



CORRUPTION AND FRAUD PREVENTION POLICY
FOR THE ANTI-CORRUPTION BUREAU

MAY 2013

1.0 DEFINITIONS

- 1.1 "**Abuse of Official discretion or position**" refers to using authority or discretion or any responsibility or position entrusted by or with respect to any matter involving the Bureau to improperly benefit oneself or another person, employee, or another organisation whether directly or indirectly.

Benefiting includes but is not limited to obtaining of an advantage, wealth, property, profit or business interest for oneself or another person. It also includes using one's official position to influencing or directing or colluding with an employee or official of the Bureau to use vested authority or discretion for another person's benefit or to do anything contrary to established procedures or practice for the benefit of oneself or someone else.

- 1.2 "**Abuse of privileges information**" refers to using privileged information and knowledge which a person holds by virtue of his/her position or by virtue of being an employee or official of the Bureau to give unfair advantage to another person or organisation.

- 1.3 "**Advantage**" refers to any benefit, service, enjoyment or gratification, whether direct or indirect, includes a payment, whether in cash or kind, or any rebate, deduction, concession or loan, and any condition or circumstance that puts one person or class of persons in a favorable position over another.

- 1.4 **Asset** refers to any item of economic value owned by an individual or corporation, especially that which could be converted to cash or has exchange value
- 1.5 **Bribery** refers to the offering, giving, receiving, obtaining, soliciting or demanding or any advantage to influence the action of an employee of the Bureau or any other person or official concerned with or connected with any matter or transaction involving the Bureau in the discharge of the duties of that employee or other person or official or to obtain any favours or benefits or advantage for oneself or other person.
- 1.6 **Fraud** refers to the false representation or concealment of a material fact to induce someone to part with something of value.
- 1.7 **Conflict of Interest** refer to a situation which raises a potential conflict between personal or private interest and the interest of the Bureau which may potentially compromise or limit a person's ability to exercise objective judgement.
- 1.8 **Custodian of the Policy** refers to the person designated to oversee and coordinate the implementation and enforcement of the provisions of this Policy. In this Policy, it refers to the Director.
- 1.9 **Officer** refers to any person employed by the Bureau under Section 9 of the Corrupt Practices Act.

- 1.10 "**Embezzlement**" refers to the theft or misappropriation or fraudulent appropriation of cash or property of the Bureau by or in collusion with person entrusted with the authority and control of such cash or assets.
- 1.11 "**Extortion**" refers to the demanding or receiving or offering or giving of a fee or other payment which is not sanctioned by the Bureau or contrary to what is officially authorized or is larger than justified.
- 1.12 "**Favoritism/Nepotism**" refers to the assignment of appointments, service or resources according to family ties, party affiliation, tribe, religion, sect, gender and other preferential groupings.
- 1.13 "**Head of Section**" means an employee who has been entrusted with the responsibility to oversee the activities of a section of the Bureau.
- 1.14 "**Influence Peddling**" refers to using influence with persons in authority at the Bureau to obtain favours or preferential treatment for oneself or another person in return for an advantage.
- 1.15 "**Integrity**" refers to the use of public power for public gain

- 1.16 "**Integrity Committee**" refers to a committee appointed in line with National Anti-Corruption Strategy 2008.
- 1.17 "**Management**" refers to all heads of sections.
- 1.18 "**The Bureau**" means the Anti-Corruption Bureau.
- 1.19 "**Stakeholders**" refers to all those individuals and entities that are directly or indirectly involved in the activities of the Bureau.
- 1.20 "**Victimization**" includes but is not limited to physical or verbal intimidation, physical or emotional harm, suspension or occupational detriment, denial of service or other actions inflicted directly or indirectly.
- 1.21 "**Whistle-blower**" refers to an employee or any other person who reports any suspected breach of the provision of this Policy.

2.0 INTRODUCTION

2.1 This Corruption and Fraud Prevention Policy spells out the position of the Bureau on issues of corruption and fraud and reinforces management commitment in promoting ethical behaviour and good corporate governance. It provides a framework for harnessing the efforts of management, employees and other stakeholders for the benefit of all.

3.0 OBJECTIVES

3.1 The objectives of this policy are to:-

- i. Provide a clear statement to employees and stakeholders of the Bureau forbidding any corrupt and fraudulent activity and their possible negative consequences.
- ii. Provide guidelines and procedures for preventing, detecting, reporting and investigating corruption and fraud.
- iii. Promote an environment and culture in the Bureau that is intolerant to corruption and fraud.

4.0 SCOPE OF THE POLICY

4.1 The policy covers all fraudulent and corrupt practices involving the following:-

- i. All officers of the Bureau.

- ii. Any other persons or entities when they directly or indirectly transact with the Bureau.

5.0 POLICY STATEMENT ON CORRUPTION AND FRAUD

5.1 It is the policy of the Bureau, that corruption and fraud shall not be tolerated. As a consequence, such practices shall be investigated and followed up by the application of all remedies available within the full extent of relevant policies and the law, as well as the application of appropriate prevention and detection controls.

6.0 CUSTODIAN OF THE POLICY

6.1 The custodian of this policy is the Director who shall, in addition to other responsibilities spelt out in this Policy, coordinate and monitor the implementation of the Policy.

6.2 The Director shall designate the Institutional Integrity Committee(IIC) to oversee the implementation of this policy.

6.3 The Director shall report on activities undertaken to implement this Policy to the National Integrity Committee (NIC) on quarterly basis and when need arises.

7.0 RELATED POLICIES AND LEGISLATION

7.1 The Policy supports and complements the Corrupt Practices Act, The National Anti-Corruption Strategy, Staff Terms and Conditions of Services, Bureau Standing Orders, Bureau Code of Conduct and Ethical Behavior, Other policies and relevant legislation governing the Bureau.

8.0 FORMS OF CORRUPTION AND FRAUD

8.1 The Bureau acknowledges the following forms of corrupt or fraudulent behavior. It also recognizes that this list is not exhaustive.

| | FORMS | EXAMPLES |
|---|--------------------|--|
| 1 | Bribery | <ul style="list-style-type: none">• Offering an advantage in order to be considered for training, promotion etc.• Offering or soliciting an advantage in exchange for employment• Receiving an advantage in order to improperly influence investigations |
| 2 | Extortion | <ul style="list-style-type: none">• Use of threats to obtain an advantage in exchange for a service |
| 3 | Influence peddling | <ul style="list-style-type: none">• Using one's power to ensure that certain people are recruited or promoted |
| 4 | Embezzlement | <ul style="list-style-type: none">• Theft of cash or organization's assets by a |

| | | |
|---|--------------------------------|---|
| | | <p>Stores person</p> <ul style="list-style-type: none"> • Misappropriation of Bureau funds by cash officer |
| 5 | Abuse of conflict of interest | <ul style="list-style-type: none"> • Participating in evaluation of tender bids where some of the bids are for close relations or friends • Being part of an interview panel where some of the interviewees are your relations. |
| 6 | Abuse of office/discretion | <ul style="list-style-type: none"> • Using one's power to ensure that contracts to supply goods, services and works are awarded to specific individuals. • Using one's position to delay or frustrate payments |
| 7 | Abuse of privilege information | <ul style="list-style-type: none"> • Leaking of information on investigations to suspects in return for a benefit. • Selling confidential information to the media or other unauthorized outlets. |
| 8 | Nepotism | <ul style="list-style-type: none"> • Assigning duties, responsibilities based on family, tribal, grouping ties |
| 9 | Fraud | <ul style="list-style-type: none"> • Claiming more allowances than the days spent in the field. |

9.0 **RISK AREAS**

9.1 The following are some of the areas considered to be of high risk to fraud and corruption in the Bureau: Report Centre, Procurement,

Recruitment, Investigations, Transport (fleet management), Stores, Security, Information Technology, Finance and Administration.

9.2 The IIC shall develop and implement a program to ensure that appropriate Corruption and Fraud Prevention and detection measures are put in place to safeguard these risk areas.

10.0 DISCLOSURE OF CONFLICT OF INTEREST

10.1 Employees of the Bureau and other persons covered by this Policy that will participate in decision making involving activities of the Bureau, who are faced with a possible conflict of interest, shall declare it and shall not in any way participate in the matter or decision under consideration.

10.2 The declaration shall be made using the Conflict of Interest Declaration Form which can be obtained from the Chairperson of the Institutional Integrity Committee.

10.3 Failure to declare a conflict of interest or making a false declaration shall constitute a breach of this Policy.

10.4 In addition to the Conflict of Interest Declaration Form, the Director shall issue guidelines for management of conflict of interest.

11.0 REPORTING SUSPECTED CORRUPTION AND FRAUD

- 11.1 If Corruption and Fraud and other irregularities are suspected against those to whom this policy applies, reporting can be done internally by telephone, letter, email, fax, suggestion boxes, or in person to the Chairperson or any member of the Institutional Integrity Committee, the Director and the Deputy Director.
- 11.2 If there is any suspected corruption or fraud involving the Director or Deputy Director it can be reported to the Head of State with copy to the Public Appointment Committee.
- 11.3 Any employee or person covered under this Policy, found to have made reports which are false and made with malicious intent shall be liable to prosecution in line with the Corrupt Practices Act or disciplined in line with the Conditions of Service of the Bureau or any other relevant policies and legislation.
- 11.4 Employees and those covered by this Policy are encouraged to indicate their names to all reports made under this Policy of suspected corruption and other irregularities.
- 11.5 Reports made anonymous shall be investigated at the discretion of the Bureau by taking into consideration the seriousness of the suspected corruption and other irregularities raised in the

report, credibility of the report: and likelihood of confirming the reported corruption and other breaches of the Policy.

11.6 All reports of suspected corruption or fraud that are received and investigated will be treated confidentially. Failure to adhere to confidentiality shall constitute a breach of this Policy.

11.7 The custodian of this Policy shall maintain a confidential register of all cases of suspected corruption and fraud which are reported, including those where there is no evidence of a corrupt or fraudulent practice.

12.0 PROTECTION OF WHISTLE BLOWERS AND OTHER PERSONS

12.1 Where a person has acted in good faith in reporting suspected corruption and fraud or has provided any information during an investigation into a suspected breach of this Policy, the Director shall take all necessary steps to provide them with protection against victimization in accordance with Section 51 of the Corrupt Practices Act.

13.0 INVESTIGATIONS

13.1 Reports of suspected corruption, fraud or other breaches of this Policy may be investigated internally or where appropriate referred to external agencies.

13.2 The Director has the mandate to authorize investigations into all reported breaches of this Policy with exception to breaches by himself.

13.3 Action must be taken on all matters reported to the IIC

13.5 Matters reported under this Policy involving employees, including Management of the Bureau shall be investigated in accordance with their respective Terms and Conditions of Service.

13.6 Matters reported under this Policy involving persons or entities covered by this Policy other than employees shall be investigated in accordance with terms of the contract or as determined by the Director.

13.7 Any person assigned to receive reports or investigate suspected breaches of this Policy shall sign a Confidential Declaration Form and shall be liable for disciplinary action should he be found to have breached confidentiality.

14.0 RESOLUTION OF INVESTIGATED MATTERS

14.1 If a suspicion of corruption or fraud by an employee is substantiated by the investigation, disciplinary action will be taken in accordance with terms and conditions of service of the Bureau and other relevant laws and regulations.

14.2 The Bureau shall also take disciplinary action on basis of findings of an investigation, audit or any similar exercise by any external agency such as Malawi Police Service or any appropriate authority if they fall within the scope of issues covered under this Policy.

14.3 Disciplinary action for persons or entities other than employees of the Bureau may range from a warning, recommendation for prosecution, cancellation of contract, debarment or any other action in accordance with applicable laws of the Republic of Malawi.

15.0 EMPLOYEE AND STAKEHOLDER AWARENESS

15.1 The Senior Public Relations Officer and Corruption Prevention Section shall ensure that the policy is publicized so that all employees and stakeholders are aware of this policy and its content.

16.0 ROLES AND RESPONSIBILITIES

16.1 MANAGEMENT

Management of the Bureau shall provide resources for implementation of the Policy, and shall deal with areas that are making officers conducive to corruption.

16.2 EMPLOYEE

16.2.1 All employees of the Bureau and others covered by this Policy have a duty to report all incidents of suspected breaches of this Policy.

16.2.2 Every employee should resist and refrain from corrupt or fraudulent behavior.

16.2.3 Every employee of the Bureau shall declare their assets, liabilities and business ventures at the start and end of their contracts.

16.2.4 Every employee shall declare gifts received in accordance with the Gift Policy and Guidelines

17.0 IMPLEMENTATION

17.1 This Policy will become effective on the date it is approved by the Minister of Justice.

18.0 REVIEW OF THIS POLICY

18.1 The Policy shall be reviewed every three (3) years after the effective date and when necessary before the expiry of this period.