



# TRIAL International anti-corruption and anti-fraud policy

## 1. Introduction

### a) Purpose

TRIAL International has a zero-tolerance policy on corruption and fraud. This policy sets forth the respective principles and rules and how they must be implemented.

The present document outlines the organization's approach to define, prevent and control corruption and fraud, and details the roles, responsibilities and actions to investigate suspicions of such prohibited acts.

TRIAL International seeks to adopt an active approach to understand and prevent corruption and fraud by raising awareness and establishing clear guidelines and procedures throughout the organization.

### b) Scope and Applicability

The present anti-corruption and anti-fraud policy concerns the entire organization, including headquarters in Geneva and local offices around the world. It should be applied both internally and externally with all partner organizations.

The policy applies to all Board members, staff (including interns and volunteers), consultants, and all partner organizations, independently of their positions and for all tasks and activities related to TRIAL International.

All partner organizations, contractors and suppliers shall be made aware of this policy and references to it shall be made in relevant contracting documents, including provisions that TRIAL International can request any documentation or conduct interviews with concerned individuals in case of suspicion of corruption or fraud in the framework of the collaboration. Partner organizations should have their own channels to report suspected cases of corruption, in addition to those mentioned in this document.

## 2. Basic rules, definitions and key elements

### a) Basic rules

TRIAL International prohibits and condemns all frauds.

TRIAL International must not corrupt or accept bribes and must not use intermediaries to commit such acts.

TRIAL International does not distinguish between public officials and private persons so far as corruption is concerned: corruption is not tolerated, regardless of the status of the recipient.

### b) Definitions

**Fraud** means any wrongful act or omission designed to secure an unlawful gain for oneself or another, in particular to the prejudice of TRIAL International.

#### **Corruption**

**Active corruption** means offering, giving or promising (or authorizing someone to offer, give or promise) an improper benefit, directly or indirectly, with the intention of influencing or rewarding the behavior of someone to obtain or retain an undue advantage.

**Acceptance of bribes** means demanding, securing the promise of or accepting an improper benefit, directly or indirectly, in order to carry out or fail to carry out an act in connection with their activity which is contrary to their duty or dependent on their discretion.

**Facilitation payment** means offering, giving or promising (or authorizing someone to offer, give or promise) an improper benefit, directly or indirectly, in order for the person to carry out their official duties. Facilitation payments are intended to influence only the timing of the public official's actions (e.g. payment to expedite the issuance of a visa).

The behaviors defined above will be referred to as "**the prohibited acts**".

### c) Key elements

**Corruption and bribes** can take a variety of forms – offering or accepting money or anything else of value. In fact, even common commercial interactions or social activities, such as the provision of gifts and hospitality, can constitute bribes in some circumstances.

As a general rule, **gifts** should not be accepted. Cash and gifts that are cash equivalent must never be given or accepted.

Nevertheless, offering and accepting gifts or hospitality can be a legitimate contribution to good working relationships. If gifts must be accepted as a matter of courtesy in the interest of the organization, they have to be modest, reasonable and infrequent so far

as any individual recipient is concerned. They must then be handed over to TRIAL International.

Always ask yourself before offering or accepting anything of value from any person if what you are considering could be viewed as having an illegitimate purpose. If the answer is yes, you must not proceed. Refuse in a clear and non-negotiable manner and immediately report such offer.

**The zero-tolerance policy must not pose a threat to an individual's life or health or that of others.** Individuals' safety is always paramount.

If a staff member is forced to participate in a prohibited act (e.g. being forced to pay for something that should be free), this should be documented and reported, so that it can be examined if and how this situation could have been prevented and measures be taken to avoid such incidents in the future.

If staff members are in any doubt, or confronted with one of the **cases mentioned above**, they should consult the direct supervisor, the Office Manager or the Executive Director according to Point 4: *Handling of Allegations*.

### **3. Roles and responsibilities**

The **Executive Director** shall ensure the overall dissemination, implementation and adherence to this policy. He is responsible for:

- ensuring that TRIAL International has the necessary control system and measures in places to allow the prevention and detection of prohibited acts;
- leading the internal investigations of allegations; and
- reporting any serious suspicion of a prohibited act to the Executive Board.

The **Executive Board** is in charge of:

- deciding on the appropriate disciplinary measures; and
- reporting the case to the police or any relevant authorities if the case is deemed to be a criminal offence under Swiss law.

All **Board members, staff members and consultants** shall:

- comply with this policy;
- understand their exposure to prohibited acts in their area of activities; and
- take appropriate measures to detect and report any suspicions of a prohibited acts through the proper channels.

All staff members are required to work actively to prevent prohibited acts by identifying and acknowledging risks throughout the organization, as well as reporting irregularities and suspected cases.

All **Heads of Programs and Departments** and other staff members with **managerial positions** shall:

- promote awareness of this policy among their staff members and ensure they know how to identify, recognize and act vis-à-vis risks;
- identify and assess the potential risk of a prohibited acts;
- take adequate measures to reduce and prevent such risks; and

- ensure the dissemination of this policy to partners, contractors and suppliers and that relevant references are included in any contractual document.

Managers who fail to take appropriate action or who directly or indirectly tolerate prohibited acts may themselves be held accountable.

The **Head of Finance and Administration** shall assist the Executive Director in:

- informing and training staff members about the policy, risks and mechanism of detection;
- the improvement of internal control and prevention mechanisms; and
- advising on prohibited acts prevention.

All Board and staff members shall refrain from publicly sharing information about allegations of a prohibited act. Public statements shall only be made by a person specifically appointed by the Executive Director.

## 4. Handling of allegations

### a) Report

Any suspicion of a prohibited act must immediately be reported to the direct supervisor, the Office Manager or the Executive Director.

TRIAL International will do its best to ensure that partner organizations, beneficiaries, contractors and suppliers report allegations of a prohibited act to their contact person at the organization.

Allegations reported shall be convened immediately to the Executive Director who will determine the appropriate measures to be taken to investigate the case. Should the allegations concern the Executive Director or a member of the Board, the incident can be reported to an external advisor<sup>1</sup>.

### b) Internal investigation

When suspected irregularities arise, TRIAL International must immediately take action to minimize any damage and ensure a prompt investigation. All concerns raised will be treated confidentially and will be investigated promptly in a fair and impartial manner. TRIAL International will take all appropriate measures to ensure that information reported remains confidential and is only disclosed to authorized individuals and investigators.

TRIAL International will protect the identity of those reporting in good faith any suspicion of a prohibited act and take appropriate measures to protect them from any act of reprisal. TRIAL International has zero tolerance for any form of retaliation against a person who reports reasonably-held suspicions.

The presumption of innocence is to be respected until a case is solidly established.

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<sup>1</sup> The external referent is former Swiss judge Jean-Pierre Lador, [jplador@yahoo.fr](mailto:jplador@yahoo.fr).

### c) Measures

To ensure that all documentation relating to alleged prohibited acts available for investigation, immediate action to prevent the theft, alteration or destruction of such documentation will be taken. Such actions may include but are not limited to:

- removing documentation, computer and any other electronic data storage media from their current location to store them in a secure place; and
- limiting access to documentation, computer and any other storage places.

All serious suspicions of a prohibited act will be reported to the Executive Board.

If a prohibited act has taken place, TRIAL International will:

- refer the matter to the police and other relevant authorities if the case is deemed to be a criminal offence under Swiss law;
- take appropriate disciplinary measure if an employee was involved in the action, including dismissal if necessary, and;
- take relevant recovery measures.

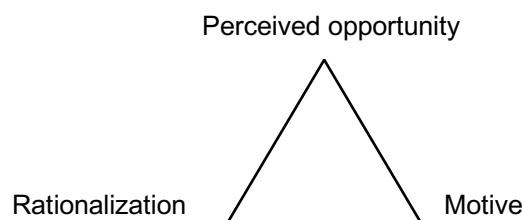
### d) Follow up

If a prohibited act deemed to be a criminal offence under Swiss law took place in the framework of an activity financed by one or several donors, the donor(s) shall be made aware of the incident by the External Relations Department and be informed of all measures taken.

After any demonstrated case of a prohibited act, the Executive Director and the Executive Board will conduct a review of relevant internal procedures and policies to assess if revision is deemed necessary and what, if any, corrective measures need to be undertaken.

## 5. Understand and prevent

Understanding mechanisms hidden behind corruption and fraud is critical preventing such situations. The fraud triangle<sup>2</sup> is a model to illustrate the factors that cause someone to commit corruption or fraud. It consists of three elements which, taken together, lead to corrupt or fraudulent behavior and which can be individually addressed to prevent the action:



**Perceived opportunity:** Opportunities for corruption and fraud without consequences for the perpetrator (e.g. the person being caught and/or actions taken against them) are often created by gaps in procedures and control systems.

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<sup>2</sup> <https://www.acfe.com/fraud-triangle.aspx>

This factor can be addressed by the implementation of control mechanisms such as reconciliations, double authorizations, but also by having clear, enforced disciplinary measures. Eliminating the perceived opportunity has been proven to be the most effective way to reduce corruption and fraud.

**Rationalization:** the justification of the act of corruption or fraud.

Perpetrators usually know that the act is wrong but believe that their action is justified by a reason or another (for example that is for a good cause, that everyone does it, etc.).

Rationalization can be addressed by raising awareness about the negative impact corruption and fraud has on the organization and the beneficiaries, training, regular appraisal and fair treatment of all staff members.

**Motive:** the reason why the person is committing the act of corruption or fraud. Motives may vary very broadly but are usually linked to a perceived financial or personal need.

This element can be addressed through general support measures, transparent and fair compensation and remuneration policies.

TRIAL International seeks to address all three elements in the present document and other related procedures and policies.

The policy was adopted by the Executive Board on 25 September 2019.