



Whistle Blowing and Fraud Prevention Policy

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1. Policy objective

The purpose of this policy is to provide guidelines that help in prevention, detection and deterrence of fraud.

Any act of fraud and corruption in Amref Health Africa's activities depletes funds, assets and other resources necessary to fulfill the organisation's mandate. Fraudulent and corrupt practices can also seriously damage Amref Health Africa's reputation and diminish donors' trust in its ability to deliver results in an accountable and transparent manner. Furthermore, it may affect staff and personnel effectiveness, motivation and morale, and impact on the organisation's ability to attract and retain a talented work force.

2. Scope and application

This policy applies to all forms of irregularities involving employees, consultants, service providers and implementing partners dealing with the organisation. Amref Health Africa has zero tolerance for fraud and unethical practices.

All incidents of fraud and corruption are to be reported, and will be assessed and, as appropriate, investigated when applicable. Amref Health Africa will rigorously pursue disciplinary and other actions against perpetrators of fraud in accordance with the Human Resources Policy, including recovery of financial loss suffered by the organisation.

Amref Health Africa is committed to preventing, identifying and addressing all acts of fraud and corruption by raising awareness of fraud risks, implementing controls aimed at preventing and detecting fraud, and enforcing this Policy.

3. Definition of fraud and corruption

Fraud – “use of deception with intention of obtaining an advantage (real or perceived), avoiding an obligation or causing loss to another party, in this case, to Amref Health Africa.” It can be perpetrated by persons outside as well as inside an organisation.

Corruption – “offering, giving, soliciting or acceptance of an inducement or reward which may influence a person to act against the interests of the organisation”

For the purposes of this policy, fraud shall include, but is not limited to:

- Theft or misappropriation of organisational assets;
- Submitting false claims for payment or reimbursement;
- Accepting or offering a bribe, or accepting gifts or other favours under circumstances that might lead to the inference that the gift or favour was intended to influence an employee's decision-making while serving the organisation;
- Accepting a commission from, or paying the same to a third party (kickbacks);
- Blackmail or extortion;
- Manipulation of accounting records, “Off book” accounting, or making fictitious entries;
- Knowingly creating and/or distributing false or misleading financial reports;
- Theft of intellectual property, whether from Amref Health Africa or external sources;
- Payment of excessive prices or fees where justification thereof is not documented;
- Violation of organisation procedures with the aim of personal gain or to the financial detriment of the organisation;
- A dishonourable, irresponsible, or deliberate act against the interest of the organisation;
- Using another person's IT identity or password, or creating false identities/passwords, without consent or authority to manipulate processes or cause the approval or denial of actions;
- Computer fraud including manipulation of systems, altering data and cyber-crime;
- Failure by a person to declare and/or remove him or herself from a situation where there is a conflict of interest;
- Collusion or any other anti-competitive scheme among suppliers during a procurement process;

- Processing the cost of personal travel as part of an official travel;
- Abuse of position of power to benefit oneself or another party, or to improperly discriminate against another party.

4. Fraud prevention measures

4.1 Fraud awareness

Staff members, non-staff personnel, vendors, implementing partners and responsible parties must be aware of their responsibility to prevent fraud and corruption. In this regard, managers are to raise awareness of this policy, and reiterate the duty of all staff members to report instances of fraud and corruption, as stipulated in this policy. Managers are also required to make non-staff personnel, vendors, implementing partners and responsible parties contracted/engaged by their respective offices aware of this policy.

4.2 Building fraud prevention into programme and project design

When developing a new programme or project, it is important to ensure that fraud risks are fully considered in the programme/project design and processes. This is especially important for high-risk programmes/projects, such as those that are complex or operate in high-risk environments. These programme/project risk logs shall be communicated to relevant stakeholders together with an assessment of the extent to which risks can be mitigated.

Programme and Project Managers are responsible for ensuring that the risk of fraud and corruption is identified during the programme/project design phase. They are to consider how easily fraudulent acts might occur and be replicated in the day-to-day operations. They are also to evaluate their impact, and the effectiveness of the measures taken to mitigate risks, including systemic monitoring actions. Informed decisions can then be made on additional mitigating actions.

4.3 Management of the risk of fraud and corruption

The risk of fraud and corruption is assessed and managed in accordance with Amref Health Africa's Risk Management Policy. Managers shall identify and assess the risks in their programme or project areas, including the risk of fraud and corruption, and apply mitigating measures, taking due account of the level of risk involved. Because it is impossible to eliminate all risks, good risk management requires a sound balance of the following aspects: assessment, mitigation, transfer or acceptance of risks. These risks shall be communicated to relevant stakeholders, together with an assessment of the extent to which risks can be mitigated.

Managers shall be vigilant in monitoring irregularities and the risk of fraud. Where managers are concerned about the level of fraud risk within a programme, project, or management service agreement activity, they may consult internal audit for its consideration as to whether a proactive investigation by internal audit is justified. Proactive investigations aim to identify and control an existing (but yet unidentified) risk of fraud or financial irregularity.

4.4 Application and adherence to codes of conduct and statement of business ethics

Amref Health Africa staff members must be guided by the standards of conduct prescribed in the organisation's code of conduct and statement of business ethics.

Managers must ensure that all staff members take the mandatory online Ethics Training and code of conduct courses. These are available in the Learning Management System (LMS). They should also take periodic refresher ethics training courses, in person or online.

Similarly, vendors and service providers participating in a procurement process, accept to abide by the organisation's statement of business ethics. They are required to actively ensure that they observe the set principles of ethical conduct regarding zero tolerance to unethical practice, conflict of interest, sustainability and gifts and benefits. They are required to report any instances of wrongdoing.

5. Roles and responsibilities

All Amref Health Africa staff members have critical roles and responsibilities in ensuring that fraud is prevented, detected and dealt with promptly. They are responsible for safeguarding resources entrusted to the organisation and for upholding and protecting its reputation. Similarly, all vendors, service providers, implementing partners and responsible parties shall be held to the highest ethical standards, and should report to Amref Health Africa any acts of fraud and corruption.

5.1 Staff members

Staff members must understand their roles and responsibilities, and how their job functions and procedures are designed to manage fraud risks, and how non-compliance may create an opportunity for fraud to occur or go undetected. Staff members have the obligation to complete all mandatory trainings, and to keep themselves informed of new policies, and report immediately any evidence of practices that indicate fraud or corruption may have occurred.

Fraud and corruption, if committed by a staff member, constitutes misconduct for which a disciplinary measure may be imposed, including termination, in accordance with the Human Resources Policy.

Additionally, managers are expected to act as role models and through their actions and behaviours set the tone for the rest of the organisation. They should foster a culture of zero tolerance for fraud and corruption, and ensure that any practices not aligned with this Policy are dealt with expeditiously. They are required to go beyond compliance with relevant organisational policies and procedures, and to take proactive steps to prevent and identify potential fraud and corruption.

Managers who fail to take appropriate action or who tolerate or condone fraudulent activities or corruption will be held accountable.

5.2 Implementing partners

Implementing partners must take appropriate steps to prevent fraud and corruption, and ensure that anti-fraud policies are in place and applied to all projects or programmes that receive funding from Amref Health Africa. All credible allegations of fraud and corruption in connection with the implementation of activities funded by Amref Health Africa should be investigated.

Where the implementing partner becomes aware that Amref Health Africa has provided or is to provide funds to an activity that is the focus of an investigation for alleged fraud/corruption, the implementing partner will (i) promptly advise Amref Health Africa of its investigations; and (ii) cooperate and provide Amref Health Africa regular updates on the status of investigations confidentially. In cases where funds have already been provided by Amref Health Africa, the implementing partner will make every effort to recover all funds that it determines were diverted through fraud, corruption or other financial irregularities, and remit the questioned amount to Amref Health Africa.

6. Reporting fraud or Unethical Behaviour

The best way to advise Amref Health Africa about information regarding an incident fraud or unethical behaviour by the management, its employees or service providers is to directly inform your manager or supervisor in the case of employees or a known contact person in the case of business partners. He or she should normally be able to take immediate action to counter the incident. If you don't feel comfortable informing them or if you have already done this, but no action was taken, you can also inform any member of the senior management team.

If you don't feel comfortable informing anyone within Amref Health Africa, you can report anonymously through the Amref Ethics Line. The ethics line is managed by an independent service provider on behalf of the organisation to protect confidentiality, and can be directly accessed worldwide in different ways:

- Email: amref@tip-offs.com
- Website: www.tip-offs.com
- Toll free number: Specific call numbers provided for some countries

In order for investigations to be successful, complaints should be as specific as possible. To the extent possible, they should include details such as:

- The type of alleged wrongdoing;
- When, where and how the wrongdoing occurred; and
- Who was involved and may have knowledge of the matters being reported.

Relevant documents or other evidence should be included with the report or provided as soon as possible. However, the absence of any of the above details does not prevent investigation of the allegations.

7. Investigation of allegations

All allegations of fraud and corruption will be taken seriously. Upon receipt of an allegation, the organisation will assess the case, and if it determines that there is sufficient ground to warrant an investigation, one will be conducted. In addition, the organisation may undertake proactive investigations in high-risk areas that are susceptible to fraud. Internal audit may coordinate with security department and other enforcement agencies, as appropriate, to ensure the effective investigation of fraud involving external parties, parties for whom internal audit does not have the authority to investigate, or for investigations involving more than one organisation.

A basic principle is that no unit of the organisation will be allowed to investigate itself independently. All allegations involving the internal audit manager or the Group CEO shall be referred to the Chair of the Audit, Risk & Compliance Committee of the Board for direction.

8. Consequences for fraudulent and unethical behaviours

The allegations, if substantiated by the investigation, may result in disciplinary and/or administrative actions or other actions taken by Amref Health Africa, depending on the case. The outcomes may be as follows:

- a) For staff members, disciplinary actions as per the HR policy;
- b) For vendors, service providers and implementing partners, termination of the contract and debarment from doing business with Amref Health Africa or other sanctions;
- c) Referral to the security agencies for criminal investigation and prosecution;
- d) Recovery of financial loss and/or assets suffered by Amref Health Africa, and to return funds recovered to the respective funding sources; and
- e) Issuance of Management Letters to allow business units concerned to take corrective actions and strengthen internal controls.

9. Protection under the policy for whistle-blowers

In conducting its investigations and in dealing with complaints under this policy, the organisation will strive to keep as confidential as possible the identity of any complainant or any individual who provides information during the course of an investigation.

The organization will not knowingly, with intent to retaliate, take any action harmful to any complainant or individual who provides information during the course of the investigation, including interfering with their lawful employment or livelihood, for:

- a. Reporting a complaint in good faith pursuant to this policy to law enforcement officers, governmental agencies or bodies, or persons with supervisory authority over the complainant.
- b. Providing, in good faith, information regarding a complaint to law enforcement officer, governmental agencies or bodies, or persons with supervisory authority over the complainant; or otherwise participating or assisting in a proceeding filed or about to be filed.
- c. Amref Health Africa adopts zero tolerance to retaliation and persons who threaten retaliation shall be subjected disciplinary action, up to and including termination of employment.
- d. Persons reporting suspected fraud or other malpractices are encouraged to ensure the information provided is not malicious, slanderous, false or for purposes of settling scores.

10. Reporting

Amref Health Africa has a long-standing commitment to transparency, including reporting on matters of fraud and corruption.

Regular broadcast to staff members from the Group CEO shall highlight how credible allegations to fraud and unethical behaviours were handled and the actions taken.

Internal audit shall report to the Audit, Risk and Compliance Committee information on investigations of fraud and other unethical practices conducted during the reporting period.

11. Complementary resources

- a. Code of Conduct
- b. HR Policy
- c. Statement of Business Ethics
- d. Risk Management Policy