



CIVICUS ANTI-FRAUD, BRIBERY, & CORRUPTION POLICY

CIVICUS: World Alliance for Citizen Participation

25 OWL STREET, AUCKLAND PARK, 2092, JOHANNESBURG, SOUTH AFRICA | REGISTRATION NO.: 2002/018417/8
WWW.CIVICUS.ORG

Contents

1. Introduction	2
1.1. <i>Policy Statement</i>	2
1.2. <i>Purpose of the Policy</i>	2
1.3. <i>Scope of application</i>	3
1.4. <i>Information and adherence to the Policy</i>	3
2. Definitions	4
2.1. <i>Fraud</i>	4
2.2. <i>Corruption</i>	4
2.3. <i>Bribery</i>	4
3. What is and what is not acceptable?	5
3.1. <i>Gifts</i>	5
3.2. <i>Offers of hospitality</i>	5
3.3. <i>Facilitation payments</i>	6
3.4. <i>Political contributions</i>	6
3.5. <i>Charitable contributions</i>	6
3.6. <i>Bribery</i>	6
4. Implementation of the Policy	7
4.1. <i>Responsibility of employees</i>	7
4.2. <i>How to raise a concern</i>	7
4.3. <i>How to raise a concern in a case of suspected fraud</i>	8
4.4. <i>Protection for employees who report fraud and corruption</i>	8
4.5. <i>Responsibility of management</i>	8
4.6. <i>Third party agreements</i>	9
4.7. <i>Implementation date of the Policy</i>	9

1. Introduction

CIVICUS is committed to entrenching an anti-fraud and corruption culture, covering working practices and organisational ethics. To this end, this Anti-Fraud, Bribery and Corruption Policy clarifies the organisation's posture on fraud, bribery, and corruption, to people who work for and with CIVICUS, who may encounter or suspect fraud, bribery, and corruption.

1.1. *Policy Statement*

CIVICUS has adopted a zero-tolerance policy on fraud, bribery, and corruption. To uphold this commitment:

- 1.1.1. We will consistently uphold all laws relating to the prevention of fraud, bribery, and corruption in all jurisdictions.
- 1.1.2. We will establish and enforce systems that prevent fraud, bribery, and corruption.
- 1.1.3. We will investigate and if necessary, report suspected acts of fraud, bribery, and corruption.
- 1.1.4. We will cooperate with the appropriate authorities in the investigation and prosecution of fraud, bribery, and corruption.
- 1.1.5. We are committed to acting professionally, fairly and with integrity in all aspects of our operations and programme work.
- 1.1.6. We are committed to operating in a transparent, ethical, and honest manner.

We recognise that fraud, bribery, and corruption is in some jurisdictions punishable by imprisonment and/or fine. Additionally, CIVICUS' is concerned about potential reputational damage that could result in loss of confidence by members, partners, peers, donors, and society at large. This ever-present risk reinforces our commitment to the prevention of fraud, bribery, and corruption in all aspects of our operations, and to take related legal obligations seriously.

1.2. *Purpose of the Policy*

- 1.2.1. This Policy intends to raise awareness among people who work for and with CIVICUS of the risk and potential damage of fraud, bribery, and corruption.
- 1.2.2. It sets out the responsibilities of these individuals to observe and uphold CIVICUS' zero-tolerance stance on fraud, bribery, and corruption, by recognising fraud, bribery, and corruption in all its forms, as well as behaviours and circumstances known to be associated with fraud, bribery, and corruption.
- 1.2.3. It underscores the significance of prompt and appropriate response to instances of suspected fraud, bribery, and corruption.
- 1.2.4. It helps them understand the mechanisms at their disposal to respond to instances of suspected fraud, bribery, and corruption.
- 1.2.5. It intends to prompt the establishment and maintenance of controls aimed at preventing fraud, bribery, and corruption.

- 1.2.6. The ultimate objective is to ensure that CIVICUS upholds a high standard of accountability, transparency, and compliance.

1.3. Scope of application

- 1.3.1. This Policy applies to CIVICUS Board of Directors and all persons working for or on behalf of CIVICUS, including employees at all levels and grades (whether permanent, fixed term or temporary), interns, consultants (internal and external), seconded staff, contractors, any other person, or persons associated with CIVICUS, including but not limited to volunteers, members as well as third party representatives.
- 1.3.2. In the context of this Policy, third-party refers to any individual or organisation that CIVICUS works with, including their representatives.

1.4. Information and adherence to the Policy

- 1.4.1. All CIVICUS employees must read, understand, and comply with the information contained in this Policy.
- 1.4.2. In the execution of this Policy, all employees and individuals associated with CIVICUS may be required to attend training or read additional material (that may be provided) on the prevention, detection and reporting of fraud, bribery, and corruption.
- 1.4.3. Employees found to be in breach of this Policy may face disciplinary action and could face dismissal for gross misconduct.
- 1.4.4. CIVICUS has the right to terminate a contractual relationship with an employee, consultants, members and agents found to be in breach of this Anti-Fraud, Bribery and Corruption Policy.

2. Definitions

2.1. *Fraud*

- 2.1.1. Fraud is perceived as involving deceit with the intention to gain illegally or unethically at the expense of another. It involves misrepresentation of facts, by intentionally withholding important information and/or presenting false statements/facts to another party for the specific purpose of gaining something that may not have been provided without the deception.
- 2.1.2. The following elements must be proven to sustain a case of fraud under the common law:
- Misrepresentation.
 - Unlawfulness.
 - Actual or potential prejudice.
 - Intention.
- 2.1.3. Examples of fraud include presenting false expenditure claims and invoices, theft of cash or fixed assets, alteration or falsification of records, failure to duly account for monies received and false representation to obtain travel documents etc.
- 2.1.4. The term institutional, organisational, or business fraud could be applicable to a situation where employees engage in fraudulent activities for the purported benefit of the organisation.

2.2. *Corruption*

- 2.2.1. Corruption is generally dishonest activity in which an individual abuses his/her position of trust for personal gain or to advantage or disadvantage another person or entity. It is simply the abuse of entrusted power for private gain.
- 2.2.2. Corruption manifests in many different forms including conflicts of interest, dishonest use of influence or abuse of authority, theft, embezzlement, tax evasion, forgery, nepotism and favouritism, bribery, etc.
- 2.2.3. It is important to note that corruption does not include mistakes or unintentional acts.

2.3. *Bribery*

- 2.3.1. Bribery refers to the act of offering, giving, promising, asking, agreeing, receiving, accepting, or soliciting something of value or of an advantage to induce or influence an action or decision/ outcome.
- 2.3.2. A bribe refers to any inducement, reward, or object/item of value offered to another individual to gain an advantage, whether commercial, contractual, regulatory, or personal.

3. What is and what is not acceptable?

3.1. *Gifts*

- 3.1.1. CIVICUS accepts normal and appropriate gestures of goodwill including giving to and receiving of gifts from third parties under the following conditions:
- a. It complies with local laws.
 - b. It is given/received openly, not secretly.
 - c. The gesture must be manifestly free of any explicit or implicit expectation of favours or benefits by either the giver or receiver.
 - d. It must not be selectively given to key or influential person(s), clearly with the intention of directly influencing them.
 - e. It must not include cash or a cash equivalent such as vouchers.
 - f. It must be appropriate to the circumstances for example, small gifts around Christmas, gestures of gratitude to retiring Board members or partner organisations following the successful conclusion of a project.
 - g. It must be of an appropriate type and value as determined by the relevant circumstances. The upper limit on value will be US\$ 20, as pre-determined by the CIVICUS Operations Management Forum (OMF).
 - h. It must not be offered to or accepted from a government official or representative or politician or political party, without the prior approval of the CIVICUS Secretary General (SG).
- 3.1.2. Gifts from applicants, potential applicants, or current grantees should be declined.
- 3.1.3. The intention behind a gift given/received should always be considered. If there is any uncertainty, the advice of the Chief Operations Officer (COO) or the SG should be sought.
- 3.1.4. In a context where it would be deemed inappropriate or offensive to decline the offer of a gift, for example, when meeting individuals within certain religious/cultural contexts, such a gift may be accepted solely in the name of the CIVICUS and must be declared to the COO or the SG, who will assess the circumstances.
- 3.1.5. As good practice, gifts given and received should always be disclosed to the COO or the SG.

3.2. *Offers of hospitality*

- 3.2.1. Hospitality such as meals or refreshments offered in the normal course of business interaction may be accepted. However, hospitality that might be regarded by a reasonable person as excessive in the circumstances or as a possible inducement should be politely declined.
- 3.2.2. Offers to pay travel and accommodation expenses incurred when visiting current grantees, applicants and/or potential applicants and should be politely declined, all such expenses will be met by CIVICUS.

3.3. *Facilitation payments*

- 3.3.1. Facilitation payment is a term used to describe an illegal or unofficial payment made to secure or expedite the performance of a routine or necessary action to which the payer is entitled. In Contrast, the payment of a bribe tend is often meant to secure an undue or illegal advantage or outcome.
- 3.3.2. CIVICUS does not accept and will not make any form of facilitation payments of any nature. We recognise facilitation payments as a form of bribery made with the intention of securing undue advantage(s) or outcome(s).
- 3.3.3. CIVICUS does not allow kickbacks to be made or accepted. We recognise kickbacks as illegal payments typically made in exchange for a favour or advantage.
- 3.3.4. CIVICUS recognises that, despite our strict policy on facilitation payments and kickbacks, employees may face a situation where avoiding a facilitation payment or kickback may put their personal, their family and colleagues' security at risk. Under these circumstances, the following steps must be taken:
 - a. Keep any amount to a minimum.
 - b. Ask for a receipt, detailing the amount and reason for the payment.
 - c. Create a record concerning the payment.
 - d. Report this incident to your line manager. The Governance Risk and Compliance (GRC) Coordinator or any member of the Senior Leadership Team (SLT) are alternative points of contact for such notification.

3.4. *Political contributions*

- 3.4.1. CIVICUS will not make donations, whether in cash, kind, or by any other means, to support any political parties or candidates for political office. We recognise this may be perceived as an attempt to gain an improper advantage.

3.5. *Charitable contributions*

- 3.5.1. CIVICUS accepts (and indeed encourages) the act of donating to charities, whether through services, knowledge and time. Employees should consult their line managers or supervisors before committing CIVICUS resources, including time, to such initiatives.
- 3.5.2. Employees who in a personal capacity choose to make personal financial contributions to charity must ensure that they uphold the terms of this Policy. This includes ensuring that such contributions are not used to facilitate and conceal acts of bribery.
- 3.5.3. We will ensure that all charitable donations made are legal and ethical under local laws and practices, and that donations are not offered/made without the approval of the COO or SG.

3.6. *Bribery*

- 3.6.1. Bribery is illegal – CIVICUS employees must not engage in any form of bribery, directly, passively, or through a third party. They must neither accept nor offer bribes in any degree.
- 3.6.2. CIVICUS employees must not bribe a foreign public official anywhere in the world.

4. Implementation of the Policy

CIVICUS supports the view that employees are best placed to prevent fraud, bribery, and corruption at the workplace. To this end, this Policy outlines the responsibility of CIVICUS employees as well as the supporting mechanism, including how to raise concerns, protections offered to staff and management's responsibility.

4.1. *Responsibility of employees*

- 4.1.1. CIVICUS employees shall uphold the organisation's zero tolerance stance on fraud, bribery, and corruption.
- 4.1.2. All employees have a duty to report concerns or information they may have about possible fraud, bribery, and corruption involving colleagues, vendors, or any other party associated with CIVICUS. Any employee who has reason to believe or suspect that fraud, bribery, or any other form of corruption has occurred or will occur in future, in breach of this Policy, has a responsibility to report the suspected act immediately.
- 4.1.3. All CIVICUS employees must read, understand, and comply with the information contained in this Policy and other targeted internal policies and procedures that support the organisation's position on the prevention of fraud, bribery, and corruption, such as the Financial Policies and Procedures Manual and CIVICUS General Policies and Procedures Manual.
- 4.1.4. CIVICUS staff and the other entities referred to in Section 1.3 of this Policy certify that they adhere to these principles by signing the CIVICUS Policy Acceptance Form and/or by signing their employment contract.

4.2. *How to raise a concern*

- 4.2.1. CIVICUS encourages any employee who has reason to believe or suspect that bribery, or any other form of corruption has occurred or will occur in future, in breach of this Policy to notify their line manager immediately. The GRC Coordinator or any member of the SLT can also be independently notified of such cases.
- 4.2.2. CIVICUS employees should notify their line managers as soon as possible, if offered a bribe, asked to make one, or suspect that they may be bribed or asked to make a bribe. The GRC Coordinator or any member of the SLT are alternative points of contact for such notification.
- 4.2.3. CIVICUS employees should seek advice from their line managers/ the GRC Coordinator/ any member of the SLT, if unsure whether they are being bribed or encountering an act of hospitality.
- 4.2.4. CIVICUS employees must notify their line managers/ the GRC Coordinator/ any member of the SLT as soon as possible, if they have reason to believe that they are a victim of any other form of corrupt activity.
- 4.2.5. CIVICUS recognises the need for and importance of whistleblowing as a means of ensuring that employees can raise concerns inside the organisation, and to encourage employees to raise genuine concerns about malpractice at an early stage.

- 4.2.6. All CIVICUS employees are encouraged to familiarise themselves with the CIVICUS Whistleblowing Policy in the Staff Handbook. The Whistleblowing Policy details procedures that employees can follow to vocalise their concerns swiftly and confidentially.
- 4.2.7. Any CIVICUS employee raising concern about suspected fraud or corruption shall make known any personal interest in the matter, if any.

4.3. How to raise a concern in a case of suspected fraud

- 4.3.1. CIVICUS employees should notify their line managers as soon as possible of any cases of suspected fraud. The GRC Coordinator/ any member of the SLT are alternative points of contact for such notification.
- 4.3.2. The COO or the SG must be promptly notified of suspected fraud or irregularities in any CIVICUS operation/ project/ programme or event.
- 4.3.3. CIVICUS shall strive to deal promptly with all cases of suspected fraud – but the following timeline generally applies for cases that do not involve external parties:

Notification to line manager (where applicable)	Immediately
Initiation of fraud investigation	Within 3 working days
Verbal findings of investigation to SG	Within 10 working days
Written report on investigation	Within 15 working days
Management review and action plan	Within 25 working days

CIVICUS recognises that timelines for cases of suspected fraud that involve external parties such as local authorities may vary based on a variety of factors that may be beyond its immediate control. Nonetheless, CIVICUS commits to expediting relevant internal measures that may hasten investigations under the control of external parties.

- 4.3.4. Serious cases of fraud as determined by the COO and the SG, will be brought to the attention of the Treasurer of the Board, who will notify the Chair of the Board and the Board, as necessary.

4.4. Protection for employees who report fraud and corruption

- 4.4.1. No disciplinary action will be taken against a member of staff who raises concern, unless there is evidence that the allegations are false and malicious or intended to deceive.
- 4.4.2. Employees who in good faith, report suspected fraud or corruption will be protected against retaliation and retribution from individuals or groups within the organisation.

4.5. Responsibility of management

- 4.5.1. CIVICUS Management commits to taking seriously and properly investigating all reports of fraud, bribery, and corruption raised by any source.
- 4.5.2. If deemed necessary, CIVICUS will notify and fully cooperate with the appropriate authorities in the investigation and prosecution of fraud, bribery, and corruption.

- 4.5.3. Management is responsible for establishing and maintaining controls aimed at preventing fraud, bribery, and corruption.
- 4.5.4. Management must communicate unambiguously that retaliation and retribution against any employee who in good faith, reports suspected fraud or corruption, will not be tolerated, and could lead to disciplinary action.
- 4.5.5. Management is responsible for ensuring that employees are sensitised to this Policy and are aware of the risk and potential damage to the organisation of fraud, bribery, and corruption.

4.6. Third party agreements

- 4.6.1. Any arrangement(s) between CIVICUS and a third party must be subject to clear contractual terms, including specific provisions requiring the third party to comply with minimum measures relating to the prevention of fraud, bribery, and corruption.

4.7. Implementation date of the Policy

- 4.7.1. This Anti-Fraud, Bribery and Corruption Policy comes into effect after approval by the CIVICUS SG on Monday, 17 May 2021, with the Operations Committee of the Board of Directors duly informed.