



AKTION AMAZONAS

ANTI-CORRUPTION & IRREGULARITIES POLICY

INDHOLDSFORTEGNELSE

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1.1 Introduction

Aktion Amazonas' **Anti-Corruption and Irregularities Policy** describes Aktion Amazonas' principles for preventing and managing corruption, fraud, and abuse.

The policy applies to Aktion Amazonas in its entirety, i.e., all staff and volunteers as well as in relation to collaboration with national and international external partners and parties/entities, including local and national authorities abroad.

Aktion Amazonas does not accept corruption, fraud, or abuse of any kind, not in the organisation itself, including our local branches, nor among contract holders with Aktion Amazonas, including international partner organizations.

Aktion Amazonas works constantly to prevent corruption and is consistently monitoring and following up on corruption, fraud, and abuse in Aktion Amazonas, in our international partner organizations in connection with grants/contracts as well as with Aktion Amazonas contract holders in general.

Aktion Amazonas acknowledges that our activities/engagements also take place in countries where corruption can be widespread due to social and economic conditions.

Aktion Amazonas expects our international partners and other grant holders to do their utmost to avoid and prevent corruption, fraud, and abuse, but at the same time, we acknowledge that they may, involuntarily, be affected by the problem.

Aktion Amazonas is of the opinion that prevention is the most important area of intervention. The objective is to reduce or eliminate any irregularities, including corruption, fraud, and abuse. If irregularities do occur, we will strive to reduce their consequences and ensure adequate and efficient follow-up, proportionate to the scope of the case.

Prevention of corruption, fraud and abuse is closely linked to developing legitimate organizations, characterized by transparency and democratic control, this also applies to our international partners and in their respective countries of intervention.

The international partner organizations should establish structures to ensure that management and employees are held accountable, for example by their own board of directors, their members, and their target groups.

1.2. Definitions

Aktion Amazonas's basic understanding of corruption is "*the misuse of entrusted power and resources for private gain*" and covers both receipt of and provision of bribery and any other type of active or passive corrupt behavior.

"Private gain" includes family members and friends, personal and work-related networks, and platforms strengthening the power of the person(s) involved. Corruption is often, but not always, an illegal and thereby punishable act.

Misuse of resources can take many forms: fraud in connection with audits, deliverables not covered by an agreement, incorrect prices or faulty equipment, incorrect invoicing of staff or equipment, bribery or acceptance of gifts, misuse of resources, fraud in connection with business trips or official journeys, theft, etc.

Similarly, abuse of entrusted power can take many different forms: psychological, physical, or sexual harassment, discrimination, unauthorized access to privileges or arbitrary/unauthorized

grants of privileges, abuse of power and relationships in recruitment processes, etc. This is further described in Aktion Amazonas' **Safeguarding Policy (PSHEA Policy)**.

1.3. Corruption in practice

Since there is no all-encompassing/generally valid definition of corrupt behavior, Aktion Amazonas has used the (non-exhaustive) list of definitions proposed by CISU as a point of departure, listing that corrupt and dishonest practice includes the following actions:

Fraud

Fraudulent and deceitful behavior refers to deliberate actions committed by a person for private gain. This includes misrepresentations, extortion, conspiracy, collusion, fraud, nepotism and favoritism, theft, embezzlement, forgery and deceptive or fraudulent reporting of costs in relation to project or any other Aktion Amazonas activities, travel expenses, daily allowances, etc.

Bribery etc.

The act of offering payment exceeding usual rates in return for special favors or to speed up case processing is corrupt behavior and practice (bribery).

Misuse of resources

Is the use of money and assets (e.g., procurement of equipment not intended for the project, failure to ensure secure storage of assets, private use of equipment, etc.) for purposes other than those mentioned in the application for funding for projects and activities as well as in general and including negligent or inappropriate maintenance of assets.

Serious irregularities

This refers to inadequate accounting, delayed or no financial reporting to Aktion Amazonas' Board, partners and donors, waste in managing physical, financial, and human resources, as well as other types of neglect caused by poor management, etc.

Accepting and offering large gifts

This refers to accepting and offering of gifts or favors that are not symbolic in nature, i.e., gifts other than pens, calendars, etc. Bringing and/or receiving minor gifts, such as cookies, scarves, etc. when visiting e.g., a partner country is acceptable, as this is a social convention. No person may, directly or indirectly, request or receive any kind of gift, service or other item of value given in return for work-related actions or omissions or which affects - or seems to affect - the performance of his/her functions, duties, or judgement. This also applies to assets transferred to third parties (spouses/partners, children, etc.).

Concealment

Concealment includes disguising or failing to disclose contract management aspects or potential conflicts of interest in collaboration with partner organizations, service providers, suppliers, and business partners. This includes any attempts to conceal close family relationships, financial interests and other significant relationships.

1.4. Definitions of suspicion, reasonable suspicion, and evidence of corruption

Suspicion of corruption may be based on:

- Lack of adequate financial reporting in terms of time/deadline and form
- Complaints from members, local leaders, etc. that they have not received reported benefits
- Inconsistency between information from reports and testimonies from members, managers, etc. in relation to implementation of activities, meetings, events etc.
- Invoices/receipts etc. with a much higher cost level than usual for the same product/service

Reasonable suspicion of corruption may be based on:

- Lack of documentation/evidence for alleged costs
- Corrections/crossing out or over by hand, different hand-writing on documents/invoices/receipts etc.
- Pronounced difference/variation in signature from the same person
- Lack of valid signatures on lists for payment of per diems, etc.
- Strong indications that signatures or documents have been forged
- Plausible testimony from sources that are close to the "case"

Evidence of corruption:

- Clear evidence of embezzlement or fraud, corroborating testimonies, confession by suspected practitioner of corruption, which is ready to be presented to the police and the judiciary.

1.5. Prevention

Aktion Amazonas must not contribute to corruption, bribery, or fraud, see above, neither actively nor passively. Irrespective of the local customary practice, Aktion Amazonas will not compromise on our integrity.

At Aktion Amazonas, we will not give, pass on, ask for or receive any gift or other favor, neither in Denmark nor abroad, if the gift or favor has more than symbolic value and if it can influence our impartiality or judgment.

Aktion Amazonas's employees should actively avoid getting into a conflict of interest between a partner organization and Aktion Amazonas. One conflict of interest can e.g., occur when the employee - or his close family member or friend - is a member of the partner organization or is employed/has a voluntary position in some form in the partner organization.

If one of Aktion Amazonas's employees is facing a conflict of interest, or they are in doubt as to whether there is a conflict of interest, the employee must immediately inform his superior for clarification.

If a person employed by Aktion Amazonas is aware that another employee of Aktion Amazonas has committed corruption, it is his/her duty to inform the superior to the person who committed the corruption.

The informant will be guaranteed confidentiality, unless otherwise agreed with the informant. Procedures for complaining and whistle blower scheme is described in Aktion Amazonas's **Wistleblower Protocol**.

If there is a suspicion of corruption committed by a Aktion Amazonas employee, Aktion Amazonas's ED and donor will be notified immediately, and they will take the necessary decisions and steps in the specific case.

An employee who has committed illegal corruption with funds entrusted to Aktion Amazonas cannot be employed by Aktion Amazonas. It is the responsibility of the ED of Aktion Amazonas to ensure a well-functioning prevention of corruption and monitor the occurrence of any corruption and irregularity in Aktion Amazonas.

1.6. Prevention of corruption in relation to grants received from MoFA through CISU

Specifically in relation to grants received from MoFA, Denmark, through Civil Society in Development (CISU), there are similar specific guidelines that Aktion Amazonas and Aktion Amazonas employees must follow to the point in relation to anti-corruption and irregularities, being part of CISU's Code of Conduct (section 5.6) cf. <https://www.cisu.dk/code-of-conduct-report-complaints>.

In the contract with CISU, Aktion Amazonas guarantees with signature, that we comply with the anti-corruption provisions of MoFA, Denmark, and/or the EU. According to the guidelines for CISU's funding schemes, Aktion Amazonas is responsible for reporting to CISU immediately if there is a reasonable suspicion of theft, fraud, corruption, abuse, or other irregularities, or if such matters have been ascertained in Aktion Amazonas or in one of Aktion Amazonas's partner organizations.

The detailed procedures for managing suspected and ascertained irregularities in connection with grants from CISU's funding schemes are also available on www.cisu.dk.

Aktion Amazonas is loyal to employees, members, and volunteers as well as in the cooperation with partner organizations abroad, and individuals/partner organizations can safely seek advice and guidance when they have a suspicion or when they have ascertained an irregularity etc. Again, the informant will be guaranteed confidentiality, unless otherwise agreed with the informant.

Aktion Amazonas actively try to prevent our partner organizations from contributing to corruption and bribery, whether actively or passively, and irrespective of the local conditions. This applies even if bribery etc. is a common feature of the local community and local customary practice.

Aktion Amazonas works actively to communicate opinions, knowledge, and methods to prevent corruption, fraud, and abuse with a view to motivating and developing the capacity of partner organizations to take real action.

This work takes place by Aktion Amazonas communicating knowledge, methods, and tools on preventing and combating corruption and fraud as well as pledging to give advice/follow-up closely in case suspicion is raised in one of Aktion Amazonas's partner organizations both in relation to a current grant agreement and/or at the organizational level in the partner organization. This includes all relevant clauses regarding grant holder's obligations e.g., taking swift and appropriate action after detecting corruption, fraud, and abuse., also as per the CISU Code of Conduct, Aktion Amazonas contracts with CISU and with partner organizations.

Therefore, when entering a contract between Aktion Amazonas and partner organizations, both parties are obliged to undertake to manage the grant in accordance with the CISU guidelines for funding schemes and the provisions of the MoFA, Denmark. This includes a duty to prevent and eliminate corruption, fraud, and abuse.

1.7. The preventive measures implemented and agreed with partner organizations

Preventive measures implemented and agreed with partner organizations abroad by Aktion Amazonas include:

- That the partner organization abroad has an accounting system that covers the entire operation of the organization and is audited annually by a state-authorized/certified public accountant. Aktion Amazonas has the right to receive the annual audit report of the entire partner organization's operations.
- Aktion Amazonas must ensure that in connection with each contractual collaboration with a partner organization, that detailed information has been prepared with tariffs for per diems, transport, accommodation etc.
- Furthermore, it should be stated in the cooperation agreement/contract with a partner organization abroad that Aktion Amazonas has the right, but not the obligation, to participate in the recruitment process for staff to be employed in full or in part by the program/project. This can either happen by being physically present or by participating in job interviews online having received candidates' CVs, etc. well in advance. The goal is to ensure that hiring takes place from professionally justified criteria as well as to advise during the process. The selection is made based on a professional justification, Aktion Amazonas does normally not oppose the partner's choice.
- Aktion Amazonas's employees must regularly carry-out financial assessments including review of the partner organization's accounting system and documentation during program visits and carry out random checks of invoices/receipts and any other type of documentation, i.e., by examining purchases and salaries in relation to local cost levels.
- Aktion Amazonas ensures that the entire partner's board is aware of the budgets and funding transferred from.
- Aktion Amazonas to the partner organization in question, and if Aktion Amazonas deems it appropriate, the entire Board of Directors may be asked to sign the cooperation agreement. Additionally, Aktion Amazonas is seeking to have contact information for key members of partner organization's Board of Directors/Executive Committee, just as the latter shall have contact information for Aktion Amazonas's international program manager/officers.
- The anti-corruption clause of CISU/MoFA, Denmark, is included in all cooperation agreements and contracts with partner organizations abroad.

1.8. Action in case of suspicion, reasonable suspicion, or evidence of corruption in relation to grants received from MoFA through CISU

In case of suspicion of corruption:

Aktion Amazonas's employees take this suspicion seriously and investigate whether there is any evidence of the rumors or the suspicion.

Because Aktion Amazonas' s partner organizations are often less strong organizations, trivial disorder/clutter in accounts occur and it is important to distinguish between this and embezzlement. In cases of disorder/clutter in accounts, Aktion Amazonas' s employees must pay special attention to whether there has been actual corruption taking place, otherwise generally advise and support the partner organization to bring order to their accounts, without a suspicious attitude. If it is a Aktion Amazonas employee or volunteer who has the suspicion, Aktion Amazonas' s ED or Head of Finance & Administration is contacted immediately.

In case of reasonable suspicion or evidence of corruption:

Aktion Amazonas will immediately freeze all payments on the program/project in question, which in practice means that no program/project funds can be paid to the partner organization abroad nor can money be used for any program/project activities. An investigation of the case is then initiated through a forensic audit (launched in collaboration with CISU if the case is connection with a CISU grant), where evidence is secured by the hired forensic external auditor.

The partner organization is to a large degree involved in the investigation, depending on who in the partner organization the suspicion falls on and the partner's Board of Directors will be asked to testify and explain what initiatives the Board of Directors intends to take in relation to the case.

Once the case has been thoroughly investigated and it has been decided whether there is corruption or not – and the partner organization has expressed in writing what they intend to do with the case – Aktion Amazonas' s management team in consultation with Aktion Amazonas' s Board of Directors will decide whether the program/project will be terminated, or implementation/funding can be resumed.

If the partner organization has sacked the person(s) responsible for the corruption, funding/ implementation may normally resume, however, it will be a burden for the partner organization if leading members or employees have been aware of the corruption without disclosing it to Aktion Amazonas.

If no clear evidence of corruption has been found, program/project funding and implementation can be fully resumed pending decision by Aktion Amazonas' s management team (based on instructions and conclusions by CISU-hired forensic audit company if in connection with a CISU grant).

If the partner organization does not want to sack the person(s) responsible for the corruption, and there is evidence of corruption, the project is terminated, and the partner organization will usually cease to be Aktion Amazonas' s partner and all collaboration will cease. If there are serious grounds for suspicion of corruption, cooperation may also be terminated indefinitely.

The decision to suspend a program/project as well as terminating all collaboration with the partner organization in question will be taken by Aktion Amazonas' s Board of Directors. In case of reasonable suspicion of, or evidence of, illegal corruption, DOF' s donor is notified immediately, and their instructions followed, e.g., in the case of a CISU grant.

Aktion Amazonas consider it good practice and an organizational strength if a partner organization which inadvertently and unintentionally becomes involved in bribery or corruption is open about its experience and takes immediate steps to follow up on the matter.

All persons, members, or employees of partner organizations, who take contact to Aktion Amazonas with a suspicion, reasonable suspicion, or evidence of corruption, will be taken seriously and guaranteed confidentiality unless otherwise agreed.

If the suspicion does not prove to be proven or not correct, no action will be taken against the informant. Procedures for complaining and whistle blower scheme is described in Aktion Amazonas's **Whistleblower Protocol**.