

FemiliPNG Australia (FPNGA) regards and treats corruption and fraud seriously. FPNGA is committed to the highest possible standards of accountability, openness, and transparency. FPNGA has a zero-tolerance attitude towards corruption and fraud.

## 1. Purpose of the policy

FPNGA’s Anti-Corruption and Anti-Fraud Policy (this Policy) has been established to facilitate the development of strong, robust, and effective controls that will aid in the prevention and detection of corruption and fraud against FPNGA. It is the intent of FPNGA to promote consistent organisational behaviour by providing guidelines and assigning responsibility for the development of controls and conduct of investigations.

## 2. Policy application

This policy applies to any irregularity or suspected irregularity, involving FPNGA and its partners, employees, volunteers, Board members, consultants, vendors, contractors and/or any other parties with a business relationship with FPNGA.

## 3. Definitions

<b>Personnel</b>	A FemiliPNG Australia staff member, contractor, or volunteer
<b>Representative</b>	A FemiliPNG Australia Board member
<b>Blackmail</b>	An act involving unjustified threats to make a gain.
<b>Embezzlement</b>	Theft or misappropriation of funds placed in one's trust or belonging to one's employer.
<b>Intangible Benefit</b>	A benefit that cannot be measured in monetary terms.
<b>Impropriety</b>	Failure to observe standards of honesty.
<b>Misappropriate</b>	Dishonestly or unfairly taking something (especially money belonging to someone else) for one's own use.
<b>Tangible Benefit</b>	A benefit that can be quantified, especially in money.
<b>Whistleblowing</b>	The activity of exposing the corrupt practices of others.

## 4. Policy Principles

FPNGA is committed to protecting the money and resources given to us by our donors from any attempt by any person to dishonestly obtain a benefit or cause a loss by deception. This includes bribery or being bribed. In this regard FPNGA:

- Maintains a “zero tolerance” attitude against corruption and fraud.
- Commits to the ongoing prevention, control and detection of fraud and corruption.
- Requires that any case of suspected or detected corruption or fraud must be reported to the FPNGA CEO and Finance Officer. If the suspected corruption or fraud relates to the FPNGA CEO or Finance Officer, the detected fraud must be reported to the Board.

<b>Policy name, number</b>	Anti-Corruption and Anti-Fraud Policy, POL-003	<b>Version and date developed</b>	V1 May 2022
<b>Policy developed by</b>	Fiona Gunn, Fiona Brown	<b>Policy approved by the Board</b>	March 22

- Adopts a risk management approach to the prevention, detection and investigation of suspected fraudulent activity that is incorporated into its business process, management practices, internal controls, and related activities.
- Supports internal and external processes for safe reporting of wrongdoing (known as whistleblowing), which includes protecting the identity of the reporter and preventing any harm to the reporter from FPNGA or employee of FPNGA.
- Commits to training staff in ethics, privacy and corruption and fraud awareness activities.
- Prosecutes or applies appropriate sanctions against those who have committed fraud.

## 5. Policy

- 5.1 All management, staff and representatives are responsible for the detection and prevention of corruption, fraud, misappropriation and other irregularities.
- 5.2 FPNGA defines corruption as the abuse and/or misuse by an individual of their position in an organisation, usually by making or receiving some kind of payment or giving gifts to an official.
- 5.3 FPNGA uses the definition of fraud in the Australian Government Commonwealth Fraud Control Framework 2017, which is “dishonestly obtaining a benefit, or causing a loss, by deception or other means”. Fraud includes legally defined dishonesty offences and where benefits (tangible or intangible) reflect a misuse or misappropriation of funds or assets.
- 5.4 Corruption and fraud in all its forms is unacceptable to FPNGA because its occurrence would damage our reputation and that of Femili PNGs with our supporters, donors, partner governments, and others that we work with including the communities we serve. It would also damage the reputation of the funders who support FPNGA.
- 5.5 Any irregularity that is detected or suspected must be reported immediately to the FPNGA CEO and Finance Officer who will work with relevant staff to coordinate investigations with appropriate authorities, both internal and external.
- 5.6 If the situation occurs where the FPNGA CEO or the Finance Officer is suspected of involvement in fraudulent or corrupt behaviour, or if the person having the suspicion does not believe that the matter is being appropriately addressed or dealt with, the matter should be escalated to the Chair of FPNGA via email marked confidential to [Stephen.Howes@anu.edu.au](mailto:Stephen.Howes@anu.edu.au)
- 5.7 FPNGA understands its obligations to donors and will act in accordance with these obligations in regard to the reporting of suspected and detected cases of fraud (see section 8, Donor Notification).
- 5.8 If any staff member has any question as to whether an action constitutes corruption or fraud, they are to contact the FPNGA CEO and/or Finance Officer without delay.

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## 6. Actions Constituting Fraud

Fraud refers to, but is not limited to:

- 6.1 Any dishonest or fraudulent act including forgery, alteration, removal or destruction of documents, records, and equipment.
- 6.2 Theft, embezzlement, misappropriation, or concealment of FPNGA property including money, supplies or other assets.
- 6.3 Impropriety in the handling or reporting of money, donations or financial transactions including false claims by FPNGA or partner organisation staff.
- 6.4 Disclosing confidential and property related information to third parties.
- 6.5 Bribery such as promising or giving benefits to another person in order to induce a person to perform improperly. Or agreeing to receive or accept a financial or other benefit that a person is not entitled to.
- 6.6 Inappropriate personal use of FPNGA assets including vehicles and office equipment.
- 6.7 Blackmail or extortion.
- 6.8 Any similar or related irregularity. Some further examples include:
  - Claiming to be in a position to offer people benefits such as employment and gaining from this in any form.
  - Using a donation to FPNGA (cash or in-kind) for personal gain and interest.
  - Failing to immediately complete an incident report regarding damage or loss of FPNGA property.
  - Stealing or selling any assets that belong the FPNGA or partner organisation Femili PNG (FPNG).
  - Failing to return receipts and account for any FPNGA or FPNG funds in a timely manner as per the Financial Manual.
  - Using FPNGA or FPNG funds (such as petty cash/security money) for personal purposes.
  - Fraudulently claiming to have worked additional hours to obtain time off in lieu or other benefits.
  - Giving or receiving a gift, that will likely result in a personal benefit.

## 7. Control and Prevention

FPNGA works to control and prevent fraud and corruption by:

- 7.1 Actively managing the risk of fraud and corruption through the identification, treatment and mitigation of associated risks, and regular review of the Risk Management Framework.
- 7.2 Having stringent procedures in place for procurement according to value for money principles, and documented delegations and authorisations.
- 7.3 Limiting cash transactions, and ensuring all financial transactions are made according to the procedures outlined in the Finance Manual.
- 7.4 Implementing a robust system of checks for monthly financial reconciliation.
- 7.5 Recruiting according to merit principles, based on a clear and defined job description and rigorous pre-employment checks.
- 7.6 Inducting staff on anti-fraud anti-corruption measures and regular review of this Policy.
- 7.7 Adopting and implementing any other measures agreed by FPNGA Management and the Board to be in the interests of controlling and preventing fraud and corruption.

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## 8. Confidentiality

- 8.1 The FPNGA CEO and Finance Officer will treat all information about alleged fraud and corruption incidents received confidentially.
- 8.2 The FPNGA CEO and Finance Officer will provide an accessible, safe, and discrete point of contact for anyone who alerts them of suspected instances of corrupt or fraudulent activity. FPNGA will protect the identity of anyone who reports suspected instances of corrupt and fraudulent activity and will prevent any harm to the reporter from FPNGA or an employee of FPNGA.
- 8.3 Any employee or representative who suspects dishonest, corrupt, or fraudulent activity will notify the FPNGA CEO immediately, and should not attempt to personally conduct investigations or interviews related to any suspected corruption or fraud.
- 8.4 Investigation results will not be disclosed or discussed with anyone other than those who have a legitimate need to know. This is important in order to avoid damaging the reputation of persons suspected but subsequently found innocent and to protect the organisation from potential civil liability. It is also to protect the person who has made a claim of suspected corrupt or fraudulent activity.

## 9. Investigation

- 9.1 All staff and Board members have an obligation to report any suspected misconduct to the FPNGA CEO and Finance Officer, or Chair.
- 9.2 When the FPNGA CEO, Finance Officer or Chair receives an allegation of corruption or fraud, it must first be determined whether the allegation can be handled without an investigation. This must be actioned within 7 working days of receiving the report.
- 9.3 When the allegation relates to a FPNGA staff member or representative, the following will apply:
  - The alleged FPNGA staff or representative must be made aware of the claim made against them and be given an opportunity to respond to the claim.
  - If it is found that the matter requires a formal investigation, this will be done in accordance with Investigating Misconduct section of the HR Manual (section 16).
  - The FPNGA staff or representative concerned has a right of appeal under existing Grievance Procedures in the HR Manual (section 14).
  - Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title, or relationship to FPNGA.
  - If the investigation finds the allegations warranted, disciplinary action, including termination, will be administered as per section 17 of the HR Manual.
- 9.4 For allegations concerning individuals external to FPNGA, the procedure for the investigation will take place as determined by the FPNGA CEO and Finance Officer, seeking advice of the Board if required.
- 9.5 For allegations either against FPNGA staff and representatives, or external individuals the following apply:
  - Decisions to prosecute or refer the investigation results to the appropriate law enforcement and/or regulatory agencies for independent investigation will be made by the FPNGA in conjunction with legal counsel and/or Board advice.
  - The appropriate and necessary actions taken as a result of each investigation will be determined by the FPNGA CEO, Finance Officer and/or Board on a case-by-case basis. The FPNGA CEO and Finance Officer will seek legal advice, to ensure adherence to Australian laws, as necessary.

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## 10. Donor Notification

- 10.1 FPNGA has an obligation to report fraud and corruption to its donors and partners.
- 10.2 Donors such as the Australian Government Department of Foreign Affairs and Trade (DFAT) require that fraud is reported within 5 days of being suspected or detected.
- 10.3 FPNGA will follow the fraud notification requirements as detailed in our contracts with donors.

## 11. Policy amendments

All policies are subject to review and endorsement by the FemiliPNG Australia Board. Suggestions about this policy are welcome and should be directed to the FemiliPNG Australia CEO. Any amendments or changes to the Policy will be submitted to the Board for endorsement.

The CEO is responsible for maintaining this document, including updating confirmed changes, informing staff of the changes, and disseminating the latest version to all personnel.

This policy will be reviewed every three years, or as needed to meet governance obligations and/or changes in legislation.

## 12. Related documents

Document number	Document name
	Finance Manual
POL-005	Conflict of Interest Policy
	HR Manual
DOC-002	Risk Management Framework

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