



# Anti-Fraud and Corruption Policy

November 2020

## 1. Scope of this policy

This policy applies to all relevant persons of Dhaka Ahsania Mission UK (DAM UK). Relevant persons include trustees, staff, consultants and volunteers.

*This Policy builds upon DAM UK's approach to combating fraud and corruption to date and draws upon, and gratefully acknowledges, the research and advice provided by Humentum.*

## 2. Definitions of corruption, fraud, bribery

Definitions of corruption, fraud and bribery are found in Appendix 1.

It is also **bribery** to make unofficial payments (known as 'grease' or 'facilitation' payments) to a public official to secure or speed up a routine action to which you may be entitled – for example, paying a public official a small "fee" to speed up the issuing of a visa.

## 3. Zero tolerance on fraud or bribery

DAM UK's position is to take a zero tolerance approach to fraud and bribery. We are committed to pursuing this approach throughout our operational practices for the following reasons:

- DAM UK recognises the significant risk that fraud and bribery pose to the achievement of our aims and objectives. Any money that is lost to fraud or bribery is money that cannot be used to achieve our objectives.
- Corrupt behaviour seriously damages our reputation. The eradication of fraud and bribery in the way we operate is of great importance to securing the trust and confidence of all our stakeholders.
- We owe it to the communities that we operate in not to condone fraud or bribery. Corruption creates unstable societies. It destroys public and business standards, and

forces ordinary people to use resources that they can ill afford in their interactions with the government and other public bodies.

We support the application of the zero-tolerance policy by providing:

- **Direction** and rules to clearly establish appropriate and expected behaviour;
- Effective **deterrents** to inappropriate behaviour in the form of meaningful consequences;
- **Prevention** measures to reduce the risk of fraud or bribery occurring;
- **Detection** measures to identify fraud or bribery if it happens, including speaking up lines;
- **Response** measures to ensure we react well to suspicions, allegations and proven incidents of fraud & bribery, including protection and fair treatment for accusers and accused;
- **Measurement** processes to evaluate the impact and success of our anti-fraud & bribery policy and management of risk;
- Deliberate proactive steps to embed anti-fraud & bribery thinking into our **culture**, including staff training and awareness.

Anyone found guilty of fraud or bribery will be subject to disciplinary measures which will ordinarily include dismissal, prosecution and recovery of losses.

#### **4. Anti-bribery policy**

DAM UK employs all legal and safe tactics to avoid and resist paying bribes to Public Officials, even if it results in denials, delays, inconvenience and increased cost to our operations.

No relevant person is authorised to pay a bribe on behalf of DAM UK or using DAM UK funds.

Individuals are not expected to resist bribery to the point of putting themselves or others at real risk of personal harm or injury. A payment under such circumstances is considered extortion rather than bribery.

#### **5. Gifts and entertainment**

Gifts and entertainment should never be used or allowed to influence business decision making.

When offers of gifts and entertainment are made or accepted in situations where they are not appropriate, they can look like, or may in fact be, bribes. They can expose us to

accusations of unfairness or even break the law, and can put at risk our reputation for ethical behaviour.

Positive, healthy, normal business practices can include accepting and making offers of gifts and entertainment, which develop and maintain positive and strong business relationships.

We should be able to accept and make offers of gifts and entertainment ONLY when they are appropriate, i.e. when they:

- are proportionate in the context; and
- do not create any sense of expectation or obligation on the recipient or the giver.

The following gifts may never be offered or accepted, and will always be deemed inappropriate:

- cash of any amount;
- any gift with a value exceeding £50 (or equivalent in local currency);
- any entertainment worth more than £100 (or equivalent in local currency);
- any gifts or loans from existing suppliers or prospective suppliers while a tender process is underway;
- any gifts or loans to staff involved in supplier selection decisions (e.g. Procurement Officer or member of Procurement Committee);
- entertainment involving gambling, anything of a sexual nature or exploitation of others.

It is never allowed to request a gift or entertainment.

Gifts or entertainment below the limits above are not necessarily appropriate.

In some circumstances an element of judgement is required to decide whether a gift is appropriate or not. If any staff or board member is in any doubt, they should consult the Chair of the Council of Management and obtain written permission before accepting or offering a gift.

The following circumstances imply the giving or receiving of a gift or entertainment offer may be appropriate:

- The giving and receiving of the gift or entertainment strengthens a genuine business relationship;
- The gift or entertainment does not constitute an attempt to apply undue influence, and does not create an undue obligation;
- The gift or entertainment is given or accepted in the open rather than in secret;
- The gift or entertainment is given to celebrate a recognised cultural event such as Christmas or New Year;

- The gift or entertainment is given to the organisation or a group of people (department) rather than an individual;
- The gift or entertainment is branded marketing materials (pens, notebooks, etc.);
- The value of the gift or entertainment is not excessive or abnormal in social context;
- The timing of the gift or entertainment is not suspicious.

The following circumstances imply the giving or receiving of the gift or entertainment may be inappropriate:

- The timing, nature or circumstances of the gift means it could be perceived as an attempt to influence a business decision;
- The value of the gift is excessive in the circumstances (despite being below the limit detailed above);
- The receiver feels obligated, or the giver feels entitled;
- The gift is given or received in secret.

If any Trustee, staff member, consultant or volunteer is offered an inappropriate gift they should politely decline it and inform the Chair of the Council of Management or the Country Representative.

## **6. Speaking Up**

DAM UK's policy on speaking up is designed to build confidence of relevant persons to report genuine concerns about fraud, bribery or other types of misconduct. For many cases of misconduct, someone reporting it is the only way it can be discovered and dealt with.

The process for raising a concern is detailed in DAM UK's Whistle-blowing Policy.

All relevant persons are strongly encouraged to report genuine concerns. They should report as much detail as possible, including who, when, where, and how and whether they have evidence or the basis for their suspicion.

Concerns may be reported anonymously, but people are encouraged to give their name and / or contact details as it is easier to investigate allegations when it is possible to follow up for more details from the reporting person.

*Policy to be reviewed by: November 2021*

## **Appendix 1 – Glossary**

*Attempted fraud or bribery:* An unsuccessful effort to commit fraud or bribery.

*Bribery:* The unlawful act of offering or receiving any gift, loan, fee, reward or other advantage (taxes, services, donations etc.) to or from any person as an inducement to do something which is dishonest, illegal or a breach of trust, in the conduct of one's duties.

*Corruption:* The abuse of entrusted power for private gain.

*Embezzlement:* To steal money that people trust you to look after as part of your work.

*Entertainment:* Invitations to attend events with a social aspect, such as meals & conferences, as well as entertainment events such as shows or games, which are offered free of charge or at reduced rates.

*Error:* An accidental mistake, for example in a calculation or a decision.

*Extortion:* Act of utilizing one's access to a position of power or knowledge, either directly or indirectly, to demand unmerited cooperation or compensation as a result of coercive threats.

*Fraud:* The act of intentionally deceiving someone in order to gain an unfair or illegal advantage (financial, political or otherwise).

*Gift:* Goods, services or cash offered to or by staff or board members, or their friends or family or associates, at free or preferential rates. Unpaid loans are considered gifts for the purposes of this policy.

*Money Laundering:* The concealment of the origins of illegally obtained money, typically by means of transfers involving foreign banks or legitimate businesses.

*Negligence:* Failure to give care or attention, especially when this causes harm or damage.

*Nepotism:* Form of favouritism based on familiar relationships whereby someone in an official position exploits his or her power or authority to provide a job or favour to a family member, even though he or she may not be qualified or deserving.

*Public Official:* Any person holding any legislative, executive, administrative or judicial office, whether he/she is appointed or elected, permanent or temporary, paid or unpaid.

*Robbery:* The crime of taking money or property illegally, often by using threats or violence.

*Theft:* The crime of stealing.