



ANTI-FRAUD AND ANTI-CORRUPTION POLICY

Purpose

This policy states Transparency International Australia's (TIA) position of zero tolerance of corruption and fraudulent conduct. It outlines responsibilities and obligations in relation to the prevention, detection and response to fraud and corruption, as well as associated processes.

Scope

This policy applies to all TIA Board Members, employees, volunteers and interns.

This policy will also apply to the staff of affiliates, partner organisations, consultants and contractors where they do not have an anti-fraud and anti-corruption policy that meets TIA standards.

Definitions

Fraud

The *Transparency International Anti-Corruption Glossary* describes fraud as the offence of intentionally deceiving someone in order to gain an unfair or illegal advantage (financial, political or otherwise).

Examples of fraud include;

- > Dishonest activity causing actual or potential loss to TIA;
- > Deliberate falsification, concealment or destruction of documents and information, including the falsification of signatures;
- > Improper use of information or position;
- > Embezzlement or the misappropriation of funds or assets;
- > Providing false information;
- > Unauthorised disclosure of confidential information;
- > Theft of funds or assets.

Corruption

The *Transparency International Anti-Corruption Glossary* describes corruption as the abuse of entrusted power for private gain. Corruption can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs.

Grand Corruption is the abuse of high-level power that benefits the few at the expense of the many, and causes serious and widespread harm to individuals and society.

Petty Corruption is the everyday abuse of entrusted power by public officials in their interactions with ordinary citizens, who often are trying to access basic goods or services in places like hospitals, schools, police departments and other agencies.

Political Corruption is the manipulation of policies, institutions and rules of procedure in the allocation of resources and financing by political decision-makers, who abuse their position to sustain their power, status and wealth.

Examples of corruption include:

- > Any dishonest activity in which a person acts contrary to the interests of TIA and misuses their position in order to achieve personal gain or a gain for another person or body;
- > The receipt or offer of a bribe;
- > Hiring or advancement of people for personal gain;
- > Accepting small gifts which are improper in the givers' expectation of favours;
- > Extortion;
- > Offering jobs to family or friends (nepotism and cronyism);
- > The misuse of information or material acquired in the course of performing functions for personal benefit or to benefit any other person.

Policy Statement

Zero Tolerance

TIA will not tolerate fraud or corruption in any way to any extent ('zero tolerance'). TIA is committed to preventing and dealing promptly with allegations of fraud or corruption. Any finding of fraud or corruption may result in disciplinary action, suspension from duties, dismissal from position or contract, or criminal procedures.

Responsibilities

It is the responsibility of everyone covered by this policy to report concerns about fraud or corruption in line with the Reporting section of this policy.

Managers

Managers are responsible for the implementation of this policy and ensuring that any allegations reported to them are managed in line with TIA's Whistleblower Protections Policy and for Investigation and Reporting of Misconduct.

Practice

Prevention

TIA is committed to the prevention of fraud and corruption; we keep TIA free of fraud and corruption by:

- > Creating an organisational culture based on our values of transparency and fairness;

- > Ensuring all employees, Board Members and partner affiliates undertake TI anti-corruption training;
- > Partnering with organisations and professionals who demonstrably share these values;
- > Participating in regular external audits;
- > Screening of potential employees, partners and contractors;
- > Clear policies and procedures available to all staff;
- > Identifying, mitigating and preventing any identified fraud and corruption risks in our operations and programs;
- > Implementing systems, tools, and resources to support the prevention, detection, and investigation of fraud and corruption and ensuring these are available and understood by all staff;
- > Clarity of roles and responsibilities in the identification, investigation and control of fraud and corruption;
- > Complying with contractual and reporting obligations of donors, statutory bodies regulatory bodies and law enforcement.

Reporting

Any person covered by this policy who has a concern that fraud or corruption may be occurring in TIA or within TIA programs, should report it as soon as practicable, to a person in a position of appropriate responsibility in the organisation, whom they trust.

Often that person may be their supervisor, a manager or the Chief Executive Officer. However, if the concern relates to the conduct of the Chief Executive Officer or the Finance and Administration Manager it should be raised directly with the Chair of the Board, or with the Chair of the Finance & Risk Committee.

If the concern relates to the conduct of a Board Member, it should be raised directly with the Chair; or with another Board Member whom the staff member trusts.

For further information about how to ensure confidentiality and protections for persons who report allegations of fraud or corruption, please refer to TIA's Whistleblower Protection Policy.

It should be noted that TIA may be required to report allegations of fraud or corruption to external parties before they are investigated.

Investigation

TIA will investigate all allegations of fraud or corruption within the scope of this policy.

Investigations will be conducted confidentially, fairly, objectively and without bias in line with TIA's Standard Operating Procedures for the Investigation and Reporting of Misconduct. Internal or external investigators may be appointed to investigate, dependent on the nature of the allegation.

Outcomes

Any finding from an investigation that a person covered by this policy has committed or been involved with fraud or corruption will be treated seriously. It may result in disciplinary and/or action against the person, including termination of contracts (including employment contracts) and action to recover any losses suffered by TIA. If appropriate, cases may be referred to the relevant authority for either civil or criminal offence investigation and determination of referral for prosecution.

Related Documents

This policy is based on key national laws including the Criminal Code Act (1995), Criminal Code Amendment (Bribery of Foreign Officials) Act (1999), Anti-Money Laundering and Counter-Terrorism Financing Act (2006), and agreed international conventions and treaties including the UNCAC and the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

This policy should be read in conjunction with:

- > Code of Conduct
- > Whistleblower Protection Policy
- > Procurement Policy
- > Conflict of Interest Policy
- > Transparency International Anti-Corruption Glossary
- > Standard Operating Procedures for Investigation and Reporting of Misconduct

About This Policy

Title	Anti-Fraud and Anti-Corruption Policy
Version	2
Owner	Transparency International Australia
Date of Approval	31 May 2018
Effective date	1 June 2018
Review date	1 June 2019
Reviewed	22 August 2019
Review date	1 June 2021