



ASCHIANA

Afghanistan's Children and New Approach

Anti-Fraud Manual

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Anti-Fraud Policy

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*Any changes in text/expression/entitlements/limits/policy or procedures through amendment or revision or review after due approvals are the examples of Description of Change and have to be recorded in chronological order.

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Anti-Fraud Policy

1. Purpose

Fraud: The offering, promising, giving, accepting or soliciting of money, gifts or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out our organization's activities.

Aschiana make the payment or offer of payment or other corrupt payment as gross violation, subjecting individual employees to immediate dismissal or even introducing him/her to judicial authorities depending on the amount of loss, the Fraud has caused to the organization.

The anti-Fraud law of Aschiana make it a serious breach to the rules and regulations of Aschiana to pay, offer, or give anything of value to someone for the purpose of influencing the acts or decisions of the ones who are offered, paid or given bribes to put an individual employee or organization in an unfair advantage in a non-legitimate manner.

The purpose of this policy is to ensure compliance by all employees of Aschiana and its portfolio organizations with the anti-Fraud principles. This Policy covers the following:

- Bribes, or Other Corrupt Payments
- Facilitation Payments
- Relationships with Third Parties

2. Scope

Anti-Fraud policies and procedures can't effective unless there is a clear message from Trustees, the Chief Executive and Directors that Fraud will not be tolerated. There is a top-level commitment in Aschiana to establishing a culture across the organization in which Fraud is unacceptable. This also requires senior managers to lead by example.

Aschiana has put in place a clear policy statement demonstrating its commitment to preventing bribery. It is unambiguous and communicated regularly to staff, partners and other stakeholders. Senior managers ensure that their annual statutory statement of risks fully considers risks related to Fraud and that their ongoing oversight of risk management addresses bribery.

The Policy applies to officers, directors, and all employees of Aschiana and its portfolio organizations.

This policy should be considered in conjunction with Aschiana Operational Manual.

3. Policy

It is policy of Aschiana that, in doing business anywhere nationally and globally, Aschiana officers, directors and all employees or any portfolio organizations, and all persons that act as brokers, agent, or advisor to Aschiana must strictly abide by the applicable anti-Fraud laws. It is a gross violation that Aschiana employees offer, give, solicit or receive any form of bribe, or other corrupt payment direct or indirectly from any person or organization including government, and donor agencies, private companies under any circumstances.

This ban applies:

- At national and global level, without exception.
- Without regard to regional customs, local practices or competitive conditions.
- To the indirect payment of any such bribe, or other corrupt payment that may be carried out through third parties, such as representatives, consultants, brokers, contractors, suppliers, joint ventures or affiliates, or any other intermediary or agent acting on behalf of Aschiana.

Aschiana implements policies to counter bribery, including

1. High-level Commitment

The senior management commits to and oversees the implementation of a policy of zero tolerance, recognizing that Fraud is contrary to fundamental values of integrity, transparency and accountability and undermine organizational effectiveness.

2. Risk Assessment

Fraud risk assessment forms part of the organization's overall and ongoing risk management process. Aschiana implements and maintains robust anti-Fraud procedures, which are proportionate to the risks and to the size, resources and complexity of the organization.

3. Dissemination and Communication

Aschiana has established effective internal and external communication of its policy and procedures. The organization undertakes training and awareness programs to ensure staff, agents and partners are aware of the potential risks, how Fraud might affect them, what they should do if they are offered a bribe, and the consequences should they be found to have made or received a bribe.

4. Monitoring and Evaluation

Implementation of anti-Fraud procedures is monitored as part of overall risk management and internal control processes. Periodic reviews of anti-Fraud procedures are made and reported as part of governance and accountability processes.

5. Suppliers, Contractors and other third Parties

Aschiana communicates its zero-tolerance policy to suppliers, contractors and other third parties. Before entering into contracting arrangements NGOs should assess the risk involved and conduct appropriate due diligence. Written contracts incorporate appropriate anti-Fraud clauses.

6. Conflicts of Interest

Aschiana does not make contributions to political organizations or individuals, as a means of obtaining an advantage.

7. Staff Training and Awareness

Aschiana attempts to promote awareness for all relevant staff of the potential risks, how Fraud might affect them, what they should do if they are offered a bribe, and the consequences of making or accepting bribes.

Aschiana ensures that human resources practices reflect the organization's commitment to eradicating bribery. These practices include recruitment, promotion, training, and reward. We ensure that employees will not suffer for refusing to pay bribes, even if such refusal may adversely affect the NGO. Aschiana seeks further advice on the implications of any Fraud legislation from their external auditors or other advisers.

8. Investigation

Aschiana with a zero-tolerance approach may not be able to prevent all bribes. Any instances of actual or potential Fraud are properly and promptly investigated. To enable proper investigation, staffs are required to record the details of any Fraud or requested or attempted bribery, as soon as possible after the event.

The objectives of an Investigation are:

- Confirm whether or not a bribe has taken place, and to identify who was responsible.
- Confirm whether internal controls and anti-Fraud procedures have worked in practice.
- Identify any improvements required to anti-Fraud procedures.

Aschiana will make sure its employees are not reprimanded for any delay or loss caused by his or her refusal in getting involved in a corrupt deal

9. Third Parties

This policy is aimed at prohibiting corrupt offers, promises and payments made through partners, intermediary agents, consortiums, or third parties. Therefore, Aschiana is obliged to exercise great caution on such issues and should disregard or ignore deals which very apparently indicate a high probability of the occurrence of a corrupt payment. The due diligence in this regard should ensure that Aschiana retains only prestigious/well-known agents, representatives and partners to the maximum possible extent.

In addition, Aschiana will always put in place certain mitigating measures to ensure the risk of potential non-legitimate payments are effectively avoided during making contracts with agents or third-party representatives.

However, Aschiana is also highly cautious in making any facilitation payments. Facilitation payments are payments of small amounts made to secure or speed up the performance of routine government actions. Although, facilitation payments are generally prohibited but they could be allowed conditioned to the following:

- The failure to make these payments could risk the employee which cannot be averted by abstaining these facilitation payments
- A payment could only be categorized under facilitation payment only all members of the management board agree on it unanimously

- The failure to make payment could result in substantial economic loss or cost to Aschiana

10. Collective Action

Aschiana is committed to sharing information and strengthening collective action to prevent bribery.

11. Books and Records

For transparency reasons, such facilitation payments must be properly recorded in Aschiana books and records. It is also imperative that any facilitation payment be reported to management board and recorded as a facilitation payment. If not properly recorded, even an approved facilitation allowed under the law can result in liability to Aschiana.

