

gesci
Founded by UN ICT Task Force



GESCI ANTI-FRAUD AND CORRUPTION STRATEGY POLICY STATEMENT

Revised 2012

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1. Introduction

GESCI has a duty to protect donor funds under its control against the risk of fraud, bribery or corruption.

In administering its responsibilities GESCI is committed to high standards of accountability, openness and integrity. The Anti-Fraud and Corruption Policy sets out how GESCI will manage risks that are associated with fraud and corruption and the procedures that are in place to *encourage prevention, to promote detection and to allow a clear process for investigation and remedial action*

2. Purpose

The purpose of this policy is to:

- (a) set out GESCI's responsibilities and the responsibilities of those working for GESCI or associated with GESCI, in observing and upholding GESCI's position on Fraud, Bribery and corruption; and
- (b) provide information and guidance to those working for GESCI on how to recognize and deal with Fraud, bribery and corruption issues.

In this policy the use of the terms "we", "our" and "us" refer to GESCI.

3. Policy Statement

It is our policy to conduct all of our operations in an honest, ethical and transparent manner. We take a zero-tolerance approach to fraud, bribery and corruption and we are committed to acting professionally, fairly and with integrity in all our dealings and relationships wherever we operate and implementing and enforcing effective systems to counter corruption.

In this policy, third party means any individual or organization we come into contact with during the course of our work, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials.

4. Who is covered by this policy?

This policy applies to all individuals working at all levels and positions, including senior managers, employees (whether permanent, fixed-term or temporary), consultants, contractors, seconded employees, home working employees, casual employees and any other person associated with GESCI.

5. Responsibility for the policy

This Policy is endorsed by the CEO. Our board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

For the purposes of this policy, the Compliance Manager is the CEO. The Compliance Manager has primary and day-to-day responsibility for implementing this policy, and for monitoring its use and effectiveness.

Management and senior employees at all levels are responsible for ensuring those reporting to them are made aware of and understand this policy.

6. What are fraud, bribery and corruption?

Fraud is defined as *the intentional distortion of financial statements or other records, by an individual or organization carried out to deliberately conceal the misappropriation of assets for gain.*

Corruption is defined as *the offering, giving, soliciting or acceptance of an inducement or reward which may influence the action of an individual. Corruption is the abuse of public or private office for personal gain.*

Bribery is defined as *an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage through "improper performance".*

"Improper performance" happens when a person fails to act in good faith, impartially or in accordance with a position of trust.

7. Gifts and hospitality

Where it is acceptable and deemed customary in that it might cause minor offence not to offer or accept a small amount of hospitality for the purposes of business development and the cultivation of good relations, such hospitality should not include cash or a cash equivalent (such as gift certificates or vouchers). For example, small gifts which are customarily given at Christmas time and which are given openly, not secretly. Employees are permitted to keep small gifts with the exception of alcohol, with a monetary value of €10 or less (or local equivalent).

8. What is not acceptable?

In addition to the above it is **not** acceptable for you (or someone on your behalf) to:

- i. give, promise to give, or offer, a payment, gift or hospitality with the intention of influencing, inducing or rewarding improper performance;
- ii. give, promise to give, or offer, a payment, gift or hospitality to a government official, agent or representative to "facilitate" or expedite a routine procedure;
- iii. accept payment from a third party that you know or suspect is offered with the expectation that it will obtain a business advantage for them which will be obtained through improper performance by you or us;
- iv. accept a gift or hospitality from a third party if you know or suspect that it is offered or provided with the intention of influencing improper performance by GESCI in return;
- v. threaten or retaliate against another employee or individual who has refused to commit a bribery offence or who has raised concerns under this policy; or engage in any activity that might lead to a breach of this policy.

9. Facilitation payments

We do not make, and will not accept, facilitation payments or "kickbacks" of any kind.

Facilitation payments are typically small, unofficial payments made to secure or expedite a routine government action by a government official.

If you are asked to make a payment on our behalf, you should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. You should always ask for a receipt which details the reason for the payment. If you have any suspicions, concerns or queries regarding a payment, you should raise these with the line manager or the CEO. Kickbacks are typically payments made in return for a business favour or advantage. All employees must avoid any activity that might lead to, or suggest, that a facilitation payment or kickback will be made or accepted by GESCI.

10. Your responsibilities

You must ensure that you read, understand and comply with this policy at all times.

You must be open about gifts and hospitality given or received and you must disclose these to your manager in advance (where it is possible to do so, or as soon as possible afterwards).

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for us or under our control. All employees are required to avoid any activity that might lead to, or suggest, a breach of this policy.

You must notify your manager or the CEO as soon as possible if you believe or suspect that a conflict with this policy has occurred, or may occur in the future. For example, if a customer or potential customer offers you something to gain a business advantage with us, or indicates to you that a gift or payment is required to secure their business.

Any employee who breaches this policy may face disciplinary action, which could result in dismissal for gross misconduct.

We reserve our right to terminate our contractual relationship with other individuals and/or firms if they breach this policy.

11. Record-keeping

We must keep financial records and have appropriate internal controls in place which will evidence GESCI's reason for making payments to third parties.

You must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with our Expenses Claim Policy and specifically record the reason for the expenditure.

All accounts, invoices and other documents and records relating to dealings with third parties, such as customers, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness.

No accounts must be kept "off-book" to facilitate or conceal improper payments.

12. How to raise a concern

You are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If you are unsure whether a particular act constitutes bribery or corruption, or if you have any other queries, these should be raised with your line manager or the CEO.

13. Protection

Employees who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future.

Detrimental treatment includes dismissal, disciplinary action, threats or other unfavorable treatment connected with raising a concern. If you believe that you have suffered any such treatment, you should inform the CEO immediately.

If the matter is not remedied, and you are an employee, you should raise it formally using our Grievance Procedure contained in the GESCI Human Resource Manual.

14. What to do if you are a victim of Bribery or Corruption

It is important to notify the line manager and/or the CEO as soon as possible if you are offered a bribe by a third party, or been asked to make one, suspect that this may happen in the future, or believe that you are a victim of another form of unlawful activity.

15. Monitoring and review

The CEO will monitor the effectiveness and review the implementation of this policy, considering its suitability, adequacy and effectiveness. Improvements identified will be made as soon as possible.

All employees are responsible for the success of this policy and should ensure they use it to disclose any suspected danger or wrongdoing.

Employees are invited to comment on this policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the CEO

GESCI reserves the right to vary and/or amend the terms of this policy from time to time at its absolute discretion.

This policy does not form part of any employee's contract of employment and it may be amended at any time.

16. Training and Communication

Training on this policy forms part of the induction process for all new employees. All existing employees will receive relevant training on how to implement and adhere to this policy.

Fraud awareness raising and training underpins fraud prevention and detection. GESCI will ensure that all employees are aware of their responsibilities for fraud control and ethical behaviour. Targeted training will be provided for new employees and refresher training for current employees.

Our zero-tolerance approach to Fraud, bribery and corruption must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and as appropriate thereafter

It is the responsibility of management to ensure all employees are aware of the content of the Fraud and Corruption Policy.

It is also the responsibility of management to ensure an adequate resource is available to investigate cases of fraud and corruption.

Schedule 1 - potential risk scenarios: bribery and corruption indicators

The following is a list of possible scenarios that may arise during the course of you working for us and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only to help you in your compliance with this policy.

If you encounter any of these scenarios while working for us, you must report them promptly to your manager or to the CEO:

- (a) you become aware that a third party engages in, or has been accused of engaging in, improper business practices;
- (b) you learn that a third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a "special relationship" with foreign government officials;
- (c) a third party insists on receiving a commission or fee payment before committing to sign up to a contract with us, or carrying out a government function or process for us;

- (d) a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (e) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (f) a third party requests an unexpected additional fee or commission to "facilitate" a service;
- (g) a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- (h) a third party requests that a payment is made to "overlook" potential legal violations;
- (i) a third party requests that you provide employment or some other advantage to a friend or relative;
- (j) you receive an invoice from a third party that appears to be non-standard or customized;
- (k) a third party insists on the use of side letters or refuses to put terms agreed in writing;
- (l) you notice that we have been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- (m) a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us;
- (n) you are offered an unusually generous gift or offered lavish hospitality by a third party.