



Policy on Corruption:

Awareness, Prevention, Reporting and Response

Date: 27.06.2022

Director of Administration:

Director General Signature:

Chair of BoT Signature:

** All inquiries pertaining to this policy should be directed to the Director of Administration.*

** "AMQF" and "Foundation" are used interchangeably to refer to the A.M. Qattan Foundation.*

** "Staff" and "employee" are used interchangeably to refer to all individuals who have a full time or part time employment contract with the Foundation- whether fixed term or open-ended.*

A.M. Qattan Foundation is a UK charity (number 1029450) and a charitable company limited by guarantee (number 2171893). It is also registered as a non-profit international organisation operating in Palestine (number QR-0035-F).

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1. Purpose

The purpose of this policy and accompanying procedure(s) are:

- Reflect the fundamental and core concepts that AMQF abides by regarding the prevention of and its response to corruption.
- Set out how the Foundation will achieve its aim to observe and uphold a zero-tolerance approach to corruption.
- Provide guidance on how to recognize and deal with corruption.

This policy sets out the minimum standards and procedures that all AMQF staff, volunteers and trustees are obligated to follow.

Where donor, applicable laws, and previous policies of the Foundation conflict with this policy, the more restrictive and the higher standard shall be observed, complied with, and incorporated into our work.

As a UK Charity operating in the UK and abroad, AMQF is bound by the Fraud Act 2006 and the Bribery Act 2010 regarding conduct both at home and abroad.

2. Scope

This policy and related procedures apply to all employees, trustees, contracted individuals, interns, volunteers, consultants, partners, suppliers or any other third parties bound by any contract, agreement, or Memorandum of Understanding with the Foundation.

3. Definitions

Corruption is the misuse of resources, trust, power, or position to attain undue advantages for oneself, for a related person, or for a group. The advantage may be financial or related to increased influence, improved reputation, political recognition, votes, and sexual or other services. **Corruption is used by AMQF in this document to refer to all acts of misuse including bribery, fraud, petty corruption, conflict of interest, kickbacks, gifts and more. A list of definitions is provided in Attachment 1.**

4. Policy Statement

AMQF does not tolerate any form of corruption by staff or related third parties, including agents, consultants, vendors, partners, or counterparts. Employees are required to be watchful for fraud, corruption, or any suspicious behaviour, and report it to appropriate management. All reported incidents will be appropriately investigated, disclosed to relevant management, governance body and the donor, remediated, and closed out.

5. Policy Details

- 5.1 Corruption intolerance and reporting obligations: Any fraud or corruption incident or suspicious behaviour can be reported immediately through several mechanisms that can ensure the anonymity of the reporter - **see Attachment 2 for reporting mechanisms.**
- 5.2 In consideration of local context and donor requirements, if any, AMQF will, to the maximum extent possible, report fraudulent and corrupt behaviour to authorities in country based on the recommendation of the Director General (DG) and the Board of Trustees (BoT).
- 5.3 Sufficiency of investigations: Corruption and allegations of corruption will be appropriately investigated after considering severity, credibility, potential for reputational damage, and applicable requirements (donor or others). Investigations will generally be led by an investigator (or investigation committee) assigned by the DG, and BoT when needed. This assignment could include but is not limited to: a Senior

AMQF employee, legal counsel, external audit firms, etc. Any relevant costs including investigations, audit, etc. will be covered by AMQF.

- 5.4 Confidentiality of reports and investigations, non-retaliation: Any report of alleged or actual corruption submitted pursuant to this policy must be treated confidentially to the fullest extent practicable. Reporting of corruption or suspected corruption can be done anonymously. Staff will not be retaliated against for good faith reports. Only personnel with a need to know should be advised of a report and any related investigation.

6. Procedures

These procedures are designed to ensure appropriate management, reporting, investigation, remediation, and close-out of allegations of corruption, and appropriate reporting, as specifically set forth below.

- 6.1 Prevention and awareness: Each AMQF senior employee is responsible for periodically advising and training their staff, sub-grantees, and partners in the content of this policy and for monitoring its implementation in activities for which the AMQF is responsible. Written agreements with external parties should, to the maximum extent possible, include a written reference to AMQF's intolerance of corruption and how it should be managed. Suggested language can be found in **Attachment 3**.
- 6.2 Reporting corruption: Reporting any corruption or suspicion of corruption from staff, partners, recipients, or any external parties must be done immediately using the mechanisms in **Attachment 2**. Reporting can be done anonymously, and reports may be received by AMQF management in any form but preferably in writing.
- 6.3 Internal process:
- Upon awareness of alleged or suspected corruption relating to any of the Foundation's activities, the staff member should immediately report the known details using the Mechanism endorsed by the Foundation.
 - In the case the alleged or suspected corruption was communicated to staff by a third party, staff should advise the third party on use of appropriate mechanisms and should report on this to the Director General and/or Director of Administration immediately.
 - The Anti-Corruption Committee shall review all received details and issue an initial report to be shared with BoT.
 - Depending on the nature of the allegations, other units may be consulted, including Finance, HR Procurement, program teams etc. as necessary, and applicable.
- 6.4 Appropriate investigation, report, and follow-up: Alleged corruption will be investigated and documented commensurate with severity, credibility, potential for reputational damage, and applicable donor and /or local laws requirements. If applicable, the AMQF employee holding the donor contract should be consulted for guidance on conducting and reporting an investigation.
- 6.5 The Director General and the Board of Trustees will assign an investigator either internally from amongst employees or externally i.e., from an audit or law firm. Any resources needed to facilitate the investigation will be made available. A final report which includes findings and recommendations (if any) should be provided to the BoT and DG.
- 6.6 Donor reporting: The Director General is responsible for any donor reporting of corruption and overall assessment of donor implications. AMQF will cooperate with any requests from a donor relating to an ongoing investigation, as applicable.

7. Responsibilities

An anti-corruption culture is the joint responsibility of all those involved with the Foundation. All employees will lead by example in ensuring adherence to legal requirements, standing orders, financial regulations, codes of conduct, procedures, and practices.

7.1 All staff, partners, recipients, agents, consultants, vendors will:

- Act according to the acceptable legal and ethical standards and expectations
- Be watchful for corruption at AMQF or any related third parties including agents, consultants, vendors, and partners
- Report using available mechanisms
- Cooperate with any investigation into allegations of corruption or misconduct

7.2 Management¹ will:

- Maintain an effective control environment, perform regular risk assessments, implement appropriate procedures and internal control activities, ensure that sufficient information communication and monitoring of the whole control system are in place
- Maintain policies and procedures to detect corruption
- Require staff to report suspicions, allegations or known corruption
- Report all instances of corruption

7.3 BoT and DG will:

- Appropriately investigate or assign an appropriate person or team to investigate allegations of corruption
- Depending on context, develop guidelines to ensure clarity of roles and responsibilities
- Ensure implementation of any required or recommended remediation procedures
- Lead a crisis management team in case of risk to reputation or of external exposure
- Implement appropriate sanctions against staff found guilty of corruption
- Communicate appropriately on the sanctions taken in case of corruption
- Sensitize staff and partners about the corruption risk in the local environment regularly, act transparently and encourage open discussion on challenges
- Make the policy and mechanism available to all staff including partner staff

8. Governance and Accountability

The Director General will coordinate oversight of this policy in collaboration with the Board of Trustees, and review and update it according to the timeframe specified in the policy. The DG will monitor and report against this policy utilizing standardized data with appropriate levels of confidentiality

In the case the DG is the subject of any suspected fraud or corruption incident or suspicious behaviour, the Director of Administration is to report the case immediately to the Board of Trustees which will lead, or assign the lead, on any following action related to the case.

¹ Management in general is T1 & T2 staff at AMQF

References

Attachment 1: Definitions and examples

Attachment 2: Description of Anti-Corruption Reporting Mechanism

Attachment 3: Suggested language for contracts with external parties

Attachment 4: Initial investigation of suspected fraudulent act report

Attachment 1: Definitions and examples

Word / Term	Definition
<p>FRAUD</p>	<p>An act of deception intended for personal gain to obtain an advantage, avoid an obligation or to cause loss to another party even if no such gain or loss is in fact caused. For the purpose of this policy, fraud also covers the dishonest appropriation of property belonging to another, with the intention of permanently depriving them of it.</p> <p>A non-exhaustive list of fraudulent actions:</p> <p><u>embezzlement</u>: improperly using funds, property, resources, or other assets belonging to AMQF for their own personal advantage</p> <p><u>collusion</u>: improperly colluding with others to circumvent, undermine or ignore rules, policies, or guidance (e.g., fixing the amounts of a tender in order to bring it below a certain threshold) of the Foundation</p> <p><u>abuse of a position of trust</u>: improperly using one’s position within AMQF for personal benefit e.g., accessing confidential material or passing confidential information or with the intention of gaining from, unfairly influencing, or depriving the organisation of resources, money and/or assets.</p> <p><u>nepotism or patronage</u>: improperly using employment to favour or materially benefit friends, relatives, or other associates, or where someone requests that an AMQF employee offers employment or some other advantage to a friend or relative e.g., awarding contracts, jobs, or other material advantages.</p> <p><u>false accounting</u>: deliberately entering false or misleading information into accounts or financial records e.g., entering false refunds or voids.</p> <p><u>false invoicing</u>: knowingly creating or using invoices that are false in any way.</p> <p><u>expenses fraud</u>: dishonestly using the expenses system to pay money or other benefits to which the recipient is not entitled.</p> <p><u>payroll fraud</u>: dishonestly manipulating a payroll system to make unauthorised payments e.g., by creating ‘ghost’ employees or by increasing an individual’s salary.</p> <p><u>tax or duty evasion</u>: knowingly avoiding the payment of tax or any other duty that a person is aware should be paid.</p> <p><u>forgery</u>: dishonestly creating or altering documents to make any information in the document incorrect or misleading often with the effect of depriving the organisation of resources, money and/or assets.</p> <p><u>brand fraud</u>: dishonestly using A.M. Qattan Foundation’s name, branding or documentation for personal or private gain.</p> <p><u>obstructing proper process</u>: threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this policy.</p> <p><u>failing to disclose information</u>: not providing accurate and complete information relevant to your position which will adversely impact your ability to perform your role; for example, failure to disclose a conflict of interest.</p>

Word / Term	Definition
BRIBERY	<p>Offering, promising, giving, soliciting, or accepting any financial or other <i>advantage</i>², to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for <i>acting improperly</i>³, or where the recipient would act improperly by accepting the advantage. The outcome or reward for which the bribe is offered or given never actually has to occur for it to be a bribe; the promise of such an outcome or reward is sufficient.</p> <p><u><i>paying or offering a bribe:</i></u> give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given.</p> <p><u><i>receiving or requesting a bribe:</i></u> accept a payment, gift, or hospitality from a third party including from government officials, representatives, or other politicians that you know, or suspect is offered with the expectation that it provides them or anyone else an advantage in return.</p> <p><u><i>receiving improper benefits:</i></u> give or accept a gift or provide any hospitality during any commercial negotiations or tender process if this could be perceived as intended or likely to influence AMQF's decision-making.</p> <p><u><i>receiving a 'kickback':</i></u> improperly receiving a share of funds or a commission from a supplier because of involvement in a bid, tender or procurement exercise.</p>
CORRUPTION	<p>The abuse of entrusted power or position for private gain. It relates to dishonestly accepting, obtaining, or attempting to obtain a gift or consideration as an inducement or reward for acting, or omitting to act.</p> <p><u><i>facilitation payments:</i></u> typically small, unofficial payments made to secure or expedite a routine or necessary action (for example by a government official). They are an inherent risk in fragile and conflict affected states and constitute a) a form of diversion of aid from reaching the intended and b) of a potential source of criminal and or terrorist financing.</p> <p><u><i>Improperly seeking to influence a public official:</i></u> to obtain or retain a business or other advantage either directly, or through a third party by offering, promising, or giving a financial or other advantage that is not legitimately due to the official or another person at the official's request or with his/her assent or agreement.</p>
CONFLICT OF INTEREST	<p>A conflict of interest arises where an employee has a private or personal interest which may, or could be perceived to, compromise their ability to do their job.</p> <p>Actual, potential (could develop) or perceived (could be considered likely) conflicts of interest can arise across all areas of the Foundation's work. Conflicts may be of a personal, financial, or political nature.</p> <p>A conflict of interest would arise when an employee or agent, any member of his or her immediate family, or an organisation which employs any of his family, has a financial or other interest in, or a tangible personal benefit from, a firm considered for a contract.</p>

² An advantage includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.

³ A person acts improperly where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind.

Word / Term	Definition
	To protect the integrity of AMQF processes, all employees, partners, volunteers, interns, consultants, contractors and other <i>third parties</i> must immediately declare any actual or perceived conflict of interest between any personal, private interest and AMQF's work.
THIRD PARTIES	Any individual or organization AMQF comes into contact with during the course of its work, including actual and potential clients, beneficiaries, customers, partners, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians, and political parties.

Attachment 2: Anti-corruption reporting mechanisms

YOU are required to immediately report any suspicion, observation, experience, or knowledge of any corrupt act, harassment, exploitation, abuse, or any wrongful conduct. The Foundation CAN guarantee your anonymity and WILL ensure non-retaliation to the maximum extent possible.

You can report using the following tools:

In writing:

- Using the form that can be found online: <http://qattanfoundation.org/en/feedback>
- Using the following email: feedback@qattanfoundation.org

Verbally:

- Calling +970 2 296 0544 Ext , 4000 , press 0 , and follow operator instructions to record your message and your contact details
- Informing any member of staff at the Foundation.

Attachment 3: Suggested language for agreements with external parties

Anti-corruption agreement and procedures for external parties

AMQF does not tolerate corruption, and we expect the same from everyone with whom we work.

[Insert outside party defined term] shall maintain and comply with written codes of conduct, policies, and procedures that protect against any form of corruption, bribery, kickbacks, conflicts of interest, and others.

Upon request:

[insert outside party defined term] shall share with AMQF its applicable codes of conduct, policies, and procedures.

[Insert outside party defined term] shall inform AMQF immediately and in writing of any instance of actual or suspected corruption or corruption related to its work hereunder and shall respond promptly to and fully cooperate with any investigation AMQF or any donor, at their discretion, may require.

[Insert outside party defined term] shall make all staff aware of and encourage reporting of any suspected or actual fraudulent or corrupt behaviour to AMQF's **whistle-blower hotline** located at **www...** which enables confidential internet reporting of **corruption by clicking on the "File a report" tab and provides telephone access to report corruption.**

[Insert outside party defined term] shall be financially responsible for any losses due to corruption and shall promptly refund related sums to AMQF.

Attachment 4: Initial investigation of suspected fraud or corruption

Pursuant to AMQF's Policy on Corruption: Prevention, Awareness, Reporting and Response, any person receiving an allegation of fraud or corruption must complete and submit this report immediately (within three business days unless sooner is required by other governing agreements). This form should be submitted in all cases regardless of donor, amount, or materiality, and should be submitted prior to a full investigation. The AMQF Anti-Corruption Committee shall transmit this document electronically to BoT. **One or two sentence responses to each item below are sufficient for the purposes of this initial report.**

- AMQF Office or Entity:
- Donor(s) and/or project(s) and/or unit(s) compromised:
- Date of discovery:
- Method of discovery:
- Details:
- Amount or value (estimate if applicable/known/estimated):
- Initial internal control weaknesses or systems failures identified:
- Initial remedial actions taken:
- Potential for additional related corruption or corruption losses:
- Initial determination of corruption/corrupted amount:
- Initial determination if donor reporting is required:

[Attach additional pages or attachments if necessary]