



WOMEN EMPOWERMENT FOR RECONCILIATION & DEVELOPMENT (WERD)

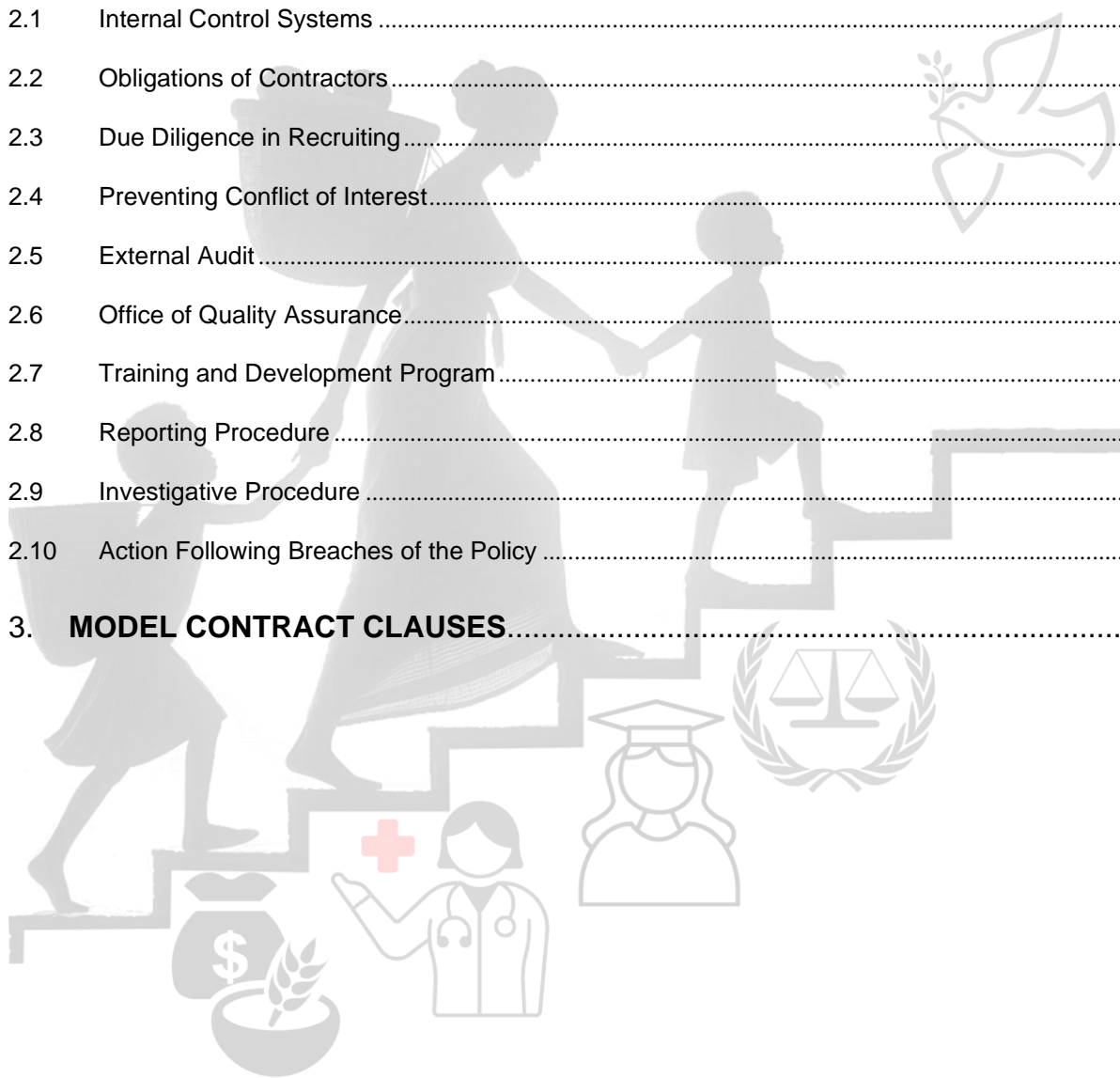
ANTI-FRAUD AND ANTI- CORRUPTION POLICY

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This second edition of WERD Anti-Fraud and Anti-Corruption Policy has been developed by WERD Board of Directors in cooperation with Management Solution. In addition, the following sources have been used in the development of the manual and its annexes: Publicly accessible procurement documents from the World Bank, DFID, USAID, and ECHO Frameworks Partnership Agreement.

This Policy is applicable for WERD operations and can be freely used by WERD and its implementing partners. If other organizations find this Policy useful The NGO Support Organization will welcome requests for permission to use, reproduce the manual in part or in full. Enquiries should be addressed to Women Empowerment for Reconciliation and Development Juba Head Office, We encourage users to provide feedback and suggestions to the manual and annexes.

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WERD ANTI-FRAUD AND ANTI-CORRUPTION POLICY

1. INTRODUCTION

Effective fraud prevention, detection and response mechanisms for WERD are essential in enabling WERD to deliver its programmes effectively to its beneficiaries as well as safeguarding WERD's interests against monetary loss and reputational risk.

Fraudulent, corrupt, collusive, coercive and obstructive practices (collectively "fraud and corruption") are contrary to WERD's core values.

WERD maintains zero tolerance for fraud and corruption and shall not tolerate any fraud and corruption in the course of its activities or operations.

WERD recognizes the adverse effect that such practices have on its activities and operations, and is committed to preventing them and taking robust action where they are found to occur. In particular, WERD is committed to preventing:

- fraud and corruption perpetrated by WERD personnel
- fraud perpetrated against WERD by cooperating partners, suppliers or other third parties
- any collusive practices among any such parties.

Therefore, WERD shall take measures to prevent, detect and deter fraud and corruption committed to its detriment by WERD personnel as well as cooperating partners, suppliers or other third parties and shall take robust and appropriate actions where they are found to occur.

This document sets out WERD'S policy and procedures relating to fraud and corruption. The policies and procedures outlined in this document are based on and reflect the principles set out in the Staff Regulations and Rules, the Financial Regulations and Rules, the Standards of Conduct for the International Civil Service, the Notice from the Inspector General on Reporting Fraud and Other Wrongdoings, as well as other relevant WERD issuances. The Policy also reflects the principles underlying the United Nations Convention against Corruption.

This revision of The Policy expands WERD's definition of "fraud and corruption" to also include coercive and obstructive practices; outlines specific obligations for WERD managers and obligations required to vendors and any third party entering into any contractual arrangement with WERD; and provides general guidelines on preventing conflict of interest, in line with applicable rules. It also set forth additional obligations to WERD personnel involved in procurement process; and informs that any breach to the Policy may lead to the imposition of disciplinary sanctions against WERD personnel and constitute grounds for immediate termination of contractual agreements with third parties.

1.1 Strategic Objectives

The Policy seeks to prevent fraud and corruption by ensuring that;

- WERD takes robust measures to prevent fraud and corruption
- WERD personnel adhere to the highest standards of integrity
- Contractual arrangements and partnerships with suppliers of goods and services, other contractors and cooperating partners are not tainted by fraud and corruption
- Fraud and corruption are promptly detected and reported, and subjected to complete and independent investigation
- Any person or entity found to have engaged in fraud and corruption is the object of appropriate sanctions
- Prompt action is taken to recover misappropriated funds or losses caused by fraud and corruption.

1.2 Definitions

The following definitions shall apply to the Policy:

- **Fraudulent practice:** any act or omission, including any misrepresentation, that knowingly misleads, or attempts to mislead, a party to obtain any financial or other advantage, or to avoid any obligation, to benefit the perpetrator or a related party.
- **Corrupt practice:** the offering, giving, receiving or soliciting, directly or indirectly, or attempt to do so, of anything of value to influence improperly the actions of another party.
- **Collusive practice:** an arrangement among two or more parties designed to achieve an improper purpose, including but not limited to, influencing improperly the actions of another party
- **Coercive practice:** impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party
- **Obstructive practice**
 - i) deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a duly authorized investigation into allegations of corrupt, fraudulent, collusive or coercive practice; and/or threatening, harassing or intimidating any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or
 - ii) acts intended to materially impede the exercise of WERD's contractual rights of access to information.

In the Policy, these practices will be collectively referred to as “fraud and corruption”.

1.3 Scope

The Policy applies to all WERD staff members and other personnel, including but not limited to

- Consultants
- Temporary assistance unit personnel
- Service contract and special service agreement holders;
- Junior professional officers
- Interns
- WERD volunteers

The Policy applies to all activities and operations of WERD, including: i) any project funded by WERD; and ii) any project implemented by WERD and any government agency and/or cooperating partner

Contractual arrangements between WERD and donors, cooperating partners, suppliers or other parties shall prohibit fraudulent, corrupt, collusive, coercive and obstructive practices

2. MEASURES TO PREVENT FRAUD AND CORRUPTION

2.1 Internal Control Systems

Consistent with existing systems in place under applicable WERD Regulations, Rules and administrative issuances, all offices of WERD shall contribute to preventing and detecting fraud and corruption by:

- (a) Identifying areas of operations that are more vulnerable to the risks of fraud and corruption
- (b) Implementing and monitoring robust risk management and internal control systems that are easily accessible by internal and external auditors
- (c) Monitoring risks on an ongoing basis and regularly assessing the effectiveness of the internal controls
- (d) Maintaining on file records of transactions in accordance with WERD requirements; and
- (e) Conducting training of WERD personnel on internal control systems to prevent, detect and report fraud and corruption.

2.2 Obligations of Contractors

Any vendor and/or other third party entering into any contractual arrangement with WERD is required to carry out their activities in accordance with the above-stated general principles and the provisions of their agreement with WERD, as well as to immediately report to WERD any allegations of fraud and corruption in connection with WERD activities that come to their attention

In addition, any cooperating partner, supplier and/or other third party entering into any contractual arrangement with WERD shall:

- (a) Represent and warrant to WERD that it has not, and shall not, engage in any fraud or corruption
- (b) allow WERD to access any records, document and any other information, including financial, electronic and IT records, relevant to its contractual relationship with WERD, including allowing WERD to take copies of any such records, documents or information; and
- (c) Fully cooperate, and take all reasonable steps to ensure that its officers, employees, contractors, subcontractors and agents, fully cooperate with any investigation or review of fraud and corruption by WERD

Appropriate clauses to this effect shall therefore be included in all contracts with cooperating partners, suppliers and/or other third parties entering into any contractual arrangement with WERD, as per the Model Clause in the Annex to the Policy.

WERD personnel who are responsible for selecting and contracting cooperating partners, suppliers and/or other third parties entering into any contractual arrangement with WERD shall ensure that such a clause is included in the relevant contractual agreements.

Certain aspects of such a clause may need to be tailored to the particular circumstances of the contractual arrangement that is being put into place. For further guidance in this respect, advice should be sought from the Legal Office.

2.3 Due Diligence in Recruiting

Hiring managers shall, consistent with applicable staff rules and other relevant provisions, conduct due diligence and exercise due care during any recruitment processes for staff members and non-staff employees, regardless of rank or length of service. All hiring managers and staff responsible for performing recruitment and selection actions shall place emphasis on integrity as a selection criterion. They shall be accountable to perform their functions according to the relevant WERD recruitment and selection policies. They shall promptly declare any affiliation they may have with job candidates, or any other situations that may give rise to actual or perceived conflict of interest.

2.4 Preventing Conflict of Interest

A conflict of interest is an incompatibility between an employee's private interest and either his/her official duties or the interests of WERD. It includes circumstances in which an employee benefits improperly, directly or indirectly, from his/her association with an entity that engages in any business or transaction with WERD.

WERD maintains a policy applicable to WERD personnel with respect to conflicts of interest and managing resolution of conflicts of interest through the WERD Ethics Office.

WERD personnel shall not engage in any outside occupation or employment unless authorized. In addition, WERD personnel may not be actively associated with the management of, or hold financial interest in, any business concern if it were possible for

them to benefit from such association of financial interest by reason of their official position within WERD.

The acceptance by WERD personnel of any honor, decoration, favor, gift or remuneration is prohibited and it includes hospitality, promotional items, accommodation, invitations or tickets to entertainment events from suppliers, beneficiaries or any other external sources

If in doubt whether or not the activities fall under the aforementioned categories, it is recommended to seek advice from the Director of the Ethics Office.

2.5 External Audit

Pursuant to WERD Financial Regulation, the Financial Regulations on additional Terms of Reference governing External Audit, the External Auditor provides external oversight for WERD. The External Auditor is under the obligation to report any cases of fraud or presumptive fraud or wasteful or improper expenditure of WERD's money or other assets, thereby contributing to the objectives of the Policy.

2.6 Office of Quality Assurance

Under its Charter, the Quality Assurance conducts objective and independent assurance and oversight activities to protect the integrity, efficiency and effectiveness of WERD'S programmes and operations, and detects and deters fraud, waste and abuse through internal audit, advisory services, inspections, and investigations.

The Quality Assurance ascertains that the actions of WERD personnel comply with WERD's regulatory framework, and that WERD vendors and other third parties observe applicable WERD policies, rules and regulations, including the Policy. In addition, the Office of the Inspector General may undertake Proactive Integrity Reviews on specific operational issues that may indicate risk of fraud, corruption, collusion and other wrongdoings.

2.7 Training and Development Program

WERD is committed to preventing fraud and corruption through a structured learning and development programme aimed at;

- (a) increasing awareness of the risks of fraud and corruption
- (b) developing skills for understanding, detecting, preventing and reporting such practices

Participation in this programme shall be mandatory for all WERD personnel. Refresher courses will have to be undertaken every three years.

In addition, WERD shall implement ongoing employee training tailored to specific positions within WERD, with the aim of enabling such personnel to detect, prevent and promptly report any practices that are contrary to the Policy.

Completion of the above training requirements shall be monitored by WERD.

2.8 Reporting Procedure

All persons to whom the Policy applies shall promptly report any action or practice that is or may be in breach of the Policy, in accordance with the procedures outlined in the Policy

All WERD personnel is required to report promptly any reasonably suspected case of fraud and corruption, or any related attempts of such practices, to his/her manager or to the Office of the Inspector General if confidentiality is desired. All managers shall report any such cases promptly to the WERD Executive Director or to the WERD confidential hotline at werdsouthsudan@yahoo.com

In the event of uncertainty as to whether any act or omission constitutes fraud and/or corruption, the Executive Director should be contacted for guidance.

Any person reporting in good faith pursuant to the Policy shall be protected from retaliation, in accordance with the WERD Whistleblower Protection Policy.

WERD personnel should be aware that malicious complaints, when established, can constitute misconduct and may result in administrative and/or disciplinary action

The identity of WERD personnel or other individual, who reports in good faith pursuant to the Policy, shall be kept confidential in accordance with, and to the extent foreseen by, the standards outlined in The Policy

Requests for confidentiality or anonymity by a complainant or a witness may be accommodated to the extent that they are compatible with the needs of the investigation, and the need to afford the investigation subject due process.

In the event that any non- WERD personnel or external entity alleged to have perpetrated or colluded with others in fraudulent or corrupt practices, provides information on cases of fraud and corruption, or any related attempts of such practices, and/or cooperates with the investigation providing truthful accounts against main perpetrators, the Executive Director has the discretion not to investigate the conduct of the individual or entity, provided that this is in the best interests of the investigation and of WERD. The General Counsel will be informed of any such decisions.

2.9 Investigative Procedure

The Executive Director shall review, analyze and conduct a preliminary review of allegations reported pursuant to the Policy, to ascertain whether they are sufficiently founded to warrant a full investigation. If they are, Quality assurance shall open an official investigation in accordance with the provisions of the applicable WERD guidelines.

Any investigation pursuant to the Policy shall be conducted impartially, independently and thoroughly, in accordance with the guidelines governing Quality assurance investigations, the Uniform Guidelines for Investigations and other applicable policies and procedures

The office Executive Director shall report its findings to the Executive Board and/or relevant senior management.

2.10 Action Following Breaches of the Policy

The Executive Director may recommend that appropriate administrative, legal and/or disciplinary action be taken against any person or entity that is found to have violated the Policy. Any such recommendation shall be included in the investigation report issued to management, in accordance with the applicable Quality assurance guidelines, the Uniform Guidelines for Investigations and other applicable policies and procedures.

WERD personnel should be aware that fraud and corruption constitute serious misconduct for which WERD has zero tolerance, and which may lead to the imposition of disciplinary measures up to and including summary dismissal.

Any breach of the Policy may constitute grounds for the immediate termination of contractual agreements with third parties, as well as lead to the application and enforcement of relevant sanctions in accordance with WERD regulations, rules and administrative issuances.

Cases involving criminal activity may be referred to local law enforcement authorities. Any such referral shall be made following consultation with the Legal Office and, if necessary, after waivers of immunity have been obtained.

WERD may seek recovery of WERD funds and/or property losses suffered as a result of breaches of the Policy using all means at its disposal, including through legal action.

3. MODEL CONTRACT CLAUSES

The [insert appropriate term: vendor/supplier/cooperating partner] acknowledges and agrees that, in accordance with WERD's Anti-Fraud and Anti-Corruption Policy ("The Policy"), WERD has zero tolerance for fraudulent, corrupt, coercive, obstructive and/or collusive practices (as such terms are defined below)

In particular, and without limitation, the [insert appropriate term: vendor/supplier/cooperating partner] represents and warrants to WERD that it has not, and it shall not, at any time:

- (a) Perform any act or omit to perform any act, including any misrepresentation, in order to knowingly mislead, or attempt to mislead, WERD and/or any other party to obtain a financial or other advantage, or to avoid any obligation, to benefit the perpetrator or a related party ("fraudulent practice")
- (b) Offer, give, receive or solicit, directly or indirectly, or attempt to offer, give, receive or solicit, directly or indirectly, anything of value to improperly influence the actions of WERD and/or any other party ("corrupt practice")
- (c) Enter into any arrangements with any other party or parties that are designed to achieve an improper purpose, including but not limited to improperly influencing the actions of WERD and/or any other party ("collusive practice")

- (d) Impair or harm, or threaten to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party (“coercive practice”)
- (e) deliberately destroy, falsify, alter or conceal evidence material to the investigation or making false statements to investigators in order to materially impede a duly authorized investigation into allegations of corrupt, fraudulent, coercive or collusive practice; and/or threaten, harass or intimidate any party to prevent it from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or engage into any act intended to materially impede the exercise of WERD’s contractual rights of access to information (“obstructive practice”, and together with fraudulent, corrupt, collusive and coercive practices, “prohibited practices”)

The [insert appropriate term: vendor/supplier/cooperating partner] shall communicate the Policy to its officers, employees, contractors, subcontractors and agents and shall take all reasonable measures to ensure that such persons do not engage in prohibited practices.

The [insert appropriate term: vendor/supplier/cooperating partner] shall include this model clause in its agreements with any subcontractors and/or other agents which are in any way involved in the implementation of any project funded by WERD.

The [insert appropriate term: vendor/supplier/cooperating partner] shall immediately disclose to WERD any actual, apparent, potential or attempted prohibited practice that the [insert appropriate term: vendor/supplier/cooperating partner] becomes aware of.

To that end, the [insert appropriate term: vendor/supplier/cooperating partner] shall fully cooperate, and shall take all reasonable steps to ensure that its officers, employees, contractors, subcontractors and agents fully cooperate, with any investigation or review of prohibited practices by WERD, including by allowing WERD to access and inspect its premises as well as any records, document and any other information, including financial, electronic and IT records, relevant to its contractual relationship with WERD, including allowing WERD to take copies of any such records, documents or information.

The [insert relevant term: vendor/supplier/cooperating partner] expressly acknowledges and agrees that any breach of this clause by the [insert appropriate term: vendor/supplier/cooperating partner] or by any of its officers, employees, contractors, subcontractors or agents, constitutes a material breach of this Agreement, which entitles WERD to immediately terminate this Agreement without incurring any liability to [insert appropriate term: vendor/supplier/cooperating partner]; and

Furthermore the [insert relevant term: vendor/supplier/cooperating partner] expressly acknowledges and agrees that, in the event that WERD were to determine through an investigation or otherwise that a prohibited practice occurred, WERD shall have, in addition to its right to immediately terminate the Agreement, the rights to:

i) apply and enforce the relevant sanctions in accordance with WERD internal regulations, rules, procedures, practices, policies and guidelines, including referral of the matter to national authorities when appropriate; and

ii) Recover all losses, financial or otherwise, suffered by WERD in connection with such prohibited practices.

