



Anti-Fraud and Anti-Corruption Policy (AFAC)

May 15, 2019

The Institute is entitled to amend, suspend or rescind this policy at any time. While implementing this policy any difficulty or ambiguity will be resolved in line with the broad intent of the policy, by the Director General or the Governing Board Chair (as the case may be). The Institute may also establish further rules and procedures, from time to time, to give effect to the intent of this policy and further the objective of good corporate governance.

1. PREFACE

Fraudulent and corrupt practices can seriously damage ICRISAT's reputation and diminish donors' trust in its ability to deliver results in an accountable and transparent manner. Hence, ICRISAT ("the Institute") has formulated the Anti-Fraud and Anti-Corruption Policy ("this Policy"), which lays down the principles and standards that govern the action or omission of the Institute, its workforce members, vendors and partners. Any actual or potential violation of this policy would be a matter of serious concern for the Institute.

This Policy seeks to prevent fraudulent, corrupt and/or collusive practices through:

- Effective design and implementation of internal control mechanisms in various institutional processes;
- Existence of a detection and internal reporting mechanism for timely identification of any fraud or corrupt activities;
- Training and awareness on prevention and detection of fraud and its reporting mechanisms;
- Due diligence practices in the recruitments, selection of vendors, and engagement of partners; and
- Existence of internal and external auditing mechanisms;
- Management day-to-day monitoring and approval processes;
- Reporting red flags to the Internal Audit Unit.

2. BASIC PRINCIPLES AND OBJECTIVES

The Institute is committed to deliver transparency and accountability in effective utilization of its money and resources in order to achieve its mandate and strives to eliminate fraud, corruption, collusion, and coercion from its activities.

The objectives of this Policy are to ensure that:

- i. The Institute takes robust measures to prevent fraudulent, corrupt, collusive and/or coercive practices;
- ii. Internal and external stakeholders associated with the Institute adhere to the highest standards of integrity;
- iii. Contractual arrangements and partnerships with external stakeholders are not tainted by fraudulent, corrupt, collusive and/or coercive practices;
- iv. Fraudulent, corrupt, collusive and/or coercive practices are promptly detected and reported, and subjected to complete and impartial investigation;
- v. Any person or entity found to violate this Policy is the subject of appropriate actions; and
- vi. Action to recover misappropriated funds or losses caused by fraudulent, corrupt and/or collusive practices is taken promptly.

3. POLICY

This Policy has been established to prevent, detect, monitor and mitigate act/s of fraud, corruption, collusive and/or coercive practices in the Institute. This Policy provides principles to prevent, detect and manage frauds, corruptions, collusion and coercion. Further it shall also ensure development of internal control measures for the operations within the Institute and for conducting investigations in to violation of this policy as per applicable institutional policies.

The policy details outlined in this document are based on and reflect the principles set out in the Personnel Policies (Personnel Policy Manual-PPM and respective Personnel Administrative Manuals-PAMs), Financial Guidelines, and other policies issued by the Institute time to time.

Any violation of this Policy needs to be reported, and shall be assessed and, as appropriate, investigated in accordance with the institutional guidelines.

4. DEFINITIONS

The following definitions shall apply in the context of this Policy:

Institute	International Crops Research Institute for the Semi-Arid Tropics (ICRISAT).
Disciplinary Action	Any action that can be taken on the completion of/during the investigation proceedings including but not limited to a warning, imposition of fine, and suspension from official duties or any such action as is deemed to be fit considering the gravity of the matter, in accordance with Disciplinary Procedures.
Disciplinary Procedures	Disciplinary Procedures as mentioned in the relevant section/s of the Personnel Policy Manual (PPM) of the Institute.
Workforce	Refers to particular individuals who have a contractual relationship with ICRISAT such as members of Regular Staff Cadres, members of the Non-Regular Special Assignments category, members of Short-term contracts, members of Job-contracts, Learner-Participants and Third-party contractors; regardless of their position, type of employment, or location.
Fraud or Fraudulent Practice	<p>Any act characterized by deceit, or concealment. These acts are not dependent upon the threat of violence or physical force. Frauds are perpetrated by parties and organizations to obtain money, property or services; to avoid payment or loss of services; or to secure personal or business advantage. This also includes any act or omission or attempt to mislead a party to obtain any financial or other benefit or to avoid any obligation.</p> <p>Fraudulent Practice may include without being limited to:</p> <ul style="list-style-type: none"> • Forging documents, preparing false entries in official records including electronic systems or making false statements to obtain a financial or other benefit for oneself or another/others; • Collusion or other anti-competitive scheme between suppliers/vendors during a procurement process; • Providing information in relation to insurance claim or another entitlement that the claimant knows to be false; • Forging the signature of a staff member or forging a document purporting to be from the Institute to induce an outsider to act; • Using another's Information Technology (IT) identity or password, or creating false identities/passwords, without consent or authority to manipulate institutional processes or cause the approval or denial of actions; • Money Laundering: transactions and activities to generate money from criminal activity, illicit means, drug trafficking, terrorist funding, or illegitimate source; • Any misrepresentation to obtain a benefit from a public or private sector entity; • Making misrepresentations, including educational credentials or professional qualifications, in the context of a job application; and • Falsifying documents, making false statements, preparing false entries in official systems or other deceptive acts to the detriment of those someone seeks to disfavor, or to discredit a person or the Institute.
Corruption or Corrupt Practice	<p>Any act or attempt thereof, of offering, giving, receiving, soliciting or doing, directly or indirectly with an intent to give or to obtain inappropriate advantage or benefit, to harm or to influence improperly the actions of another party.</p> <p>Corrupt Practice includes receiving and/or soliciting (directly or indirectly) gifts and hospitality, meals, travel, entertainment, cash or cash equivalents, fees, commissions, services, other favor in violation of relevant section/s mentioned in the Conflict of Interest policy of ICRISAT.</p>

	Corrupt practice takes many forms, including but not limited to financial and non-financial gains such as procurement fraud, nepotism, bribery, embezzlement, theft, among others.
Collusion or Collusive Practice	Any arrangement among two or more parties designed to achieve an improper purpose, including but not limited to, influencing improperly the actions of another party or engaging in price-fixing. Actions taken to instigate, aid, abet, attempt, conspire or cooperate in a fraudulent or corrupt act, also constitute Collusive practice.
Coercion or Coercive Practice	Any act of attempting to influence official process including procurement process or executing contracts by means of threats of injury to person, property or reputation.
Vendors	Actual or potential contractors of civil works and suppliers of goods and services.
Partners	Project Implementing partners including Non-governmental organizations (NGOs) and Civil Society Organizations (CSOs), collaborator, donors and responsible parties having contract with ICRISAT.
Internal stakeholder	Members of the ICRISAT workforce including staff members, consultant, project staff, researchers, students, interns/trainee, visiting scholars/staff, field labors, members on secondment, and human resources provided by external agencies and working at/for ICRISAT.
External stakeholder	Includes External Partners as defined in ICRISAT's Code of Ethics and Conduct, vendor, supplier, service provider, partners, and parties having contract or assignment with ICRISAT.
Retaliation	<p>A direct or indirect administrative decision and/or action that adversely affects the employment or working conditions of a Whistle Blower. Such action is taken for the purpose of punishing, intimidating or injuring the Whistle Blower because the Whistle Blower has:</p> <ul style="list-style-type: none"> • Reported suspected wrongdoing that implies a significant risk to the Institute; and/or • Cooperated with a duly authorized audit or an investigation of a report of wrongdoing. <p>Retaliation can include without being limited to:</p> <ul style="list-style-type: none"> • Harassment; • Discrimination; • Unsubstantiated negative performance appraisals; • Unjustified contractual changes: termination, demotion, reassignment or transfer; • Unjustified modification of duties; • Unjustified non-authorization of holidays and other leave types; • Unjustified termination or compensation decreases, or poor work assignments or threats of physical harm • Malicious delays in authorizing travel, or the provision of entitlements; • Threat to the Whistle Blower, their family and/or property including threats that may come from outside ICRISAT. <p>Retaliation will be treated as gross misconduct and is subject to appropriate disciplinary action, in accordance with Disciplinary Procedures.</p>
Whistle Blower (WB)	Someone who makes a Protected Disclosure under the Whistle Blowing and Protection from Retaliation Policy of ICRISAT.
Malicious Reporting	Intentional malicious, false, bogus, misleading and/or unsubstantiated reporting of wrongdoing and transmission or dissemination of rumours without evidence or reasonable suspicions with the intention of harming another person's integrity or reputation amounts to gross misconduct. Following the prima facie review and /or formal investigation, if malicious reporting is established, the individual will be subject to disciplinary action, in accordance with Disciplinary Procedures of the Personnel Policy Manual of ICRISAT.

Conflict of Interest	A situation that has the potential to undermine the impartiality of a member of the ICRISAT workforce, because of the possibility of a clash between the individual's self-interest and the best interests of the Institute. A Conflict of Interest may be Actual, Potential or Perceived, and of the nature of any circumstance described in relevant Section/s of the Conflict of Interest policy of ICRISAT.
Gifts and Hospitality	<ul style="list-style-type: none"> • Any gift over the value of USD 100. • Any hospitality over the value of USD 300. • Any gift over the value of USD 100 or hospitality over the value of USD 300 shall require prior approval of the Director General before acceptance. • Any gift or hospitality that could be interpreted as a way of exerting an improper influence over the way to carry out official duties must be avoided. • In no cases shall cash, or cash equivalent gifts, be promised, given, or accepted. • An exception to the general rule about not accepting gifts and hospitality is that any member of Workforce may accept or give inexpensive gifts/hospitality, courtesy official transport, reception, refreshments/lunch/dinner during an official engagement or business meetings or cost reimbursement for official meetings. <p>Exclusion: Any travel, transport, reimbursement, refreshment/ lunch/ dinner, honoraria/ allowances or similar receipts/payments received/paid with reference to official meeting, organizational events, lectures, conference, training, workshop, committee, knowledge sharing, or similar academic/research related event/program/meeting are excluded from the definition of gift and hospitality.</p>

5. SCOPE AND APPLICATION

This Policy applies to all activities and operations of the Institute, including projects implemented by the Institute as well as funded and supported by the Institute. The Institute shall implement this Policy in each of its country offices, project offices and in regional centers as well as at Headquarters.

This Policy aims to prevent, detect and address acts of fraud, corruption, collusion, and coercion involving:

- a) Internal Stakeholders and/or,
- b) External Stakeholders.

Exclusion: Any academic misconduct or fraud in research (like fabrication, falsification, plagiarism, or other wrong practices for proposing, conducting, or reporting research) is not a part of this Policy and shall be dealt as per ICRISAT's Ethics in Science policy.

This Policy shall be read in conjunction with the documents and provisions referenced in Section 12 (Referral and other Documents) of this Policy.

6. PREVENTION AND CONTROL MEASURES

Whilst ultimate responsibility for effective risk and internal control management within the Institute resides with the Director General, every member of the ICRISAT workforce including management group, senior management, manager, department/program head and director in the Institute is responsible to support the Director General in identifying and mitigating the risks that might affect the operations under her/his responsibility.

a. **Establishing an awareness culture**

Internal and external stakeholders must be made aware of their responsibility to prevent fraud, corruption, collusion, and coercion. They will be informed about this Policy. Necessary training and awareness programs shall be conducted jointly by Human Recourse Services and Corporate Services Units in the line with provisions mentioned in the Institute's Conflict of Interest Policy.

b. Building preventive mechanisms into program and project

In case of high value projects that are complex in nature, Managers and Directors must ensure that the risk of fraud, corruption, collusion, and coercion is identified during the project creation phase to avoid act of fraud, corruption, collusion, and coercion.

c. Procurement and contracts

In addition to the existing guidelines on procurement, the members of ICRISAT workforce involved in the procurement process and contract allotment/award, project execution shall:

- i. Ensure that contractual agreements with any external stakeholder prohibit fraudulent, corrupt, collusive and/or coercive practices and refer to this Policy;
- ii. Ask for a declaration that the external stakeholder was/is not engaged in, and shall not engage in any fraudulent, corrupt, collusive or coercive practice; and
- iii. Promptly report as per reporting procedure mentioned in this Policy about any practice that is, or is reasonably suspected of being, contrary to this Policy.

Any external stakeholder entering into any contractual arrangement with the Institute, shall be required to:

- a) Allow the Institute to access Institute-specific records; and
- b) Represent that it was/is not, and shall not, engage/d in, any fraudulent, corrupt, collusive, coercive practice.

The Institute must ensure that its external stakeholders are eligible to work with the Institute. The Institute shall not award a contract, sub-grant or project to any external stakeholder, that has been debarred by the Institute, Government or any other international agency, and a declaration for the same may be taken from external stakeholder.

d. Management of the risk of fraud, corruption, collision and coercion

Enterprise Risk Management is a comprehensive process designed to identify, assess and respond to risks, including Fraudulent Practice, which could affect the ability of the Institute to effectively achieve its mandates and objectives. The risk of fraud, corruption, collusion, and coercion is assessed and managed in accordance with the Institute's Risk Management Plan by the Risk Management Team. Where any member of ICRISAT workforce is concerned about the level of risk within a department or project activity, they may consult the Institute as per its "Concern Resolution Process" for any clarification or guidance.

e. Internal control system

The Institute's internal control system comprises various policies, administrative orders, human resource and procurement processes, reliable financial reporting, compliance with relevant national laws and regulations. Each member of the ICRISAT workforce is accountable to the Director General and has the responsibility to support the Director General for effective implementation of this Policy.

f. Internal Audit

The Internal Audit Unit (IAU) provides additional oversight to the Institute's Governing Board. Although IAU's primary responsibility is not prevention or detection of fraud, corruption, collusion, and coercion, the IAU is required to report any cases of fraud or misappropriation of Institute's funds or other assets, identified during the audit or thorough Whistle Blower investigations in accordance with the Event reporting matrix, thereby contributing to the objectives of this policy. While IAU has no operational responsibility, the IAU adopts reasonable procedures to identify if any risks and exposures exist in the areas under review that could allow fraud, corruption, collusion, and coercion, it is flagged to management for further action.

g. External Audit

The Institute's appointed External Auditor provides external oversight for the Institute. Independent analysis of the Institute's financial statements by the External Auditor contributes to the objectives of this Policy.

h. Adherence to Standards and Codes of Ethics and Conduct

Code of Ethics and Conduct has been established for the members of the ICRISAT workforce under Human Resource (HR) policies. Similarly, vendors participating in a procurement process as well as partners partnering with the Institute are required to actively ensure that their management processes and business operations align with international principles, including, but not limited to, its standards of ethical conduct regarding fraud, corruption, collusion, and coercion, conflict of interest, gifts and hospitality, and post-employment waiting period and other restrictions.

7. ROLES AND RESPONSIBILITIES

The internal and external stakeholders of the Institute have critical roles and responsibilities in ensuring that acts of fraud, corruption, collusion, and coercion are prevented, detected, reported and dealt with promptly. The Director General, as the Administrative Head of the Institute, is ultimately responsible for implementation of policies determined by the Governing Board.

a. Internal Stakeholder

Internal stakeholders are expected to report fraud, corruption, collusion, and coercion. Project and program in-charge who knowingly fail to take appropriate action or who tolerate or condone practices contrary to this Policy shall also be held accountable.

b. External Stakeholder

External stakeholders including actual and potential vendors and their employees, personnel and agents, have the duty to comply Institute's Procurement Policy: "Policies and Procedures Manual for Purchase, Supplies and Disposal Services", contractual arrangements, this policy; and to report immediately allegations of fraud, corruption, collusion, and coercion to the Institute. External stakeholders shall be encouraged to establish robust policies and procedures to combat fraud, corruption, collusion, and coercion, and should cooperate with the Institute's auditors and investigators. Partners are responsible to ensure that the funds provided by the Institute are safeguarded and used for their intended purposes, as authorized by the Institute.

c. Partner Due Diligence Committee

The Due Diligence Committee is an internal body of the Institute tasked with review and making recommendations for new partners with respect to partner's continued eligibility to do business with the Institute. Partners are subject to the review and due diligence process.

d. Risk Management Team

The Risk Management Team is an internal body under the Enterprise Risk Management Framework which analyses known fraud risk factors, potential fraud schemes, control gaps, red flag identification and mapping.

8. COMPLAINT AND RECORDS

Through this policy the Institute aspires that fraudulent, corrupt, collusive and/or coercive practices are promptly detected and reported and subjected to complete and independent investigation. Anyone with information regarding violation of this policy is strongly encouraged to report this information to the Institute. Under the "Whistle Blowing and Protection from Retaliation Policy" and "Concern Resolution Process" the Institute has established a reporting system to ensure that persons can report any violation of this policy.

a. Investigation

All allegations of fraud, corruption, collusion, and coercion are taken seriously. Upon receipt of an allegation or complaint the investigation shall be conducted as per the Institute's "Concern Resolution Process".

Any false allegation or hoax complaint with ulterior motive or with malicious intent (Malicious reporting) shall be grounds to initiate disciplinary action as per institutional Human Resource (HR) policy and “Whistle blowing and Protection from Retaliation Policy” or any other appropriate administrative/legal action.

b. Protection against retaliation (“Whistle blower” protection)

The Institute does not tolerate any form of retaliation against whistle blowers, i.e. an individual who has reported allegations of wrongdoing or cooperated with a duly authorized audit or investigation. For more information on protection against retaliation, Institute’s “Whistle blowing and Protection from Retaliation Policy” can be referred.

9. ACTIONS

The allegations of violation of this Policy, if substantiated by the investigation, may result in disciplinary and/or administrative actions or other actions taken by the Institute, depending on the case. The outcomes may be as follows, but not limited to:

- For members of the ICRISAT workforce: disciplinary and/or administrative actions as per applicable Human Resource HR policies including ICRISAT’s Personnel Policy Manual (PPM) and respective Personnel Administrative Manuals (PAMs);
- For vendors and partners: termination of the contract and debarment from doing business with the Institute or other sanctions;
- Referral to the national authorities for criminal investigation and prosecution;
- Recovery of financial loss and/or assets suffered by the Institute, and to return funds recovered to the respective funding sources;
- Issuance of letters to allow internal units or external entity/organization concerned to take necessary action, corrective measures and strengthen internal controls; and
- Any other action by the Institute’s management as deem appropriate.

10. REPORTING

The Institute has a long-standing commitment to transparency, including reporting on matters of fraud and corruption. The Institute shall prepare an internal annual report on disciplinary or other actions taken in response to fraud, corruption, collusion, coercion and other wrongdoing including an overview of actions taken in cases of fraudulent or corrupt practices. The report shall be prepared in accordance with Whistle blowing and Protection from Retaliation Policy.

11. MONITORING, REVISION AND MODIFICATION

The Director Corporate Services, on behalf of the Director General, shall monitor the operation of this policy. This policy shall be reviewed once in every two years and may be revised accordingly to accommodate new challenges and to modify missing provisions or to clarify any existing provision. The Director Corporate Services or any other official nominated by the Director General shall be responsible for reviewing and updating this policy in consultation with other concerned units of the Institute, as required.

12. REFERRAL AND OTHER DOCUMENTS

- a) Human Resource (HR) Policies including Personnel Policy Manual (PPM) and respective Personnel Administrative Manuals (PAMs)
- b) Forthcoming Whistle Blowing and Protection from Retaliation Policy
- c) Forthcoming Ethics in Science policy
- d) Enterprise Risk Management Framework/Policy
- e) Forthcoming Conflict of Interest Policy
- f) Forthcoming Ethics and Safeguarding Framework

- g) Forthcoming Code of Ethics and Conduct
- h) Procurement Policy: Policies and Procedures Manual for Purchase, Supplies and Disposal Services
- i) Policy guidelines for the assessment of project management capabilities of recipients (NGOs) of ICRISAT Sub-Grants
- j) Guidelines for Private Sector CSR Engagement
- k) Proposal Development and Submission Process Guidelines
- l) Process guideline for execution of Agreements
- m) Travel Policy
- n) Transport Policies and Procedure