



# ANTI-FRAUD POLICY



## Anti-Fraud Policy

Capacity Analytics as an organization is aware of the different levels and types of risks that they must manage if they are to maintain and enhance their reputation, financial viability, and place among the world leaders in sustainable development. Therefore, our organization sets rules of Anti-Fraud Policy that help to 'protect' it-self and those with whom they engage.

Since the Anti-Fraud Policy is present in document, the Rules of Governance has been produced that is coherent within the limitations of the think-tank, protect from legal claims, and establish a positive work environment in the workplace and establish a shield for the organization against fraud and its risks. Through these measures, we as a think-tank seek to be an organization that is accountable, transparent and ethical in its management and governance, and that retains the confidence and trust of its members, staff, and donors.

The aim of the Anti-Fraud Policy is to safeguard the reputation and financial viability of Capacity Analytics and its member organizations through improved management of fraud risk. It sets out explicit steps to be taken in response to reported or suspected fraud, as well as measures that will be taken to prevent or minimize the risk of fraud. Recognizing that addressing fraud risk is a normal requirement for the conduct of business by all organizations, the CEO has responded to the recommendations of the experts of the think-tank to strengthen risk management practices, internal controls and standards. Measures include the implementation of a Risk Register, an Anti-Fraud Policy (this Policy) and a Code of Conduct and Professional Ethics.

- ❁ The term fraud is used to describe offences such as, but not limited to, deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts, and collusion.
- ❁ Quality assurance and risk management provide an oversight role and the support required to be able to assess the adequacy of governance structures that are in place to manage fraud and make recommendations on the implementation of mitigation actions that may be required to manage fraud related risks.
- ❁ Frauds arise because of lack of proper internal control policies and procedures, failure by staff to observe internal controls, carelessness in carrying out checks, or inadequate separation of duties.

Four basic elements are usually present when fraud occurs:

- ◆ Individual(s) to carry out the fraud – inside or outside of the organization,
  - ◆ Assets to be acquired, used or disposed of fraudulently,
  - ◆ Intent to commit the fraud,
  - ◆ Opportunity to do so.
- ❁ The organization expects all people and organizations to be honest and fair in their dealings with all parts of the Union: Members, Commissions, Secretariat, as well as its partners.

- ⊛ The organization will not tolerate any level of fraud or corruption. Any detected case will be thoroughly investigated, with disciplinary or criminal sanctions pursued where appropriate and possible, and losses recovered by any lawful means.
- ⊛ The organization is also committed to ensuring that opportunities for fraud are reduced to the lowest possible level of risk; that effective controls are maintained to prevent fraud; and systems and procedure. An unambiguous statement that all fraud offenders will be prosecuted and that the police will be assisted in any required investigation. A statement that all efforts will be made to recover assets wrongfully obtained from fraudsters. An encouragement to employees to report any suspicion of fraud.
- ⊛ The steps to be taken in the event that a fraud is discovered and who is responsible for taking action include:
  - ◆ strategies staff ought to follow
  - ◆ allocating liability regarding a moment reaction to the event
  - ◆ recuperating reserves
  - ◆ managing the media
  - ◆ saving proof and answering to the police
- ⊛ After the plan has been fully implemented and distributed to all employees, it should be regularly reviewed at the board level.
- ⊛ The company's fraud policy and the need to be vigilant to prevent fraud should be made clear to all employees, contract and part-time included.