



Institutional Policy

Anti-fraud, bribery, and corruption policy

Federal Executive Division

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1. **Fraud, bribery and corruption: Obstructions to international aid**
 - 1.1 Definition of fraud, bribery and corruption
 - 1.2 Their impact
2. **Humanity & Inclusion and the fight against fraud, bribery, and corruption**
 - 2.1 Principles
 - 2.2 A pragmatic approach
 - 2.3 Scope of the policy
3. **Anti-fraud, bribery and corruption measures**
 - 3.1 Promoting an anti-fraud, bribery and corruption culture
 - 3.2 Anticipation, dissuasion and detection
 - 3.3 Reporting suspected cases
 - 3.4 Reacting to reported cases and handling confirmed cases
 - 3.5 Reporting and learning from experience
 - 3.6 Controls and audits
4. **Policy implementation and monitoring**
 - 4.1 Engagement by senior management
 - 4.2 General mobilisation
5. **Validation and dissemination of this policy**

1.

Fraud, bribery and corruption: Obstructions to international aid

1.1 Definition of fraud, bribery and corruption

When implementing its mission and activities, Humanity & Inclusion (HI) must guard against the misappropriation of its financial or material resources, and in particular against the risk of fraud, bribery and corruption.

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 HI 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.
- as well as
- abuse of power;
 - nepotism and favouritism.

Whilst fraud may be committed unilaterally by an individual or group of individuals, bribery requires a form of transaction with compensation in the form of a financial payment, payment in kind, or other advantage. Cases of bribery may therefore include the acts of soliciting, promising, offering, giving or accepting an undue pecuniary or other advantage, affecting the proper performance of duties and constituting an act that is legally and ethically reprehensible.

1.2 Their impact

1.2.1

Fraud and various forms of bribery and corruption are a world-wide phenomenon found in all sectors of society. They pose serious problems for international cooperation programmes, whether multilateral or bilateral and in both development and humanitarian aid settings.

1.2.2

Fighting fraud, bribery and corruption at national and international levels is primarily the responsibility of local and international authorities, including international cooperation agencies and donors.

1.2.3

Conscious of the risks and issues affecting their resources, image,

interventions and the effectiveness of their actions in support their beneficiaries, non-governmental organisations must tackle these phenomena at their level.

2.

Humanity & Inclusion and the fight against fraud, bribery, and corruption

2.1 Principles

Preamble

- Assuming its responsibilities as a non-governmental organisation engaged in international action;
- Concerned by the professional ethics in this sector;
- Working continuously to ensure that best practices are applied to its operations and activities;

HI takes all possible measures to prevent the risk of misappropriation, inappropriate use of, or loss of the resources entrusted to it for the implementation of its missions.

2.1.1

HI will not tolerate any form of 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.

2.1.2

HI's anti-fraud, bribery and corruption measures are adapted to the different categories of prejudice that acts of fraud and bribery cause:

- first and foremost to its staff;
- to the beneficiaries of its projects (should access to services or assistance be reduced or disrupted);
- and to the organisation and financial equilibrium of its programmes.

2.1.3

At the operational level, in situations of political violence or armed conflict, HI will increase its vigilance to prevent its programmes' resources from being misappropriated or instrumentalised to the benefit of armed groups or military forces, regardless of their status or motivations.

2.1.4

HI will not tolerate any form of influence-peddling with local, national or international public authorities or with private bodies, whatever the country and activity concerned.

2.1.5

HI cannot carry the whole burden and responsibility for preventing and combating fraud, bribery and corruption in the environment in which it operates. However, with regard to its own activities, it will take all appropriate measures in accordance with its prerogatives and means, with priority given to the personal safety and security of its staff.

2.1.6

Furthermore, in its efforts to fight fraud, bribery and corruption, HI will take care not to encourage a climate of suspicion and mistrust.

2.2 A pragmatic approach

2.2.1

HI adopts a pragmatic approach to preventing and fighting fraud, bribery and corruption, based on an analysis which takes into account:

- risks specific to each of the countries in which HI works or has offices;
- risks inherent in each function/ profession exercised by its staff;
- risks related to each sector of activity in its intervention setting.

2.2.2

These risks are monitored using internal tools and mechanisms which cross-reference data published by specialised bodies (such as Transparency International) with incidents recorded by HI's own services¹.

2.2.3

This risk monitoring enables HI 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.

2.2.4

HI's anti-fraud, bribery and corruption measures² cover:

- staff recruitment and training,
- project development,
- risk assessment,
- management and internal control,
- handling reported and confirmed cases,
- and collaboration with other organisations in this domain.

1. Existing and future tools will be regularly adjusted to the needs and reality of the situation.

2. These anti-fraud, bribery and corruption measures may overlap with other of HI's policies and provisions, such as the **Protection of beneficiaries from sexual exploitation, abuse and harassment** (October 2011, Updated version in 2019), and the **Logistics management**, HI policy, 2018.

2.2.5

These measures are monitored and evaluated by in-house bodies which will apply all necessary corrective measures in a timely manner and ensure any necessary support, or even protection, for anyone who connected with the exposure of reprehensible acts.

2.3 Scope of the policy

2.3.1

Members and staff

This policy and its provisions apply, after any necessary adaptations, to:

- HI's permanent members and staff whatever their status (trustees, employees and volunteers);
- any person or associated or intermediary body employed by HI and acting on its behalf.

Consequently, HI ensures that they are aware of the existence of this policy and its implications.

2.3.2

Operating partners

(organisations and institutions)

HI 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 HI's behalf, interact with it within the framework of a partnership agreement.

2.3.3

Companies and suppliers

HI will take all the necessary information and risk management measures with its suppliers, as provided for in the contract signed with these suppliers³.

2.3.4

Potential sanctions

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

3. Notably, acceptance of the conditions in HI's guidelines on good commercial practices for companies submitting a tender.

3.

Anti-fraud, bribery and corruption measures

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 primarily with the managers at head office, in the different entities of the HI Organisation and on its programmes.

3.1 Promoting an anti-fraud, bribery and corruption culture

3.1.1

HI'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 HI members.

3.1.2

HI regularly delivers awareness-raising, training and information initiatives for its members and personnel at the Head Offices of the entities in the HI network, and on its field operation countries.

3.1.3

In particular, HI 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 HI.

N.B.: For awareness-raising and training materials and documents presenting the deontological commitments of members of HI, see the list of Guidelines on risk management, internal control and auditing.

3.2 Anticipation, dissuasion and detection

HI's managers at all levels 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 also have managerial responsibility for internal control.

They are advised on these matters by the support services specialized in these areas.

3.3 Reporting suspected cases

3.3.1

HI's members and personnel are required to report any suspected cases of fraud, bribery or corruption, and may do so safely and confidentially in accordance with the organisation's guidelines on reporting and whistleblowing. These conditions notably set out forth the protection offered to people using the whistleblowing mechanism.

3.3.2

Reporting systems adapted to the different situations encountered are also made available to beneficiaries, partner organisations and suppliers.

N.B.: For reporting and whistleblowing mechanisms see HI's Institutional Directive on Reporting suspicions on fraud and abuse.

3.4 Reacting to reported cases and handling confirmed cases

Managers are provided with specific guidelines for use when investigating or handling cases of fraud, bribery or corruption. This handbook is for the sole use of management staff or other qualified persons tasked with processing these cases.

N.B.: For response and handling modalities, see the list of Guidelines on risk management, internal control and auditing.

3.5 Reporting and learning from experience

All cases dealt with are recorded and a report is drawn up for the purposes of analysis. These reports are available for use, by the appropriate divisions within the organisation and by relevant bodies such as the Risk Management Committee and the Audit Committee.

3.6 Controls and audits

3.6.1

The implementation of checks and verification measures by managers are an integral part of their internal control responsibilities. These measures are decided as part of each division's internal planning process.

3.6.2

Furthermore, internal audits are decided by the federal management bodies in one of three ways:

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

3.6.3

The reports and recommendations are analysed with a view to assisting the entities audited and, more generally the organisation as a whole.

N.B.: For internal control and audit mechanisms, see the list of Guidelines on risk management, internal control and auditing.

4.

Policy implementation and monitoring

To assist its personnel with the implementation and monitoring of this policy, HI has put a number of coordination mechanisms and initiatives in place.

4.1 Engagement by senior management

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

The policy and its implementation will be overseen by an Audit Committee reporting to the Board of Trustees.

4.2 General mobilisation

Policy coordination requires the mobilisation of all entities and divisions involved in:

- carrying out risk evaluation and internal controls
- implementing and managing programmes and support services
- coordinating and enforcing the different anti-fraud, bribery and corruption measures
- managing risk monitoring tools and incidents relating to cases of fraud, bribery or corruption
- introducing measures to support, guide, and ensure HI's personnel are capable of dealing with issues relating to fraud, bribery and corruption control within the framework established by the organisation.

5.

Validation and dissemination of this policy

This version of the anti-fraud, bribery and corruption policy cancels and replaces the version adopted in 2012 and the revised version in 2014.

This document is for use by HI's federal network, Federation and national associations, in its head office services and in the field.

It is not for public distribution, but may be communicated to bodies and institutions in accordance with the information and management measures set out in the chapter "2.3: Scope of this policy".



This policy has been developed in conjunction with other institutional policies and directives, including:

- Reporting suspicions on fraud and abuse, HI, 2018
- Code of conduct: Prevention of abuse and safeguarding, HI, 2018
- Protection of beneficiaries from sexual exploitation, abuse and harassment, October 2011, Updated version in 2019

All of the above are available from on HInside.



Anti-fraud, bribery, and corruption policy

This document outlines HI's approach to preventing and fighting fraud, bribery and corruption. It contains a policy framework, objectives and implementation measures.

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