

## VS02- INASP Anti-Bribery and Fraud Policy

This policy applies to anyone working for, or delivering work on behalf of, INASP i.e. employees, trustees, associates, contractors, interns, volunteers and partners. This includes any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, project partners, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

This Policy provides guidance on prevention of bribery, fraud and corruption together procedures to deal with suspected cases or reports of bribery, fraud or corruption.

### Definitions-overview

Bribery and fraud are criminal offences under UK law and under the criminal codes of many other countries. They are activities that divert money and resources towards the personal gain of a few, often to the cost and detriment of the many. Globally they hinder growth of the legitimate economy, and act as a barrier to efficient and effective governance; their presence can also aggravate insecurity and potential conflict.

Bribery is the offering, promising, giving, requesting, or accepting of a financial or other advantage with the intention to induce or reward improper performance or behaviour. Anti-bribery and anti-corruption laws vary across the world. INASP is, in particular, subject to the UK Bribery Act 2010. This law places strict liability on INASP should anyone associated with it commit bribery anywhere in the world, for the benefit of INASP.

Fraud comprises both the use of deception to obtain an unjust or illegal financial advantage and intentional misrepresentation affecting the financial statements by one or more individuals among management, staff or third parties. Fraud is an act or omission made with the intent of making financial or property gain (or causing financial or property loss).

Corruption is defined in this policy as the abuse of entrusted authority or position for private gain.

Fraud and corruption comprise acts of theft, bribery, nepotism, money laundering, terrorism financing, abuse of an undeclared interest, counterfeit money, cyber-crime, extortion and other forms of financial crime.

### Bribery

INASP prohibits employees and associated persons from offering, promising, giving, soliciting or accepting any bribe. The bribe might be cash, a gift or other inducement. Bribes can be offered to, or solicited from, a private individual, a public or government official, official of a state-controlled industry or political party or a private person or company and would be a bribe whether the employee or associated person is situated in the UK or overseas. A bribe may be made or received directly or through a third party.

For the purposes of this policy it is irrelevant whether the bribe is made to ensure that a person or company improperly performs a duty or function for the benefit of INASP. Improperly performing duties or functions could include not acting impartially or in good faith or in accordance with a position of trust.

Acts of bribery are designed to influence the receiver to act in a specific way. The act to be performed by the receiver may not, necessarily, be illegal but could still be a bribe for the purposes of this policy.

## Facilitation Payments

INASP prohibits its employees or associated persons from making or accepting any facilitation payment. Facilitation payments, or offers of such payments, will constitute a criminal offence under the UK Bribery Act and gross misconduct under INASP's Disciplinary Procedure.

INASP recognizes that demands for facilitation payments are commonplace in certain parts of the world. Where a public official has requested such a payment, employees or associated persons should ask for further details of the purpose and nature of the payment in writing. If the official refuses, a request should be made to speak to the official's manager for clarification of the purpose of the payment. An explanation should be given to the official of both INASP's rules and the UK anti-bribery law. If the official is persistent immediate contact should be made with a line manager, the Senior Management Team (SMT), or the Finance Director.

If the public official does provide written details, INASP will consider the nature of the payment. Local legal advice may be sought by INASP. If it is concluded that the payment is a legitimate fee, for example part of a genuine fast-track process, or is otherwise permitted locally, INASP will authorise the employee or associated person to make the payment. Where INASP considers that the request is for a facilitation payment, the employee or associated person will be instructed to refuse to make the payment and notify the official that a report of the incident will be made to INASP and the UK.

INASP will support employees and associated persons who refuse to pay a facilitation fee.

## Bribes paid under duress

Bribes paid under duress will not be a breach of this policy. Bribes paid under duress are payments made when the payee is in fear for his or her safety or liberty, or the safety or liberty of another person. An example could be where a policeman demands a bribe described as a 'fine', before allowing the payee to continue on with their journey.

All demands for bribes (including bribes paid under duress) must be reported at the earliest *opportunity after the event to a line manager, the Senior Management Team (SMT), or the Finance Director.*

In summary you, or someone on your behalf, must not:

- (a) give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- (b) give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended, or likely, to influence the outcome of the process;
- (c) accept a payment, gift or hospitality from a third party that you know, or suspect is offered with the expectation that it will provide a business advantage for them or anyone else in return;
- (d) accept hospitality from a third party that is unduly lavish or extravagant under the circumstances.
- (e) offer or accept a gift to or from government officials or representatives, or politicians or political parties, without the prior approval of your manager;
- (f) threaten or retaliate against another individual who has refused to pay a bribe or who has raised concerns of bribery or corruption; or
- (g) engage in any other activity that might lead to a breach of this policy. You may pay a bribe if you fear for the safety or liberty of yourself or another.

## Prevention of Bribery and Fraud

Prevention comprises a number of key elements that complement one another:

- (a) Risk assessments and appropriate mitigations
- (b) Procedures to manage any suspicions or reports of bribery or fraud
- (c) Regular training and communication (at least every 18 months) on Bribery and Fraud, and briefing during induction of new staff
- (d) Regular annual reviews of the Anti-Bribery and Fraud policy

#### **a) BRIBERY AND CORRUPTION RISK ASSESSMENTS**

The assessment of bribery and corruption risks is incorporated into standard risk assessment processes across INASP.

The bribery, fraud and corruption risk assessment process will consider how bribery, fraud and corruption might occur in relation to our operations, and also how our business relationships and internal structures may contribute to the risks.

#### **b) CONTROL MEASURES**

A number of key control measures relate to the prevention of bribery, fraud and corruption risks including:

- gifts and hospitality;
- conflicts of interests;
- charitable donations, sponsorships and lobbying activity;
- due diligence processes;
- financial controls
- Training and communication of this policy
- Record keeping

#### **Gifts and Hospitality**

Gifts or hospitality that are reasonable and proportionate and seek to showcase our services or to improve our professional relationships are acceptable business practice. Moreover, INASP understands that in certain countries, gift giving and receiving is a cultural norm. However, INASP also recognizes that inappropriate gifts, entertainment and hospitality can constitute bribery. Even if not received or given as a bribe, gifts and hospitality can give the impression of bribery or otherwise garner a sense of obligation.

Particular care must be taken in this regard when engaging with individuals who represent a government or government agency, or during contract / tender negotiations.

Cash or cash equivalents will never be given as a gift, irrespective of the value (such as gift certificates or vouchers). **N.B.** This is not to be confused with *reimbursements* as part of a documented arrangement covering legitimate living, travel and accommodation costs.

This policy allows reasonable and appropriate gifts or hospitality to be given to or received from third parties, for the purposes of:

- (a) establishing or maintaining good business relationships;
- (b) improving or maintaining our image or reputation; or
- (c) marketing or presenting our products and / or services effectively.

The value of the gifts or hospitality must not be in excess of £100 per person (in the UK) or local equivalence. Promotional gifts of low value such as branded stationery provided to or received from existing customers, suppliers and business partners will usually be acceptable.

Reimbursing a third party's expenses or accepting an offer to reimburse our expenses (for example, the costs of attending a business meeting) would not usually amount to bribery. However, a payment in excess of genuine and reasonable business expenses (such as the cost of an extended hotel stay) is not acceptable.

If hospitality is provided an INASP representative must be present at the event. INASP understand that spontaneous gifts and hospitality are sometimes offered, and it is unreasonable to expect individuals to seek permission before accepting such offers. Therefore, this policy allows for the acceptance provision of unplanned gifts and hospitality.

We appreciate that practice varies between countries and regions and what may be normal and acceptable in one region may not be in another. The test to be applied is whether, in all the circumstances, the gift or hospitality is reasonable and justifiable, and would be perceived to be reasonable by an independent third person. If you are uncertain about a gift, or unsure what is acceptable and legal, contact the Finance Director and provide the following:

- Date/time/place of the event
- Circumstances including purpose of the expenditure
- Nature (including value) of the expenditure
- Who was present?

### Conflicts of Interest

Conflicts of interests may arise where an individual's personal interests, family interests or loyalties conflict with those of INASP. All employees and associated persons including Directors, and those representing the INASP, have an obligation to act in the best interests of the INASP.

Trustees of INASP also have a legal obligation to declare personal conflicts of interests.

An employee, Director, or anyone representing INASP, must not derive any financial or other benefit (other than remuneration from INASP) from transactions entered into by INASP with any third party, without first disclosing such interest to INASP and obtaining written approval to proceed from the **Finance Director**.

Neither an employee nor anyone representing INASP may have a personal interest in any third party engaged, or expecting to be engaged, in business with INASP.

If an employee or associated person has such an interest, they must declare it immediately and obtain authorization from the **Finance Director**

In addition to declaring the potential and actual conflicts of interests, employees and associated persons must also inform **Finance Director** should a change occur in the status of the conflict, for example when the conflict ceases to exist.

A Register of Conflicts of Interest is maintained by the **HR & Administration Coordinator** which records:

- The nature and extent of the (potential) conflict;
- A summary of the discussion;
- Any actions taken to manage the conflict.

All declared conflicts of interests will be reviewed annually and also when any relevant changes occur.

If an employee is not sure what to declare, or whether / when their declaration needs to be updated, the employee must seek guidance from the **Finance Director**

### Donations, Sponsorships and Lobbying

We do not make contributions to political parties or political candidates.

We only make charitable donations or undertake sponsorships that are legal and ethical. No company donation will be offered or made without the prior approval of the **Senior Management Team or Executive Director**.

INASP does not undertake lobbying activities. **N.B.** This is not to be confused with legitimate engagements with government representatives as part of operational delivery.

### **Due Diligence**

INASP has due diligence processes that provide a structured methodology for considering the engagement of employees, agents and other third parties, including suppliers to INASP.

### **Financial Controls**

INASP has strict financial controls in place which are subject to regular independent audit. This includes delegated authority matrices, supervision protocols and segregation of finance functions.

### **Training and Communication**

Communication of the bribery and fraud policy, including training ensures that all staff and others working with INASP are clear about their responsibilities under this policy.

All employees of INASP will receive training in relation to this policy at least every 18 months. New staff will be briefed on this policy during induction.

Our zero-tolerance approach to fraud, bribery and corruption will be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them as detailed in the contracts:.

INASP is committed to promoting the rights of all people to live free and from abuse and coercion, and expect the same commitment from you and any staff or consultants that you retain in the provision of services. Should you not have the necessary policies and procedures in place, by undertaking this service you agree to abide by our policies and procedures as set out at [www.inasp.info](http://www.inasp.info) with particular regard to:

- Safeguarding
- Bribery and Corruption
- Fraud
- Ethical and environmental

Furthermore, the zero-tolerance will be communicated as appropriate thereafter

### **Record Keeping**

INASP must keep financial records and have appropriate internal controls in place to evidence the business reason for making payments to third parties and any conflicts of interest. These records include:

- All gifts and hospitality given or received in excess of the threshold described must be reported.
- All expenses claim relating to hospitality, gifts or payments to third parties in accordance with our expenses policy.
- All potential, anticipated and actual conflicts of interest as described must be reported.
- All accounts, invoices, and other records relating to dealings with third parties including suppliers and customers will be prepared with strict accuracy and completeness.
- A conflict of interest register

Although records do not need to be centralized, it is important that INASP can demonstrate and evidence any payments to a third party, if required.

### **PROCEDURES**

## Reporting concerns

All employees of INASP, and all individuals acting for INASP, are required to report any concerns of bribery, fraud or corruption and to cooperate with investigations.

Any concerns should be reported to your line manager, a member of the SMT or the Finance Director (who can be contacted on +44 1865 249909 or by email to [lhaynes@inasp.info](mailto:lhaynes@inasp.info)); or the HR & Administration Coordinator (who can be contacted on +44 1865 249909 or by email to [cbaker@inasp.info](mailto:cbaker@inasp.info)). Alternatively concerns can be reported using the **VS05 - Whistleblowing Policy** by email to [whistleblowing@inasp.info](mailto:whistleblowing@inasp.info) the concerns will be forwarded to the INASP Board. INASP has appointed the Finance Director as the **Anti-Fraud, Bribery & Corruption Champion**, who will liaise with the Board to address concerns raised

INASP will deal with all occurrences as set out in the **VS05 - Whistleblowing Policy** and the Public Interest Disclosure Act. <https://www.gov.uk/government/publications/the-public-interest-disclosure-act>

Staff involved in FCDO funded work can report all suspicions or allegations of aid diversion, fraud, money laundering or counter terrorism finance to the Counter Fraud and Whistleblowing unit (CFWU) at [reportingconcerns@fcdo.gov.uk](mailto:reportingconcerns@fcdo.gov.uk) or on +44(0)1355 843747 Concerns do not have to relate to INASP, INASP partners or work

Any breaches of this policy will also be communicated to SIDA as relevant and required in their general conditions.

No employee will suffer in any way as a result of reporting reasonably held suspicions of bribery or fraud. Those raising concerns will be regularly informed of the progress of the investigation, unless the report is raised anonymously or the person raising the concern does not wish to be kept informed. The matter will be dealt with confidentially; however, it should be noted that INASP cannot guarantee confidentiality as there may be legal requirements to disclose information relating to a matter raised.

## Investigation and action

All allegations and suspicions of bribery and fraud will be investigated. If allegations are upheld, disciplinary action will be taken.

Although concerns may be raised anonymously, it is important for those raising concerns to fully cooperate with any investigation process. It is quite usual for further information to be sought from those raising concerns as an investigation progresses. Concerns raised anonymously can be more difficult to investigate. Where an investigation uncovers allegations of potentially illegal activities the relevant authorities will be informed.

## Record Keeping

The **Finance Director or HR & Administration Coordinator** maintains a summary document identifying the source and location of documentary evidence of this policy.

The documentary evidence includes *inter alia*:

- (a) Records of any issues reported under this policy with data kept in line with legal data holding requirements
- (b) training records;
- (c) communications of this policy;
- (d) due diligence processes;
- (e) bribery and fraud risk processes;
- (f) records of gifts & hospitality;
- (g) records of conflicts of interest;
- (h) reviews of this policy.

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