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Anti-Corruption/Bribery Policy

Document History

Version	Date	Description	Next Review
1	18/6/2024	Created and updated as per ACFID requirements	Before annual board meeting

If you require further information regarding this document, please contact: info@fairaction.ngo

Purpose

Fairaction International maintains a strong commitment to ethical business conduct and integrity in all its activities. Bribery and corruption not only contradict our core values but also pose significant legal and reputational risks to our organization. As such, bribery is a criminal offense that can result in severe consequences for both the organization and individual employees, including prosecution, fines, and imprisonment.

In line with our commitment to uphold the highest standards of ethics and compliance, Fairaction International adopts a "zero tolerance" approach to bribery and corruption. This policy applies to all employees, officials, and third-party representatives of Fairaction International, collectively referred to as "Fairaction International Persons."

Policy Enforcement and Responsibilities

- **Senior Management Responsibility:** The primary responsibility for implementing and enforcing this Anti-Corruption/Bribery Policy lies with senior management within their respective areas of operation. It is incumbent upon senior management to ensure that all team members understand this policy and adhere to the ethical standards and legal requirements it stipulates.

- **Communication:** Fairaction International will provide clear communication regarding this policy to ensure that all Fairaction International Persons are aware of their responsibilities and the serious implications of breaching this policy.

Actions and Prohibitions

- **Prohibition of Bribery and Corrupt Practices:** Fairaction International strictly prohibits any form of bribery or corrupt practices. This includes, but is not limited to, offering, giving, receiving, or soliciting anything of value to influence the actions of a government official or any other person in charge of a public or legal duty.

- **Gifts and Hospitality:** Fairaction International maintains clear guidelines regarding the giving and receiving of gifts and hospitality. These are designed to prevent any activities that could be perceived as bribery. All gifts and hospitality must be transparent, modest, and not influence or appear to influence the impartiality of the recipient.

Breach of Policy

- **Serious Disciplinary Actions:** Any breach of this policy is considered a serious matter and will be dealt with accordingly by Fairaction International. Disciplinary actions may include termination of employment or contracts and may extend to legal action if necessary.

- **Reporting Mechanisms:** Fairaction International encourages all employees and associated persons to report any suspicious activities or breaches of this policy through established reporting mechanisms. These mechanisms are outlined in the Whistleblower Policy, ensuring protection and confidentiality for those who report in good faith.

Review and Update

- **Regular Policy Review:** This policy will be reviewed regularly to ensure its effectiveness and relevance given the changing legal and ethical standards globally. Revisions to this policy will be made as necessary to address new risks or regulatory requirements.

This Anti-Corruption/Bribery Policy is fundamental to Fairaction International's commitment to lawful and ethical conduct. By rigorously applying this policy, we safeguard the organization's integrity and contribute to the global fight against corruption and bribery.

Scope

This Anti-Corruption/Bribery Policy extends to every individual and entity associated with Fairaction International, encompassing a broad range of roles and relationships to ensure comprehensive coverage and enforcement across all levels and activities of the organization.

Applicability to Individuals and Entities

- **Staff and Board Members:** All employees and members of the Board of Directors of Fairaction International are required to adhere to this policy. The policy's principles and guidelines are integral to their roles and responsibilities, and compliance is mandatory.

- **Volunteers:** Volunteers are vital to the operations of Fairaction International and must conduct their duties in accordance with this policy, upholding the same standards of integrity and ethical behavior expected of staff and board members.

- **Partners:** This includes all implementing partners and subsidiaries of Fairaction International, regardless of their geographic location. Partners are crucial in delivering the mission of Fairaction International and must align with our ethical standards.

Applicability to Business Relationships

- **Consultants, Vendors, and Contractors:** Any external consultants, vendors, or contractors engaged by Fairaction International must comply with this policy. Their activities and interactions with or on behalf of Fairaction International should reflect the principles outlined in this policy to prevent any instances of bribery or corruption.

- **Outside Agencies:** Agencies and other external entities doing business with Fairaction International, or its employees must also adhere to the anti-corruption and bribery standards as set forth in this policy.

- **Business Parties with Formal Relationships:** This includes any other parties that have a formal business relationship with Fairaction International. Ensuring that these parties understand and follow this policy is essential for maintaining integrity and transparency in all business dealings.

Implementation Across Geographies

Given Fairaction International's operations, including significant activities in Nigeria where corruption risks may be heightened, this policy is crucial for maintaining ethical standards and legal compliance. The scope of this policy ensures that all parties involved in or with Fairaction International, from staff to global partners, are unified in their commitment to preventing bribery and corruption.

This comprehensive approach is designed not only to comply with legal obligations but also to foster a culture of integrity that supports Fairaction International's mission of providing sustainable access to clean drinking water and enhancing community well-being. The enforcement of this policy across all levels and geographies of the organization is fundamental to protecting its reputation and ensuring the success of its projects worldwide.

Policy

Commitment to Ethical Practices

Fairaction International is unwavering in its commitment to preventing corruption and bribery, emphasizing the promotion of an ethical and transparent environment. We understand that the actions of our personnel and partners directly impact our reputation and the successful execution of our mission. As such, Fairaction International fosters a culture of trust, honesty, and integrity across all facets of our operations.

Responsibilities of Personnel and Partners

All personnel and partners of Fairaction International are expected to:

- **Uphold Integrity:** Conduct themselves with the utmost integrity, consistently demonstrating awareness of the importance of ethical practices in all their activities.

- **Adherence to Codes of Conduct:** Ensure familiarity with and compliance to Fairaction International's Code of Conduct, as well as the ACFID's Code of Conduct. These documents provide foundational guidelines for ethical behavior and decision-making.

- **Development of Controls:** Actively develop and maintain effective controls designed to prevent corrupt practices. This includes implementing robust monitoring systems and checks within their areas of responsibility to safeguard against bribery and corruption.

- **Compliance with Procedures:** Maintain a thorough understanding of and comply with all anti-corruption procedures relevant to their roles. This responsibility ensures that each individual's actions align with both organizational policies and legal standards.

- **Reporting Suspected Corruption:** Report any suspected acts of corruption or bribery as outlined in this policy. Fairaction International maintains clear reporting channels through its Whistleblower Policy, ensuring that individuals can report concerns without fear of retaliation.

Protection for Whistleblowers

Fairaction International has a duty to protect personnel who report breaches of its anti-corruption and bribery policy. We guarantee protection from retaliation, ensuring that whistleblowers are supported and safeguarded for their courage in upholding our ethical standards.

Policy Review and Updates

This policy will be reviewed regularly to ensure that it remains effective and relevant to the operational environment of Fairaction International. Revisions will be made as necessary to address new challenges or changes in compliance requirements, ensuring that our commitment to integrity and legal compliance is never compromised.

By adhering to these principles and procedures, Fairaction International reinforces its commitment to conducting operations that not only comply with legal standards but also exemplify ethical conduct. This approach is vital for maintaining the trust of our stakeholders and ensuring the long-term success of our mission to provide sustainable access to clean drinking water.

Definitions and Procedures

A. What are bribery and corruption?

- **Bribery:** Bribery involves the offer, promise, giving, demanding, or acceptance of an advantage as an inducement for an action which is illegal, unethical, or a breach of trust. Bribery can manifest in various forms but typically involves a "quid pro quo" arrangement, where both parties, or a party's designate, stand to benefit. Examples of bribery include:
    - **Direct or Indirect Promises:** Offering or authorizing anything of value, whether material or not, as an inducement for an action.
    - **Kickbacks:** The offer or receipt of any kickback, loan, fee, reward, or other advantage.
    - **Improper Influence:** Giving aid, donations, or voting in a manner designed to exert improper influence over the recipient.
- **Corruption:** Corruption refers to the misuse of office, power, or influence for private gain. This can occur in both public and private sectors and involves actions that undermine the integrity of the organizational or governmental processes.

Procedures

1. **Identification and Reporting:**

    - **Awareness and Training:** All personnel at Fairaction International must be trained to recognize signs of bribery and corruption. Training sessions will educate staff on the different forms of bribery and corruption, how to detect such activities, and the steps to follow when such actions are suspected.

    - **Reporting Mechanisms:** Employees are required to report any suspicions of bribery or corruption. Fairaction International provides a secure and confidential channel through its Whistleblower Policy to facilitate such reports, ensuring that employees can report without fear of retaliation.

2. **Investigation and Action:**

    - **Initial Assessment:** Upon receiving a report of suspected bribery or corruption, a preliminary assessment will be conducted to determine the credibility and seriousness of the report.

    - **Detailed Investigation:** If the initial assessment indicates potential bribery or corruption, a detailed investigation will be initiated. This may involve interviewing witnesses, reviewing financial transactions, and collaborating with legal experts.

    - **Disciplinary Actions:** If the investigation confirms that bribery or corruption has occurred, Fairaction International will take appropriate disciplinary actions against those involved. This could range from warnings and dismissal to legal action, depending on the severity of the misconduct.

3. **Prevention and Control:**

    - **Internal Controls:** Fairaction International will maintain robust internal controls to prevent bribery and corruption. These controls include clear procedures for procurement, transparent financial practices, and regular audits.

    - **Continuous Monitoring:** The effectiveness of anti-corruption measures will be continuously monitored. Adjustments will be made as necessary to address new risks or to improve the control environment.

4. **Documentation and Record Keeping:**

    - **Records of Incidents:** All reports of bribery and corruption, along with details of investigations and outcomes, will be securely documented and stored. These records will be accessible only to authorized personnel and will be used to improve policy and training over time.

B. Who May Be Guilty of Bribery and Corruption?

Potential Perpetrators

Bribery and corruption can be committed by various individuals within or associated with an organization, including:

- **Employees, Officers, or Directors:** These individuals can engage in bribery and corruption through their roles within the organization. They may leverage their positions to influence decisions or gain unauthorized benefits.

- **Third-Party Representatives:** Any person acting on behalf of another, such as agents, consultants, or brokers, can also be involved in corrupt practices. These third parties often handle interactions that employees might not directly manage, such as negotiations or governmental contacts.

- **Organizations:** Entire organizations can be held accountable if they authorize, permit, or facilitate others to carry out corrupt acts. This can occur through a lack of oversight, insufficient policies, or a culture that implicitly condones or encourages unethical conduct.

Likely Targets of Bribery and Corrupt Conduct

Individuals who are likely to be approached with bribes or engaged in corrupt conduct are typically those in positions that can influence business outcomes or governmental actions. These positions include:

- **Tendering and Contracting Officials:** Employees or third parties involved in the procurement and contracting processes who may manipulate decisions in exchange for personal gain.

- **Regulatory and Administrative Officials:** Government officials who handle administrative tasks such as issuing licenses, managing customs operations, overseeing tax matters, or controlling import/export activities. These individuals are critical targets because of their ability to affect the legal and operational conditions under which businesses operate.

Definition of a Government Official

For the purposes of Fairaction International's Anti-Corruption/Bribery Policy, a "government official" includes:

- **Public Officials:** Any officials, whether foreign or domestic, who hold positions in government departments or agencies.

- **Political Candidates or Party Officials:** Individuals who are actively campaigning or holding positions in political parties.

- **Representatives of Government-Owned/Majority-Controlled Organizations:** Individuals who work for organizations that the government owns or controls a majority stake in, who might be involved in public sector projects or services.

- **Public Service Representatives:** Representatives carrying out public services, such as healthcare professionals, who may interact with public funds or have influence over public health matters.

- **Employees of Public International Organizations:** Individuals who work for organizations like the World Bank or the United Nations, who have influence over large-scale international funding and projects.

- **Healthcare Professionals in Public Institutions:** Including those working for government or other public health institutions, given their influence over healthcare decisions and potential for interaction with pharmaceutical and medical device companies.

c. Bribery and Corruption Laws and Enforcement

Overview

Bribery and corruption are criminal offenses with severe penalties that can affect both organizations and individual employees. In Australia, the **Criminal Code Act** governs bribery, providing comprehensive measures against corrupt activities. In Nigeria, anti-corruption efforts are enforced under the **Corrupt Practices and Other Related Offences Act**, managed by the Independent Corrupt Practices Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC).

Key Points

- **Legal Frameworks:**
    - **Australia:** The Criminal Code Act details offenses and penalties related to bribery of both public officials and private individuals.
    - **Nigeria:** The ICPC and EFCC oversee the enforcement of laws designed to combat corruption and bribery in public and private sectors.
- **Enforcement:**

- **Australia:** The Australian Federal Police (AFP) enforces anti-bribery laws, with prosecutions handled by the Commonwealth Director of Public Prosecutions.
- **Nigeria:** The EFCC and ICPC are responsible for investigating and prosecuting corruption cases, focusing on both prevention and enforcement.

Implications for Fairaction International

Fairaction International must ensure strict compliance with the anti-corruption laws of both Australia and Nigeria, considering the International nature of our operations and the potential for cross-jurisdictional legal implications. This includes:

- **Rigorous Internal Controls:** Implementing and maintaining effective anti-corruption measures to prevent, detect, and address any instances of bribery.
- **Compliance Monitoring:** Regularly reviewing practices to ensure they align with both local and international anti-corruption regulations.

D. Bribery and Corruption Prevention

I. Risk Assessment

- **Vulnerability Analysis:** Fairaction International's management is tasked with regularly assessing the vulnerability of each business unit to bribery and corruption risks. This involves a detailed examination of operational areas, particularly those involved in high-risk regions or sectors.
- **Risk Management:** Identified risks are managed according to Fairaction International's established risk management framework. This framework outlines procedures for mitigating risks, including escalation protocols, risk mitigation strategies, and periodic review of risk status.

II. Accurate Books and Record-Keeping

- **Transparency in Financial Reporting:** Management is responsible for ensuring that all financial books and records are transparent and accurate. This includes maintaining comprehensive records that clearly reflect all transactions without any discrepancies.
- **Accountability:** Ensuring the integrity of financial reporting is crucial for preventing financial mismanagement and corruption. Regular audits and reviews are conducted to maintain this level of transparency and accountability.

III. Effective Monitoring and Control

- **Internal Controls:** Management must implement and maintain robust internal controls designed to prevent bribery and corruption. These controls are crucial for safeguarding the organization against corrupt activities and ensuring compliance with anti-bribery laws.

- **Employee Education and Training:** A key component of effective control is the ongoing education and training of employees regarding their roles in preventing bribery and corruption. Fairaction International commits to providing regular training sessions to educate employees about ethical practices, the signs of corruption, and the steps to take if corruption is suspected

E. Key Risk Areas for Bribery and Corruption

I. Gifts, Entertainment, and Hospitality

Gifts, entertainment, and hospitality activities can pose significant bribery and corruption risks, particularly when they influence or appear to influence decision-making. Fairaction International upholds strict guidelines to manage these risks:

- **Acceptable Practices:**
    - Activities such as receiving or offering gifts, meals, or invitations to events are permissible only if they do not compromise or appear to compromise our objective business judgment.
    - Such interactions must comply with applicable laws and industry codes and should not be extravagant.
- **Prohibited Practices:**
    - Fairaction International personnel must avoid any gifts or entertainment that might influence or appear to influence their decision-making capabilities.
    - As a general rule, providing or receiving gifts from government officials is prohibited unless under exceptional circumstances where the gift is part of an important local or cultural custom, is nominal in value, and is allowed by law.
- **Evaluation Guidelines:**
    - Before accepting or offering any gift or hospitality, personnel should consider:

        - The intent behind the gesture — is it solely to build a relationship or otherwise?
        - Public perception — how would it look if the details were publicly disclosed?
        - Equity — would it be considered fair if roles were reversed?
    - If any answer raises concerns, the action should be reconsidered as it may be perceived as improper.

II. Facilitation Payments

- **Policy on Facilitation Payments:**
    - Fairaction International strictly prohibits facilitation payments. These are typically small payments made to expedite routine governmental actions to which the payer is legally entitled, such as processing permits or licenses.

III. Political, Charitable Donations, and Sponsorships

- **Guidelines for Donations and Sponsorships:**
    - No contributions, whether direct or indirect, should be made to political parties or figures to gain an improper business advantage.
    - All charitable donations and sponsorships must be transparent and not used as a guise for bribery. They must comply with local laws and the ethical standards of Fairaction International.

IV. Use of Third-Party Representatives

- **Managing Third-Party Risks:**
    - The involvement of third-party agents, distributors, consultants, or joint venture partners can increase the risk of bribery and corruption.
    - Fairaction International requires:
        - Thorough background checks and assessments of third parties to understand their reputation and business practices.

- Clear understanding and documentation of the services provided by third parties, including compensation and payment terms.
- Continuous monitoring of third-party transactions to ensure compliance with Fairaction International's policies and local regulations.

Monitoring and Enforcement

- **Continuous Assessment:** Regular assessments and audits will be conducted to ensure compliance with these guidelines.

- **Training and Awareness:** Ongoing training will be provided to all employees and third-party representatives to reinforce understanding and adherence to these anti-corruption measures.

- **Reporting Mechanisms:** Employees are encouraged to report any suspicious activities or breaches of policy through established channels, ensuring transparency and accountability.

By adhering to these guidelines, Fairaction International commits to maintaining the highest standards of integrity and ethical conduct in all its operations, effectively managing the risks associated with bribery and corruption.

Raising a Concern

Responsibility to Report

At Fairaction International, all staff, Board members, and partners are obligated to assist in detecting, preventing, and reporting not only instances of bribery and corruption but also any other suspicious activities or wrongdoings that might impact the organization's operations. This includes acts of fraud, misuse of resources, or any conduct that goes against the principles of ethical business practices.

Reporting Channels

- **Direct Reporting:** Individuals should report any concerns or suspicions initially to their immediate supervisor or manager. This is often the fastest way to address a concern at the operational level.

- **Escalation to Senior Management:** If the concern involves or implicates the immediate supervisor or if the initial response is unsatisfactory, the matter should be escalated to higher management, including the CEO.

- **Concerns Involving Senior Management:** In cases where the report involves suspected actions by the CEO, the concern should be directed to the Chairperson of the Board. This ensures impartiality and proper handling of the complaint.

- **Alternative Reporting Channels:** Recognizing that some individuals may feel uncomfortable reporting issues through direct managerial channels, Fairaction International maintains a confidential and secure whistleblower policy. This policy provides an alternative pathway for reporting concerns anonymously, without fear of retaliation or bias.

Whistleblower Policy

- **Accessibility:** The whistleblower policy is designed to be accessible to all staff and partners, providing clear guidelines on how concerns can be raised anonymously.

- **Protection:** Fairaction International is committed to protecting the rights and identities of all individuals who report concerns under the whistleblower policy. The organization ensures that reporters are not subjected to retaliation, discrimination, or adverse employment consequences.

Response to Reports

- **Prompt Evaluation:** Upon receiving a report of bribery, corruption, or any wrongdoing, Fairaction International will act swiftly to assess and investigate the matter. This ensures that any issues are addressed promptly and appropriately.

- **Transparency and Feedback:** The organization commits to maintaining transparency with the reporting individual (where their identity is known and disclosure does not compromise confidentiality), providing updates on the progress and outcomes of the investigation.

Commitment to Ethics and Integrity

Fairaction International is dedicated to upholding the highest standards of ethics and integrity. By providing robust and accessible reporting mechanisms, the organization fosters a culture of transparency and accountability, ensuring that all staff and partners can work in an environment that supports honest and ethical conduct.

Related Documents

To complement and strengthen our Anti-Corruption/Bribery Policy, Fairaction International refers to the following key documents:

- **Whistleblower Policy:** Provides a confidential reporting system for unethical behavior or policy violations.
- **Complaints Policy:** Outlines the procedures for handling and resolving complaints.
- **Fraud Control Policy:** Details measures to detect and prevent fraud across the organization.
- **Counter-terrorism and Anti-Money Laundering Policy:** Addresses the prevention of terrorism financing and money laundering activities.