


*Supporting older people and their family members to achieve a better life*



## Anti-Fraud Policy

### VERSION (2)

### 2021

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## Introduction

For VOP-FAM as a humanitarian and not-for-profit NGO, honesty lies in the heart of all our activities. We believe that transparency and reliability must comprise an important part of VOP-FAM's policy and any counter action to these principles must be immediately and seriously dealt with. These misconduct actions can all be subsumed under CORRUPTION. We are committed to an anti-fraud culture in all our activities and any action related to our organization whether directly or indirectly. VOP-FAM, therefore, adheres to the principles of neutrality, political and religious impartiality, transparency and anti-discrimination.

VOP-FAM works on the basis of providing equal opportunities to all vulnerable communities and groups. VOP-FAM works on both the humanitarian and relief programme and commits itself to the response to all emergency

situations and all developmental concerns within communities in need of support through investing in people and their potential abilities.

### 1. VOP-FAM's Core Values

**Neutrality:** VOP-FAM adheres to the principles of impartiality, and objectivity and makes no decisions based on decided views or existent feelings.

**Solemnity:** VOP-FAM is serious in all its activities both on the level of management and implementation. It takes good care of the process of planning, leading, implementing, monitoring and evaluating all its programs through continuous and professional work.

**Sincerity:** VOP-FAM believes in integrity and honesty. VOP-FAM shows its readiness to face any work breaching these two principles.

**Non-Discrimination:** On all work levels VOP-FAM **DOES NOT** discriminate on the bases of religion, color, race or any other related issues.

**Dedication, Inspiration and Impact** VOP-FAM dedicated all its abilities and potentials to achieve the best results and make the best impact through inspiring all those who it deals with and works for and with.

### 2. VOP-FAM's main principles of Anti- Corruption

VOP-FAM's main principles of anti-corruption and anti-fraud are the following:

**Anti-corruption and Anti-Fraud:** VOP-FAM have a zero tolerance to any kind of corruption and fraud. It does not support any fraudulent act whether directly or indirectly and makes the necessary measures to avoid such kind of act within its program and administration.

**Transparency and Accountability:** VOP-FAM commits itself to be fully accountable and transparent towards its beneficiaries, partners and donors by making information related to the management and allocation of its funds accessible whenever needed and required.

**Professionalism:** VOP-FAM's main focus strategy is professionalism at all work levels and adopts the most suitable work mechanism to achieve the professional standards.

### 3. Main Aims of This Current Policy

The following is a policy that

- a) defines corruption,
- b) presents disciplinary procedure to VOP-FAM staff to adhere to the principles of openness and Anti-Corruption policy,
- c) clarifies the methods of dealing with this misconduct and reporting it wherever and whenever it occurs.
- d) and presents the aims of this policy.

### 4. Scope of the Policy

This policy applies to any irregularity, or suspected irregularity, involving VOP-FAM's governance body, administrative body, employees, beneficiaries as well as consultants, suppliers, service contractors, volunteers, partners and sub-grantees.

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to VOP-FAM.

## 5. Statement of the Policy

In case of occurrence of fraud or corruption, VOP-FAM will not accept it and will treat it with the utmost seriousness. Each case will be thoroughly investigated and dealt with appropriately. Investigations will take place and disciplinary acts will be taken which could take the form of dismissal and legal action. VOP-FAM may report serious and/or illegal acts of fraud to the police.

This policy must be considered with VOP-FAM's other policies

## 6. Definitions

- **Fraud:** any theft or misuse of VOP-FAM's funds or properties that could or could not be accompanied by misuse of documents to conceal the theft.
- **Corruption:** acts varying from theft to false accounting
- **VOP-FAM's governance body:** The Board of Directors
- **VOP-FAM's administrative body:** The five members elected by the board of directors to administer the organization and the implementation of the program
- **Employees:** Anybody recruited by VOP-FAM on a contract basis.
- **Beneficiaries:** The term 'beneficiaries' refers to any person who benefits, directly or indirectly from VOP-FAM's program.
- **Consultants:** a "consultant" is a third party, individual or group, with or without legal personality, who directly or indirectly provides any type of consulting services to VOP-FAM e.g. legal, executive, financial, administrative etc.
- **Suppliers:** 'Supplier' is a third party, individual or group, with or without legal personality, who directly or indirectly provides any type of goods to VOP-FAM.
- **Service contractors:** Service contractors are a third party, individual or group, with or without legal personality, who directly or indirectly provides any type of services to VOP-FAM
- **Volunteers:** "volunteer" is a third party, individual or group, with or without legal personality, who volunteers to work with VOP-FAM
- **Partners:** Under the terms of this policy, a "partner" is a third party with legal personality who signs a partnership agreement with VOP-FAM for the implementation of part of its program.
- **Sub-grantees:** Under the terms of this policy, a "sub-grantee" is an individual or group, with or without a legal personality, who receives a budget to carry out a project or/ activity.

1. Fraudulent acts consist of but are not limited to
2. Acts that involve dishonesty.
3. Theft or misuse of any of VOP-FAM's funds or financial resources.
4. Misuse of VOP-FAM's properties or assets.
5. The use of VOP-FAM's resources for a personal gain
6. Taking gifts, and or money from a third party with the aim of making a personal gain i.e. 'bribes'
7. Document forgery.
8. Signature's forgery.
9. Removal or alternation of documents with the aim of concealing a misconduct.
10. Disclosure of confidential documents.
11. Falsification of costs.

12. Provision of falsified information.
13. Favoritism, and nepotism.

## 7. Information and Adherence to this Policy

1. This policy is published under the authority of VOP-FAM. VOP-FAM staff, as well as the other entities referred to in point 4 of this policy, are required to conduct themselves in accordance with this policy and must therefore be aware of and have understood its provisions and any changes. When they are unsure of how to proceed, they should seek the advice of a competent person, notably their line manager.
2. VOP-FAM staff, as well as the other entities referred to in point 4 of this policy, who are responsible to negotiate the terms of conditions of employment of any VOP-FAM staff, must ensure that staff is aware of and commits to the full respect of this policy.
3. It is the responsibility of VOP-FAM staff with managerial responsibilities, as well as the other entities referred to in point 4 of this policy, to ensure that staff under their supervision comply with this policy; and to take or propose appropriate disciplinary measures as sanction against any violations of its provisions.
4. This policy shall form part of the working conditions of VOP-FAM staff and the conditions for the performance of the missions of the other entities referred to in point 4 above of this policy from the moment they certify that they have read it.
5. VOP-FAM will review the provisions of this policy at regular intervals.

## 8. The Purpose of This Policy

The purpose of this policy is to:

1. Implement anti-fraud, bribery and corruption mechanisms through prevention, reporting, action, investigation and sanction procedures for VOP-FAM staff and the other entities referred to in point 4 of this policy.
2. Specify the ethical rules on anti-fraud, bribery and corruption that VOP-FAM staff and the other entities referred to in point 4 of this policy must observe.
3. Inform third parties of the conduct that they are entitled to expect from VOP-FAM staff and the other entities referred to in point 4 of this policy.

## 9. General Principles

### Neutrality

VOP-FAM staff, as well as the other entities referred to in Point 4 of this policy, must fulfil their duties in a neutral and apolitical manner, in accordance with the law, legitimate instructions and ethical rules relating to their roles.

### Impartiality

In the context of their professional roles and/or their missions, VOP-FAM staff, as well as the other entities referred to in Point 4 of this policy, must act in accordance with the law and exercise their discretionary power in an impartial manner, taking into consideration only relevant circumstances into consideration.



### Confidence of Stakeholders

VOP-FAM staff, as well as the other entities referred to in Point 4 of this policy, have a duty to conduct themselves at all times in a way that reflects and upholds VOP-FAM's values of integrity, impartiality and efficiency and contribute to strengthen the confidence of all stakeholders.

### Hierarchical Responsibility

VOP-FAM staff report to their immediate line manager and/or the head of their functional department, or in case of absence of these two, the matter will be reported to the VOP-FAM Director

### Confidentiality

Duly considering the stakeholders' potential right to access information, VOP-FAM staff, as well as the other entities referred to in Point 4 of this policy, must process all the information and all the documents acquired during or as part of the exercise of their duties with the necessary confidentiality.

### Political or public activity

1. Subject to respect of fundamental and constitutional rights, VOP-FAM staff must ensure that their personal participation in political activities or their involvement in public or political debates does not alter the confidence of stakeholders, international, national or local authorities, or VOP-FAM, with regard to their ability to complete the mission fairly and impartially.

2. In the performance of their duties, VOP-FAM staff must not use the resources for partisan purposes.

### Protection of Privacy

All the necessary measures must be taken to ensure that the privacy of VOP-FAM staff and of the other entities referred to in Point 4 of this policy, is appropriately respected; as a result, the declarations provided for this policy must remain confidential, unless otherwise provided for by the Iraqi, KRI and VOP-FAM related laws.

### Information held

1. Considering the general framework of international law regarding access to information held by private individuals, VOP-FAM staff and the other entities referred to in Point 4 of this policy should disclose information only in respect to the rules and requirements applicable to VOP-FAM.

2. VOP-FAM staff and the other entities referred to in Point 4 of this policy must take appropriate measures which could take the form of saving the information on a disk kept somewhere only he/she is aware of, acting according to non-disclosure agreement or any law issued for the purpose to guarantee the security and confidentiality of the information for which they are responsible or of which they are aware.

3. VOP-FAM staff and the other entities referred to in Point 4 of this policy must not seek access to information which would be inappropriate for them to have. VOP-FAM staff, as well as the other entities referred to in Point 4 of this policy, must not make inappropriate use of the information they may obtain in or as part of the exercise of their duties.

4. In the same way, VOP-FAM staff and the other entities referred to in Point 4 of this policy must not retain professional information that may or should be legitimately circulated, or circulate information they know, or have reasonable grounds to believe, is inaccurate or misleading.

5. For the purposes of this policy, this article should be read in conjunction with point 11 E.1 of this policy.

### Professional Resources

In the exercise of their discretionary power, VOP-FAM staff and the other entities referred to in Point 4 of this policy must ensure that the staff and the property, facilities, services and financial resources entrusted to them are managed and used in a useful, effective and economic manner. They must not be used for private purposes, unless this is authorized in writing.

### Responsibility of line managers

1. VOP-FAM staff in charge of supervising or managing other VOP-FAM staff must do so in accordance with the policies and objectives of VOP-FAM. They are responsible for responding to acts and omissions of staff under their supervision who violate these policies and objectives, and to take due diligence measures expected from a person in their position to prevent such acts or omissions.
2. VOP-FAM staff tasked with supervising or managing other VOP-FAM staff must take the necessary measures to prevent staff under their supervision from engaging in acts likely to generate fraud, bribery and corruption. These measures may be: to draw attention to and implement the laws and regulations; to ensure adequate training related to anti-fraud, bribery and corruption, do appraisals and to set an example of integrity through their personal conduct.

## 10. Anti-Corruption and Anti-Fraud Mechanisms

### A) Prohibition of All Acts of Corruption

1. VOP-FAM staff and other entities referred to in point 4 of this policy must not engage, directly or indirectly, in any act of corruption or fraud within the meaning of this policy.
2. In no event shall VOP-FAM staff and other entities referred to in point 4 of this policy take undue advantage of their professional position for their personal benefit.

### B) Corruption Prevention and Identification Mechanisms

#### 1. Importance of prevention

Fully aware that corruption can be avoided most effectively by creating an organizational culture of careful and responsible use of money, VOP-FAM has developed a series of preventive mechanisms and internal control systems aimed at preventing and identifying fraud and corruption, notably included in the Finance, Logistics, Human Resources, Audit manuals.

#### 2. Prevention and identification mechanism

- VOP-FAM developed a number of mechanisms which aim at preventing corruption, such as:
- Providing VOP-FAM staff and the other entities referred to in point 4 of this policy, with a clear sense of purpose and direction and inspiring them to be guided by VOP-FAM's core values and policies;
- Putting in place appropriate controls, in particular accounting controls, and checking that such controls are working - in a way that empowers field staff to make good judgements. This also means providing staff with the training;

Identifying risk factors throughout the project or program cycle and throughout the supply chain; recognizing their likelihood, understanding the consequences; and setting up appropriate countermeasures;

- Making sure that field staff maintain a respectful dialogue with beneficiaries and any other stakeholders. This will be through the M&E department evaluation and monitoring and the complaints boxes. Accountability to beneficiaries is a particularly effective way of reducing the risk of corruption;
- Setting up training for managers and staff most exposed to the risks of corruption, fraud and influence peddling;
- Implementing evaluation procedures for VOP-FAM's partners by conducting due diligence, particularly with regard to their anti-corruption and anti-fraud commitments.

### **C) Duty to report (Reporting Obligations)**

1. VOP-FAM has adopted an approach that promotes and ensures transparency within the organization and has set up a Transparency focal point who is the HR and can be reached via a specific email address: [hr@vopiraq.org](mailto:hr@vopiraq.org).
2. VOP-FAM staff and other entities referred to in point 4 of this policy, who believe that they are required to act unlawfully, improperly or unethically, which may be in violation of this policy or otherwise inconsistent with this policy, should report it to their line manager and/or personal contacts within VOP-FAM and in any case through [hr@vopiraq.org](mailto:hr@vopiraq.org).
3. VOP-FAM staff and the other entities referred to in point 4 of this policy must report to their line manager and/or personal contacts and in any case through [hr@vopiraq.org](mailto:hr@vopiraq.org) any evidence, allegation or suspicion of illegal or criminal activity concerning VOP-FAM of which they are aware in or as part of the exercise of their duties. The investigation of the reported facts is the responsibility of VOP-FAM, in accordance with point 11 (C) of this policy.
4. If it is not appropriate to report to the line manager, VOP-FAM staff should report to the senior management of their team or department and in any case through [hr@vopiraq.org](mailto:hr@vopiraq.org).
5. If the HR is the person under complaint, the complaint should be raised to the VOP-FAM Director or the Program Manager via the email address [haveenb@vopira.org](mailto:haveenb@vopira.org)
6. VOP-FAM may, within the framework of its contractual and/or legal obligations, be obliged to inform concerned donors and, if necessary, relevant external authorities, of cases of corruption after these have been proven as such by an internal investigation.
7. VOP-FAM must ensure that VOP-FAM staff who reports a case as described above on the basis of reasonable suspicions and in good faith does not suffer from any harm as a result.
7. Cases of misuse of complaint mechanisms may be subject to disciplinary actions set by a committee formed for the purpose from HR will be a member.
8. VOP-FAM must take necessary measures to guarantee the confidentiality of the author of a report and other persons concerned.

### **D) Conduct in the event of corruption**

Since VOP-FAM staff and the other entities referred to in point 4 of this policy are generally the only ones who know if they are confronted with an attempt at bribery, they are personally liable for:

- being attentive to any actual or potential corruption;
- taking measures to avoid such an act;
- in accordance with point 10 (C) of this policy, informing his or her line manager and/or personal contact within VOP-FAM and in any case [hr@vopiraq.org](mailto:hr@vopiraq.org) of any act of corruption as soon as he or she becomes aware of it;
- complying with any final decision requiring him/her to withdraw from the situation giving rise to such an act.



If VOP-FAM staff and other entities referred to in point 4 of this policy are offered an undue advantage, they must take the following measures to ensure their protection:

- refusing the undue advantage; it is not necessary to accept it in order to use it as evidence;
- try to identify the person who made the offer;
- avoid prolonged contact, although knowledge of the reason for the offer may be useful in a statement;
- if the gift cannot be refused or returned to the sender, it must be kept and handled as little as possible;
- try to have witnesses, for example colleagues working in the vicinity;
- draw up as soon as possible a written report on this attempt and communicate it to his or her line managers;
- in accordance with point 10 (C) of this policy, report the attempt as soon as possible to his line manager and in any case through [hr@vopiraq.org](mailto:hr@vopiraq.org);
- continue to work normally, in particular on the case on which the undue advantage was offered.

Any significant gifts that could not be refused must be given to the organization with the written report.

It should be noted that in the event of a direct request for facilitation of payments, the following mechanisms may be put in place:

- explain that this type of practice is contrary to VOP-FAM's policy;
- refuse to pay;
- record the proposer's name and request an official card;
- report the fraud/corruption attempt to the coordination and in any case to [hr@vopiraq.org](mailto:hr@vopiraq.org).

VOP-FAM must ensure that VOP-FAM staff and other entities referred to in point 4 of this policy who reports a case as described above on the basis of reasonable suspicions and in good faith does not suffer from any harm as a result.

VOP-FAM considers the security and safety of its staff to be of paramount importance. In situations of serious coercion and in the event of serious and imminent danger to the physical integrity or safety of persons, VOP-FAM staff and other entities referred to in point 4 of this policy must not endanger themselves or others by strictly complying with this policy. VOP-FAM strives to prevent its staff from becoming victim of such situations. However, if they do occur, these incidents should be reported in a timely manner to VOP-FAM's coordination and, in any case, through [hr@vopiraq.org](mailto:hr@vopiraq.org).

## **E) VOP-FAM's investigations mechanisms**

### **E.1 Investigations by VOP-FAM**

1. In accordance with Point 4 of this policy, VOP-FAM staff and other entities referred to in point 4 of this policy must inform their line manager and/or personal contacts, and in any case through [hr@vopiraq.org](mailto:hr@vopiraq.org) of any suspicions of corruption.

An e-mail reply is sent by [hr@vopiraq.org](mailto:hr@vopiraq.org) upon receipt of the complaint, that:

- informs of the foreseeable time and the necessity to examine its admissibility and the modalities according to which the reporter is informed of the follow up to their report;
- details the process to be followed in cases of suspected corruption

- Requests, where appropriate, more information to clarify and assess the complaint.
- 2. The management of the complaint is carried out the VOP-FAM headquarters level according to the assessment of the complaint. This evaluation is carried out by the Transparency focal point who is the HR at VOP-FAM headquarters upon receipt of the complaint on [hr@vopiraq.org](mailto:hr@vopiraq.org).
- 3. VOP-FAM staff and other entities referred to in point 4 of this policy shall:
  - cooperate with any investigation conducted by VOP-FAM;
  - keep records of any alleged involvement in the case that it may be required for an investigation;
  - maintain the confidentiality of all allegations.
- 4. VOP-FAM records the details of each proven case of fraud/corruption and the action taken in a register of fraud cases and corruption.

## E.2 Investigation Authority

The HR focal point in coordination with the VOP-FAM senior management will form a committee ( from the VOP-FAM staff and maybe the Board of Directors) that will be responsible for the independent oversight of VOP-FAM's anti-fraud, bribery and corruption policy and is responsible for its implementation and for promoting transparency within the organization. In particular, the formed team is responsible for managing the corruption issue occurred within VOP-FAM.

## E.3 Specific Audits of corruption and financial irregularity

1. Audits on specific frauds and financial irregularities are intended to verify the existence and extent of suspected fraud and financial irregularities. These investigations may be carried out at the request of the Transparency focal point ( the HR) and the committee he/she forms in coordination with the VOP-FAM senior management or any other member of VOP-FAM top management.
2. These investigations can be conducted at the VOP-FAM headquarters, depending on the evaluation of the complaint by the Transparency focal point at VOP-FAM's headquarters.
3. The investigation team, led by the HR focal point or by any other member of the top management of VOP-FAM, shall exercise the utmost discretion when carrying out an audit on fraud or financial irregularity.
4. All inquiries will be communicated in writing to the Transparency focal point ( the HR) at VOP-FAM headquarters.

## F. Law enforcement mechanism of corruption

### F.1 Measures following fraud, bribery and corruption investigations

Investigations conducted under this policy may have the following consequences:

- **Disciplinary sanctions:** The violation of the present policy, which constitutes in particular a violation of VOP-FAM's Code of Conduct, may result in sanctions ranging from warning to termination of the employment contract for serious misconduct, with no notice and no payment of compensation.

● **Loss Compensation:** Where VOP-FAM has suffered losses, the total restitution of any undue profits or benefits obtained and the recovery of costs will be sought from the individual(s) or organization(s) responsible for the loss. In the event that the individual or organization is unable or unwilling to make good the damage, civil proceedings will be considered to recover the losses.

● **Criminal Prosecution:** VOP-FAM may refer fraud cases to relevant law enforcement authorities to initiate legal proceedings. The local context as well as the human rights consequences following the implementation of such lawsuits against those involved will be taken into account. In all cases, the final decision on whether or not to take legal action will be taken by the committee formed by the Transparency focal point and VOP-FAM Directorate.

● **Lessons learned and improvement of internal controls:** A fraud investigation can potentially point to supervisory errors and/or a loophole and/or lack of control; all the measures to be taken to improve systems must be documented in the investigation report and implemented when the report is finalized.

## 11. Implementation of the policy

● This Anti-Fraud, Bribery and Corruption Policy comes into effect after approval by the Board of VOP-FAM on May 20th, 2020.

● VOP-FAM staff and the other entities referred to in point 4 of this policy certify that they adhere to these principles by signing the VOP-FAM Policy Acceptance Form and/or by signing their employment contract.