



Institutional Policies

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## Anti-fraud, bribery, and corruption policy

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Federal Executive Division  
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## Institutional Policies

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# Anti-fraud, bribery, and corruption policy

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# 1.

## Fraud, bribery and corruption: a hindrance to international aid

### 1.1

#### Definition of fraud, bribery and corruption

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When implementing its mission and activities, Handicap International must be on its guard against the risk of 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 unwarranted material or moral advantage by deliberately circumventing internal rules, contractual rules, or laws to the detriment of Handicap International or a third party: individuals, communities, organisations, corporations or institutions.

Bribery and corruption, associated with other non-ethical behaviours, covers a range of practices including:

- conflicts of interest;
  - fraudulent commissions;
  - undeclared or illicit gifts;
  - extortion or misappropriation of funds;
- as well as
- abuse of authority;
  - 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, distorting the proper performance of duties and constituting an act that is reprehensible from a legal or ethical point of view.

## 2.

### Handicap International and the fight against fraud, bribery, and corruption

## 1.2

### The impact of these phenomena

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#### 1.2.1

Fraud and different forms of bribery and corruption are a world-wide phenomenon found in all sectors of society. It poses serious problems for international cooperation programmes, whether multilateral or bilateral, 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 the 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 to support their beneficiaries, non-governmental organisations must tackle these phenomena at their level.

## 2.1

### Principles

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#### Preamble

- Assuming its responsibilities as a non-governmental actor 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;

Handicap International takes all the measures within its power to prevent the risk of misappropriation, inappropriate use of, or loss of the resources it is entrusted with in order to implement its missions.

#### 2.1.1

To this end, Handicap International does not tolerate any form of bribery or fraud in the conduct of its activities and has introduced measures to reduce the risks and consequences.

#### 2.1.2

Handicap International's anti-bribery and fraud 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 hindered);
- 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, Handicap International increases its vigilance in this area to counter the risk of its programme resources being misappropriated or manipulated to benefit of armed groups or military forces, regardless of their status or motivations.

### 2.1.4

Nevertheless, Handicap International cannot be solely responsible for preventing and fighting bribery and corruption within its operational ambit. With regard to its activities, it takes adapted measures in keeping with its prerogatives and means, giving priority to the **personal safety and security of its staff**.

### 2.1.5

Furthermore, in its efforts to fight fraud, bribery and corruption, Handicap International is careful not to encourage a general climate of suspicion and mistrust.

## 2.2

### A pragmatic approach

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#### 2.2.1

Handicap International adopts a pragmatic approach to preventing and fighting fraud, bribery and corruption, based on an analysis which considers:

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

#### 2.2.2

Risk monitoring uses internal tools and mechanisms that cross-reference data published by specialised bodies (such as Transparency International) and incidents recorded by our organisation's own services<sup>1</sup>.

#### 2.2.3

This risk monitoring enables Handicap International to place the main focus of its anti-bribery and fraud actions on those countries, staff and beneficiaries most exposed to these risks. Priorities are then determined according to the size of the budget and the value of the resources invested per country, programme and activity.

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1. Existing tools and those to be developed will be constantly adjusted to the needs and reality of the situation.



### 2.2.4

Handicap International's anti-fraud, bribery, and corruption measures<sup>2</sup> 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.

### 2.2.5

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

## 2.3

### Scope of the policy

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#### 2.3.1

##### Members and staff

This policy and the measures it imposes apply, after any necessary adaptations, to:

- the permanent members and staff of Handicap International (whatever their status: association members<sup>3</sup>, voluntary workers, interns, or salaried employees) and;
- generally to any person or associated or intermediary body employed by the organisation and acting on its behalf.

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

#### 2.3.2

##### Operational partners (organisations and institutions)

Handicap International takes all the necessary information, risk management, support and monitoring measures called for by this policy in its relations with its operational partners, while not acting on Handicap International's behalf, interact with it within the framework of a partnership agreement.

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2. The anti-fraud, bribery and corruption measures may overlap with other of Handicap International's policies and provisions, such as the **Protection of beneficiaries from sexual exploitation and abuse** (October 2011), and the **General Conditions of Purchase**.

3. This category includes Board members and trustees as well as association volunteers.

## 3.

### Anti-fraud, bribery and corruption measures

#### 2.3.3

##### Companies and suppliers

Handicap International takes all the necessary information and risk management measures with its suppliers, as provided for in the contract signed with these suppliers.

#### 2.3.4

##### Potential Sanctions

The handling of confirmed cases of non-compliance with the measures set out in this policy document provides for potential sanctions ranging from the disciplinary, to penalties, through to contract termination and legal action, against those individuals or organisations found responsible of wrongdoing (ref to 2.3. Scope of the policy).

Implementing this policy via the mobilisation of staff and the application of measures for preventing and fighting fraud, bribery and corruption is primarily the responsibility of our managers at head office, in the different entities of the federal network and on our programmes.

## 3.1

### Promoting an anti-fraud, bribery and corruption culture

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#### 3.1.1

Handicap International'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 Handicap International members<sup>4</sup>.

#### 3.1.2

The organisation continuously rolls out awareness-raising, training and information initiatives targeting its members and personnel at the Head Offices of the entities which make up the Handicap International network, as well as in its field operation countries.

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1. See Scope of the Policy (2.3.1.)



### 3.1.3

The organisation constantly strives to raise the awareness of managers and supervisors to avoid any potential or confirmed conflict of interest between their private interests and those of Handicap International.

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

## 3.2

### Anticipation, dissuasion and detection

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The organisation’s managers, at all levels, are the guarantors of management practices which reduce to the greatest possible extent the 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. They also have managerial responsibility for internal control.

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

## 3.3

### Reporting suspected cases

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#### 3.3.1

The organisation’s members and personnel are encouraged to report any suspected cases of fraud or bribery safely and confidentially as set out in the organisation’s guidelines on reporting and whistleblowing. These conditions set out in particular 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 list of “Guidelines on risk management, internal control and auditing”.

## 3.4

### Reacting to reported cases and processing confirmed cases

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

**N.B.:** For response and processing modalities, see list of “Guidelines on risk management, internal control and auditing”.

## 3.5

### Reporting and learning from experience

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All cases dealt with are recorded and are subject to reporting for the purposes of analysis. These are available for use, not only by the appropriate divisions within the organisation, but also relevant bodies such as the Risk Management Committee and the Audit Committee.

## 3.6

### Controls and audits

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#### 3.6.1

The checks and verification measures put into place by managers to monitor the activities they oversee are an integral part of their internal control responsibilities. They are decided upon as part of the internal planning process in each division.

#### 3.6.2

Furthermore, internal audits are decided upon by the federal governing bodies (the Board of Trustees and the Executive Division (Directorate):

- these are either part of an annual schedule proposed by the audit committee, based on a comprehensive analysis of the risks and priorities;
- or are triggered in response to an alert.

#### 3.6.3

The reports and recommendations resulting from these audits are analysed by the Audit Committee who then formulate recommendations for the entity or the division concerned.

# 4.

## Policy implementation and monitoring

In order to support its personnel in their undertakings in this area, the association has set up adapted coordination mechanisms and initiatives for the purposes of implementing the policy and monitoring its application.

### 4.1

#### A commitment from senior management

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

### 4.2

#### Involvement of all

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Policy coordination requires the involvement of all the entities and divisions within the organisation who are notably responsible for:

- ▀ carrying out risk evaluation and internal controls
  - ▀ the implementation and management of programmes and support services
  - ▀ the coordination and enforcement of the different fraud and bribery prevention measures
  - ▀ the management of risk monitoring tools and of incidents relating to cases of fraud or bribery
  - ▀ measures to support, guide, and ensure personnel take on board the issues relating to fraud, bribery and corruption control within the framework set out by the organisation.
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# 5.

## **Validation and dissemination of this policy**

The anti-fraud, bribery and corruption policy, adopted by the Federal Directorate in November 2014, supersedes the previous version published in October 2012.

This document is for use by Handicap International'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".

### **Contact**

**On any matters concerning the implementation of this policy, please contact:**

#### **Quality and Accountability Unit**

Federal Executive Division  
138, avenue des Frères-Lumière  
69008 Lyon  
FRANCE  
Tél. : + 33 (0) 4 78 69 79 08  
E-mail : anticorruption@handicap-international.org



## **Anti-fraud, bribery, and corruption policy**

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

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### **HANDICAP INTERNATIONAL NETWORK**

#### **FEDERATION**

138, avenue des Frères Lumière  
CS 88379-69371 Lyon cedex 08-France  
contact@handicap-international.org

#### **GERMANY**

Leopoldstr. 236  
80807 München  
kontakt@handicap-international.de

#### **BELGIUM**

Rue de l'Arbre Bénit 44  
1050 Bruxelles  
info@handicap.be

#### **CANADA**

50 rue Sainte Catherine Ouest  
Bureau 400  
Montréal (QC) H2X 3V4  
info@handicap-international.ca

#### **UNITED STATES**

8757 Georgia Avenue-Suite 420  
Silver Spring, Maryland-20910 USA  
info@handicap-international.us

#### **FRANCE**

138, avenue des Frères Lumière  
CS 78378-69371 Lyon Cedex 08  
info@handicap-international.fr

#### **LUXEMBOURG**

140, rue Adolphe-Fischer  
1521 Luxembourg  
contact@handicap-international.lu

#### **UNITED KINGDOM**

9 Rushworth Street-London SE1 ORB  
info@hi-uk.org

#### **SWITZERLAND**

Avenue de la Paix 11-1202 Genève  
contact@handicap-international.ch