



Consortium of Self-help group Approach Promoters (CoSAP)

Anti Fraud/Corruption Policy

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1. POLICY OVERVIEW

The Consortium of Self help group Approach Promoters (CoSAP) developed this anti-fraud/corruption policy to show its commitment to fight fraud and corruption, which might takes place in CoSAP works. The policy is intended to serve as a guiding document in the assessment of risks and dangers of fraud/corruption in all actions of CoSAP. This policy is developed in conformity to and reinforcing other policies of CoSAP, and the national and international policy and legal frameworks in the areas of fraud and corruption.

2. INTRODUCTION

The consortium of Self help group Approach Promoters (CoSAP) is a network of organizations that implement the women's Self Help Group (SHG) approach in various parts of Ethiopia. CoSAP was established in 2011 and re-registered in accordance with the Civil Society Organizations proclamation no. 1113/2019 with registration number 1590.

The Vision of CoSAP is to see vibrant peoples` institutions in Ethiopia. The mission of CoSAP is to work towards enhanced capacity of its member organizations to create

vibrant women's institutions in Ethiopia through capacity building, resource mobilization, partnership, networking, research and documentation.

Currently CoSAP has thirty two legally registered member organizations that support women to be organized into SHGs in Afar, Amhara, Benshangul Gumuz, Oromia, Somali, Southern Nations Nationalities and People's Region, Addis Ababa and Dire Dawa city administrations.

The governance structure of CoSAP has three levels. The General Assembly (GA) is the highest decision making body of CoSAP. The Board of Directors is elected from the GA and entrusted with the mandates of providing strategic directions to the secretariat. The secretariat being led by the Executive Director is responsible for the day to day operations and management of the office of CoSAP.

CoSAP has developed this anti-fraud/corruption policy so as to demonstrate its commitment to be fraud/corruption free organization and show examples to member reorganizations to follow suit.

3. RATIONALE

CoSAP is a membership organization that constitutes thirty two organizations. CoSAP plays overall leading role in design, planning, implementations, monitoring and evaluation of projects implemented by member organizations. CoSAP also implement programs that will benefit its membership as well as the SHG institutions in Ethiopia. In the process of its functions, the organization transact financial and non-financial matters with wide array of stakeholders, suppliers, buyers, service providers, consultants, staff of member organizations, donor organizations, etc.

The aim of this Anti-Fraud Policy is; therefore, to safeguard the reputation and financial viability of CoSAP through improved management of fraud risk by establishing a working culture that enhances ethics and promote responsibility.

The organization should sets out a policy framework, which shall respond to reported or suspected fraud, as well as measures that will be taken to prevent or minimize the risk of fraud. The Policy has been developed from good practice examples of fraud risk control

strategies and of fraud response plans found in the public and not-for-profit sectors, and adapted to the specific needs and requirements of the organization.

4. DEFINITION

Fraud or corruption can be defined as “Any illegal acts characterized by deceit, concealment, or violation of trust. These acts are not dependent upon the application or threat of violence or of physical force. Fraud is perpetrated by individuals, parties and organizations to obtain money, property, services; to avoid payment or loss of services; or to secure undue personal or business advantages.”

Fraud may involve:

- Falsification or alteration of accounting records,
- Misappropriation of assets or theft,
- Suppression or omission of the effects of transactions from records or recording of transactions without substance,
- Intentional misapplication of accounting policies or willful misrepresentation of transactions or of the entity’s state of affairs,
- Misapplying rules and regulations to gain personal benefits.

Fraud may also involve manipulation of information system applications and data for personal advantage.

5. PURPOSE & SCOPE

The purpose of this policy document is to outline the responsibilities of all the involved parties with respect to fraud prevention, fraud risk identification and mitigation. The policy set out the actions to be taken if fraud is suspected and the mechanism of verifying suspicion of fraud, the reporting process and the recovery action plan.

6. POLICY STATEMENT

CoSAP is desirous to promote a free working environment where fraud/corruption risk is prevented, mitigated and responded. The cornerstone in preventing fraud is the creation of an environment that fosters morality, integrity and non-profit business. Hence CoSAP is committed to demonstrate high standards of behavior in the prevention and mitigation of fraud and corruption risk.

7. POLICY APPLICATION

This Policy applies to all staff members of CoSAP. The Policy is an integral part of CoSAP's internal control framework and should be read and applied in conjunction with the organization's HR policy, staffs Code of Conduct, and Accounting Policy and Procedures.

8. POLICY IMPLEMENTATION

CoSAP will seek to achieve the policy's purpose through actions to be taken in the day to day operations, periodic assessments and review of provenances at organizational and individual levels.

The management

The Management of CoSAP should constitute the front line of monitoring and preventing fraud/corruption. CoSAP management is responsible to monitor organizational activities, cash and non-cash transactions with external actors, employees' behavior, and be aware of and alert to potential signs of fraud/corruption.

The Management is accountable to "set the tone at the top", point out the risks to which the operations and the systems are exposed, establish an effective internal controls system, governance and risk management process, and follow up systematically on the implementation of the organization's procedures and policies.

Staff members

The staff members of CoSAP is responsible to act at all times with the highest degree of honesty, integrity, accountability, and propriety. Staff should conduct their duties in a manner that does not jeopardize, to the contrary, safeguards the organization's resources and assets. Staff shall comply with the CoSAP's Code of Conduct. If fraud, violation, unethical conduct or dishonest practice is suspected and/or verified, then any staff member of CoSAP is obliged to report to the appropriate channel and provide any required information and must cooperate during the investigation process.

9. FRAUD RESPONSE PLAN

The fraud response plan is a guide to follow in the event of fraud being discovered or suspected. Its purpose is to ensure that proper action is taken in case of fraud.

Any allegations of fraud, corruption, theft or other irregularity should immediately reported via the appropriate channel. The Management will provide these channels which will include anti-fraud/corruption reporting box, email address, dedicated telephone number, website link, etc. All allegations are reported anonymously, are treated with the greatest possible confidentiality in the whole process of investigation.

In receiving fraud allegations, the management will immediately appoint a suitable person, internal or external, to investigate and ensure that the investigation is conducted in a professional manner. The committee is responsible to retain any relevant records, examine the allegations, and plan the investigation process. Deterrence of fraud lies with management. Therefore, the management will prepare fraud response plan and implement them in accordance with other policies of the organization. The management is responsible to secure the anonymity and prevent the harassment or discrimination of the people that make such allegations.

The results of the investigation should be reported directly to the top management of CoSAP. The management will determine to whom the investigation result should be communicated. In case the allegation is made on the Director of the organization the report should be presented to the Board of Directors of CoSAP.. Upon conclusion of the investigation, an action plan should be agreed, enforced, documented, and distributed appropriately.

10. POLICY MONITORING AND REVIEW

Monitoring

The management team is responsible for the overall monitoring of policy implementation across the operations of CoSAP.

Review

The policy is subject to review as necessary. The management team is responsible for leading the practice of period policy review. The lessons learnt that would be documented and highlighted in the review process. These will be used to suggest

revision of the whole or any part of this policy. The CoSAP Board has final say to decide on the revision of the policy based on the reports it received from the office of CoSAP.

11. CONSEQUENCES OF VIOLATION OF THIS POLICY

Any breach of this policy will be investigated and failure to comply with the responsibilities may lead on the following actions:

For CoSAP staff- disciplinary action according to the disciplinary procedure in human resource manual. Where relevant- appropriate legal or other frameworks as per the national laws will be applicable to all.