



ACTED



ANTI-FRAUD, BRIBERY AND CORRUPTION POLICY

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I. INTRODUCTION

Independent, private and non-profit, ACTED respects a strict political and religious impartiality, and operates following principles of neutrality, non-discrimination, transparency, according to its core values: responsibility, impact, enterprising-spirit and inspiration.

ACTED is committed to immediate humanitarian relief to support those in urgent need and protect people's dignity, while co-creating longer term opportunities for sustainable growth and fulfilling people's potential. ACTED endeavours to respond to humanitarian crises and build resilience; promote inclusive and sustainable growth; co-construct effective governance and support the building of civil society worldwide by investing in people and their potential.

The commitment of ACTED is guided by 4 core values:

- **Responsibility:** we ensure the efficient and responsible delivery of humanitarian aid with the means and the resources that have been entrusted to us.
- **Impact:** we are committed to having the most sustainable impact for the communities and the people with whom we engage.
- **Enterprising-spirit:** we are enterprising and engage in our work with a spirit that creates value and overcomes challenges.
- **Inspiration:** we strive to inspire all those around us through our vision, values, approaches, choices, practice, actions and advocacy.

A. Policy Statement

ACTED adopts a zero tolerance approach towards corruption and is committed to respecting the highest standards in terms of efficiency, responsibility and transparency in its activities. To this end, ACTED's Anti-fraud, Bribery and Corruption Policy:

- Encourages prevention;
- Promotes detection;
- Sets out a clear investigation procedure;
- Sets out a mechanism of sanctions.

This policy is aimed at guiding ACTED staff and the other entities referred to in Article 1 of this policy, and must be considered together with:

- ACTED's Code of Conduct;
- ACTED's Grievance Policy;
- ACTED's Child Protection Policy;
- ACTED's Conflict of Interest Prevention Policy;
- ACTED's Data Protection Policy;
- ACTED's Policy Against Sexual Exploitation and Abuse;
- ACTED's Anti-Terrorism Policy;
- ACTED's procedures, manuals and handbooks e.g. Finance, Logistics, Administration & Human Resources, Transparency & Audit, Security & Safety and AME.

B. ACTED's Anti-Fraud and Corruption Principles

ACTED is guided by three main principles related to anti-fraud and corruption:

- **Anti-Fraud and corruption:** ACTED refuses to support fraudulent actions directly or indirectly and undertakes to minimize risks of corruption in the implementation of its activities.



- **Transparency and accountability:** ACTED commits to be fully accountable and transparent towards its beneficiaries, partners and financial donors, by providing access to information regarding the allocation and management of its funds. ACTED undertakes to have in hand all necessary tools to ensure the correct management of its operations.
- **Professionalism:** ACTED bases its design, implementation, management and evaluation of programmes on high standards of professionalism, and capitalises on its experience in order to maximize efficiency and resources.

II. INTERPRETATION AND APPLICATION

Article 1 – Scope of application

1. This policy applies to all ACTED staff and governance members.
2. The provisions of this policy may also be applied to any person employed by an entity that carries out missions for ACTED.
3. In particular, this policy applies to consultants, implementing partners depending on specific clauses and conditions of the grant agreement, suppliers, sub-grantees, beneficiaries and others associated entities.

Article 2 – Definitions

1. **Corruption:** Under the terms of this policy, “corruption” is a dishonest conduct that consists of seeking, soliciting, accepting or receiving – directly or indirectly – all unjustified payment, gift or benefit for having undertaken, or, alternatively, for having abstained from professional obligations.

Corruption can take many forms such as:

- i. **“Bribes”:** payments to all persons to perform in a more flexible and favourable manner, or refrain from performing, an act falling within their function.
- ii. **“Facilitation payment”:** unofficial payments of small amounts intended to facilitate or ensure the smooth running of simple procedures or necessary acts that the payer is entitled to expect, whether on a legal or other basis.
- iii. **“Fraud”:** falsification of data, reports, invoices, etc.
- iv. **“Extortion”:** money obtained **through** coercion or force.
- v. **“Favouritism”, “Nepotism”, “Collusion”:** the practice of giving unfair preferential treatment to one person or group at the expense of another.
- vi. **“Misappropriation of funds”:** theft of resources (money, supplies, goods, etc.) ACTED staff, as well as the other entities referred to in Article 1 of this policy, resources given to ghost people (staff, suppliers, beneficiaries), etc.
- vii. **“Embezzlement”:** misappropriation of funds, when the funds involved have been lawfully entrusted to the embezzler.



- viii. **“Trading in influence”**: giving or receiving of money, property or favours, involving a public person.
- ix. **“Product substitution”**: refers to the knowing and wilful substitution, without the purchaser’s knowledge or consent, of sub-standard, used, or counterfeit products or materials for those specified in the contract or purchase order.
2. **Beneficiaries**: Under the terms of this policy, the term “beneficiary” refers to any person who benefits, directly or indirectly, from the programmes of ACTED.
3. **Consultant**: Under the term of this policy, a “consultant” is a third party, individual or group, with or without legal personality, who directly or indirectly provides any type of consulting services to ACTED and/or one of its sister organisations and/or one of the member organisations of the ACTED network, whether for a fee or not.
4. **Associated Entities**: Under the terms of this policy, “associated entities” are legal persons under private or public law who play an active role in the implementation of the project but are not responsible for managing any budget.
5. **Governance**: Under the terms of this policy, the term “governance” refers to any person elected by decision making bodies to participate in the managerial and administrative bodies of ACTED and/or one of its sister organisations and/or one of the member organisations of the ACTED network. In particular, the members of boards of directors and supervisory boards are Governance members.
6. **Implementing partners**: Under the terms of this policy, an “implementing partner” is a partner to whom the implementation of one or more projects or activities has been delegated, and to whom a budget has been allocated for this purpose. In particular, this refers to international NGOs and/or national NGOs and/or public institutions.
7. **Stakeholders**: Under the terms of this policy, “stakeholders” are individuals or groups, with or without a legal personality, who directly or indirectly, voluntarily or involuntarily, contribute to, participate in or benefit, in any way, from the actions, programmes and activities of ACTED and/or one of its sister organisations and/or one of the member organisations of the ACTED network.
8. **ACTED staff**: Under the terms of this policy, the term “ACTED staff” refers to any person employed by ACTED and/or one of its sister organisations and/or one of the member organisations of the ACTED network. The interns of ACTED and/or one of its sister organisations and/or one of the member organisations of the ACTED network are considered to fall within this category, for the purposes of this policy.
9. **Sub-grantee**: Under the terms of this policy, a “sub-grantee” is an individual or group, with or without a legal personality, who receives a budget to carry out a project or activity.
10. **Supplier**: Under the term of this policy, a “supplier” is a third party, individual or group, with or without legal personality, who directly or indirectly provides any type of goods and/or services to ACTED and/or one of its sister organisations and/or one of the member organisations of the ACTED network, whether for a fee or not.

Article 3 – Information and adherence to the policy

1. This policy is published under the authority of ACTED. ACTED staff, as well as the other entities referred to in Article 1 of this policy, are required to conduct themselves



in accordance with this policy and must therefore be aware of and have understood its provisions and any changes. When they are unsure of how to proceed, they should seek the advice of a competent person, notably their line manager.

2. ACTED staff, as well as the other entities referred to in Article 1 of this policy, who are responsible to negotiate the terms of conditions of employment of any ACTED staff, must ensure that staff is aware of and commits to the full respect of this policy.
3. It is the responsibility of ACTED staff with managerial responsibilities, as well as the other entities referred to in Article 1 of this policy, to ensure that staff under their supervision comply with this policy; and to take or propose appropriate disciplinary measures as sanction against any violations of its provisions.
4. This policy shall form part of the working conditions of ACTED staff and the conditions for the performance of the missions of the other entities referred to in Article 1 of this policy from the moment they certify that they have read it.
5. ACTED will review the provisions of this policy at regular intervals.

Article 4 – Purpose of the Policy

The purpose of this policy is to:

1. Implement anti-fraud, bribery and corruption mechanisms through prevention, reporting, action, investigation and sanction procedures for ACTED staff and the other entities referred to in Article 1 of this policy.
2. Specify the rules on anti-fraud, bribery and corruption that ACTED staff and the other entities referred to in Article 1 of this policy must observe.
3. Inform third parties of the conduct that they are entitled to expect from ACTED staff and the other entities referred to in Article 1 of this policy.

III. GENERAL PRINCIPLES

Article 5 – Neutrality

ACTED staff, as well as the other entities referred to in Article 1 of this policy, must fulfil their duties in a neutral and apolitical manner, in accordance with the law, legitimate instructions and ethical rules relating to their roles.

Article 6 – Impartiality

In the context of their professional roles and/or their missions, ACTED staff, as well as the other entities referred to in Article 1 of this policy, must act in accordance with the law and exercise their discretionary power in an impartial manner, taking into consideration only relevant circumstances into consideration.

Article 7 – Confidence of stakeholders

ACTED staff, as well as the other entities referred to in Article 1 of this policy, have a duty to conduct themselves at all times in a way that reflects and upholds ACTED's values of



integrity, impartiality and efficiency and contribute to strengthen the confidence of all stakeholders.

Article 8 – Hierarchical responsibility

ACTED staff report to their immediate line manager and/or the head of their functional department, unless otherwise provided for by law.

Article 9 – Confidentiality

Duly considering the stakeholders' potential right to access information, ACTED staff, as well as the other entities referred to in Article 1 of this policy, must process all the information and all the documents acquired during or as part of the exercise of their duties with the necessary confidentiality.

Article 10 – Political or public activity

1. Subject to respect of fundamental and constitutional rights, ACTED staff must ensure that their personal participation in political activities or their involvement in public or political debates does not alter the confidence of stakeholders, international, national or local authorities, or ACTED, with regard to their ability to complete the mission fairly and impartially.
2. In the performance of their duties, ACTED staff must not use the resources for partisan purposes.

Article 11 – Protection of privacy

All the necessary measures must be taken to ensure that the privacy of ACTED staff and of the other entities referred to in Article 1 of this policy, is appropriately respected; as a result, the declarations provided for this policy must remain confidential, unless otherwise provided for by law.

Article 12 – Information held

1. Considering the general framework of international law regarding access to information held by private individuals, ACTED staff and the other entities referred to in Article 1 of this policy should disclose information only in respect to the rules and requirements applicable to ACTED.
2. ACTED staff and the other entities referred to in Article 1 of this policy must take appropriate measures to guarantee the security and confidentiality of the information for which they are responsible or of which they are aware.
3. ACTED staff and the other entities referred to in Article 1 of this policy must not seek access to information which would be inappropriate for them to have. ACTED staff, as well as the other entities referred to in Article 1 of this policy, must not make inappropriate use of the information they may obtain in or as part of the exercise of their duties.
4. In the same way, ACTED staff and the other entities referred to in Article 1 of this policy must not retain professional information that may or should be legitimately



circulated, or circulate information they know, or have reasonable grounds to believe, is inaccurate or misleading.

5. For the purposes of this policy, this article should be read in conjunction with Article 20 of this policy.

Article 13 – Professional resources

In the exercise of their discretionary power, ACTED staff and the other entities referred to in Article 1 of this policy must ensure that the staff and the property, facilities, services and financial resources entrusted to them are managed and used in a useful, effective and economic manner. They must not be used for private purposes, unless this is authorized in writing.

Article 14 – Responsibility of line managers

1. ACTED staff in charge of supervising or managing other ACTED staff must do so in accordance with the policies and objectives of ACTED. They are responsible for responding to acts and omissions of staff under their supervision who violate these policies and objectives, and to take due diligence measures expected from a person in their position to prevent such acts or omissions.
2. ACTED staff tasked with supervising or managing other ACTED staff must take the necessary measures to prevent staff under their supervision from engaging in acts likely to generate fraud, bribery and corruption. These measures may be: to draw attention to and implement the laws and regulations; to ensure adequate training related to anti-fraud, bribery and corruption and to set an example of integrity through their personal conduct.

IV. ANTI-FRAUD, BRIBERY AND CORRUPTION MECHANISMS

Article 15 – Prohibition of all acts of corruption

1. ACTED staff and other entities referred to in Article 1 of this policy must not engage, directly or indirectly, in any act of corruption or fraud within the meaning of this policy.
2. In no event shall ACTED staff and other entities referred to in Article 1 of this policy take undue advantage of their professional position for their personal benefit.

A. Corruption prevention mechanisms

Article 16 – Importance of prevention

Fully aware that corruption can be avoided most effectively by creating an organizational culture of careful and responsible use of money, ACTED has developed a series of preventive mechanisms and internal control systems aimed at preventing and identifying fraud and corruption, notably included in the Finance, Logistics, Human Resources, Audit and AME Manuals.



Article 17 – Prevention and identification mechanisms

ACTED developed a number of mechanisms that aiming at preventing corruption, such as:

- Providing ACTED staff and the other entities referred to in Article 1 of this policy, with a clear sense of purpose and direction and inspiring them to be guided by ACTED's core values and policies;
- Putting in place appropriate controls, in particular accounting controls, and checking that such controls are working - in a way that empowers field staff to make good judgements. This also means providing staff with the training;
- Identifying risk factors throughout the project or program cycle and throughout the supply chain; recognizing their likelihood, understanding the consequences; and setting up appropriate countermeasures;
- Making sure that field staff maintain a respectful dialogue with beneficiaries and any other stakeholders. Accountability to beneficiaries is a particularly effective way of reducing the risk of corruption;
- Setting up training for managers and staff most exposed to the risks of corruption, fraud and influence peddling;
- Implementing evaluation procedures for ACTED's partners by conducting due diligence, particularly with regard to their anti-corruption and anti-fraud commitments.

B. Duty to report

Article 18 - Reporting obligation

1. ACTED has adopted an approach that promotes and ensures transparency within the organization and has set up a Transparency focal point (the Transparency Team supervised by the Director of Audit and Transparency) which can be reached via a specific email address: transparency@acted.org.
2. ACTED staff and other entities referred to in Article 1 of this policy, which believe that they are required to act unlawfully, improperly or unethically, which may be in violation of this policy or otherwise inconsistent with this policy, should report it to their line manager and/or personal contacts within ACTED and in any case through transparency@acted.org.
3. ACTED staff and the other entities referred to in Article 1 of this policy must report to their line manager and/or personal contacts and in any case through transparency@acted.org any evidence, allegation or suspicion of illegal or criminal activity concerning ACTED of which they are aware in or as part of the exercise of their duties. The investigation of the reported facts is the responsibility of ACTED, in accordance with Article 20 of this policy.
4. If it is not appropriate to report to the line manager, ACTED staff should report to senior management of their team or department and in any case through transparency@acted.org.
5. ACTED may, within the framework of its contractual and/or legal obligations, be obliged to inform concerned donors and, if necessary, relevant external authorities, of cases of corruption after these have been proven as such by an internal investigation.
6. ACTED must ensure that ACTED staff who reports a case as described above on the basis of reasonable suspicions and in good faith does not suffer from any harm as a result.



7. Cases of misuse of complaint mechanisms may be subject to sanctions.
8. ACTED must take necessary measures to guarantee the confidentiality of the author of a report and other persons concerned.

C. Conduct in the event of corruption

Article 19 – Conduct in the event of attempted corruption

1. Since ACTED staff and the other entities referred to in Article 1 of this policy are generally the only ones who know if they are confronted with an attempt at bribery, they are personally liable for:
 - being attentive to any actual or potential corruption;
 - taking measures to avoid such an act;
 - in accordance with Article 18 of this policy, informing his or her line manager and/or personal contact within ACTED and in any case transparency@acted.org of any act of corruption as soon as he or she becomes aware of it;
 - complying with any final decision requiring him/her to withdraw from the situation giving rise to such an act.
2. If ACTED staff and other entities referred to in Article 1 of this policy are offered an undue advantage, they must take the following measures to ensure their protection:
 - refusing the undue advantage; it is not necessary to accept it in order to use it as evidence;
 - try to identify the person who made the offer;
 - avoid prolonged contact, although knowledge of the reason for the offer may be useful in a statement;
 - if the gift cannot be refused or returned to the sender, it must be kept and handled as little as possible;
 - try to have witnesses, for example colleagues working in the vicinity;
 - draw up as soon as possible a written report on this attempt and communicate it to his or her line managers;
 - in accordance with Article 18 of this policy, report the attempt as soon as possible to his line manager and in any case through transparency@acted.org;
 - continue to work normally, in particular on the case on which the undue advantage was offered.
3. Any significant gifts that could not be refused must be given to the organization with the written report.
4. It should be noted that in the event of a direct request for facilitation of payments, the following mechanisms may be put in place:
 - explain that this type of practice is contrary to ACTED's policy;
 - refuse to pay;
 - record the proposer's name and request an official card;
 - report the fraud/corruption attempt to the coordination and in any case to transparency@acted.org.
5. ACTED must ensure that ACTED staff and other entities referred to in Article 1 of this policy who reports a case as described above on the basis of reasonable suspicions and in good faith does not suffer from any harm as a result.



6. ACTED considers the security and safety of its staff to be of paramount importance. In situations of serious coercion and in the event of serious and imminent danger to the physical integrity or safety of persons, ACTED staff and other entities referred to in Article 1 of this policy must not endanger themselves or others by strictly complying with this policy. ACTED strives to prevent its staff from becoming victim of such situations. However, if they do occur, these incidents should be reported in a timely manner to ACTED's coordination and, in any case, through transparency@acted.org.

D. ACTED's investigations mechanisms

Article 20 – Investigation by ACTED

1. In accordance with Article 18 of this policy, ACTED staff and other entities referred to in Article 1 of this policy must inform their line manager and/or personal contacts, and in any case through transparency@acted.org of any suspicions of corruption.
2. An e-mail reply is sent by transparency@acted.org upon receipt of the complaint, that:
 - informs of the foreseeable time and the necessity to examine its admissibility and the modalities according to which the reporter is informed of the follow up to their report;
 - details the process to be followed in cases of suspected corruption;
 - requests, where appropriate, more information to clarify and assess the complaint.
3. The management of the complaint is carried out either at the local, national or ACTED headquarters level according to the assessment of the complaint. This evaluation is carried out by the Transparency team at ACTED headquarters upon receipt of the complaint on transparency@acted.org.
4. ACTED staff and other entities referred to in Article 1 of this policy shall:
 - cooperate with any investigation conducted by ACTED;
 - keep records of any alleged involvement in the case that it may be required for an investigation;
 - maintain the confidentiality of all allegations.
5. ACTED records the details of each proven case of fraud/corruption and the action taken in a register of fraud cases and corruption.

Article 21 – Investigation authority

The Audit and Transparency Department is responsible for the independent oversight of ACTED's anti-fraud, bribery and corruption policy and is responsible for its implementation and for promoting transparency within the organization. In particular, the Audit and Transparency Department is responsible for managing all corruption issues within ACTED.

Article 22 – Specific audits of corruption and financial irregularity

1. Audits on specific frauds and financial irregularities are intended to verify the existence and extent of suspected fraud and financial irregularities. These investigations may be carried out at the request of the Audit and Transparency Director or any other member of ACTED top management.



2. These investigations can be conducted at the local, national, regional or ACTED headquarters, depending on the evaluation of the complaint by the Transparency team at ACTED's headquarters.
3. The investigation team, led by the Audit and Transparency Director or by any other member of the top management of ACTED, shall exercise the utmost discretion when carrying out an audit on fraud or financial irregularity.
4. All inquiries will be communicated in writing to the Transparency team at ACTED headquarters.

E. Law Enforcement Mechanism of corruption

Article 23 – Measures following fraud, bribery or corruption investigations

Investigations conducted under this policy may have the following consequences:

- **Disciplinary sanctions:** The violation of the present policy, which constitutes in particular a violation of ACTED's Code of Conduct, may result in sanctions ranging from warning to termination of the employment contract for serious misconduct, with no notice and no payment of compensation.
- **Loss compensation:** Where ACTED has suffered losses, the total restitution of any undue profits or benefits obtained and the recovery of costs will be sought from the individual(s) or organization(s) responsible for the loss. In the event that the individual or organization is unable or unwilling to make good the damage, civil proceedings will be considered to recover the losses.
- **Criminal prosecution:** ACTED may refer fraud cases to relevant law enforcement authorities to initiate legal proceedings. The local context as well as the human rights consequences following the implementation of such lawsuits against those involved will be taken into account. In all cases, the final decision on whether or not to take legal action will be taken by the Audit and Transparency Department and ACTED *Directoire*.
- **Lessons learned and improvement of internal controls:** A fraud investigation can potentially point to supervisory errors and/or a loophole and/or lack of control; all the measures to be taken to improve systems must be documented in the investigation report and implemented when the report is finalized.

V. IMPLEMENTATION OF THE POLICY

Article 24 – Implementation date of the policy

This Anti-Fraud, Bribery and Corruption Policy comes into effect after approval by the Board of ACTED on May 4th, 2018.

Article 25 – Adherence to the policy

ACTED staff and the other entities referred to in Article 1 of this policy certify that they adhere to these principles by signing the ACTED Policy Acceptance Form and/or by signing their employment contract.





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