



Institutional Policy

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# ANTI-FRAUD, BRIBERY, AND CORRUPTION POLICY

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Risks and Audits Division  
December 2014 – Updated version in September 2021



## Institutional Policy

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# Anti-fraud, bribery, and corruption policy

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

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# I. 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.

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## II. 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.

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### 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 services<sup>1</sup>.

### 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 measures<sup>2</sup> cover, in particular:

- 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 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 suppliers<sup>3</sup>.

### 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.

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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.

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

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### III.

## 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.

### 3.2 Anticipation, prevention and dissuasion

#### 3.2.1

**As a measure of both transparency and prevention**, HI's managers and staff are invited to draw up annually a declaration on conflicts of interest. The modalities for the establishment and collection of declarations are specified in : **Conflicts of interest: Directive for the implementation of declarations.**

#### 3.2.2

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.

#### 3.2.3

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

As such, they may receive advice (on risky activities or procedures, or on particularly exposed areas). They can obtain advice on the implementation of information, prevention, control and protection measures.

All these actions, in addition to reducing the number of incidents and their severity, have a dissuasive character. This, insofar that the existing system is known and that sanctions will be applied in case of misconduct.

### 3.3. Due diligence and detection

#### 3.3.1

As a precaution, HI performs due diligence on applicants, partner organizations and suppliers with whom it contracts, in order to gain an insight into their status with respect to the law.

#### 3.3.2

These verification and detection measures, made to ensure that HI does not enter into contracts with persons or entities subject to prosecution or sanctions, are carried out in strict compliance with the law.

### 3.4 Internal controls and audits

#### 3.4.1

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.

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### 3.4.2

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.

### 3.4.3

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

N.B.: Internal control (which aims to verify whether rules are respected) and internal auditing (which seeks to assess the level of risk control) should not be mistaken with internal investigations (see § 3.6).

## 3.5 Reporting of suspicions and Whistleblowing

### 3.5.1

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.

### 3.5.2

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.

## 3.6 Internal investigations and case management

### 3.6.1

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.

### 3.6.2

The purpose of internal investigations is to verify the existence of breaches or deliberate violations of our internal policies and guidelines and, where appropriate, to establish individual responsibilities. The report, which is always confidential, is intended for managers in positions of authority and responsibility. The findings of the report enable managers to choose the appropriate measures, including, where the misconduct is proven, to decide on sanctions to be applied or legal proceedings to be initiated.

## 3.7 Information of third parties

### 3.7.1

In certain circumstances, determined by legal or contractual provisions, HI may be required to transmit information relating to incidents of fraud, under conditions of security and confidentiality.

### 3.7.2

These notifications to the relevant bodies and donors concerned, are governed by a specific HI procedure. They are subject to approval by HI's management and comply with regulations relating to the protection of personal data.

## 3.8 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.

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## IV. 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
- the management of whistleblowing mechanisms and internal investigations ;
- 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
- the procedures for notifying agencies, institutions and donors concerned.

## V. 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 versions in 2014 and 2019.

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:**

- Conflicts of interest.  
Directive for the establishment and use of declarations, HI, 2020
- Gifts and hospitality: Rules and decision-making aid, HI 2019.
- Reporting suspicions on fraud and abuse, HI, 2018
- Code of conduct: Integrity Code of Conduct: Integrity, Prevention of abuse and safeguarding, HI, 2018, updated in 2021

These documents are available from our intranet platform HInside.

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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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