



**Fraud, Whistleblowing and
Complaints Policy**
for
ADRA Norway

June 2011

Fraud Policy and Response

- Definition** The term fraud is used to describe a whole range of activities such as deception, bribery, forgery, extortion, corruption, theft, conspiracy, embezzlement, misappropriation, false representation, concealment of material facts, and collusion. Generally, however, fraud involves the intention to deceive a person or organization in order to obtain an advantage, avoid an obligation or cause a loss.
- Expectation** ADRA Norway requires staff at all times to act honestly and with integrity and to safeguard the resources for which they are responsible. Fraud is an ever-present threat to these resources and hence must be a concern of all members of staff. The prevention and detection of fraud is the contractual responsibility of all employees in ADRA Norway, and the failure to report suspicions and concerns may result in disciplinary action being taken.
- ADRA Norway contracts/agreements with implementing partners shall include a commitment to report to the program administrator on suspicion of and evidence possessed of an illegal act, an attempted illegal act or a plan to commit an illegal act by anyone associated with the implementation of the agreement.
- Values** ADRA Norway values financial probity and reliability and recognizes that beyond any financial damage suffered, fraud may reflect adversely on its image and reputation. Its aim therefore is to limit its exposure to fraud by:
- Instituting and maintaining cost effective measures and procedures to deter fraud;
 - Taking firm and vigorous action against any individual or group perpetrating fraud against the organization, partners, and stakeholders;
 - Encouraging its employees to be vigilant and to report any suspicion of fraud, providing them with suitable channels of communication and ensuring that sensitive information is treated appropriately (see also the attached Whistleblowing Policy);
 - Rigorously investigating instances of alleged fraud and pursuing perpetrators to seek restitution of any assets fraudulently obtained and the recovery of costs;
 - Assisting the auditors, law enforcement authorities, and other appropriate authorities in the investigation and prosecution of those suspected of fraud.
- Responsibility** ADRA Norway management is responsible for the prevention and detection of fraud by ensuring that an adequate system of internal control exists, and that these control mechanisms operate effectively. Further the management shall be available to offer advice and assistance to staff on discovered risk and control issues.
- Response** In case of suspected or detected fraud, ADRA Norway shall:
- Immediately start an investigation;
 - Attempt to solve the problem internally and without any losses to third parties;
 - Secure evidence and ensure that proper action is taken to prevent further losses;

- If needed, conduct a fraud audit in order to gauge the actual extent of the problem;
- Notify the relevant stakeholders and authorities.

Whistleblowing Policy

Purpose This policy and the following procedure relate to the disclosure of genuine concerns that an employee may have about any suspected violation of any relevant policy, practice or activity of ADRA Norway and to all laws and regulations that apply to the organization.

This policy applies to all permanent and temporary employees of ADRA Norway, as well as to external consultants, contractors and volunteers working for ADRA Norway.

Definition Violations include, but are not limited to, conduct likely to jeopardize the standing of ADRA Norway and its partners, breaches of internal policies and regulations, criminal offences or breaches of civil law, risks to the health and safety of any person, environmental damage, and the deliberate concealment of any wrongdoing.

The disclosure should be made “in good faith”. In other words the disclosure must be made out of real concern about wrongdoing. Knowingly and maliciously making false accusations for ulterior motives is not whistleblowing. The whistleblower should reasonably believe the information and allegation is substantially true, even if the information later turns out to have been incorrect.

Whistleblowing is not the same as making a complaint or raising a grievance, where the individual is saying that they have personally been poorly treated. A whistleblower is usually not directly or personally affected by the concern and therefore rarely has a direct personal interest in the outcome of any investigation into their concerns. The whistleblower raises the concern so that others can address it.

Fair Treatment If an employee raises a concern about any deliberate wrongdoing, and it has been made “in good faith”, he/she will be taken seriously and will be treated fairly and justly. ADRA Norway will take all reasonable steps to ensure that the information remains confidential as well as to ensure that there will be no retaliation or victimization in any form.

It is not necessary for an employee who raises the concern to prove the wrongdoing that is alleged to have occurred or is likely to occur. However, disciplinary action will be taken against anyone deliberately raising false and/or malicious allegations.

Procedure for Whistleblowing

Raising Concern

The employee should inform his/her immediate supervisor about a violation. The immediate supervisor will then raise the matter with the ADRA Norway Director. If the concern involves the immediate supervisor, or for any reason the employee is not comfortable with bringing the matter to the supervisor, it may be raised directly with the ADRA Norway Director.

If concerned about the nature of the response, or lack thereof, or if the employee feels unable to discuss with anyone internally, for whatever reason, the ADRA Norway Board Chairman or the Auditor of ADRA Norway should be contacted.

Fact Finding The person raising the violation concern may choose to have a fellow employee of his/her choice accompany him/her to any meeting related to the allegation. It is possible to confer with the colleague during the course of the meeting and he/she may address the hearing, but may not answer on behalf of the person that raises the concern.

The individual(s) under investigation may also be accompanied on the same basis. The ADRA Norway Director may be accompanied by any member of the ADRA staff or an appointed investigator.

Investigation The ADRA Norway Director will conduct a full investigation, or appoint an investigator, with the objective of establishing whether or not a violation has occurred. The format of the investigation may vary depending on the circumstances.

Findings The ADRA Director will communicate the findings of the investigation to: a) the person raising the violation concern; b) the individual(s) under investigation; and, if appropriate, c) those members of the ADRA Norway management, and/or ADRA Norway Board, and/or relevant external authorities that need to consider whether or not action should be taken on the basis of the findings.

Complaint Mechanisms for Beneficiaries

- Purpose** ADRA Norway has high ambitions for accountability, transparency and learning. Thus ADRA Norway will endeavor to create possibilities for all stakeholders to give input to programs and to complain about unjust action or behavior.
- Commitment** ADRA Norway will strive for openness with the underlying assumption that whenever possible, information concerning operational and institutional activities of ADRA Norway will be made available to relevant stakeholders in the absence of compelling reasons for confidentiality.
- Partners** ADRA Norway will rarely have direct contact with beneficiaries. However, ADRA Norway will work with implementing partners in order for them to have high standards of accountability, transparency and learning and complaint mechanisms for the beneficiaries according to the following principles.
- Principles** The complaint mechanism will:
- Be a mechanism whereby the recipient may raise concern;
 - Give assurance that there is a better alternative to silence and that whistle blowing will be perceived as a witness and not a complaint;
 - Create a mechanism whereby the usual contact person or direct line management may be bypassed when necessary;
 - Ensure that no form of repercussion will follow a just complaint.
- Handling** ADRA Norway will handle complaints in the following manner:
- The complaint will be registered;
 - A person not involved in a possible charge will investigate the charges raised;
 - A report will be prepared and made available for the complainer.