

# **Training Health Researchers into Vocational Excellence in East Africa (THRiVE)**



## **ANTI-FRAUD AND ANTI-CORRUPTION POLICY**

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## DEFINITIONS

**Fraudulent practice** is any act or omission, including any misrepresentation, that knowingly misleads, or attempts to mislead, a party to obtain any financial or other benefit or to avoid any obligation.

**Corrupt practice** is the offering, giving, receiving or soliciting, directly or indirectly, or attempt thereof, of anything of value to influence improperly the actions of another party.

**Collusive practice** is 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 or engaging in price-fixing.

**Coercive practise** is 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.

**Conflict of interest** is a situation in which a party has interests that could improperly influence that party's performance of official duties or responsibilities, contractual obligations or compliance with applicable laws and regulations, and that such conflict of interest, if undeclared, may contribute to or constitute fraud.

The distinguishing factor between **fraud** and **error** is whether the underlying action is intentional or unintentional.

## 1.0 BACKGROUND

Fraudulent, corrupt and/or collusive practices are contrary to THRiVE's core values. THRiVE recognizes the adverse effect that such practices could have on its activities and operations, and is committed to preventing them and taking robust action where they are found to occur. In particular, THRiVE is committed to preventing:

- i) Fraud and corruption perpetrated by THRiVE staff members and non-staff employees;
- ii) Fraud perpetrated against THRiVE by collaborating partners/collaborators, suppliers or other third parties; and
- iii) Any collusive practices among any such parties.

THRiVE is committed to transparency and accountability in the management of its resources in order to ensure the effective fulfilment of its Strategic Objectives. To this end, this Policy seeks to prevent fraudulent, corrupt and/or collusive practices through:

- i) Appropriate internal checks and balances;
- ii) Staff training and awareness;
- iii) Due diligence practices in the recruitment of THRiVE staff members, non-staff employees and the hiring of consultants; and
- iv) Effective auditing controls.

The Policy reflects the principles set out in THRiVE's Personnel Policies. The Policy is also consistent with other relevant policies and procedures.

## 1.1 INTRODUCTION

This Anti-Fraud and Anti-Corruption Policy (this "**Policy**") sets out the Training Health Researchers into Vocational Excellence in East Africa (THRiVE's) policy and procedures relating to fraud, corruption and/or collusion. The policies and procedures outlined in this document are based on and reflect the principles set out in the Human resource Manual, Financial Guidelines and other policies and procedures issued by THRiVE.

Fraudulent, corrupt and/or collusive practices are contrary to THRiVE's core values. THRiVE recognizes the adverse effect that such practices could have on its activities and operations, and is committed to preventing them and taking robust action where they are found to occur. THRiVE is committed to transparency and accountability in all its processes including the management of its resources in order to ensure the effective fulfilment of its strategic objectives. In particular, THRiVE is committed to preventing:

- i) Fraud and corruption perpetrated by THRiVE staff members and non- staff employees;
- ii) Fraud perpetrated against THRiVE by partners, suppliers or other third parties; and
- iii) Any collusive practices among any such parties.

Given that fraudulent, corrupt and/or collusive practices may occur in connection to THRiVE related activities in any partner institution, this Policy will apply. In institutions where there is such a policy, the institutional anti-fraud policy will

apply, but institutions where such a policy does not exist, then this policy will apply. To this end, this Policy seeks to prevent fraudulent, corrupt and/or collusive practices through:

- i) Appropriate internal checks and balances;
- ii) Staff training and awareness;
- iii) Due diligence practices in partner recruitment and management of THRiVE employees, hiring of consultants and students; and
- iv) Effective auditing controls.

## **1.2 BASIC PRINCIPLE AND OBJECTIVES**

THRiVE does not, and shall not tolerate any fraudulent, corrupt and/or collusive practices in the course of its operations.

The policy is to ensure that:

- a. THRiVE takes robust measures to prevent fraudulent, corrupt and/or collusive practices;
- b. THRiVE staff members and non-staff employees adhere to the highest standards of integrity;
- c. Contractual arrangements and partnerships with suppliers of goods and services, other consultants and cooperating partners are not tainted by fraudulent, corrupt and/or collusive practices;
- d. Fraudulent, corrupt and/or collusive practices are promptly detected and reported, and subjected to complete and impartial investigation;
- e. Any person or entity found to have engaged in fraudulent or collusive practices is the object of sanctions; and
- f. Action to recover misappropriated funds or losses caused by fraudulent, corrupt and/or collusive practices is taken promptly.

This Policy is divided into the following sections:

- a. Measures to prevent any fraudulent, corrupt and/or collusive practices;
- b. Roles and responsibilities of THRiVE staff members and non-staff employees;
- c. Training and disclosure programme;
- d. Reporting procedures;
- e. Investigation procedures; and
- f. Actions following breaches of this policy.

## **1.3 SCOPE**

This Policy applies to all activities and operations of THRiVE, including; any project funded by THRiVE and any project implemented under THRiVE. This Policy applies to but is not limited to:

- i) THRiVE Human resources
- ii) THRiVE grant recipients (partners, research fellows including PhD/Postdoctoral fellows, masters students, interns and Career Development Awardees)
- iii) Data and intellectual property
- iv) Collaborations and contracts (Consultants)
- v) Fixed and movable assets including data and intellectual property

Contractual arrangements between THRiVE and collaborating partners, suppliers or

other parties shall prohibit fraudulent, corrupt and/or collusive practices and refer to this Policy.

## **2.0 MEASURES TO PREVENT ANY FRAUDULENT, CORRUPT AND/OR COLLUSIVE PRACTICES**

### **2.1 Internal Control Systems**

Consistent with existing systems in place under applicable THRiVE regulations, rules, manuals and policies, all THRiVE partner institutions, shall prevent and detect fraudulent, corrupt and/or collusive practices by:

- a. Identifying areas of operations that are more vulnerable to the risks of fraudulent, corrupt and/or collusive practices;
- 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 records of transactions on file in accordance with THRiVE requirements;
- e. All institutions using THRiVE funds should maintain a complete updated fixed asset register
- f. Conducting staff and employee training on internal control systems to prevent, detect and report fraudulent, corrupt and/or collusive practices.
- g. Ensuring independent well-functioning committees to oversee relevant THRiVE activities.

### **2.2 External Audit**

An external audit will be done annually and the External Auditor will provide external oversight for THRiVE activities. The External Auditor is under obligation to report any cases of fraud or presumptive fraud or wasteful or improper use of THRiVE's resources. The following should be observed:

- a. It is expected that THRiVE institutions do under take yearly external audits that cover THRiVE funds as part of good financial practice
- b. External audits of THRiVE funds may be undertaken at the request of the funder(s)
- c. The prime institution for the grant under which THRiVE activities are covered, shall receive the annual audit report and findings from each partner institutions receiving the respective funds
- d. In order to avoid situations of double funding for the same activities, if an institution obtains funds to support THRiVE related activities that institution should declare those funds and submit reports of audit related to the portion of funds used for THRiVE activities.
- e. Institutions will be required to act on the recommendations of the audit findings

### **2.3 Internal Audit**

The internal audit function shall help to expose the risks and exposures that could allow fraud and corruption. The Internal Audit functions at each partner institution should ascertain that THRiVE's risk management processes are adequate, and that they

function in such a manner as to provide assurance on the reliability of THRiVE's accounts, and the efficient use and adequate protection of its resources. The Audit should also ascertain that the actions of staff members and non-staff employees comply with THRiVE's regulatory framework.

All THRiVE partner institutions shall subject all THRiVE resources to internal audit inspection and act on the findings.

## **2.4 Procurement and asset disposal**

Procurement and disposal of assets shall be guided by institutional and THRiVE policies. This guidance may be overridden in the event that the funder requests to use their guidelines provided they don't contravene the laws of the country. THRiVE staff members and non-staff employees involved in the procurement and asset disposal processes shall:

- a. Obtain accurate information on the business profile of any party involved in the procurement and disposal process;
- b. Ensure that contractual agreements with suppliers of goods and services or disposal of assets prohibit fraudulent, corrupt and/or collusive practices and refer to this Policy;
- c. Exercise due diligence in verifying that any contractor has not engaged in, and is not engaging in, any fraudulent, corrupt or collusive practices;
- d. Promptly report any practice that is, or is reasonably suspected of being, contrary to this Policy.; and
- e. Immediately cease any dealings with any party who is acting contrary to this Policy. Any collaborating partner, supplier or purchaser and/or other third party entering into any contractual arrangement with THRiVE, shall be required to:
  - Allow THRiVE officers access to THRiVE -specific records; and
  - Confirm that it has not, and shall not, engage in, any fraudulent, corrupt or collusive practices.
- f. Procurement and Disposal of assets shall be undertaken according to the existing institutional and the funder(s) guidelines.

## **2.5 Due Diligence in Recruitment**

Recruitment process should ensure that the best candidates for a position are selected for the position. Hiring THRiVE employees shall be consistent with applicable staff rules and other 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 to ensure Staff employed are above board and of good character and integrity.

## **3.0 ROLES AND RESPONSIBILITIES OF THRiVE STAFF MEMBERS AND NON-STAFF EMPLOYEES**

Roles and responsibilities applicable to THRiVE staff members and non-staff employees shall include the obligations to:

- a. Adhere to THRiVE's standards set forth in the Human resources Policies

- applicable to THRiVE staff and the respective partner institution, the provisions of contractual agreements entered into with THRiVE;
- b. Act at all times in accordance with the highest standards of integrity;
  - c. Under no circumstances, condone or facilitate, or appear to condone or facilitate, any fraudulent, corrupt and/or collusive practices in the course of the activities and operations of THRiVE;
  - d. Refrain from participating in any situation that may give rise to any conflict of interest;
  - e. Avoid any use of the funds, resources and/or assets of THRiVE that is contrary to this Policy;
  - f. Detect, prevent and report any fraudulent, corrupt and/or collusive practices, or any attempts thereof, in accordance with this Policy;
  - g. Exercise due care in managing the funds, resources and/or assets of THRiVE, applying established risk-control mechanisms to mitigate the risk of fraudulent, corrupt and/or collusive practices; and
  - h. Promptly report any practice contrary or reasonably suspected of being contrary, to this Policy, or any attempts thereof.

THRiVE staff shall be subject to the following obligations additional to those listed **in Section 2.4** under Procurement:

- a. Monitor and assess any internal and external risks of fraudulent, corrupt and/or collusive practices and employ risk control mechanisms to prevent such practices or propose additional mechanisms where appropriate;
- b. Raise awareness of risks of fraudulent, corrupt and/or collusive practices through ongoing training of, and guidance to, staff members;
- c. Adhere to the terms of this Policy in exercising their delegated authority to enter into contractual arrangements with any cooperating partners, suppliers and/or other third parties; and
- d. Take prompt and reasonable action to recover misappropriated funds or losses caused by fraudulent, corrupt and/or collusive practices.

Each THRiVE staff member and non-staff employee shall be accountable for:

- i) Failing to satisfy his/her respective obligations pursuant to this Policy; or
- ii) Knowingly condoning or facilitating any practice that is contrary to this Policy. Any such case shall result in administrative and/or disciplinary action.

#### **4.0 TRAINING AND DISCLOSURE PROGRAMME**

THRiVE shall develop and conduct a training and disclosure programme aimed at:

- i) Increasing awareness of the risks of fraudulent, corrupt and/or collusive practices;
- ii) Developing skills for understanding, detecting, preventing and reporting such practices.

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

## **5.0 REPORTING PROCEDURES**

As stated above, all persons to whom this Policy applies shall report promptly any action or practice that is or may be in breach of this Policy, or any attempts thereof, in accordance with the procedures outlined in this Policy.

Each THRiVE employee is required to report promptly any reasonably suspected case of any fraudulent, corrupt and/or collusive practices, or any related attempts of such practices, to the THRiVE Manager or the equivalent or to the THRiVE Director or respective institutional Co-applicant. If confidentiality is desired, staff can use the institutional whistle blower mechanisms where they exist or a THRiVE policy in case they don't. THRiVE Manager or equivalent shall report any such cases promptly to the THRiVE Director or respective institutional Co-applicant. Reports to the THRiVE Director or respective institutional Co-applicant shall be made by email, or telephone.

In the event of uncertainty as to whether any act or omission constitutes a fraudulent, corrupt and/or collusive practice, the Internal Audit function should be contacted for guidance. Any person reporting in good faith pursuant to this Policy shall be protected from retaliation, in accordance with the respective institutional Whistle-blowers' Policy.

In addition, the Internal Audit function for the respective partner Institution shall maintain confidentiality for any THRiVE staff member or non-staff employee who reports in good faith pursuant to this Policy.

## **6.0 INVESTIGATION PROCEDURE**

The respective institutional officers entrusted with the role of internal audit shall review, analyse and conduct a preliminary investigation of allegations reported pursuant to this Policy to ascertain whether they are sufficiently founded to warrant a full investigation into the report. If they are, the officers shall open an official investigation, ensuring confidentiality for the parties concerned and affording protection to any witnesses where required. Any investigation pursuant to this Policy shall be conducted impartially, fairly and thoroughly. In accordance with due process requirements, the respective institutional Internal Auditor shall report his/her findings to the THRiVE Director or respective institutional Co-applicant.

## **7.0 ACTION FOLLOWING BREACHES OF THIS POLICY**

The investigation report shall be used in any disciplinary proceedings instituted against the employee. The institutional disciplinary committee may recommend that appropriate administrative, legal and/or disciplinary action be taken against any person or entity that is found to have violated this Policy. Any such recommendation shall be included in a Final Report issued to management or the competent authorities. In addition, any reported cases pursuant to this Policy involving criminal activity may be referred to local law enforcement authorities if found to be deserving. Any such referral shall be made following consultation with the institutional Legal Office and, if necessary, after waivers of immunity have been obtained. Where a loss occurs, THRiVE may seek recovery of THRiVE funds and/or property using all means at its disposal, including through legal action.

**8.0 ACKNOWLEDGEMENT**

*The template that was used to compile this policy document was obtained from International Centre of Insect Physiology and Ecology (icipe)*



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*Chairman, THRiVE Steering Committee*

14<sup>th</sup> August

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*Date*