athens on 22/12/2016, the rules and regulations that had been in place since the establishment of the Federation and which had facilitated its good function were further elaborated, while new sections were developed for harmonization purposes with specific provision of the 2015 ISO 9001, the 12 Accountability Commitments of the Global Standard for CSO Accountability and other good practices. Even further adaptations have been made since then.

The objective remains the same: to describe and specify how the Federation functions in as clear and transparent a way as possible.

The *CODE of CONDUCT of MIO-ECSDE* complements the Federation’s Statutes as adopted in 1993 and amended in 1995 and 2007.

The proposals of the external independent auditors, as well as the suggestions of the official auditors of the European Commission and other Donors that have evaluated the performance of MIO-ECSDE in general and also in its capacity as Host Institute of GWP-Med and other entities, have also been considered in the process of updating the *CODE of CONDUCT of MIO-ECSDE*.

The Executive Bureau of MIO-ECSDE is informed of proposed adaptations and updates of the *CODE of CONDUCT* by the MIO-ECSDE Secretariat.

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## 1. Scope

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The **M**editerranean **I**nformation **O**ffice for **E**nvironment, **C**ulture and **S**ustainable **D**evelopment (MIO-ECSDE), was established as a network of Mediterranean Non-Governmental Organisations (NGOs) for Environment and Development from 1993 till 1996 and since then functions as a Federation.

MIO-ECSDE acts as a technical and political platform for the intervention of NGOs in the Mediterranean scene. In co-operation with Governments, International Organisations and other socio-economic partners, MIO-ECSDE plays an active role for the protection of the environment as well as the tangible and intangible cultural heritage and the promotion of the sustainable development of the Mediterranean Region and its countries.

The values of MIO-ECSDE are fully harmonized with the [12 Accountability Commitments](#) of the Global Standard for CSO Accountability which are:

1. Justice and Equality
2. Women's Rights and Gender Equality
3. Healthy Planet
4. Lasting Positive Change
5. People-driven Work
6. Strong Partnerships
7. Advocating for Fundamental Change
8. Open Organisations
9. Empowered, Effective Staff and Volunteers
10. Well-handled Resources
11. Responsive Decision-making
12. Responsible Leadership

The seat of the organization is in Athens, Greece, at 12, Kyristou str and Mnisikleous. Other offices, branches, etc. can be established elsewhere in Greece and in other countries, upon decision of the Executive Bureau, in order to effectively promote the objectives of MIO-ECSDE.

In order to better achieve its objectives (as described in the Statutes), MIO-ECSDE can host and/or facilitate the functioning of other entities (networks, secretariats) and initiatives of thematic relevance.

The Statutes of the MIO-ECSDE Federation specify all the necessary basic operational rules and therefore are the guiding and prevailing text of reference throughout the below described processes.

## 2. Membership

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At the moment of updating this CODE of CONDUCT (2020) the MIO-ECSDE membership is 133 Members from 28 countries.

a) The member organisations of MIO-ECSDE are classified in two categories: full and corresponding. Only full members have the right to vote in the Annual General Meeting (AGM) of the Member-Organisations.

The criteria for MIO-ECSDE membership nomination are as follows:

1. Any international, regional, national and local non-governmental, non-profit organization of a riparian Mediterranean country of no affiliation with political parties, religious groups or commercial interest could become a full member.
2. All others (local, governmental, profit-making, non-Mediterranean, etc.) could be accepted as corresponding members.
3. Very new organizations (with less than 2 years of operation) are also placed normally in the category of corresponding members.
4. NGO corresponding members could apply for upgrading to full membership after at least serving as correspondent for one year and providing the additional appropriate justification and supporting evidence.

All members retain their rights and privileges as long as they pay their annual membership fees which are decided by the AGM upon proposal by the Executive Bureau (EB). Since 2004 they are:

- 100 Euro for full membership and
- 75 Euro for corresponding membership

The documents needed to be submitted to the MIO-ECSDE Secretariat for an organisation to become a member, are the following:

b) The “Membership Application Form” filled in. It should be clarified that “Full” members (with membership fees 100 Euro per year) and “Corresponding” members (with membership fees 75 Euro per year) share the same benefits, except the voting rights.

c) Copy of the By Laws and Legal Statutes of the applicant organization formally translated into English or French.

d) Information material about the applicant organisation’s activities, of the past two years.

Each application is presented to the Executive Bureau Meeting. The EB appoints two scrutiny organizations: one from the applicant country and one from the same area of competence (e.g. wildlife protection, etc.). The Executive Bureau Member of the same country also has the right to provide additional information. The report and recommendation are then reviewed and evaluated in the next MIO-ECSDE Executive Bureau Meeting. The decision is taken with 2/3 majority and is forwarded for confirmation by the AGM. The applicant is then informed of the decision and is accordingly integrated into the MIO-ECSDE structure.

Following prior notification, members can be removed if they do not participate actively and regularly in the work of the Federation for three years, or for actions that are not compatible with its objectives. Removal of members requires a consensus decision of the Executive Bureau.

### **3. Governance structure**

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In order to deliver its work in the most efficient and transparent way MIO-ECSDE has a governance structure of 4 collaborating organs/bodies:

- the Executive Bureau
- the Chairperson and Co-Chairperson
- the Annual General Meeting
- the Secretariat

If deemed appropriate a Mediterranean Advisory Council may become functional as was foreseen in the 1993 statutes. Furthermore, *ad hoc* working groups can be established in order to carry out specific tasks as per decision of the Executive Bureau. These bodies however do not have an institutional role.

MIO-ECSDE considers gender equality in its governance organs/bodies in line with its Gender Policy.

#### **3.1. The Executive Bureau**

The Members of the Executive Bureau (EB) are elected amongst its *full* members for a term of two years according to the following composition:

- one member per EU Mediterranean Member State (including Portugal), representing the member NGOs of that country
- an equal number of members from non-EU Mediterranean States (including Jordan), representing the member NGOs of a country or sub-region
- up to three members representing international Environmental and/or Development NGOs active in the Mediterranean
- three are *ex officio* members representing the two founders EEB (European Environmental Bureau) and Elliniki Etairia, and RAED (Arab Network for Environment and Development).

Half of the Members are renewed every year with a two-year term of office each.

The EB or the Chairperson could designate specific roles or tasks to particular members of the EB (e.g. the role of Treasurer, or EB member responsible for Environmental Education, or the Membership, etc.) and/or to the MIO-ECSDE staff in the case of e.g. submission, signing and supervision of specific projects and contracts.

The Member NGOs of a given country or of a sub-region decide internally on who will be nominated to represent them in the EB. This helps the voting procedure of the AGM as a balloting election process may not be necessary. When this is not possible the AGM has to take a vote. Nominations can be made by any Member Organisation.

The statutes specify that the EB should meet at least once a year. However, since its establishment the MIO-ECSDE EB has made a point of trying to meet at least three times a year. The meetings are conducted in English. A quorum of the meetings is designated as one half of the members, present or represented, plus one. Binding notifications or apologies to the meetings must be reported to the Secretariat at least 10 days before the fixed date of the meeting. Decisions are taken on a majority of votes of the members present or represented.

Detailed minutes are kept with an annexed summary table of decisions taken and tasks to be done.

The minutes, initialled by the Chairperson, are circulated for comments within 45 days after each EB meeting. On the basis of the comments received they are amended, if needed, and are approved and signed by the EB Members at their next meeting. EB meetings can be conducted through electronic means or tele/videoconferencing while EB decisions can be taken through e-mail communication or other means on the suggestion of the Chairperson and by agreement of the majority.

The Members of the EB are not remunerated for their function.

At each EB meeting progress on activities and actions is reported to the EB Members by the Secretariat and further decisions are taken, if necessary. Reporting and discussion on the progress of the activities and initiatives of the organization per annum take place during the AGM, which also debates and approves the plans for the future.

In case of permanent incapacitation of an EB Member or in case she/he does not represent any longer her/his electorate, the EB or AGM may elect a new Executive Bureau member.

### **3.2. *The Chairperson and Co-Chairperson***

The Annual General Meeting elects directly one Chairperson and one Co-Chairperson every two years among the Members of the EB, securing the regional balance. There is no limit on the renewal of the mandates.

The Chairperson of MIO-ECSDE:

- represents MIO-ECSDE in front of all authorities and other organisations and signs contracts, agreements and any other legal document as designated by project and or other needs for MIO-ECSDE and/or its hosted entities
- coordinates, manages and supervises the activities of the organisation according to the decisions of the Executive Bureau and AGM;
- he/she authorises all financial transactions and payments and he/she can delegate specific fund management tasks to members of the EB or the Secretariat
- proposes the draft agenda, convenes and chairs the EBMs and AGM;
- reports to the EB and AGM on all major developments and events in which she/he participates;
- provides general policy guidance to the Secretariat;
- leads fundraising efforts.

The Chairperson is not paid for his/her role in the Federation. The same rule applies for the Co-Chairperson who replaces the Chairperson on missions and commitments requested by the latter.

In case of permanent incapacitation or proven indifference for his/her office, the EB by consensus or the AGM with  $\frac{3}{4}$  majority may elect a new Chairperson or Co-Chairperson.

### **3.3. *The Annual General Meeting***

The highest decision-making body of the MIO-ECSDE Federation is the Annual General Meeting (AGM). Only full members with duly paid fees have the right to vote and be voted.

The Chairperson and Co-Chairperson, assisted by the Secretariat are responsible for the call for the AGM which must be sent out no less than six weeks in advance by e-mail, fax or regular mail. The agenda of the AGM must include the following items:

1. Approval of the Agenda
2. Report of Activities by the Chairperson
3. Financial report of the previous year (audited), provisional financial report of the running year
4. Proposed future activities
5. Proposed budget for the next year
6. New Members
7. Elections for the Executive Bureau
8. Any other business

A quorum of the meeting is designated as one half of the members (with voting rights), present or represented by proxy. If the quorum is not achieved then the AGM could be postponed for one hour and be legal with a minimum of 10 members. Although all efforts should be made for decisions to be taken on a consensus basis, a simple majority suffices in the case of voting, except for the membership issues where a 2/3 majority is needed.

Observers are welcome to participate in the AGM.

### **3.4. *The Secretariat***

The Secretariat is the body that administers and executes the decisions of the AGM and EB. In addition, it manages all activities, projects and functions of MIO-ECSDE and reports accordingly to the Chairperson, the Executive Bureau and the AGM. The Secretariat is supervised and directed by the Chairperson of the EB, with the support of the Co-Chairperson and any other members of the EB according to the decision of the EB.

The Secretariat and any other entities the MIO-ECSDE hosts follow specific procedures in daily functions (staff monitoring, travel regulations, reporting procedure, performance evaluation, etc.).

## **4. *Financial management***

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### **4.1. *Funding sources***

The funding sources for the operation and activities of MIO-ECSDE are the following:

- Membership fees
- Donations - directly or through funding of projects - from governmental, intergovernmental, non-governmental organisations; international donors including IFIs; and the private sector.
- Contributions of funds or in-kind from its members.
- Income received from services rendered in the fields of its expertise.
- Income from the sales of its publications and other products.
- Income received for the hosting services provided.
- Any other appropriate source from the public and private sectors.

Funding from private sources must be transparent and free from any kind of direct or indirect influence or obligations on the policy and strategy of the organization and must be carefully scrutinized so as not to give rise to any misinterpretation in relation to the independence and integrity of the organization. This also applies to hosted entities.



## **4.2. Funds Management**

Funds are managed according to the provisions set by the Rules and Legislation governing financial transactions within Greece and abroad, and based on the specific requirements of each contract or subcontract governing the funds received.

The Chairperson, Co-Chairperson and the Executive Bureau supervise all expenditures. They may appoint also a member of the Executive Board to act as Treasurer.

The Executive Bureau is regularly informed and controls the finances.

Expenditure should be consistent with the detailed budget submitted and approved in the respective Contract, Agreement or Memorandum of Understanding under which the specific expenditure falls.

The Executive Board Meeting receives a detailed report of all expenditure incurred under the various projects, approves the accounts and discharges the Chairperson. It also approves the proposed provisional budget for the next year according to the work program.

Approved expenditure falls under the following categories:

- Personnel;
- Travel and subsistence;
- Rental, equipment and depreciation;
- External assistance / Subcontracting;
- Printing / publishing costs, interpretation / translation and meeting costs;
- Overheads / general administration.

### **4.2.a. Employment of Staff – Labour Policy**

MIO-ECSDE (and its hosted entities) employs its staff mainly in conjunction with its annual Work Programme and/or other secured projects/budgets.

Selection of staff is made following the announcement and advertisement of the specific post in the press, the internet, etc. The announcement should include the following: terms of employment, responsibilities to be undertaken, qualifications and experience required, contract duration and an indicative salary to be adjusted according to qualifications. The selection is made after the collection and evaluation of the submitted CVs by an *ad-hoc* committee appointed by the Chairperson. The selection of the most suitable candidate should be based on the qualification set in the announcement. The final decision for the recruitment lies with the Chairperson.

The successful candidate signs a Service Contract for the period foreseen for the specific post and can be employed either with a work Contract or a labour-based Contract with a specific duration. In both cases the foreseen by the Greek legislation social security charges and tax regulations apply, and the relevant invoices are issued as necessary. In addition, MIO-ECSDE may decide additional provisions in the form of pension plans for those working under restricted labour-based contracts, or other entitlements towards contributing to improving work related conditions for its employees (commuting, meals, health insurance, etc.).

Salary levels are determined according to the qualifications and experience of the employee. They can be adjusted after the first year of employment, based on performance, additional tasks or responsibilities undertaken, and always within the foreseen provisions of the currently running projects. MIO-ECSDE may also decide for extraordinary wages to be given to its personnel if and when

they are associated with: specified and pre-approved overtime, as provided for in the Greek legislation; a reward for the good progress or successful completion of a project; a successful project submission or securing new funds for the organisation; provided that such exceptional payments are foreseen or can be provisioned and integrated into active projects.

MIO-ECSDE can hire additional supportive or specialized personnel to cover ad-hoc needs for a specific period and projects. In these cases, a public announcement of the post is not necessary. The provisions set by the Greek labour legislation apply also to *ad-hoc*, short-term employments.

A trial period of three or more months may precede actual employment, especially in the case of a junior-inexperienced new member of the staff. Upon completion of the trial period (if occurred), the Chairperson, in consultation with the Head of Department, decides on whether the employee will remain with the organization.

MIO-ECSDE and hosted entity employees should fill in timesheets to record their daily working hours and their allocation to the various sub-projects they are involved with. The completed timesheets are validated at the end of each month by the Chairperson or an appointed by the Chairperson member of the staff.

For personnel employed on work contracts (consultants/invoice issuing staff) the allocation of their fees to the various budget lines is determined in detail in their contracts and in days/month per project in simplified timesheets.

The employment of new employees, under the current legislation, is not subject to discrimination (gender, race, nationality, religion, sexual orientation) and any ethnic and racial characteristics of the employees are not taken into consideration.

Training during the placement of the employees includes information about the NGO's policy and operating principles. The above initial training is also carried out for staff employees in hosted NGOs, in which further to the above issues, training related to the relevant procedures concerning the hosting framework is also carried out.

### **Key employee employment principles**

Key employee employment principles are the following:

- The working conditions comply with the national labor legislation and the existing relevant international regulations.
- The wages and social security coverage are related to the level of experience and knowledge of staff for the realization of the NGO's project.
- The employment conditions abide by, as far as possible, the best practices concerning the rights of employees and volunteers, as well as the practices related to workplace safety and sanitation.
- The employee performance is evaluated regularly, at least on an annual basis.
- In line with MIO-ECSDE [Anti-Corruption Policy](#), it is unacceptable for employees or volunteers to commit graft or bribery or any other corruption acts on behalf of the NGO or for personal gain through its activities.

For their part, the employees, should follow the following practices:

Employees who perceive

- acts of graft, bribery or corruption in general,
- acts of sexual harassment or abuse,

- acts of any kind of discrimination,
- acts that do not comply with the principles, values, policies, procedures and legal operating requirements of the NGO,

should immediately make a disclosure according to the MIO-ECSDE's [Whistleblowing Policy](#) to his/her line manager. If the claim concerns the line manager, the whistleblower can address the Chairperson or the Quality Assurance Officer. If the claim concerns the Chairperson or the Quality Assurance Officer, or if the whistleblower wishes to remain anonymous, he/she can make the disclosure confidentially to [whistleblowing@mio-ecsde.org](mailto:whistleblowing@mio-ecsde.org) which will be received by MIO-ECSDE's Integrity Officer.

Employees annually sign an Anti-Fraud/Corruption Declaration declaring any links or relationships they have with current or potential providers of goods or services, grant recipients or organization with which the NGO has a competitive relationship or conflicting objectives. A register is kept of the interests of the members of its governing body and staff members.

Employees do not publicly express an opinion and abstain from discussions and elections and do not participate in decisions on any issue for which there is a conflict of interests with the NGO.

The above requirements also apply to the staff working in the hosted entities of the NGO, to which this procedure is communicated.

### **Staff Training**

At regular intervals, Senior Management can plan training / informative activities for its staff. These activities are related to its operational principles and policies, as well as more specific issues (when and where required) for the better promotion of the NGO's objectives and achievement of its mission and scope.

### **Evaluation of employees**

The Chairperson assesses the NGO's staff on an annual basis.

When MIO-ECSDE staff is representing the Organisation in meetings or Conferences organised away from the seat of the Organisation (Athens) then they are entitled to additional daily labour remuneration equal to 1/20 of their monthly gross salary and with a maximum of 75 Euro per day. This remuneration is included in the salary cost and social charges are applied to this amount or it is invoiced depending on the nature of the employment contract and VAT is applied if necessary. The remuneration is paid for the duration of the stay away from the seat of the Organisation and is calculated on the basis of the number of authorised hotel nights (this also applies to hosted entity staff). If the need arises (e.g. lack of resources) the EB at the request of the Chairperson can approve modification on the remuneration level or a temporary standstill.

Early termination of Labour or Work Contracts, by the Organisation, can be made with a prior notification of three months and with the payment of all compensation due according to the Greek Law.

The Chairperson or other members of the Executive Board, as well as other experts-members of the organisation may undertake paid expert work for the Organisation and/or the hosted entities. This needs to be reported to and approved by the Executive Board. When needed, contracts between the Chairperson and the Organisation can be signed by the Co-Chair or another appointed member of the Executive Board.

MIO-ECSDE maintains a security program for the payment of compensation to its staff upon termination of contracts.

4.2.b. Travel Policy and Remuneration of Travel expenses (basic principles - further elaborated in the dedicated MIO-ECSDE travel policy)

The staff members of the MIO-ECSDE Secretariat and hosted entities (unless otherwise agreed in the hosting agreements), as well as others providing services to MIO-ECSDE (e.g. external collaborators/experts, members of the Executive Bureau) when travelling officially are entitled to travel expenses and cost compensation authorised in accordance with the Travel Policy and Travel Regulations. This could be amended by a decision of the EB. However, the general travel regulation can be amended, if needed, for a particular event, provided that the changes are clearly communicated to the participants before travel arrangements are made.

All travel needs to be approved. Every trip should be carefully considered and planned to be as effective, cost efficient and environmentally friendly as possible. Alternatives such as telephone and on-line conferencing should be considered, whenever feasible, and weighted against actual transport. Expenditures and time lost on travel should also be balanced against the benefits of direct contact and physical presence (see dedicated MIO-ECSDE environment policy).

All travel should be planned and booked as early as possible in order to obtain better prices and make use of special fares. These general rules given are offered as guidance and should not become an obstacle in the effective and efficient operation of the organisation.

When members of the Board and other people travel on an invitation by the Secretariat, the travel arrangements and documents are prepared by the responsible member in the Secretariat or with his/her assistance.

4.2.c. External Assistance - Sub-contacting of Service and acquisition of products (basic principles - further elaborated in the dedicated procurement policy)

a) Acquisition of works, supplies or services of similar kind with a cost of up to Euro 2.000 direct purchase is foreseen with only one offer request approved by the project manager or the next in line officer.

b) Acquisition of works, supplies or services of similar kind with a cost from 2.001 and up to 20.000 Euro evaluation of the prices offered in the market directly or through at least 3 quotes is considered sufficient for selecting the best price offered. A record of this search should be kept for reference in the form of an evaluation report signed by at least two officers and approved by the Chair. The selection should be duly justified in case the lower cost offer is not chosen.

c) Acquisition of services of similar kind or works or supplies from Euro 20.001 to Euro 120.000 per year are made through a tendering procedure officially announced in the MIO-ECSDE (and hosted entities') website for at least 15 days before the closing date of the procedure. A minimum of 3 offers should be received/requested and if 3 potential suppliers cannot be identified in advance, then additional publication in another website and in the local press is needed to secure wider dissemination. An evaluation committee is appointed by the Chair to evaluate the offers received against the criteria set in the call (grounds for exclusion, selection criteria and award criteria) and the most advantageous offer is selected based on the criterion as defined in the call (lowest price or best price/quality ratio). The evaluation report is verified by the manager and administration and finance officer and is forwarded to the Chair for the award decision.

(d) Acquisition of similar services, works or supplies with a cost of more than Euro 120.001 per year are made through an international public procurement procedure, announced officially in the Official Journal or other dedicated websites of the EU, in the Official Journal (Government Gazette) of the Government of Greece (issue of public procurements) or other dedicated websites and in the daily press. The procurement documents and provisions are defined based on the rules set out by the EU, the Greek law and the specific requirements of the respective project. All procurement documents and templates are uploaded on the MIO-ECSDE (and hosted entities') website for 35 days before the closing date for submission of tenders. An evaluation committee is appointed by the Chair to evaluate the offers received against the criteria set in the call (grounds for exclusion, selection criteria and award criteria) and the most advantageous offer is selected based on the criterion as defined in the call (lowest price or best price/quality ratio). The evaluation report is verified by the manager and administration and finance officer and is forwarded to the Chair for the provisional and the final award decision, issued following the submission of the required administrative certificates as foreseen in the procurement documents.

(e) Negotiated procedure without prior publication (aka Direct award). In specific cases and circumstances laid down below, MIO-ECSDE and hosted entities may award contracts by a *negotiated procedure* without prior publication and without following the procedures described above.

Such circumstances include e.g. *limited timeframe* (which must not in any event be attributable to MIO-ECSDE), *requested services or supplies of a specific, rare or artistic nature* (which are not the result of an artificial narrowing down of the parameters of the procurement), etc., then a negotiated procedure without prior publication (aka Direct award) can be approved, on the following conditions, to be met, cumulatively: the estimated value of the requested services or supplies without VAT, is up to twenty thousand (20.000) Euro and the total budget awarded does not exceed ten percent (10%) of the total funds allocated for procurements for the specific year.

(f) Framework Agreements can be used as a tool that is recommended for established and repetitive needs when it is not known in advance either what the contract amount is or exactly when the need will occur (for e.g. printing, translation/interpretation or for accommodation and local transportation services). The rationale behind using a framework agreement is that it helps make savings both in costs of the procurement and in time spent on procurement processes.

Framework Agreements can be applied to works, supplies or services and can be concluded with one or several providers for similar services. The intent to conclude a Framework Agreement for a specific work/supply or service should be advertised/published on the webpage and one of the procurement procedures described above should be followed. Once tenders are received and evaluated, a framework agreement can be awarded to one or more tenderers.

A good delivery report for all works, supplies or services should be completed upon the completion of the work, supply or services acquired.

Leasing of additional office space, equipment and vehicles are subject to the above provisions.

#### 2.4.d. Invoicing of expenditure

For the justification and payment of expenditure, an original Invoice according to the provisions of the Greek tax legislation should be issued in Greek or English in the name of MIO-ECSDE and with the following data:

Mediterranean Information Office for Environment Culture and Sustainable Development  
(abbreviation MIO-ECSDE)  
Non profit making Civil Society  
12, Kyrristou str., 105 56 Athens, Greece  
Tax No-VAT Reg. EL 097813422

Μεσογειακό Γραφείο Πληροφόρησης για το Περιβάλλον τον Πολιτισμό και την Αειφόρο Ανάπτυξη  
(συντομογρ. MIO-ECSDE)  
Αστική μη Κερδοσκοπική Εταιρεία  
Κυρρήστου 12, 105 56 Αθήνα  
ΑΦΜ 097813422 - Α ΔΟΥ Αθηνών

Hotel invoices should be issued in the name of MIO-ECSDE with a reference to the name of the person staying in the hotel in order to be reimbursed.

Car Rental Invoices can be issued in the name of the person hiring the vehicle.

#### 2.4.e. Payments

Payments are made through MIO-ECSDE's bank accounts:  
in Euro for expenses made in Greece or in the Euro zone.  
in USD, when funds are transferred to partners outside the Euro zone.

Payments are made by bank transfer through electronic transactions and if needed by bank checks, both of which are approved and signed (for the checks) by the Chairperson.

Payments in cash are only allowed up to the amount as described in the Greek tax legislation (currently set at 500 Euro). Cash payments can be used for postal expenses, maintenance costs, consumables, office supplies, travel allowance and for per diems and travel expenses paid to sponsored participants in conferences. Cash payments are authorized by the Chairperson based on the predicted needs. The amount withdrawn from the bank is entrusted to a member of the Secretariat or to a member of the Board, who signs a receipt and then is assigned to carry out the specific payments keeping receipts for every disbursement made. This person is kept accountable until the cash amount given is fully justified and all receipts are submitted and cleared by accounting.

A petty cash is maintained by a designated person(s) within the MIO-ECSDE Secretariat (and for the hosted entities) and monthly cash disbursement are made to the petty cash upon the Chairperson's authorization and approval. Monthly disbursements are in the order of 300 Euro/month. This petty cash is for paying day to day office and maintenance supplies. At the end of the month the persons in charge collects and gives to accounting receipts for all expenses made, supported by the relevant approved expense requests.

Petty cash is controlled and reconciled at the end of each month by the Head Officer and Finance Officer (similarly for the hosted entities)

MIO-ECSDE maintains an ERP system to record and manage expense authorization, *OK to pay* approvals and payment processes.

Every transaction is supported by an expense request, an *OK to pay* approval and a payment authorization. All corresponding records for authorization given and approvals are kept electronically

in the ERP program (SOFT1) and all approved expense requests are kept with the corresponding invoices.

Payment orders are prepared by the finance department based on requests received by the project managers, the accountant, the payment policy agreed with each provider, and after checking that all supporting documentation is properly recorded and in place. Supporting documentation includes the registered invoice, *OK to pay* approval and good delivery note, if applicable. The Chairperson authorizes all electronic payment orders prepared by the finance department. Standard authorized monthly payments include payroll, tax and social security costs, rents and utility bills.

Moreover, payments can be made using the credit card of the Organization, issued in the name of the Chairperson. The credit card is primarily intended to cover accommodation expenses (hotels, etc.) and any subsistence costs and in some cases to purchase goods and services. The Chairperson authorizes the use of the credit card.

The suppliers' invoices are normally paid within two months from the issue date. In the event of delays in payment by the funding agency, this period may be extended with prior notification and agreement with the supplier.

### **4.3. Accounting system and compliance requirements**

#### **4.3.a. Accounting system**

MIO-ECSDE keeps its accounting books according to double-entry method and in accordance with Accounting Standards of Greece and this is applied through a computerized ERP program.

#### **4.3.b. Compliance requirements**

The Project Managers are responsible for monitoring their budget use and spending and for attributing invoices to the corresponding approved budget and following up on the expense request procedures as described in the ERP 'how to use' guidelines.

The original invoices are stored in chronological order according to their date of issue and in separate folders for each one of the individual programs. The Accountant keeps a C-Class computerized ledger and prepares and submits all required documents to the tax and social security services. He/she is responsible for controlling all relevant documents related to personnel recruitments/changes, as well as to changes in the Greek labor legislation that he/she should monitor and apply. The Accountant also prepares the payment records for the payroll.

The Accountant is in close cooperation with the MIO-ECSDE finance department, which is responsible for preparing payments and for keeping the appropriate records.

The Accountant is also responsible for the preparation and validation of the Financial Statements presented to the AGM.

The Financial Statements are prepared annually and for the period starting on January 1<sup>st</sup> and ending on December 31<sup>st</sup>. They include the income and expenses statements, as well as the balance sheet.

The Financial Statements are reviewed and certified by an external Auditor, the MIO-ECSDE appointed Treasurer and they are approved by the EB and the AGM.

#### 4.3.c. Accounting obligations

The following shall apply:

- I. MIO-ECSDE keeps records and documents, as required by the Greek and EU legislation that regulates its operation.
- II. These books are kept up-to-date by the Accountant.
- III. MIO-ECSDE keeps a close monitoring on expense authorizations, *OK to pay* approvals and payment authorizations per project and budget by using a dedicated ERP program (SOFT1).
- IV. Especially in cases of projects financed by operational or competitive programs of the EU or other entity, the points below shall also apply:
  - ✓ Upon integration in an operational program by use of a Project Fiche, MIO-ECSDE and the Managing Authority or the intermediate management body sign a terms and conditions acceptance agreement related to the act's integration decision and the beneficiary's obligations.
  - ✓ Upon integration in a European or national program, MIO-ECSDE and the EU or the relevant national authority sign a contract that describes the obligations and terms related to the funding and execution of the project. A similar procedure also applies to other entities that are capable of co-financing these projects.
- V. In cases of funding from donors / sponsors, in addition to the accounting obligations, MIO-ECSDE also abides by the contractual obligations on the eligibility of the funded expenditure.
- VI. The agreement or contract is communicated to the Head of Finance and the officer in charge of the project. Both of these officers examine the obligations arising from the integration of the project and accordingly propose the method of compliance with the *Code of Conduct*.
- VII. The Head of Finance, in cooperation with the person in charge of the implementation of the project, determines the financial management requirements of the project, take the necessary measures to satisfy those requirements (eligibility of expenditure, etc.) and plans the necessary actions, in accordance with that which is specified and defined in the *Code of Conduct*.
- VIII. The Accountant creates a separate accounting register - account for the implemented project in the financial management system, in which all the relevant financial acts, including the requested approvals are recorded.
- IX. The Project Manager is responsible to submit the detailed budget plan per quarter arranged per activity/task/expense category in order to be introduced into the ERP program.
- X. If required by the Financing Authority or Body, a special bank account for the respective project is opened, on the responsibility of the Chairperson and after approval by the EB.
- XI. If it is required, an auditor is appointed to audit the financial management of the project, in accordance with international auditing standards.
- XII. At the end of the project reporting period, Finance prepares the preliminary financial report with all details per budget item, task, activity and expense as registered in the ERP program and sends it to the Project Manager for control, finalisation and approval procedure and cross reference with the Narrative Progress Report for the period.
- XIII. At the end of the financial year, the accountant prepares the annual financial report for the Organisation including all projects and balance sheet that are subsequently audited by the external auditors, checked by the Treasurer and then approved by the EB and the AGM.

#### 4.3.d. Foreign currency transactions

Foreign currency assets and liabilities are translated into Euro at exchange rates ruling at year-end. Gains and losses resulting from the settlement of such transactions and from the translation of remaining balances at year-end exchange rates are recognized in the income statement under "Difference in exchange rate" profit or loss respectively.



Invoices in other currencies are recorded in the accounting system using either the monthly rate provided by the InforEuro EU website or when in connection with a payment, the rate mentioned in the bank transfer.

#### 4.3.e. Income and expense recognition

Revenue is recognized upon the performance of services.

Operating expenses are recognized in the income statement upon utilization of the service or at the date of their origin. Interest income and expenses are reported on an accrual basis.

#### 4.3.f. Equipment

Fixed assets are evaluated at cost value, which is increased by the value of the additions. At the end of each year the organization calculates depreciation at the rates provided by the Greek Legislation.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which range from 1 to 3 years for IT equipment and from 1 to 5 years for furniture and equipment.

Expenditures for maintenance and repairs are charged to expenses (running costs) pertaining to the year they were made.

#### 4.3.g. Taxation

MIO-ECSDE is a non-profit organization but it may be liable to Income Tax. Its obligations to the tax authorities derive from labor tax, which is deducted from all personnel and external associates' payments and V.A.T. which is stated to the Tax Authorities every three months.

V.A.T. that cannot be reclaimed is charged directly to the expense category it corresponds to.

#### 4.3.h. Equity

MIO-ECSDE does not have a shared capital. It's equity shapes from the accumulated results of the previous fiscal years, as well as the result of the current year ended in 31<sup>st</sup> December.

#### 4.3.i. Collaboration with Member Organisations

Based on its annual Work Program and the collaboration with its member organizations MIO-ECSDE may transfer funds to member organizations for the execution of specific activities described in detail in the Work Program. Any transfer of funds is made through MIO-ECSDE's accounts. The Organization receiving the funds is obligated to present to the MIO-ECSDE Administration and Finance Officer an overall Financial Report for the funds received after the completion of the specific activity and to send photocopies of receipts, of all expenses made. Nevertheless, in few cases, some professional fees or some small contributions related with various activities may not be accompanied with the appropriate documentation due to objective difficulties of gathering all the appropriate receipts for small amounts of money from the partners abroad. In such a case and for a maximum sum not exceeding 1.000,00 Euro, the Administration and Finance Officer prepares a report with the justification and signs it.

## **5. Amendments to the CODE of CONDUCT**

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The MIO-ECSDE *CODE of CONDUCT* can be amended after a proposal by the Chairperson or Co-Chairperson, a member of the Executive Bureau or the Secretariat and upon decision of the Executive Bureau. In line with MIO-ECSDE's commitment to accountability, the *Code of Conduct* is published on the organisation's website.