

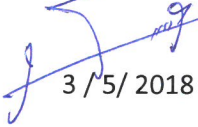


Anti-Corruption Policy

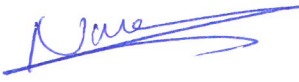
Tamdeen Youth Foundation (TYF)
June 2018

Anti-Corruption Policy
Tamdeen Youth Foundation (TYF)
June 2018

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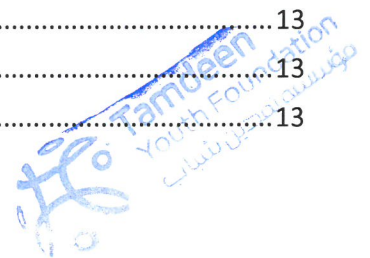
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Anti-corruption policy

Introduction

The Anti-fraud, bribery and corruption policy of Tamdeen Youth Foundation (TYF) has been developed in accordance with Code of Conduct, charters, policies, rules and regulations adopted by TYF and in conformance with the legal and statutory framework of Anti-Corruption Legislation prevalent in Yemen, it reflects the best practices of Non-Governmental Organizations (NGOs) in this field.

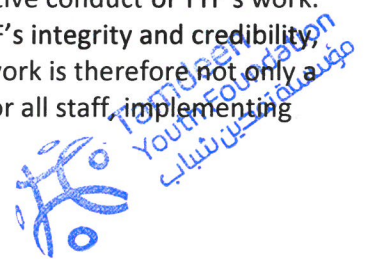
In addition, the Policy reflects the commitment of TYF for high ethical standards doing open and fair, activities serving public interest and respond to population needs, as well as TYF's commitment for improving the organizational culture, and following the best practices of governance and enhancing the organizational reputation at appropriate levels.

Zero Tolerance for Corruption:

This Policy is based upon a zero tolerance approach to corruption. Zero tolerance means that TYF does not tolerate corruption in relation to any of our work and that all suspicions of corruption thought to be in breach of this policy are reported to TYF. It means that TYF will take all suspicions of corruption seriously and assess, act upon, investigate and discipline all such cases as appropriate and in a professional, transparent and fair manner. Compliance with this policy is mandatory for staff, implementing partners, contractors and related Third Parties.

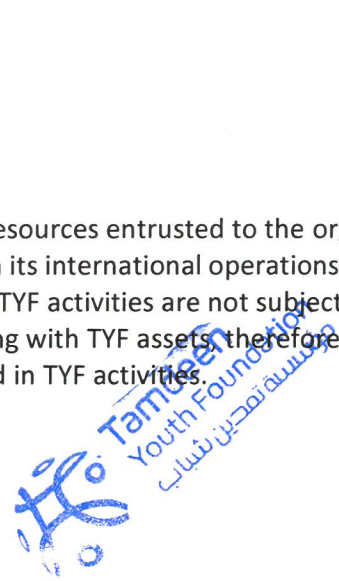
Upholding TYF's Values and Integrity:

At TYF, we believe in conducting our work ethically, honestly, and in full compliance with all laws and regulations applicable to the respective contexts in which we work. Our commitment to doing our work the right way is a crucial part of what makes us TYF. We follow a rights-based approach to our work grounded in the humanitarian principles of humanity, neutrality, impartiality and independence. Corruption, in contrast, poses a direct threat to TYF's values and its ability to work according to a rights-based approach, humanitarian principles and its commitment to *do no harm*. it profound adverse effects on social, economic and political development, disproportionately harm the poor and vulnerable, including Internal displaced persons (IDPs), refugees and distorts the proper and effective conduct of TYF's work. Any direct or indirect involvement in corruption poses a serious threat to TYF's integrity and credibility, and could severely harm its people of concern. Preventing corruption in its work is therefore not only a priority for TYF, but a necessity dictated by its mandate and a requirement for all staff, implementing partners, contractors and related Third Parties.



Safeguarding TYF's Entrusted Means:

TYF works with entrusted means in the form of funds and other resources entrusted to the organization by public and private donors for proper, efficient and effective use in its international operations. TYF has an obligation towards these donors to ensure that these means and TYF activities are not subject to corruption, fraud and bribery. All staff, as well as all others working with TYF assets, therefore have a responsibility to ensure that corruption to corruption is prevented in TYF activities.

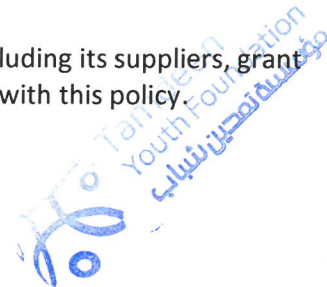


Policy Objectives:

- 1- The purpose of this policy is to set out TYF's stance on corruption and its approach to preventing, detecting, reporting and investigating fraud, bribery and corruption.
- 2- Through this policy, TYF also aims to eliminate corruption from its internal environment of its work, and to reduce overall levels of corruption in the external surrounding environment in its areas of operation.
- 3- TYF strives to prevent any possibility that the assistance it provides might generate new corruption opportunities or reinforce existing ones. Not only this, but through its Anti-Corruption Policy and strict zero tolerance approach to corruption.

Scope:

1. This policy applies to TYF group worldwide, including its overseas branches and all separate legal entities owned and controlled by TYF.
2. This policy is applicable to, and must be followed by, all staff including consultants and contractors. Failure to comply could result in disciplinary action, including dismissal.
3. TYF requires all those receiving TYF funds or representing TYF, including its suppliers, grant recipients, partners, contractors and agents, to act in accordance with this policy.



Policy

Policy Statement:

- 1- TYF has a 'zero tolerance' policy towards corruption including fraud, bribery. This means that TYF does not accept any level of fraud, bribery or corruption within the organization or by any other individual or organization receiving TYF funds or representing TYF; and will always seek to take disciplinary and/or legal action against those found to have perpetrated, be involved in, or assisted with fraudulent or other improper activities in any of its operations.
- 2- TYF is committed to developing an anti-corruption culture and keeping the opportunities for corruption, fraud, and bribery to the absolute minimum.
- 3- TYF requires all staff to act honestly and with integrity at all times and to safeguard the resources for which they are responsible.

Risk and internal control systems:

- 4- TYF will seek to assess the nature and extent of its exposure to the risks of internal and external fraud, bribery and corruption. It will regularly review these risks, using information on actual or suspected instances of fraud, bribery and corruption to inform its review.
- 5- TYF will seek to put in place efficient and effective systems, procedures and internal controls to: encourage an anti-fraud culture; prevent and detect fraud, bribery and corruption; and reduce the risks to an acceptable level.
- 6- TYF will seek to equip its staff with the skills, knowledge and expertise to manage its fraud risk effectively. It will provide adequate training to make staff aware of the risks of fraud, bribery and corruption, and of their responsibilities in preventing, detecting, and reporting it.
- 7- TYF will make all those receiving TYF funds or representing TYF, including its suppliers, grant recipients, partners, contractors and agents aware of this policy.
- 8- TYF will work with relevant stakeholders, including comparable organizations, relevant regulators and government organizations to tackle fraud.
- 9- TYF will regularly review and evaluate the effectiveness of its systems, procedures and internal controls for managing the risk of fraud. It will do this through risk management and assurance processes and audit arrangements.



Reporting – internal:

- 10- All staff must immediately report any suspected or actual instances of corruption. This includes offers to pay bribes, solicitation of bribes and demands to make facilitation payments. Failure to report could result in disciplinary action.
- 11- Reports should be made to an appropriate manager or to the Control Department Team. If staff are not comfortable reporting their concerns to these people, Raising Concerns sets out who else staff can report to.
- 12- TYF also requires all those receiving TYF funds or representing TYF, including its suppliers, grant recipients, partners, contractors and agents, to report to any suspected or actual instances of fraud, bribery or corruption involving TYF assets or staff. Reports should be made to the Control Department Team via [insert charity email address].
- 13- TYF will not penalize anyone for raising a concern in good faith, even if it turns out to be unfounded. Any member of staff who harasses or victimizes someone for raising a concern in good faith will themselves be subject to disciplinary action.
- 14- TYF will maintain a system for recording: all reports of actual or suspected fraud, bribery and corruption; the action taken; and the outcome of any investigation. It will use this information to inform its review of the risks and the effectiveness of its controls.

Reporting – external:

- 15- TYF will fully meet its obligations to report corruption including, fraud and bribery to third parties. The Corruption Response Plan sets out: the parties that suspected or actual or corruption, fraud and bribery must be reported to, the nature and timing of the disclosure required; and who is responsible for making the report.

Investigation:

- 16- TYF will take all reports of actual or suspected corruption, fraud and bribery seriously, and investigate proportionately and appropriately as set out in this policy and the Corruption Response Plan.
- 17- The Corruption Response Plan sets out responsibilities for investigating corruption, fraud and bribery, the procedures for investigating, action to be taken and external reporting.
- 18- TYF will always seek to take disciplinary and/or legal action against those found to have perpetrated or assisted with fraudulent or other improper activities in any of its operations. For staff, this may include dismissal. It will also seek to recover any assets lost through fraud.

Specific risk mitigation measures:

19- To manage the exposure corruption, all gifts and hospitality received by TYF's staff (Members of trustees' board, directors and Departments Heads must be approved in line with the delegated authorities and recorded on the Gifts and Hospitality Register.

20- Conflicts of interest are known to increase the risk of corruption. Therefore, all staff who have an interest in an actual or potential supplier or applicants for new or vacant positions (whether personally, or through family members, close friends or associates) must report that conflict of interest to their manager.

Responsibilities:

21- The Compliance Officer is the owner of TYF's counter corruption work and the counter of fraud and bribery on Executive Board and TYF's Departments.

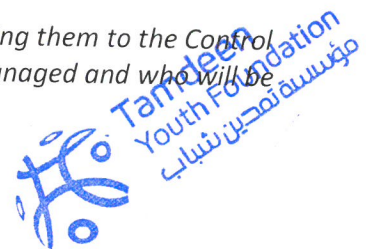
22- The Compliance Officer is responsible for creating and implementing TYF's counter fraud strategy and for managing the counter fraud function.

23- The Control Department Team including financial auditor and compliance officer, is responsible for recording all instances of actual or suspected fraud, bribery and corruption, ensuring that they are investigated proportionately and appropriately, and reported to external parties. They are also responsible for providing advice and training to staff on preventing, detecting and investigating corruption. This includes investigating cases where specialist input is required due to the complex nature of the case.

24- Executive Director and Chairman are responsible for ensuring that their staff are aware of and support this policy and that all incidents of fraud, bribery or corruption are reported. They are also responsible for ensuring that all incidents of fraud, bribery or corruption in their country are managed and investigated in line with this policy. They should liaise with and support the Control Department Team in doing this.

25- Managers receiving reports of corruption are responsible for reporting them to the Control Department Team, and agreeing with them how the case will be managed and who will be responsible for investigation.

26- All staff are responsible for complying with this policy.



Definitions:

Corruption:

27- Corruption is the misuse of entrusted power for personal gain. This would include dishonest or fraudulent behavior by those in positions of power, such as managers or authorized persons. It would include offering, giving and receiving bribes to influence the actions of someone in a position of power or influence, and the diversion of funds for private gain, the fraud and *bribery are identified as part of corruption.*

Fraud:

28- Fraud is knowingly making an untrue or misleading representation with the intention of making a gain for oneself or another or causing a loss, or risk of loss, to another.

Examples of fraud relevant to TYF:

Procurement fraud:

- 29- Staff colluding with suppliers and ordering and paying for goods or services that are not required and / or have not been delivered, or are charged at an excessive rate.
- 30- Staff, partners or other third parties creating false invoices, receipts, purchase orders or supplier identities in order to obtain payment for goods and services that have not been supplied.
- 31- Staff awarding a contract, or preferential terms, to a partner, supplier or other third parties in return for payments, personal discounts, commission or other benefits; or awarding a contract to a relative or other connected party.

Fraudulently altering documents or records:

- 32- Grant recipients not spending grant funds on purposes intended, or keeping funds for personal use, and falsifying records to support false claims.
- 33- Staff issuing false receipts to customers in order to keep the funds paid for personal use.
- 34- Staff, partners or other third parties altering vendor payment details to divert supplier payments to own bank account.
- 35- Staff fraudulently altering exam papers or exam results, or releasing details of exam papers in return for a bribe or in order to favour a relative.
- 36- Staff fraudulently altering accounting records.

Expenses fraud:

- 37- Staff claiming expenses or allowances to which they are not entitled, including by falsifying receipts.
- 38- Staff using TYF assets, such as mobile phones, for their own personal use.
- 39- Staff or contractors falsifying travel and subsistence or other expense claims.

Fraud involving impersonation:

- 40- Staff, partners, suppliers or third parties impersonating TYF in order to extract fees for a service which the authorized persons in TYF don't provide, or don't charge for.
- 41- Staff, partners or other third parties submitting false applications from real or fictional individuals or organisation for grants.

Payroll fraud:

- 42- Staff creating non-existent employees for directing payments.
- 43- Staff or temporary staff making false or inflated claims for overtime or flexible working.

Bribery:

- 44- Bribery is giving or offering someone a financial or other advantage to encourage that person to perform their functions or activities improperly, or to reward someone for having already done so.

Examples of bribes relevant to TYF:

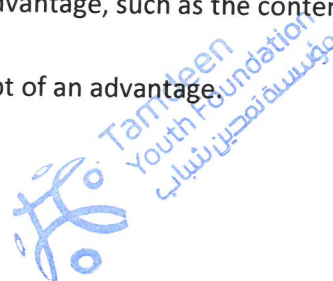
Advantages that could be offered as part of a bribe:

- 45- Cash, vouchers or other cash equivalents, or a "fee".
- 46- Gifts.
- 47- Hospitality or entertainment (outside what would be modest and reasonable in the work context).
- 48- paying travel and accommodation costs to a third party, at the expense of TYF, where this is not standard business practice and/or not permitted in TYF's Procedures Manuals.
- 49- TYF staff receiving travel or accommodation free of charge from a supplier
- 50- Loans.
- 51- Favourable business terms.
- 52- Discount of services, or providing services free of charge (or 'uninvoiced')
- 53- Provision of information that offers a business or personal advantage.

Offering or receiving one of the above advantages could count as a bribe if any of the following was offered or given in return:

- 54- Award of contract to particular bidder.
- 55- .
- 56- Altering exam paper or marks.
- 57- Obtaining information that would put an individual at an advantage, such as the content of exam papers, or information about a competitive tender.
- 58- Any other preferential treatment influenced by the receipt of an advantage.

The following would not usually count as bribes:



59- Payment of an official charge when it is included in official Contract, adhered to TYF's Policy and Procedures manuals, approved or signed by authorized persons.

(Normal hospitality provided in the course of work, such as provision or acceptance of a modest meal at a working event. Whether a provision of a particular item or service counts as a bribe depends upon the context and level of hospitality (etc) offered. The Bribery policy is not intended to prohibit reasonable and proportionate hospitality or work expenditure. Genuine hospitality or similar business expenditure that is reasonable and proportionate, in line with normal TYF policy and practice. Judgment is required and the decision depends upon level of hospitality provided and the level of influence the person receiving it had on the business decision in question.)

Facilitation payment

60- facilitation payment is a type of bribe. An example is an unofficial payment or other advantage given to a TYF's Staff member to undertake or speed up the performance of their normal duties.

Facilitation payments relevant to TYF:

61- A facilitation payment is making a payment or offering an advantage to TYF's staff to undertake or speed up the performance of their normal duties. Facilitation payments are a form of bribe and are illegal under TYF's Policies.

Examples of facilitation payments relevant to TYF:

62- Offering a TYF's Authorised Persons exceptional hospitality (ie: beyond a modest meal) whilst trying to win a contract.

63- TYF staff being offered free meals or accommodation (outside what would be modest and reasonable in the business context) in an effort to obtain favourable treatment.

Exceptions:

TYF's anti-corruption policy recognizes that there are circumstances in which individuals are left with no alternative but to make payments in order to protect against loss of life, limb or liberty, and the common law defense of duress is likely to be available. This might apply in particular to being asked to make a payment to pass through border controls. In these circumstances, staff should follow these steps:

64- If asked for a payment, refuse. If the official insists, ask them where the requirement for a fee is displayed, and also ask for a receipt.

65- If they continue to insist, without being able to provide evidence that the fee is legitimate, ask for a supervisor and inform them that you would be prosecuted if you make this payment.

