



# Oxfam Anti-Fraud and Corruption Policy

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# Policy Statement

Oxfam does not tolerate fraud and corruption and is committed to ensuring that its systems, procedures and practices reduce the risk of occurrences to an absolute minimum. Fraud and corruption comprise acts of fraud, theft, bribery, nepotism, money laundering, terrorism financing, abuse of an undeclared conflict of interest, counterfeit money, cyber-crime, extortion and other forms of financial crime.

Suspected or actual cases will be vigorously and promptly investigated and appropriate action will be taken including reporting to authorities. We will make changes according to the findings of investigations and reviews, and incorporate risks arising from said investigations into our strategic risk management. There is an Oxfam Anti-Fraud and Corruption Strategy to drive the deterrence, prevention, detection, investigation and redress of fraud and corruption and we will implement its contents.

Failure by any member of staff or volunteer to follow this policy may be treated as a disciplinary matter and may result in disciplinary actions including dismissal.

## Content of Policy

1. Purpose of this policy
2. Scope and Definitions
3. Reporting Fraud and Corruption
4. Roles and Responsibilities
5. Associated policies and procedures

### 1. Purpose of this policy

- To establish confederation wide minimum standards in fighting fraud and corruption
- To fulfil the obligation of Oxfam as set down by Regulators, Donors, Trustees and Board Committees
- To document what Oxfam considers as fraudulent and corrupt practices
- To outline the procedures and accountabilities that will assist Oxfam in preventing fraud and corruption in an efficient and cost-effective manner

### 2. Scope and Definition

#### Scope

The policy applies to all Oxfam staff, consultants, volunteers including Affiliate Trustees, Board and Committee members and Directors, trading staff, fundraising staff, and invited visitors residing, working and/or travelling on behalf of Oxfam. This policy extends to cover all Oxfam's funds, assets or stock being used by an external person, such as a "partner" organisation, consultant or a contractor or any third party by way of contract or other means.

**'Corruption'** is abuse of power for private gain. In this policy, it is used to describe financial abuse which refers to acts of fraud, nepotism, money laundering, terrorism financing, bribery and any other form of financial abuse of power.

#### Application across Affiliates

This Policy sets minimum standards for the Affiliate members of Oxfam. Each affiliate will be subject to the regulation in their country of registration and regulations in host countries will vary. Institutional donors may

impose standards of due diligence or reporting which lie outside the scope of this policy.

Since no single policy can document or anticipate the full range of regulations, due diligence, monitoring or reporting requirements that an Affiliate domestic government or donor may impose on its citizens or in their funding contracts, individual Affiliates may supplement this Policy to meet the regulatory requirements of their domestic governments. Any such supplementary requirements must be communicated to and agreed by Oxfam International and any relevant EA implementing projects funded by such Affiliate. The supplementary requirements should form part of the Donor Requirements and Partner Affiliate Requirements annexed to Oxfam Project Agreements (OPAs).

### **Responsibilities**

All Oxfam staff and volunteers, including Affiliate Trustees, Board Members and Directors have responsibilities to reduce Oxfam's losses to corruption to an absolute minimum and to report it when they suspect it.

It is the responsibility of all Oxfam managers to ensure the delivery of this policy and to promote it as relevant in all aspects of their work, to hold themselves and others to account and to help create a safe environment for all.

### **Investigation**

For the purpose of this policy investigation is taken to mean any form of response aimed to prove or disprove an allegation as guided by the OI Corruption Investigation Toolkit.

## **3. Reporting Fraud and Corruption**

### **3.1 Internal Reporting**

If anyone covered by this policy suspects that Oxfam's funds, assets or stock have been, are, or will be lost through corruption, they must report it ultimately without delay to the respective affiliate's unit or team responsible for fraud and corruption (Executing Affiliate in case of countries and regional platforms). The report may be made through

- 1) The line manager to the Country Director or Divisional Director or
- 2) Directly to the Country Director or the Divisional Director or
- 3) The relevant Oxfam manager or
- 4) Directly through the whistleblowing or reporting hotline set up by the affiliate

### **3.2 Protection of confidential reporters**

There will be no recriminations against staff or volunteers who confidentially report reasonably held suspicions, and victimising or deterring staff from reporting concerns will be treated as a disciplinary matter. Equally however, abuse of the process by raising malicious allegations will also be regarded as a disciplinary matter. It is the responsibility of all managers to take reasonable steps to protect those who report suspicions.

### **3.3 External Reporting**

#### **3.3.1 Case referral**

Oxfam will refer cases of corruption to criminal judicial bodies such as the police or its equivalent. When we make exceptions, this will be on an infrequent basis with a clear written rationale and consent of Director of Risk or Affiliate equivalent and relevant line management.

#### **3.3.2 Reporting to donors and regulators**

Oxfam will follow the misconduct reporting standard operating procedures in reporting to donors and regulators. All staff must adhere to the standardized reporting procedures.

### **3.4 Responding to fraud and corruption suspicions**

Where such a suspicion is reported, Oxfam will respond by following the response principles set out in Oxfam's Anti-Fraud and Corruption strategy. Investigations will be carried out. Where concern arises that a suspicion may not have been managed correctly, the response to that suspicion will be independently reviewed.

### 3.5 Bribery

The payment of bribes is not permitted. Bribes paid by third parties on behalf of Oxfam may put Oxfam at risk. See definition of Bribery on Appendix A of Reporting Misconduct SOP. Bribery covers transactions with employees and representatives of private organisations as well as with public officials. Behaviour which amounts to bribery includes the following: payment of facilitation fees, kickbacks, and; favours, gifts or hospitality that are given with the intention to influence someone, to improperly perform a function or activity, or to obtain an undue advantage.

Gifts and hospitality should not be accepted **from external parties or as reward for work undertaken on behalf of Oxfam**; where received they must be declared in writing to the relevant line manager and where possible handed back to Oxfam. Offers of gifts and hospitality to third parties by Oxfam staff must also be declared to the relevant line manager.

Oxfam commits to fight bribery by following the adequate procedures set out below:

- 1) Implement procedures proportionate to the bribery risk identified
- 2) Conducting a bribery risk assessment of the operations
- 3) Demonstrate top level commitment against the risk of bribery
- 4) Conduct adequate and proportionate due diligence on third party service providers and staff in line with key risks
- 5) Communicate procedures embedded to fight bribery
- 6) Implement and evaluate the effectiveness of the bribery prevention procedures

These procedures also prevent other types of corruption besides bribery.

## 4. Roles Responsibilities

### 4.1 Trustees, Board Members and Board Oversight Committees

- Ensuring that reasonable steps are taken to prevent fraud and corruption of Oxfam's funds and that proper, robust financial controls and procedures suitable for Oxfam's activity are in place;
- Ensuring that Oxfam managers and directors act responsibly and in the interests of Oxfam when dealing with suspected financial abuse, and that anti-fraud and corruption work is quality-assured;
- Authorising, reviewing and monitoring the implementation of the Oxfam Anti-Fraud and Corruption Strategy.
- Ensuring adequate resources are allocated to tackle the risk of fraud and corruption.
- Ensuring reporting to authorities is done as required.

### 4.2 Chief Executive

- Act with integrity, in line with the policy and Anti-Fraud and Corruption strategy and maintain the right tone at the top that will foster an anti-corruption culture.
- Ensure the effective control and reduction of the risk of fraud and corrupt practices across the organisation as dictated by the Board or Trustees.
- Delegate the day-to-day management of this Policy and associated procedures to line management.
- Liaise with external entities such as government, media and industry bodies as required.
- Allocate adequate resources to implement the requirements of the policy
- Promote this policy and the Anti-Corruption strategy

### 4.3 Divisional Directors, Regional Directors and Country Directors

- Act with integrity, in line with the policy and anti-fraud and corruption strategy and maintain the right tone at the top that will foster an anti-fraud and corruption culture.
- Ensuring that fraud and corruption risks are included within departmental or divisional strategic risk management;
- Ensuring that proportionate and adequate measures to mitigate the risk are applied to the work of their Division, unit or department including new projects or procedures;
- Driving the implementation of the Anti-Fraud and Corruption Strategy in their Division, Region, Country and assisting and facilitating Anti-Corruption work.

- Facilitating an effective response to incidents in line with the agreed response principles.
- Ensuring implementation of a management action plan post incident

#### 4.4 All Managers

Managers are responsible and accountable for managing the risk of fraud and corruption in their units. They may do this by:

- Act with integrity, in line with the policy and anti-fraud and corruption strategy and maintain the right tone at the top that will foster an anti-corruption culture.
- Ensuring that there are adequate, appropriate and robust internal controls in place to make sure all funds, assets and stock are accounted for and spent in line with Oxfam's aims;
- Keeping proper and adequate business and financial records for both the receipt and use of all funds together with audit trails of decisions made;
- Taking any necessary action to protect Oxfam's funds, assets and stocks and reduce losses to an absolute minimum;
- Acting responsibly within the interests of Oxfam and in line with the principles of response set out in the Oxfam's Anti-Corruption strategy if a suspicion occurs;
- Ensuring that fraud and corruption risk is regularly assessed and included in strategic risk management documents
- Follow the requirements of the Anti-Corruption Strategy;
- Taking lead in creating an anti-corruption culture by ensuring all staff have taken an anti-corruption induction
- Engaging with the Risk unit or relevant anti-corruption units to facilitate the diligent completion of these duties

#### 4.5 All Staff and Volunteers

- Deterring, preventing and detecting suspected losses to fraud and corruption;
- Adhere to controls and procedures set to prevent fraud and corruption
- Reporting any suspicions of fraud and corruption in line with the requirements of this policy;
- Co-operating with investigations as required;
- Understand and comply with this policy

#### 4.6 Oxfam Partners and Third party contractors ("Associated Persons")

- Must not offer or accept bribes – including facilitation payments - on Oxfam's behalf, or in furtherance of, or completion of, any contract entered into with Oxfam.
- Report any suspected or confirmed fraudulent or corrupt acts involving Oxfam funds as required by this policy and the partner Agreement.
- Have effective control procedures in place to reduce the opportunity of fraud and corruption
- Respond to fraud and corruption incidences reported to them whilst upholding the principles of response set out on the Oxfam Anti-Corruption Strategy

#### 4.7 Oversight

The Oxfam International Director of Risk & Assurance will be responsible for facilitating and monitoring the effective implementation of this policy across the affiliates. Oxfam will establish performance indicators and put in place monitoring systems to measure its performance at implementing this policy. Oxfam will effectively communicate this policy all its staff, volunteers and contractors.

Affiliates' Internal Audit staff will have access to all Divisions, levels, systems and information held by Oxfam, and are empowered to conduct work across them to counter corruption.

The Director of Risk in each affiliate or relevant function will be responsible for:

- Advising Oxfam managers and staff on the deterrence, prevention, detection, investigation and management of fraud and corruption and related issues;
- Developing the organisation's capacity and capability in the deterrence, prevention, detection, investigation and management of fraud and corruption issues;

- Investigating serious or significant suspected cases of fraud and corruption;
- Leading and coordinating all work across the organisation to assist Trustees in the quality-assurance of anti-fraud and corruption work.

## 5. Monitoring and Review

Aggregate data on Fraud and Corruption incidents and risks thereof will be reported on a Quarterly and Annual Basis to Affiliates, the Executive Board and Supervisory Board of Oxfam International.

This policy is subject to automatic review every three years or within that period as required by legislation or experience.

## 6. Associated Policies and Procedures

- Oxfam Code of Conduct
- Oxfam Misconduct Reporting Standard Operating Procedures
- Oxfam Anti-Terrorism Financing Policy and protocols
- Oxfam Anti-Fraud and Corruption Strategy