


ANTI-FRAUD, BRIBERY, AND CORRUPTION POLICY

	CROSS-CUTTING POLICY		
	ANTI FRAUD, BRIBERY, AND CORRUPTION POLICY		
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POLICY

World Accord does not tolerate fraud or corruption, and is committed to ensuring that its systems, procedures and practices reduce the risk of occurrences to an absolute minimum. Fraud and corruption comprise acts of fraud, theft, bribery, nepotism, money laundering, terrorism financing, abuse of an undeclared conflict of interest, counterfeit money, cyber-crime, extortion and other forms of financial crime.

All WA staff and volunteers, including Board Members and Directors, have responsibilities to reduce WA’s losses to corruption to an absolute minimum and to report it when they suspect it. It is the responsibility of all WA managers and staff to ensure the delivery of this policy and to promote it as relevant in all aspects of their work, to hold themselves and others to account and to help create a safe environment for all.

WA will not tolerate any form of misuse of funds, nepotism, fraud, bribery or corruption in the conduct of its activities and has introduced measures to reduce the risks and consequences. In application of a principle of zero tolerance, context-appropriate actions will be taken in response to any suspected or confirmed incidents.

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2. Purpose

This policy aims to:

- increase an understanding of what constitutes fraud and corruption;
- promote and monitor compliance with the expected ethical behaviour among staff, partners and volunteers;
- confirm to staff, partners and volunteers to feel confident to raise and report all serious concerns about fraud and corruption;
- underline the commitment of World Accord of ensuring that concerns raised by partners and/or members of staff at all levels of the organization, and its partners, are considered and investigated fairly, equally and in a responsible manner.

3. Scope and Definitions

3.1. Scope

The policy applies to all World Accord (WA) staff, consultants, volunteers including Board and Committee members and Directors, and invited visitors travelling on behalf of WA. This policy extends to cover all WA's funds, assets or stock being used by an external person, such as a partner organisation, consultant or a contractor or any third party by way of contract or other means.

WA will take all the measures required by this policy with regard to information, risk management, support and monitoring in its relations with its operating partners which, while not acting on WA's behalf, interact with it within the framework of a partnership agreement.

3.2. Definitions

Abuse or Misuse of power includes any abusive behaviour (physical, psychological, sexual or emotional) by a person in a position of authority and trust against someone in a position of vulnerability and/or dependency for personal gains.

Favoritism/nepotism is unfair treatment of one person at the expense of others.

Misuse/Misappropriation of Funds: the use of money received by World Accord or transferred to a partner is always clearly stated by project number and name and/or project number, name and partner, or grant based on an agreed plan. Any use of funds not in accordance with the specifications is considered a misuse/misappropriation whether there is intention or not to misuse the funds. This applies also to any other income generated such as any interest received/earned on the funds if the condition, as an additional specification, has been stated. Where no such specification is stated, the WA policy on interest earned applies.

Fraud pertains to acts which aim to obtain an undue material or moral advantage by deliberately circumventing internal rules, contract rules or laws to the detriment of WA or a third party: individuals, communities, organisations, corporations or institutions.

Bribery and corruption, associated with other non-ethical conduct, cover a range of practices including conflicts of interest; fraudulent commissions; illicit gifts and invitations; extortion, theft or misappropriation of materials or funds; facilitation payments; money laundering; abuse of power for private gain; and nepotism and favouritism.

A **partner organization** is an organization working with WA through a formal agreement or contract signed and currently active.

4. Reporting

4.1. Internal Reporting

4.1.1. Reporting Pathways

If anyone covered by this policy suspects that WA's funds, assets or stock have been, are, or will be lost through corruption, they must report it ultimately without delay to the WA team. The report may be made through one of the following pathways of monitoring and evaluation:

- Partner manager overseas
- WA Programs Manager
- WA Executive Director
- WA Board Director

There will be no recriminations against staff or volunteers who confidentially report reasonably held suspicions, and victimising or deterring staff from reporting concerns will be treated as a disciplinary matter. Equally however, abuse of the process by raising malicious allegations will also be regarded as a disciplinary matter. It is the responsibility of all managers to take reasonable steps to protect those who report suspicions.

This risk monitoring enables WA to focus its anti-fraud, bribery and corruption actions on those countries, staff and beneficiaries most exposed to the risk of such incidents. Priorities are then determined according to the size of the budget, the value of the resources invested per country, programme and activity and the level of reputational risk.

4.1.2. Management Action

Where such a suspicion is reported, investigations will be carried out. Where concern arises that a suspicion may not have been managed correctly, the response to that suspicion will be independently reviewed.

Immediately after receiving a report of a fraud/ corrupt act, management action must be taken in the following interrelated areas:

- To confirm whether the fraud has occurred.
- To establish whether the perpetrator(s) can be identified.
- To assess the quality of evidence that may identify the perpetrator(s).
- To protect the rights of staff who may have been close to, but not involved in, the fraudulent activity.
- To contain the fraud.
- To stop it happening again and to stop any ongoing loss.
- To manage the public relations impact.
- Where deemed necessary, set up an independent investigating body.

The reports and recommendations are analysed with a view to assisting the organisation as a whole.

4.2. External Reporting

WA will follow the misconduct reporting standard operating procedures in reporting to donors and regulators. All staff must adhere to the standardized reporting procedures.

4.3. Potential Sanctions

In the event of non-compliance with the provisions set forth in this policy, and depending on the gravity of the situation, WA reserves the right to take disciplinary measures, impose penalties, terminate contracts and take legal action regarding those individuals or organisations found to be responsible of wrongdoing.

5. Prevention Measures

5.1. Basic Controls

As a recipient of grants and private funds WA has a responsibility to provide proper reporting, even when projects are implemented by partners, for the contributions received. In this capacity, WA has an important role in ensuring proper accountability, correct and good utilization of resources and accurate reporting thereof. It is therefore important that WA and our partners, each in their own organization, ensure that good systems are put in place such as:

- Identifying fraud and/or corruption risk areas and putting in place preventive systems and measures.
- Open discussions with staff on fraud and corruption, explaining policies and systems related to fraud and corruption to reduce the “taboo” around the subject.
- The introduction of finance agreements with all partners who receive resources/funds.
- The partners must ensure proper functioning of internal controls, and have written internal control procedures, within their own organizations. In a Disaster Response MOU, partners should provide a clear and brief description how funds and other resources will be managed/ monitored.
- World Accord and our partners should review their procurement policies to ensure that a tight system against fraud and corruption is put in place.
- Ensure good systems for materials purchased or donated towards an emergency response or any other organizational assets.

5.2. Audits

Internal audits can be decided by WA in one of three ways:

- as part of the annual audit plan,
- chosen randomly, or
- organised in response to an alert.

5.3. Training

WA’s statutes, mission and strategy, as well as its operating rules and internal control procedures, reinforced by this anti-fraud, bribery and corruption policy are the main reference documents for WA members.

WA regularly delivers awareness-raising, training and information initiatives for its partners on its field operation countries. In particular, WA makes constant efforts to sensitive managers and supervisors in order to avoid any potential or actual conflict of interest between their private interests and those of WA.

All cases dealt with are recorded and a report is drawn up for the purposes of analysis. These reports are available for use within the organisation.

5.4. Regular financial reviews of WA's activities

WA holds quarterly and annual reviews of its finances, revenues, expenses, as well as an annual internal audit. Through all these processes WA will always investigate the proper usage of funds and make sure any suspicion of fraud or corruption is reported as outlined in Article 3.1.

Clear reporting will be undertaken whether internal financial reviews and audits are judged satisfactory or not according to this anti-fraud, bribery, and corruption policy, with follow-ups on potential actions decided through those reviews.

5.5. Regular financial reviews of WA partner's activities

WA will on a minimum of an annual basis review its partners proofs of expenses and bookkeeping documents related to WA funding to make sure transactions are done by WA partners according to planned activities and signed agreements. Following that review feedback will be provided by WA to its partner whether the review was satisfactory or not, in order to ask questions or request complementary information or documents, recognize the strength of its bookkeeping process if judged satisfactory, propose pathways of improvement, or look into potential sanctions as described in Article 3.3.

This can be done preferably during WA field visits which allows for better review of documents and process, but also better discussion and communication during feedback period, but it can also be done remotely through digital documents sharing and phone calls or teleconferencing.

A final report of each review will be produced in order to keep track of overall results and follow up on potential actions to be undertaken following each review.

6. Roles and Responsibilities

6.1. Board of Directors

This policy will be coordinated, monitored, assessed and updated at the most senior levels of the organisation: Executive Directorate by delegation of authority from the Board of Directors.

The WA Board of Directors affirms its commitment to protecting the funds with which it has been entrusted. The minimization of losses to fraud and corruption is essential for ensuring that these resources are used for their intended purpose.

Furthermore, WA Board is expected to deal swiftly and firmly with those who defraud or attempt to defraud World Accord or are corrupt. Penalties may include termination of employment, discontinuation of partnership and/or legal action. World Accord's board/senior management will deal forcefully with financial malpractice and may demand restitution.

6.2. Executive Director

The WA Executive Director (ED) will be responsible for facilitating and monitoring the effective implementation of this policy. The ED will establish performance indicators and put in place monitoring systems to measure its performance at implementing this policy. The ED will effectively communicate this policy to all its staff, volunteers and contractors.

6.3. Managers

WA's managers are responsible for guaranteeing management practices that effectively limit opportunities to commit acts of fraud or bribery. They are specifically responsible for identifying the type and level of risk to which our activities and resources are exposed and have managerial responsibility for internal control over activities set under their responsibility within their job description.

6.4. Staff

All WA staff have responsibilities to reduce WA's losses to corruption to an absolute minimum and to report it when they suspect it in accordance with this policy.

6.5. Volunteers

All WA volunteers have responsibilities to reduce WA's losses to corruption to an absolute minimum and to report it when they suspect it in accordance with this policy.

6.6. Partners

WA recognizes that it coordinates programs in countries which have much diversity in legal systems and in cultural practices and sensitivities. WA requests that this policy is extended to cover all projects and programs funded by WA but accepts that partners adopt their own policies appropriate to their local environment for all other activities.

Responsibility for the implementation of this policy, via the mobilisation of staff and the application of measures for preventing and fighting fraud, bribery and corruption, lies as much with partner program managers as with WA management.