

Type of steering document: Policy
Number: 1-211(replaces 6-005)
Approved by: Board of Directors
Latest review: 2023-09-12

Anti-Corruption Policy

SUMMARY

- Barnfonden has a policy of zero tolerance of fraud and corruption, and we require all *Barnfonden representatives* at all times to act honestly and with integrity, and to safeguard the assets for which they are responsible.
- Always prevent, never accept, always inform, and always act.

Contents

Policy Statement.....	2
Definitions	3
Statement of Purpose.....	3
Scope	3
Position on Corruption	4
Prevention and Learning	4
Gifts	5
Detect and Respond.....	5
Responsibilities	6
RELATED DOCUMENTS	6

Policy Statement

Barnfonden has a policy of zero tolerance of fraud and corruption, and we require all *Barnfonden representatives* (see Definitions) at all times to act honestly and with integrity, and to safeguard the assets for which they are responsible. Fraud and corruption are ever-present threats to our assets and reputation and so must be a concern of all staff, partners and volunteers. We take a serious view of any actual or attempted act of fraud or corruption. *Barnfonden representatives* involved in actual or attempted fraud or corruption of any kind will be subject to disciplinary action up to and including dismissal (if legally bound) and, where applicable, will be reported to law enforcement authorities for criminal prosecution. We will endeavour to recover any funds lost through fraud from those responsible and will take robust action against involved third parties (including partners, contractors and agents).

Definitions

Barnfonden’s definition of corruption is in line with Sida’s definition that corruption is “an abuse of trust, power or position for improper gain. Corruption includes, among other things, taking and giving bribes – including bribing a foreign public official – embezzlement, conflict of interest and nepotism.”

Other common forms of corruption include, but are not limited to:

- Fraud, theft, and other forms of diversion of resources for private gains.
- Petty corruption, which is the type of corruption that often occurs in small scale at local level, for example, to take out fees that do not exist for providing services.
- Unapplied procurement rules.
- Kickbacks, which is when a person gets paid, for example, from a supplier in order to make or keep a contract.
- Extortion, which is to obtain money, property, or services, from an individual or institution, through coercion.
- Nepotism or favouritism of an organisation or person because of personal relationships rather than their advantages or abilities.
- Misuse of position and power, for example, in the form of sexual exploitation or harassment, manipulation, or other forms of taking advantage of people.
- Negligence, concealing incidents that have occurred, or protecting corrupt individuals.

Barnfonden Representatives refers to employees, board members, interns, volunteers, and consultants who in any way represent Barnfonden in Sweden and in our programme countries. This includes staff, contractors and volunteers from our partner organisations (local organisations involved in any of our projects or programmes, or receiving financial recompense from Barnfonden).

Statement of Purpose

The purpose of Barnfonden’s Anti-Corruption Policy is to establish organisational procedures to prevent, detect, and effectively handle cases of corruption and malpractice towards our Policy Statement and Codes of Conduct. The aim is to promote integrity and accountability, and to define clear roles, responsibilities, and steps of action in cases of suspected corruption.

Scope

The policy is applied within all Barnfonden’s operations and regards all employees, board members, interns, volunteers, and consultants who in any way represents Barnfonden in Sweden and in our programme countries (as noted in the definition, referred to as *Barnfonden representatives*). In situations where Barnfonden has agreements on project/program funding

from donors we, as well as our representatives, are further to comply with their anti-corruption policies and guidelines.

Position on Corruption

Corruption can be both structural and situational and poses negative influence on political, economic, social, and environmental development. It is one of the largest obstacles to development and peoples' possibilities to access their rights. Furthermore, corruption manifests in multiple ways and affects all people, but due to unequal power dynamics in society, people are affected differently.

Barnfonden's vision is a sustainable world where children are listened to, cared for, and respected. Therefore, we have a zero tolerance against corruption. Barnfonden is committed to always prevent, never accept, always inform, and always act upon cases of suspected corruption and other irregularities. Barnfonden also acknowledges that corruption is highly contextual and must be understood and dealt with thereafter. Reporting on suspicions is always encouraged and all investigations will be conducted with the opinion that no dishonest and/or intentional corruption has taken place until the investigation proves the opposite.

Prevention and Learning

An essential part of our work against corruption is to work preventively against it, and this is the responsibility of all *Barnfonden representatives*. The policy will be shared with all the above mentioned so that they are informed about the risk of corruption and their responsibilities in relation to always prevent, never accept, always inform, and always act upon cases of suspected corruption and other irregularities. Barnfonden works actively with both strengthening organisational capacity and promoting a culture of transparency and integrity in order to prevent corruption. We focus on this both internally, within Barnfonden, but also with our partners and other stakeholders.

Weak organisational capacity increases the risk of corruption. Clear rules and regulations, including segregation of duties and well-understood internal control routines, are the basis of preventing corruption. For example, the at-least-two principle (i.e. that there are always at least two people involved in authorising and approving payments) is an important and simple action to reduce the risk of corruption and fraud. Different types of activities have different challenges. We assess the risk of corruption and make plans to mitigate the risk in all our projects, programs and activities within Barnfonden in accordance with our policies and guidelines.

Promoting an organisational culture focusing on transparency, integrity, trust and good governance is a key factor when preventing corruption but also for learning from our mistakes. By addressing the problem and building awareness and knowledge within Barnfonden and our partners, the risk of corruption will decrease. To raise concerns about

risks and weaknesses, and to suggest mitigation measures, shall always be encouraged. We actively promote our Action Manual and Complaints Procedure to inform on how to manage suspected corruption as well as the associated systems for documentation and logging.

Gifts

Barnfonden representatives must not make or receive any payments or gifts, or provide or receive other favors, to or from any public official, political figure, representative of a regulatory body or government agency, nor to or from any of our suppliers, programme partners or any other party (whether public or private) in order to influence or reward any act or decision to grant a license or regulatory approval, obtain or retain business, or to seek any other unlawful or improper purpose of advantage.

This prohibition excludes gifts and hospitality of minor value which are in keeping with general business practices and which are not subject to reasonable interpretation as an improper inducement. Any such gifts should be reported to the supervisor and handled transparently.

Gifts that are deemed improper must not be accepted, and any obvious attempt of bribery must be turned down actively.

Detect and Respond

Corruption is often difficult to detect. Except for a culture of openness and transparency, efficient monitoring of all our activities is an important element. At Barnfonden we are monitoring our partners and our activities, and we are being monitored by our donors. Barnfonden shall be sensitive to hints and information and always consider the risk of corruption. It is important to consider both our own and our partners' governance structures, for example the selection of the board. Selection of participants in the programmes, hiring of temporary/short term staff and consultants, and procurements are examples of other areas that we monitor and follow up actively. We strive to have an open and regular dialogue regarding these issues within Barnfonden as well as with our partners. It is further important to review our own and partners' reports and to make sure that auditors are independent and changed on regular basis.

Anyone who is acting on behalf of Barnfonden is obliged to immediately report any suspected case of corruption, malpractices towards our Codes of Conduct, and other irregularities. This includes any suspicion against staff, board members, interns, volunteers, our partner organisations and their staff, child sponsors or others acting on behalf of Barnfonden. We also welcome reports on suspicion from outside Barnfonden. Reports should primarily be made to the closest manager but can also be made to other persons within Barnfonden who will respond following the process outlined in our Action Manual and Complaints Procedures. Information can also be reported anonymously through our [Whistle Blowing Mechanism](#).

Further details on how to report can be found in Barnfonden's Action Manual and Complaints Procedures.

Responsibilities

All reports on suspected corruption, irregularities, or misconduct that are not in line with Barnfonden's values and Codes of Conduct must be investigated. The responsibility to investigate suspected cases of corruption, report to the Board and the donors, lies on the Secretary General or, if it relates to the Secretary General, to the Board Chair. The Secretary General can delegate that responsibility according to Barnfonden's Action Manual and Complaints Procedures. The person who receives the information must hand it over to the Secretary General who will further inform the Board, staff relevant for the specific case, and other relevant stakeholders. All final decisions lie with the Board.

The investigation shall determine whether it is a case of corruption or other types of irregularities or misconducts. Based on this, Barnfonden will take action according to Barnfonden's Action Manual and Complaints Procedures. Security issues must be considered when a potential corruption case is discovered, and Barnfonden will not endanger the security of any person in the processes.

Barnfonden must ensure that *Barnfonden's representatives* are managed by trustworthy policies and processes that Barnfonden has vetted at country level to ensure they *at a minimum* match the rigour of our own policies. Barnfonden is to be *fully engaged* in any investigations directly involving Barnfonden funds, and *involved* in incidents where our ChildFund Alliance partners have cause to investigate partners concerning funds that have indirectly originated from Barnfonden (e.g. subsidy funds), ensuring that agreed processes are being followed.

RELATED DOCUMENTS

- Action Manual and Complaints Procedures
- Report Form and Log of Cases
- Whistleblowing Policy
- Anti-terrorism and Money Laundering Policy
- Financial and Administrative Manual
- Code of Conduct