



MFC NYETAA

MALI-FOLKECENTER

BONNE GOUVERNANCE - DÉVELOPPEMENT ÉCONOMIQUE LOCAL - ENVIRONNEMENT

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Anti-Fraud, Corruption, and Prohibited Practices Policy (ACPPP)

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List of abbreviations and acronyms

- ACPPP :** Anti-Fraud, Corruption, and Prohibited Practices Policy
- AfDB :** African Development Bank
- BoD :** Board of Directors
- ED :** Executive Director
- EIO :** Ethics and Integrity Office
- GCF :** Green Climate Fund
- IFC :** Office of Ethics and Integrity
- MFC Nyetaa :** Mali-Folkecenter Nyetaa
- NGO :** Non-Governmental Organization
- UNDP :** United Nations Development Programme
- WWPP :** Whistleblower and Witness Protection Policy
- XOF :** Franc de la Communauté Financière d’Afrique (Franc CFA)

I. Background

Mali-Folkecenter NYETAA is active in the areas of environmental protection, climate change, local economic development, and the promotion of renewable energy. It has established policies and procedures that comply with international legal, ethical, and moral standards and adhere to the principles of integrity, honesty, transparency, and accountability. The organization acts as a shield against all forms of fraud, corruption, and unethical practices.

It has implemented a Zero Tolerance Policy towards unhealthy (embezzlement, corruption, fraud, etc.) and unnecessary practices. It is committed to ensuring protection against money laundering and combating the financing of terrorist activities.

MFC Nyetaa has established a mechanism for the protection of whistleblowers through the Whistleblower and Witness Protection Policy (WWPP), which governs reporting procedures, the protection of whistleblowers, and the management of reprisals. However, it will be updated in accordance with the revision of this document.

Mali-Folkecenter Nyetaa adheres to the requirement for traceability of its funding and complies with national and international standards on transparency, accountability, and fiduciary management. It is committed to the ongoing effort of rigorous management of its resources.

This Policy is aligned with international standards, including the United Nations Convention against Corruption (2003), the African Union Convention on Preventing and Combating Corruption (2003), and the integrity policies of technical and financial partners (such as the Green Climate Fund, the African Development Bank, the International Finance Corporation/World Bank, and the UNDP).

II. Policy objective :

Combating fraud, corruption, and other practices that are contrary to ethics, morality, and transparency in management.

2.1. Objective

The objective of this policy is to promote a culture that discourages fraudulent activities and facilitates the prevention and detection of fraud, as well as the development of procedures that will be useful in investigating cases of fraud and related offenses and that will ensure that such cases are dealt with appropriately and in a timely manner.

2.2. Guiding Principles

This policy serves as a guide in the pursuit of transparency in the management of MFC Nyetaa. It applies to all members of the Board of Directors and staff of MFC Nyetaa, as well as implementation partners. It extends to all projects and programs undertaken by MFC Nyetaa and is shared with all its technical and financial partners.

All staff acknowledge that they have received, read, and understood this Policy, as well as the Code of Ethics and the values upheld by MFC Nyetaa, and undertake to comply with them.

This commitment by MFC Nyetaa extends to the beneficiaries of its grants and other forms of funding, and to all its partners who:

- Fully adhere to its code of ethics.
- Adopt measures to prevent, address, and deter any prohibited practices.

III. Definition of prohibited practices

Fraud: The term fraud refers to any dishonest act undertaken by deliberately circumventing internal rules, contractual rules, and laws, with the aim of obtaining illegal material or moral gain to the detriment of an institution, a third party, or a community. It manifests itself in the form of theft, embezzlement, bribery, falsification of data, intentionally false statements, collusive acts, money laundering, and concealment of facts.

Corruption: This corresponds to an abuse of power for financial gain. It manifests itself in the exercise of coercion by one party over another to obtain an advantage. It takes many forms, including gifts, solicitation, and the direct or indirect receipt of benefits with the sole aim of unduly influencing a person or situation.

Corruption forces one party (the corrupted) to shirk their obligations to facilitate the interests of another party (the corruptor), in complete violation of the rules of ethics, morality, and responsibility.

Corruption includes conflicts of interest, fraudulent commissions, illicit gifts and invitations, extortion, embezzlement, and facilitation payments.

Misappropriation: This includes false statements, coercion, obstruction, tampering, solicitation, and the illicit appropriation of assets.

Abuse: This refers to the use of power or pressure by one party over another to obtain an advantage and includes threats and intimidation.

Waste: This corresponds to the misuse of resources, whether intentional or not.

Collusion: This refers to any secret agreement between parties with the aim of harming a third party.

All these practices, which are condemned by morality, ethics, and international legal standards, are punishable by criminal penalties.

IV. Scope of application

This Anti-Fraud, Corruption, and Prohibited Practices Policy (ACPPP) applies to all individuals and activities implemented and/or funded by Mali-Folkecenter Nyetaa (MFC Nyetaa), regardless of the source of funding.

4.1. Scope of Activities and Resources

This Policy covers, without limitation, all related resources and transactions:

1. **Projects and programs:** All activities funded by national and international partners (donors, trust funds, development partners, etc.) and implemented by MFC Nyetaa.
2. **Internal resources:** The use of all assets, resources, funds, and infrastructure belonging to MFC Nyetaa (including own resources, equipment, vehicles, IT systems, and regional offices).
3. **Procurement and contracting:** The processes of tendering, supplier selection, contract award, and management of relationships with service providers.

4.2. The Actors and Entities Involved

The Policy applies to any individual or legal entity that interacts with or acts on behalf of MFC Nyetaa.

MFC Nyetaa Staff: All staff members, whether permanent, temporary, contractual, interns, or volunteers.

Governance and Management: Members of the Board of Directors, the Executive Director, and the internal auditor.

Consultants and External Agents: Individual consultants, experts, external auditors, lawyers, and any other agent acting under contract or mandate on behalf of MFC Nyetaa.

Implementing Partners: Non-governmental organizations (NGOs), associations, networks, public and private institutions, and communities, that receive funds from MFC Nyetaa or act in partnership for the execution of projects implemented by MFC Nyetaa.

Suppliers and Contractors: All persons or entities that provide goods or services to MFC Nyetaa, including during the bidding and contract execution phases.

Beneficiaries: Communities, women's groups, farmers, or any other persons benefiting from projects, with regard to their obligation to report in good faith any allegations of prohibited practices concerning the funds or projects from which they benefit.

Each of the above-mentioned actors has a formal obligation to comply with this Policy and is required to report any suspected prohibited practices of which they become aware.

V. Fraud Prevention

MFC Nyetaa implements a set of rigorous, risk-based preventive measures designed to deter, detect, and prevent prohibited practices before they occur.

5.1. Strengthening the Culture of Integrity and Ethics

These measures aim to establish a culture of zero tolerance and clarify ethical expectations for all stakeholders.

Code of Conduct: Update, communicate, and have all staff, including members of the Board of Directors, sign the Code of Conduct and ACPPP annually.

Mandatory Training: Incorporate initial and recurring (annual) training on the ACPPP, the Code of Conduct, and conflict of interest management for staff and key partners.

Exemplary Leadership: the Board of Directors and the Executive Management must publicly commit to upholding ethical standards and ensure that their actions and communications reflect a culture of integrity.

Communication and Transparency: the ACPPP, Code of Conduct, and Whistleblower and Witness Protection Policy (WWPP), are distributed in the offices of MFC Nyetaa and to all partners involved in the implementation of projects and programmes.

5.2. Conflict of Interest Management

Managing conflicts of interest is one of the first lines of defense against corruption and must be formalized.

Conflict of Interest Disclosure: Require management, project and program managers, members of the Audit/Ethics Committee, and individuals involved in procurement to formally disclose actual, potential, or apparent conflicts of interest.

Withdrawal Procedure: Establish an internal procedure requiring an officer or board member to immediately withdraw from any discussion, decision, or activity in which a conflict of interest has been identified or suspected (principle of “recusal”).

Gifts and Hospitality: Define a clear maximum monetary value for the acceptance of gifts, meals, or hospitality from suppliers or partners, requiring the disclosure of any gift exceeding this threshold. The maximum threshold agreed upon at MFC Nyetaa is XOF 65,500 (sixty-five thousand five hundred XOF), or approximately Euro100 (one hundred euros).

5.3. Internal and Fiduciary Controls (Operational)

These measures concern how funds and purchases are managed on a daily basis, focusing on high-risk financial cycles.

5.3.1. Procurement (Purchasing):

1. **Separation of Duties:** Ensure separation of roles between the person requesting the purchase, the person authorizing the purchase, and the person receiving the goods/services (key function against fraud and collusion).
2. **Competitiveness:** Require competitive bidding or the submission of multiple quotes (at least three) for any purchase exceeding a financial threshold defined in the Procedures Manual.
3. **Supplier Verification:** Conduct due diligence on suppliers to ensure that they are not on donor exclusion lists or linked to MFC Nyetaa staff.

5.3.2. Financial Management

1. **Dual Signature:** Maintain the principle of dual signature for all significant fund disbursements (above a certain threshold), involving at least two different managers.
2. **Financial Reports:** Require monthly bank reconciliations and regular financial reports to monitor expenses and deviations from the budget.

5.3.3. Project Management

- **Verification Visits:** Include funds in project budgets for unannounced monitoring and evaluation visits to partners and activity sites to verify the physical existence of inputs and funded activities.

5.4. Risk Management and External Assessment

Risk Mapping: Conduct a fraud and corruption risk assessment (Risk Mapping) at least once a year (or before the launch of any new major project) to identify vulnerabilities and adjust controls accordingly.

External Audit: Submit the organization's accounts to an annual, independent external audit, whose terms of reference specifically include reviewing compliance with this Policy.

Partner Verification: Apply a structured due diligence process when selecting any new implementing partner, assessing their internal control system, reputation, and anti-corruption commitment.

VI. Roles and Responsibilities of Stakeholders

Responsibility for combating fraud, corruption, and prohibited practices is shared at all levels of MFC Nyetaa.

6.1. Board of Directors (BoD)

The Board of Directors has fiduciary responsibility and ultimate oversight for the integrity of the organization. These responsibilities, through its Chair, are:

- Formally approve the Anti-Fraud, Corruption, and Prohibited Practices Policy, the Code of Conduct, and any major revisions.
- Ensure that Executive Management maintains an effective internal control system and implements appropriate preventive measures.
- Acknowledge receipt of all reports received through internal channels and facilitate investigations in coordination with the Internal Auditor and the Ethics and Integrity Office (EIO), as appropriate.

- Through the Audit/Ethics Committee: Receive and oversee investigations into allegations involving the Executive Director or the Chair of the Board of Directors, thereby ensuring independence.
- Decide on the publication of results (in consultation with Management) and validate sanctions recommended by Management for senior staff.

6.2. Executive Director (ED)

The Executive Director ensures the integrity and operational responsibility for the implementation of the ACPPP. His responsibilities include:

- Actively promote a culture of integrity and zero tolerance and ensure that the ACPPP and Code of Conduct are disseminated, understood, and applied by all staff.
- Ensure that internal controls (purchasing procedures, segregation of duties, dual signature) are in place, functional, and respected in all financial cycles.
- Report regularly to the Board of Directors on the status of risks, allegations received, and the results of investigations.

6.3. Internal Auditor

The Internal Auditor is the technical expert and investigative body (as applicable) of the ACPPP. He or she is responsible for:

- Conduct annual assessment and mapping of fraud and corruption risks across all projects and departments within the organization.
- Perform audits and unannounced checks to test the effectiveness of internal controls and procedures.
- Act as lead investigator or investigation supervisor (except in cases of proven conflict of interest) on credible allegations of prohibited practices.
- Ensure the secure and confidential management of the dedicated reporting channel with the EIO and work with the Chair of the Board of Directors on corrective measures.

6.4. Personnel (Coordinators, Agents, Consultants)

Every member of MFC Nyetaa plays a key role in the fight against fraud. Staff are responsible for:

- Understanding and strictly complying with the ACPPP, the Code of Conduct, and all internal control procedures.
- Having an obligation to immediately and in good faith report any suspicion of fraud, corruption, or prohibited practices, using the appropriate channels.
- Ensuring close monitoring of their teams' activities, particularly in high-risk areas (field, purchasing, finance).

6.5. Partners and Third Parties (Suppliers, Implementation Partners)

Their responsibilities are to:

- Accept and adhere to the provisions of the ACPPP and the MFC Nyetaa Code of Conduct as a condition of their partnership or contract.
- Commit to not committing, tolerating, or facilitating acts of fraud or corruption and to cooperate fully with any investigation initiated by MFC Nyetaa.

- Violation of the anti-fraud and anti-corruption provisions of this Policy shall result in immediate termination of the contract or partnership and, where appropriate, legal action.

VII. Fraud Case Management

In accordance with the Whistleblower and Witness Protection Policy (WWPP), reports are received and recorded through the various communication channels provided (see section VII) Reporting channels of the WWPP.

The Ethics and Integrity Office is responsible for managing these reports, ensuring that complaint handling procedures are strictly applied and that whistleblowers and witnesses are effectively protected, in accordance with the provisions of the ACPFP.

7.1. Objective

This section defines the mechanisms for receiving, analyzing, investigating, and handling suspected or proven cases of fraud, corruption, or malpractice within Mali-Folkecenter Nyetaa (MFC-Nyetaa). It aims to ensure rigorous, fair, and transparent management of cases, in accordance with the principles of confidentiality, impartiality, and protection of the individuals involved.

7.2. Receipt and reporting of cases

Any case or suspicion of fraud, corruption, or malpractice can be reported by:

- An employee, partner, beneficiary, or any third party associated with MFC-Nyetaa's activities;
- Through the secure reporting channels provided for in the Whistleblower and Witness Protection Policy (WWPP), including email addresses, telephone lines, or physical reporting boxes.

7.3. Registration and preliminary verification

Upon receipt of a report, as indicated in the Whistleblower and Witness Protection Policy (WWPP):

1. The Integrity Office records the case in the confidential register of allegations.
2. A preliminary verification is carried out to assess the credibility and materiality of the reported facts.

7.4. Internal investigation

The internal investigation is being conducted by the EIO.

The following principles apply:

Total confidentiality of the information collected;

- Right to defense of the person accused;

- No reprisals against witnesses and whistleblowers, in accordance with the WWPP;
- Complete documentation of the steps and conclusions of the investigation.

7.5. Decision and corrective measures

At the end of the investigation, the EIO makes recommendations to the Chairman of the Board of Directors.

Measures may include:

- Disciplinary measures (warning, suspension, dismissal, etc.);
- Reporting to the competent judicial authorities, if necessary;
- Implementation of corrective measures to prevent recurrence (strengthening of internal controls, training, etc.).

7.6. Monitoring and reporting

The EIO Manager is responsible for following up on cases handled. A consolidated annual report on fraud cases and their handling is submitted to the Chairman of the Board of Directors in accordance with confidentiality requirements.

7.7. Coordination with the WWPP

The implementation of this section is closely coordinated with the Whistleblower and Witness Protection Policy (WWPP). Therefore:

- Reporting, protection, and non-retaliation mechanisms are governed by the procedures established in the WWPP.
- Any violation of the rights of whistleblowers or witnesses is handled in accordance with the WWPP and may be subject to internal sanctions.

VIII. Training and Awareness

The Executive Management will ensure that this Policy is widely disseminated to all stakeholders and that mandatory and periodic training sessions are organized for staff. These training sessions aim to prevent, detect, and discourage any form of fraud, corruption, or prohibited practices within Mali-Folkecenter Nyetaa.

IX. Revision

This Policy will be reviewed as necessary, and at least every three (3) years, to ensure its relevance and compliance with international standards and partner requirements.

Approved by:

The Board of Directors of Mali-Folkecenter Nyetaa

Effective Date: March 11th 2025

