

	<p style="text-align: center;">UK H.R. Procedure No: 9</p> <p style="text-align: center;"><b>ANTI BRIBERY, COUNTER FRAUD &amp; ANTI CORRUPTION POLICY</b></p> <p style="text-align: center;">Authorised by:</p> 	<p>Pages: 10</p> <p>Issue No: 3</p> <p>Date: 11.7.17</p>
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## **Anti-Bribery, Counter Fraud and Anti Corruption**

### **Introduction**

The Aegis Trust prime objective is the prevention of genocide. It is essential that the resources we receive from all funding sources are correctly and properly used to achieve this objective.

Aegis is continually embarking on increased capacity through increased funding. Such an increase in funding and an increase in the number of sources of funding creates an increased risk of potential fraud or corruption.

It is normal practice for organisations to have Anti-Bribery, Counter Fraud and Anti Corruption policies both to protect the organisation and the staff working for the organisation. The Aegis Trust entrusts all individuals across the organisation – Directors, Managers, employees, consultants and contractors - to take a proactive role in protecting and improving the organisation’s anti-bribery, fraud and corruption policy and practice.

The Aegis Trust is committed to tackling bribery, fraud and corruption, to promote a culture of transparency and accountability and to operating with high standards of integrity. The Aegis Trust understands that bribery, fraud and corruption poses a potential threat to the governance of its programmes and the effective implementation of its vision. The Trustees of the organisation, its managers and its employees are committed to a zero-tolerance policy towards the giving or receiving of bribes and the misappropriation funds through fraud or corruption.

The Senior Management Group will take every opportunity to demonstrate their intolerance to bribery, fraud and corruption and their support for the successful maintenance of the Anti Bribery, Counter Fraud and Anti Corruption policy.

In addition the Chief Operating Officer will lead on all investigations of suspected bribery, fraud or corruption, in the UK and overseas.

## **Aim**

The Aegis Trust has an obligation to prevent bribery, fraud and corruption in accordance with section 7 of the UK Bribery Act 2010 and the Rwanda Law No. 23/2003 as modified and complemented by Law No. 17/2005 and the resulting operational and reputational risks associated with individuals giving or taking bribes on its behalf. This policy sets out the measures which the Aegis Trust takes to prevent bribery, fraud and corruption and the procedures that will be followed if bribery, fraud or corruption occurs.

### **1. BRIBERY**

Broadly, bribery is defined as giving or receiving a financial or other advantage in connection with the "improper performance" of a position of trust, or a function that is expected to be performed impartially or in good faith.

Examples of bribery may include:

1. Bribery in order to secure or keep a contract.
2. Bribery to gain any advantage over a competitor.
3. Bribery of a local, national or foreign official to secure a grant.
4. Bribery to turn a blind eye to substitution of materials or false labour charges.
5. Bribery to falsify an inspection report or obtain a certificate.

### **Facilitation payments**

Facilitation payments are payments which induce officials to perform routine functions they are otherwise obligated to perform. Facilitation payments are bribes and there is no exemption for them under the Bribery Act. Facilitation payments do not include legally required administrative fees and legitimate fast-track services.

### **Donations, Gifts and Entertainment**

These can range from a donation of money, small gifts (such as stationery) to expensive hospitality (tickets for major events). The Aegis Trust is aware that extravagant gifts and hospitality may be used to disguise bribes that are intended to induce improper behaviour. However, hospitality or promotional expenditure which is proportionate and reasonable to demonstrating goods or services or reflecting your good relations is unlikely to qualify as a bribe. If an employee is in doubt as to whether a gift, donation or hospitality offered is reasonable, they should seek advice from their line manager. In the case of donations from potential or existing suppliers, employees should approach their line manager and email concerns to Human Resources immediately.

### **Procurement**

Aegis aims to obtain overall best value for money from appropriate and professional relationships with suppliers of goods and services. In accordance with Aegis' Procurement Policy, all purchasing (including outsourcing) must meet genuine business needs and utilise company resources in the most cost effective manner. The selection of suppliers must follow the appropriate process as laid down in the Procurement Policy and Procedures to ensure value for money, which is maximised when the demonstrated sustained value is achieved.

## **Directors**

The Directors are responsible for compliance with this policy and associated procedures and for ensuring that this policy is implemented consistently across the organisation.

## **Managers**

Managers are responsible for holding their staff and project partners to account. They are responsible for ensuring that their projects are properly planned and that risks are assessed and managed in line with this policy.

## **Individuals**

Individuals (employees, consultants, interns, work placements and volunteers) are responsible for not giving or receiving bribes and challenging instances where bribery may occur. They are also responsible for reporting all bribery that they are aware of via the procedures laid out in this policy.

## **Preventing Bribery**

The Aegis Trust is committed to tackling bribery at the highest level.

## **Risk Assessment**

The Aegis Trust has undertaken a risk assessment and concluded that although as a charity might be deemed at medium to high risk of bribery and corruption, the organisation's present size and structure minimises the risks presented by bribery. Therefore the overall risk has been determined as medium. A risk assessment will be performed as the Trustees deem necessary and any changes to the size and structure of the organisation will be taken into account before determining the overall risk.

The Aegis Trust recognises that the threat of bribery varies across countries, areas of work, partners, programmes, projects and activities and that our organisation must respond proportionately to those risks. New projects involving new activities or partners will therefore be subject to an individual risk assessment.

## **Recruitment**

The Aegis Trust has recruitment policies and procedures in place to ensure that it employs individuals who are committed to and understand Aegis' vision and values, its aims and objectives. This includes a commitment to anti-bribery and corruption. New employees will be provided with a copy of this policy and will be given the opportunity to discuss its contents and procedures.

## **Partnerships**

The Aegis Trust understands that in accordance with the relevant legislation, it is liable if a person "associated with it" is involved in bribing a third party with the intention of obtaining or retaining business or a business advantage. The definition of "associated" is broad and includes individuals, incorporated and unincorporated bodies supplying services to the Aegis Trust (rather than just goods) or acting on behalf of the Aegis Trust as a partner or Agent.

The Aegis Trust will ensure, under the guidance of senior management that any new partners or suppliers will be selected through a transparent selection process based on ability. Due diligence will be carried out on any new partners or suppliers in the form of an individual risk assessment and a copy of this policy will be distributed to such partners or suppliers.

## **Political Donations**

As a charity, the Aegis Trust is not permitted to make political donations which are donations made to a politician, a political party or a political campaign.

## **Donations Received Aegis Trust**

All trustees and employees will ensure that any donation received or made by the Aegis Trust is not an incentive to conduct its business improperly.

## **Reporting Procedures**

- What staff should do if they are offered or asked for a bribe

Individuals should reject demands for, or offers of bribes and the Aegis Trust's anti-bribery stance should be made clear.

The only circumstance where payment might not necessarily be avoided is when health and security of staff would be seriously at risk were they not to accept payment. Managers should plan their operations and have security procedures to reduce the risk of payments being requested under duress.

- Where bribery is suspected or where it occurs

To enable proper investigation, staff should record the details of any bribery or requested or attempted bribery, as soon as possible after the event. Any instances of actual or potential bribery should be properly and promptly investigated by the Chief Executive or person delegated by the Chief Executive to do so.

- The objectives of an investigation should be to:
  - Confirm whether or not a bribe has taken place, and to identify who was responsible.
  - Confirm whether internal controls and anti-bribery procedures have worked in practice.
  - Identify any improvements required to anti-bribery procedures.

Depending on the findings of the investigation, subsequent action will be determined. This may involve disciplinary action against staff involved or external reporting to one or more of the following bodies:

- A senior official or director of another organisation, if the person making the bribe is from that organisation
- Local police/law enforcement agencies (if deemed appropriate)
- Serious Fraud Office (in the UK has primary responsibility for the UK Bribery Act) or Ombudsman in Rwanda at [www.ombudsman.gov.rw](http://www.ombudsman.gov.rw)
- Relevant government department where the bribe took place
- The Charity Commission, if the matter is considered a "serious incident"
- Transparency International UK or Transparency Rwanda, depending on where the employee is based.
- BribeLine: Business Registry for International Bribery and Extortion.

## 2. COUNTER FRAUD AND CORRUPTION

### Policy

No organisation can be completely free of risk of some fraud taking place, and it is accepted that there will always be some risk of fraud in Aegis programmes and all reported suspicions will be considered for further investigation. Fraud and corruption against Aegis programmes, by Aegis staff or partner organisations will not be tolerated because it:

- Diverts vital resources from intended beneficiaries;
- Breaches our ethics and core values;
- Can breach the terms of funding agreements and expose Aegis to legal challenge;
- Damages our reputation;
- Challenges our “fitness for purpose” and our credibility in the eyes of our funders, stakeholders and partners.

Investigators have the right of full access to all Aegis documents (including electronic), data, materials and assets and to those held by third parties contracted by Aegis. Investigators have the right to full cooperation from all Aegis staff and those contractually engaged by Aegis. Where required, investigators have the right to approach managers of staff who have not provided cooperation or supplied requested materials. Investigators however do not have police powers or authority.

Investigators shall respect the individual rights of Aegis staff members and other persons involved, with regard for fairness and due process for all concerned. Investigations will comply with UK and Rwanda (or other relevant countries) legislation. Reports made to the CEO or Board will be treated in confidence and not disclosed other than to relevant parties where Senior management’s authorisation is given. Any further unauthorised disclosure by either Investigators or other Aegis staff will be treated as misconduct.

There will be no reprisals against staff or others for making reports to the investigator, or providing information or otherwise cooperating with investigations as per the Aegis Whistleblower policy and UK and Rwanda (or other relevant countries) legislation. Failure to comply will be treated as misconduct and result in initiation of formal disciplinary action.

All correspondence relating to allegations and investigations is retained as per Aegis policy and UK and Rwanda legislation. Records of all meetings, discussions and interviews are retained. All interviews with Aegis staff will be documented, to ensure that a complete and accurate account is taken of the discussion.

Those found to have been involved in fraudulent and corrupt activity or to have been negligent in the exercise of supervisory duties will be subject to disciplinary and, where appropriate, criminal

proceedings. Fraudulent or corrupt activity will be considered gross misconduct. Action will also be taken to recover any funds that have been lost or misused. Similarly, funding may be recovered, and future funding withheld from funding recipients where arrangements for preventing or detecting fraud and corruption fail to improve.

If anyone suspects fraud or corruption they must, immediately, report their concerns to the CEO or COO who is responsible for the investigation in relation to Bribery, Counter Fraud and Anti-Corruption. Neither they, nor their line manager should investigate allegations without advice from the CEO or COO as this is likely to undermine any future action. All investigations of fraud and corruption will be directed by the CEO via the COO.

### **The Investigation Process**

When a report of potential fraud or corrupt activity is made, an investigation process will commence under the direction of the COO.

#### **STAGE ONE: Information Gathering**

The COO will record new allegations of fraud and corruption made and will gather information to develop the referral of an allegation into an investigation.

Referrals are assessed and additional research is conducted as required. This may include determining information about any funding Aegis is receiving and all recipients of that funding, including Aegis departments and Partner organisations involved and other donors. The COO identifies, where possible, the subject(s) of the allegations. They are researched and any possible associates or useful, relevant information identified. Checks are also made for any links to previous or other ongoing cases.

The relevant legislation and contractual issues are identified and disciplinary, civil or criminal implications considered. Consideration is also given to any potential or actual interest in the allegations from senior Aegis management or Donors.

#### **STAGE TWO: Investigation**

Once sufficient information has been gathered following an allegation and referral, a decision will be taken as to whether the information warrants further investigation. If the COO considers a full investigation is required, the method of investigation will be determined by the type of allegation made and the type of information gathered.

The first option available is for the COO to conduct enquiries themselves either from the UK or by travelling to the country involved. This type of investigation is a resource intensive option for Aegis and only high profile or larger impact cases will be dealt with in this manner due to the small size of Aegis.

In most cases, allegations can be investigated by other Aegis staff on site appointed by the COO. The COO will advise the appointed persons and direct the investigation remotely. The COO will review evidence from the UK, provide investigation and interview plans, and ensure the case is investigated fully and objectively.

Under no circumstances should anyone speak to representatives of the press, radio, television or other third party. This is to avoid doing anything that may prejudice the investigation or give rise to an action for slander or libel.

The CEO will advise the Board on the nature of the investigation and will also advise the Head of Communications how to manage any media enquiries or whether a media statement is required.

### **STAGE THREE: Findings**

The COO collates findings of investigations, recording them as required by Aegis procedures and UK legislation.

The CEO will assess what the factual evidence indicates and advise on the appropriate action to take. This could include a recommendation of no further action, instigation of internal disciplinary action or making a criminal referral to the appropriate authorities.

### **Communicating**

It is fully understood that any enquiry into allegations of bribery, fraud or corruption is deeply upsetting for those against whom the allegations are made, even in circumstances that result in no further action being taken. Consequently, sensitivity will be applied in ensuring the most appropriate method of communication is applied, which can include face to face meetings, video conferencing, email and other methods as deemed appropriate.

The COO also has indirect contact with Aegis staff for example, where Human Resources are dealing with Aegis staff in disciplinary cases, the COO would only deal with and advise on the bribery, fraud or corruption allegations while HR advises on HR related issues. Country offices or relevant departments will be the normal point of contact used to communicate with local law enforcement should an enquiry be of a sufficient level of seriousness to require such communication.

When dealing with casework it is vital to record all relevant communications. For example written notes of phone calls, meetings and e-mail correspondence are stored with the records. The main records must be electronically stored in restricted folders, backup hard copies must be kept in secure cabinets.

### **Limitations**

It is important to note that in around half of cases fraud allegations are unproven. The COO must ensure that cases remain confidential while investigations are undertaken, balanced, whilst ensuring that senior management are aware of potential high profile cases.

There may be occasions where management will not be aware of the allegation. The COO will not routinely notify management as there is a need to perform initial enquiries to see if the allegation should be progressed.

All cases involving an Aegis staff member will follow the published disciplinary procedures. The COO will only make a member of staff aware that they are under investigation if there is sufficient information collated of a nature that indicates there is a need to speak to them or take legal action. This would only happen in consultation with HR. At this stage HR would ensure that the relevant parties were aware under HR policies and relevant national legislation.

Where a case either requires specialised or detailed fraud investigation, and there is no appropriate Senior Management resource available, the CEO may direct the Aegis country office or department to contract an external investigation or audit. The CEO or COO will assist in devising the Terms of Reference and will review all correspondence and reports, providing advice and recommendations based on the findings.

### **Reporting**

There are a number of ways a fraud investigation can be initiated. For example;

- Anonymous allegation
- Staff allegation
- Referral from Donor or Partner
- Referral from outside agency or police

A decision will then be made by the CEO whether or not to notify Aegis Senior Management at this early stage depending on either: the potential value of the fraud or the potential for reputational damage

The COO will:

- Provide input to Aegis's Quarterly Management Report;
- Produce annual reports for the Board which will include details on fraud/risk trends, fraud statistics such as losses/recoveries, prosecutions;
- Report to the Senior Management Group, providing feedback and outcomes from investigations such as disciplinary, criminal, recovery action taken.

### **External Reporting**

Aegis is committed to balancing the need for confidentiality with the need to be transparent with its Donor's and partner organisations. The amount of information Aegis can share is limited by both legislation and internal policies. However with criminal investigations much of these limitations can be legitimately exempted. The COO will work with any affected party to a Fraud claim whilst having consideration to confidentiality. Only relevant information is to be shared and the methods used to communicate chosen carefully to maintain security.

The COO will:

- will work with external partners where an allegation of fraud extends beyond the Aegis Trust;
- Obtain feedback on external investigations;

- Share resources to conduct larger investigations.
- Report to external parties on outcomes of investigations where appropriate;
- Provide feedback and advice on any control/system issues identified,;
- Provide data to Donors upon request for post funding audit purposes
- All external reports will be approved by the Chief Executive prior to issue.

### **Post Investigation Analysis**

After any investigation takes place it will be crucial to evaluate the anti-fraud strategy to determine how the Fraud occurred and decide whether systems need to be adapted to prevent similar frauds in the future. A systems and controls working group would be established to meet on a bi-annual basis to share knowledge and operation experience of Aegis' internal control system. The anti-fraud strategy will also be considered at this time. Members of this group will include a representative from each department and is chaired by the Chief Executive or a delegate of his choosing.

Prior to each meeting an update on COO's investigative work is provided to each representative. This will include a summary of all closed cases. Although no discussion will be held on any open cases, details are provided on current levels of open cases and an overview of the types of allegations being made.

### **Publicity**

The Chief Executive, in consultation with the Board will advise on the release of information to the Press. The Head of Communications will be responsible for the preparation and distribution of that release as instructed by the Chief Executive. Aegis would limit such information to factual evidence relating to fraud cases, not internal discipline matters.

### **Communication**

In order to ensure that all staff, suppliers and partners are aware of the Aegis Trust's commitment to tackling bribery and corruption, this policy will be available in its external website. This policy will also be included in new employee inductions and distributed to all employees following every updated risk assessment.

### **Monitoring and review**

This policy will be reviewed annually or after a significant change in operations or a significant incident, whichever is sooner in consultation with the Aegis Trust staff.

## Guidelines for Staff to Follow

### Acting on Your Suspicions

Over half of the cases of suspected bribery, fraud and corruption that are reported to the police cannot be prosecuted because of inappropriate action being taken before the case is referred to them. Therefore the action Aegis staff take when they first suspect fraudulent or corrupt activity will be crucial.

#### DO:



**Make an immediate note of your concerns** Note all relevant details, such as what you have discovered in documents or what was said in telephone or other conversations, the date, time and the names of any parties involved.



**As soon as possible, within one week of suspicion, raise your suspicions:** contact the CEO either by telephone or by email to explain your suspicions. When emailing please request a read receipt and include your phone number. Alternatively, if you feel it is appropriate, explain your suspicions to your line manager. Your manager can then contact the CEO.



**Deal with the matter promptly:** Any delay may result in further financial loss to Aegis, its Partners or funding institution. The reasons for any delays in suspicions being reported will also be questioned in any investigation by the COO and legal authorities.

#### DON'T:



**Fail to act or be afraid of raising your concerns.** We want you to raise your suspicions and we will deal with the matter on a confidential basis if that is what you want. If you feel unable to raise your concerns internally then please contact the *National Audit Office* +44 (0)20 77987999 or email [info@transparencyrwanda.org](mailto:info@transparencyrwanda.org) in Rwanda.



**Approach or accuse any individuals directly or try and investigate the matter yourself.** There are special rules surrounding the gathering of evidence for use in criminal cases. Any attempt to gather evidence by people who are unfamiliar with these rules may not only destroy the case but may put them at risk of prosecution.



**Discuss your suspicions with anyone other than those referred to in this guidance.** Given that all of those involved in perpetrating a specific case of fraud or corruption will not be known until a full investigation has been completed, you must not raise your suspicions with anybody other than those identified earlier.