



Anti-Bribery & Anti-Fraud Policy

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Table of Contents

1	Introduction	3
2	Corruption and Bribery	4
3	Fraud	6
4	Reporting	6
5	Protection	6
6	Sanctions.....	7
7	Training, Communication, and Due Diligence	7
8	Responsibilities	7
9	Monitoring and Review	7
10	Supporting Policies/Procedures/Guidelines	7

1 Policy Statement

The Center takes a zero-tolerance approach to fraud, bribery, and corruption. APHRC is committed to acting professionally, fairly, and with integrity in all relationships and business dealings wherever we operate and to implementing and enforcing effective systems to counter bribery, fraud, and corrupt practices.

2 Introduction

The African Population and Health Research Center (APHRC) is committed to conducting business ethically and in compliance with all applicable laws and regulations.

Losses due to fraud, bribery, and all other corrupt business practices can be more than just financial in nature and may include damage to the organization's reputation. Reputational damage is particularly costly for organizations that largely depend on donor funds.

In the USA where the Center is registered, the U.S. Foreign Corrupt Practices Act (FCPA) has imposed severe penalties for violating the Act. The FCPA applies to improper payments made by a "U.S. person" anywhere in the world, whether or not there is any other connection to the United States. The term U.S. person includes both U.S. companies and individuals who are citizens or permanent residents of the United States. Foreign nationals also may be prosecuted for causing, directly or through a third person, any act in the U.S. in furtherance of a corrupt payment. For an organization, potential sanctions range from multi-million-dollar fines and "disgorgement" of any business profits from an improper payment to loss of export privileges or eligibility to compete for U.S. government contracts. These sanctions are in addition to potential reputational damage and investigation and defense costs, which may arise even without formal government prosecution. The penalties for individuals can be even more severe, including substantial fines and imprisonment. Other jurisdictions from where the Center receives funding including Europe have comprehensive laws on fraud and bribery and have also imposed severe penalties for violation.

This document describes APHRC's policy prohibiting bribery and other improper payments in the conduct of APHRC business operations and employee responsibilities for ensuring the implementation of the policy.

3 Purpose

The purpose of this policy is to set out the responsibilities of the Center in observing and upholding the Center's position on fraud, bribery, and other corrupt business practices.

4 Scope

This policy applies to all staff working at the Center (whether permanent, fixed term, or temporary), the Board of Directors, consultants, contractors, trainees, seconded staff, partners,

casual workers and agency staff, volunteers, interns, guests or any other person associated with the Center, wherever located.

5 Principles

APHRC is committed to conducting its business in an ethical manner and line with its values of integrity and excellence.

Any conduct that is found to constitute bribery or fraud will not be tolerated and will be dealt with in a manner consistent with the severity of the violation, including appropriate disciplinary action and referral to relevant government departments for further action.

The Center therefore commits to:

- developing and maintaining effective controls to prevent bribery, fraud, and other corrupt business practices;
- ensuring that any suspected, alleged, attempted, or actual instances of bribery, fraud, or other corrupt business practices are investigated appropriately and promptly, regardless of the position held or length of service of any individual implicated;
- taking appropriate disciplinary action in all cases where investigation has proven attempted or actual instances of bribery, fraud, or other corrupt practices;
- making all efforts to recover in full any losses to the Center related to fraud, bribery, or other corrupt practices;
- operating a lessons-learned process to review incidents, systems, and procedures to prevent similar instances from occurring and embed responsible business behaviors within the Center; and,
- raising awareness of risks of fraudulent, corrupt, and/or collusive practices through ongoing training of, and guidance to, staff members.

6 Corruption and Bribery

Corruption is dishonest or fraudulent conduct, typically involving bribery. Bribery is the most common form of corruption and can be broadly defined as the offering, promising, giving, accepting, or soliciting of an advantage as an inducement or reward for an action that is illegal or a breach of trust. Although many people think of bribery as giving someone cash, it can take many other forms including non-cash gifts, lavish entertainment or hospitality or even simply doing someone a favor, e.g. employment of a family member or a friend.

Bribery takes place if someone is given a gift, donation, discount, or cash incentive or is taken out for particularly lavish hospitality to induce or reward the targeted individual to behave improperly or not to perform their function correctly or in good faith.

Bribery can be direct (e.g. you give a bribe to someone) or indirect (e.g. you get someone else to give a bribe to another person).

The Center strictly prohibits the offering, solicitation, or acceptance of any bribe, whether cash or other inducement (including so-called facilitation payments);

- to or from any person or company, wherever they are located globally, and whether they are a private person or company or a public official or body;
- by any individual employee, agent, or other person or body acting on the Center's behalf;
- to gain any commercial, contractual, or regulatory advantage for the Center in an unethical way; and
- to gain any personal advantage, financial or otherwise, for the individual or anyone connected with the individual.

This policy is not meant to prohibit the following practices provided they are customary in a particular market, are proportionate, and are properly recorded;

- normal and appropriate hospitality;
- the giving of a ceremonial gift on a festival or at another special time subject to the limits imposed by the HR policy; and
- the use of any recognized fast-track process which is available to all on payment of a fee.

6.1 Charitable Contributions

Any charitable contributions made or offered on behalf of the Center must;

- not be related to, dependent on, or made to win or influence, a business deal or decision;
- be given directly to the relevant charity or cause and not to an individual; and
- be aligned to the Center's gift acceptance policy.

6.2 Political Donations

The Center does not make any contributions to government officials or agents, politicians, or political parties. Staff must not make or offer any political contributions or donations on behalf of the Center. If undertaking any such activity, the staff will be deemed to be acting in their capacity and not on behalf of the Center.

6.3 Record-Keeping

- The Center must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.
- Staff must declare and submit a written record of all hospitality or gifts accepted or offered to the Executive Director, which will be subject to the Executive Leadership Team review in line with the Center's HR policy and as outlined in the Center's HR policies and procedures manual.
- All expenses claims relating to hospitality, gifts, or expenses incurred to third parties are submitted in accordance with the Center's expense policies and specifically recorded also detailing the reason for the expenditure.
- All accounts, invoices, memoranda, and other documents and records relating to dealings with third parties, such as clients, 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.

7 Fraud

Fraud is an intentional act or omission intended to deceive another party that may cause the party to obtain an advantage improperly, avoid an obligation, or cause loss to another party. Examples of fraudulent acts include deliberately giving false information in a resume or report, forgery, fabrication of documents, or acting under false pretenses.

Examples of fraud that may be perpetrated against APHRC are, but are not limited to the following:

- theft, misuse, and misappropriation of the Center's property, equipment, funds, materials, records, or any other assets;
- false accounting and/or making fraudulent statements, financial or non-financial, with a view to personal gain or gain of another (e.g. timesheets, expense claims, purchase orders, budgets, regulatory returns); and
- any activity that involves the alteration, destruction, copying, or manipulation of data for inappropriate purposes.

This policy does not cover scientific fraud, which is dealt with in the *Research Handbook*.

Fraud may involve one individual or several people in collusion with each other who could be either from within or external to APHRC.

Wherever there is fraud, there is likely to be money laundering as fraud produces money that needs to be washed. The Center will adopt available global systems on money-laundering

vigilance and put in place anti-money laundering controls to ensure the Center's funds including donations that it receives are not part of money laundering.

8 Reporting

Any employee who discovers or suspects bribery or fraudulent activity should raise any such concerns. It is recognized that individuals may feel inhibited in certain circumstances. In such cases, staff are encouraged to raise concerns about any instance of malpractice at the earliest possible stage through confidential and independent whistleblowing channels. Reports may be made through any of the channels outlined in the Whistleblowing Policy:

The following four channels detailed in APHRC's *Whistleblowing Policy* can be used for reporting:

- i) APHRC's Whistleblowing Service (Online Incident Management Site)
(<https://aphrc.ethicspoint.com>)
- ii) Report to the Supervisor, Unit Leader, Head of HR, Executive Director, or Safeguarding Committee at safeguarding@aphrc.org
- iii) Employee Assistance Program
- iv) Suggestion Box

In addition, staff may also report concerns about fraud or bribery through their line manager any of the members of the Executive Leadership Team, or the Executive Director, unless the concern relates to the line manager or ELT member or Executive Director. Once a matter is reported, it will be dealt with in line with the APHRC Anti-Bribery and Anti-Fraud Response Plan.

9 Protection from Retaliation

All Center representatives who refuse to accept or offer a bribe, or those who raise concerns or report another's wrongdoing, may be worried about possible repercussions. The Center encourages openness and will support anyone who raises concerns in good faith under this policy, even if they turn out to be mistaken.

The Center is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because they reported in good faith their suspicion that an actual or potential bribery or other corruption offense 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 and may take the form of retaliation harassment (as defined in the Policy on Harassment).

Retaliation in any form against an employee who has, in good faith, reported a violation or possible violation of this Policy is strictly prohibited. Staff who believe they have experienced detrimental treatment should report to channels outlined in the Whistleblowing Policy.

10 Disciplinary Action

Employees who violate this Policy will be subject to disciplinary action as per HR policy policy, up to and including dismissal. Violations can also result in prosecution by law enforcement authorities and serious criminal and civil penalties.

11 Training, Communication, and Due Diligence

APHRC will employ a robust continuous system of building awareness and understanding of its anti-fraud and anti-corruption procedures and systems. New staff will be inducted into the policy while existing employees will receive relevant training on how to implement and adhere to this policy annually. Third parties shall be informed of the expectations laid out in this policy, which will also form part of the contractual conditions including due diligence checks.

12 Responsibilities

Board of Directors: Reviewing and monitoring the implementation of the policy.

Executive Leadership Team (ELT)

The ELT holds overall responsibility for this policy and its implementation. They shall:

- Ensure that the Center's work environment is free from any unprofessional conduct and model the culture of excellence and integrity expected of all staff.
- Continuously communicate with staff about the Center's values and the zero-tolerance stance on bribery, corruption, and fraud.
- Promptly deal with any concerns reported about bribery, corruption, or fraud.

Director of Operations (DO)

The DO takes primary responsibility for the implementation of this policy.

- Whenever fraud is reported either through the whistleblowing channels or through audit reviews, the DO will report this to the safeguarding committee.
- The DO should also inform the supervisor of the affected staff and the relevant divisional director.
- Organize investigations either by the Internal Audit Unit or external experts.

Unit Heads and Line Managers' Responsibilities

They shall:

- Ensure adherence to this policy by any APHRC staff member working in their units.
- Ensure an ethical working environment in which fraud does not occur.
- Continuously communicate with staff about the Center's values and the zero-tolerance stance on bribery and fraud

- Assure prompt attention to any reports made to them, at the minimum they should report to the Director of Operations.
- Maintain confidentiality towards the accused and the complainant.

Human Resource Office

The HR office shall:

- Ensure all staff receive a copy of this policy and sign a declaration that they have received and understood and commit to adhere to it.
- Ensure new staff are trained on the contents of the policy upon joining the organization and provide mandatory refresher training for all staff on an annual basis.
- Ensure staff members understand how to respond to concerns about fraud and bribery
- Ensure that APHRC's recruitment and selection processes are inclusive, fair, consistent, and transparent.

Internal Audit Unit

- Ensure the APHRC environment has the right measures and controls to minimize bribery and fraud.
- Undertake investigations of reported cases of bribery or fraud at the request of the Director of Operations.
- Receive reports of management action in relation to detrimental treatment by staff who raise concerns about bribery or fraud
- The Unit may also be called upon to coordinate external experts or an internal committee constituted for carrying out the investigation.
- Monitor the implementation of this policy, regularly considering its suitability, adequacy, and effectiveness.

APHRC Staff

All APHRC staff shall:

- Contribute to an ethical environment where fraud and bribery are not tolerated.
- Not engage in fraudulent acts, corruption, theft, or bribery.
- Report any concerns about bribery, theft, or fraud including attempts at bribery by external parties such as contractors and suppliers.
- Declare and keep a written record of all hospitality or gifts accepted or offered.
- Cooperate with those investigating matters reported.

13 Monitoring and Review

The Internal Audit Unit will monitor the implementation of this policy, regularly considering its suitability, adequacy, and effectiveness. Any improvements identified will be captured in the preceding three-year review or earlier where necessary. Internal control systems and procedures will be subject to regular audits to ensure that they are effective in countering fraud, bribery, and corruption.

The Board will review the policy every three years or earlier if necessary.

14 Supporting Policies/Procedures/Guidelines

- HR Policies and Procedures Manual - details the limits and procedures for handling gifts to APHRC staff as well as disciplinary measures
- Whistleblowing Policy - outlines the reporting procedures and channels.
- Gift Acceptance Policy - outlines the procedures for acceptance and administration of gifts by the Center.
- Harassment Policy - outlines the handling of retaliation harassment that could result from reporting fraud and bribery.
- Safeguarding Policy - recognizes fraud and corruption as a safeguarding issue. The safeguarding committee also reviews all whistleblowing reports.
- Anti-Bribery and Anti-Fraud Response Plan- outlines the Center's response plan whenever fraud or bribery is reported.