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# Kenya National Association of Water Resources Users' Associations (KeNAWRUA)

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## Anti-Corruption & Anti-Fraud Policy 2025.

## **1.0 Introduction.**

The Kenya National Association of Water Resources Users' Associations (KeNAWRUA) is committed to promoting integrity, transparency, and accountability in all its operations. Corruption and unethical conduct undermine trust and can adversely affect our mission to manage water resources for sustainable development. This policy aims to prevent corruption and provide a framework for reporting and investigating unethical or illegal activities, thus encouraging a culture of accountability and transparency.

## **2.0 Purpose & Basis.**

- a) The purpose of KeNAWRUA's anti-fraud and anti-corruption policy (referred to as the **"policy"** throughout this document) is to outline the Association's commitment to and procedures for the prevention of, detection of and response to incidents of fraud and corruption applicable to all its activities and operations.
- b) The policy is based on and reflects the principles set out in the members, staff regulations and rules, the financial regulations and rules, the standards of conduct for the international civil service, the KeNAWRUA code of conduct and other relevant documents issued by the Association. It also reflects the principles underlying the United Nations Convention against Corruption and the Kenya Anti corruption Laws and the prevailing best practices for management in the humanitarian sector.

## **3.0 General Principles.**

- a) Fraud and corruption in any form are against the core values of KeNAWRUA and can have a serious impact on the effective implementation of its activities and operations. Fraud and corruption not only divert resources from their ultimate purposes, but also undermine public trust and confidence in KeNAWRUA.
- b) Consequently, KeNAWRUA is highly risk averse towards fraud and corruption in its activities and operations and has zero tolerance for inaction.
- c) All the individuals and entities listed in paragraph 10 below must take appropriate action to prevent, mitigate, combat and report fraud and corruption and must refrain from engaging in fraud and corruption when participating in any KeNAWRUA activity or operation.
- d) Where fraud and corruption are found to occur KeNAWRUA will take robust, timely action.
- e) KeNAWRUA will ensure that the members and employees who, in good faith, report allegations of fraud and corruption are protected against retaliation.

## **4.0 Scope.**

The policy applies to any act of fraud and corruption (actual, suspected or attempted) perpetrated by any of the individuals or entities listed below that have a relationship – contractual or implied – with KeNAWRUA in any its activity or operation.

The policy applies to all activities and operations of KeNAWRUA, including: any programme, project or activity funded by KeNAWRUA and any programme, project or activity implemented by

KeNAWRUA and any entity with a contractual arrangement with KeNAWRUA (see paragraph 10b)) or any other third party with a relationship with KeNAWRUA (see paragraph 10c)).

Specifically, the policy applies to the following individuals and entities:

- a) **KeNAWRUA employees:** A KeNAWRUA employee (also referred to as “an employee”) refers to any individual employed by KeNAWRUA regardless of contract type, including all KeNAWRUA staff members (professional and general service staff, staff on secondment to KeNAWRUA and junior professional officers), consultants, service contract and special service agreement holders, casual labourers, interns, volunteers and fellows.
- b) Entities that have contractual arrangements with KeNAWRUA, including the following:
  - i. **Development partners:** A development partner is a non-profit entity that enters into a contractual relationship with KeNAWRUA for the purpose of assisting in the performance of KeNAWRUA’s work (including government entities, non-governmental organizations and partners).
  - ii. **Vendors:** A vendor is any natural person or legal entity that is a prospective, registered or actual supplier or contractor supplying goods, works or services to KeNAWRUA under the provisions of the applicable rules and regulations. Vendors include but are not limited to any private or public company, whether parent, subsidiary or affiliate company, member of a consortium or partnership, non-profit organization or other entity as appropriate. Employees, officers, advisers or representatives of a vendor will be considered agents for which the vendor is responsible.
  - iii. Other contracted third parties.
- c) Other third parties that have a relationship with KeNAWRUA and whose cooperation with KeNAWRUA in the prevention and reporting of fraud and corruption is desirable and therefore encouraged under this policy. Other third parties include, but are not limited to, donors, beneficiaries and host communities.

## 5.0 Definitions of prohibited practices.

The following definitions of prohibited practices apply to the policy. These prohibited practices are collectively referred to as “**fraud and corruption**” or “**fraud**” in the policy:

“**Fraud**” is any act or omission, including any misrepresentation, that knowingly misleads, or attempts to mislead, a party to obtain any financial or other advantage, or to avoid any obligation whether for oneself or for others.

Without limiting the foregoing, fraud could involve, among other things, misappropriation of cash (for example through fraudulent claims or disbursements) or other assets (for example through fraudulent shipments or falsifying inventory records) or fraudulent financial or non-financial statements (for example through purposefully misreporting or omitting information).

“**Corruption**” is the offering, giving, receiving or soliciting, directly or indirectly, or attempt to do so, of anything of value to improperly influence the actions of another party.

Without limiting the foregoing, corruption could involve, among other things, an abuse of a conflict of interest, improper gratuities (including unauthorized acceptance of honours, gifts or remuneration), bribery (including kickbacks) or economic extortion.

**“Theft”** is the unauthorized taking of anything of value that belongs to another individual or entity.

**“Collusive practice”** is an arrangement among two or more parties designed to achieve an improper purpose, including but not limited to, influencing improperly the actions of another party.

**“Coercive practice”** is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party.

**“Obstructive practice”** is deliberately destroying, falsifying, altering or concealing of evidence material to the investigation or making false statements to investigators in order to materially impede a duly authorized investigation into suspected cases of fraud, corruption, theft, collusive or coercive practice, money laundering or financing of terrorism; and/or threatening, harassing or intimidating any party to prevent that party from disclosing its knowledge of matters relevant to the investigation or from pursuing the investigation; or acts intended to materially impede the exercise of KeNAWRUA’s contractual rights of access to information.

**“Money laundering”** is the conversion, transfer, acquisition, possession or use of property by any person who knows or who may be reasonably presumed to know that such property is derived from criminal activity or from an act of participation in such activity, including the concealment, or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of, such property or aiding, abetting and facilitating such acts.

**“Financing of terrorism”** (and other sanctioned individuals or entities) is the provision or collection of resources, by any means, directly or indirectly, with the intention that they should be used or in the knowledge that they are to be used, in full or in part, to benefit individuals and entities subject to measures imposed by the Government of Kenya and appearing on the United Nations Security Council Consolidated List.

## **6.0 Roles and responsibilities.**

### **6.1 KeNAWRUA Staff Members.**

KeNAWRUA members must at all times act in accordance with the highest standards of integrity and will:

- i. Adhere to the standards of conduct for the international civil service, the standards set forth in KeNAWRUA regulations, rules and administrative issuances and the provisions of contractual agreements entered into with KeNAWRUA, as applicable to the employees based on their contractual status;
- ii. Under no circumstances engage in, condone or facilitate, or appear to condone or facilitate, any fraud and corruption in the course of the activities and operations of KeNAWRUA;
- iii. Refrain from participating in any situation that may give rise to any undisclosed conflict of interest.

- iv. Exercise due care in managing the funds, resources and assets of KeNAWRUA, applying established risk management and internal control mechanisms to mitigate the risk of fraud and corruption;
- v. Comply with mandatory anti-fraud and anti-corruption training requirements; and
- vi. Promptly report any reasonably suspected case of fraud and corruption, or any attempts thereof, to the Office of the Inspector General, which may be done anonymously. KeNAWRUA employees are strongly encouraged also to report to their Office/Division Director<sup>6</sup> as appropriate.

All KeNAWRUA employees will be held accountable for failing to satisfy their obligations under the policy, and knowingly condoning or facilitating any practice that is contrary to the policy. Such cases may be considered misconduct in and of themselves.

### **6.1 KeNAWRUA Board Members.**

KeNAWRUA board members have the overall responsibility for preventing, detecting and reporting fraud and corruption. With the assistance of relevant support units, they are responsible for ensuring that KeNAWRUA employees under their supervision adhere to the established system of internal control for preventing and detecting fraud and corruption. In addition to complying with the obligations listed in paragraph 12, KeNAWRUA board members must:

- i. Set the tone at the top by emphasizing that fraud and corruption run counter to KeNAWRUA's values, standards and principles and can seriously undermine achievement of its objectives and stakeholder trust;
- ii. Raise awareness of risks of fraud and corruption through ongoing training and guidance for KeNAWRUA employees, including by ensuring that KeNAWRUA employees under their supervision comply with mandatory training requirements (see paragraph 41);
- iii. Ensure that managers under their supervision conduct, at least once per year, a fraud risk assessment designed to identify and assess fraud and corruption risks at the programme planning stage, and develop and implement corresponding prevention measures and mitigating actions;
- iv. Ensure that contractual arrangements with any cooperating partners, vendors and other third parties include appropriate provisions for countering fraud and corruption;
- v. Ensure that a feedback mechanism for receiving beneficiary and external party reporting of reasonably suspected cases of fraud and corruption, or any attempts thereof, is in place;
- vi. Promptly report any reasonably suspected material case of fraud and corruption, or any attempts thereof, to the relevant authorities and the Inspector General, as outlined in paragraph 53 b);
- vii. Promptly address any control weaknesses arising from reported incidents of fraud and corruption, in consultation with Ethics and Anti-Corruption Commission (EACC).
- viii. Take prompt action to recover misappropriated resources or losses caused by fraud and corruption in consultation with EACC and the Legal Office, as appropriate.

## **6.2 Entities that have contractual arrangements with KeNAWRUA (cooperating partners, vendors and other contracted third parties)**

Actual and potential cooperating partners, vendors and other contracted third parties and their officers, employees, contractors, subcontractors, agents and affiliates have the duty to act honestly and with integrity in the provision of goods and services to KeNAWRUA (and its partners). Cooperating partners, vendors and other contracted third parties will be encouraged to establish robust policies and procedures for combatting fraud and corruption and are required to promptly report any reasonably suspected case of fraud and corruption, or any attempts thereof, to KeNAWRUA and to cooperate with KeNAWRUA investigations. Cooperating partners, vendors and other contracted third parties have the duty to ensure that KeNAWRUA resources are safeguarded and used for their intended purposes, as authorized by KeNAWRUA.

Appropriate provisions are to be included in all agreements to require cooperating partners, vendors and other contracted third parties to:

- i. Acknowledge that KeNAWRUA takes fraud and corruption seriously and will act on all reasonably suspected cases of fraud and corruption, or any attempts thereof, in line with this anti-fraud and anti-corruption policy;
- ii. Represent and warrant that they have not, and will not, engage in any fraud and corruption;
- iii. Communicate this anti-fraud and anti-corruption policy to their officers, employees, contractors, subcontractors, agents and affiliates and take reasonable measures to ensure that such persons do not engage in fraud and corruption; in addition, they will include appropriate anti-fraud and anti-corruption provisions in their agreements with any subcontractors or other agents involved in the implementation of any project funded by KeNAWRUA;
- iv. Promptly report all reasonably suspected cases of fraud and corruption or any attempts thereof, to KeNAWRUA and fully cooperate in any investigation undertaken by KeNAWRUA or its agents, including by allowing KeNAWRUA to access and inspect its premises as well as any records, documents and any other information; and
- v. Acknowledge that any breach of the policy may lead to termination of their agreement, sanctions and potential recovery of losses.

## **7.0 Fraud risk management process.**

The anti-fraud and anti-corruption management life cycle comprises the following stages:

- a) Identification and assessment of fraud and corruption risk;
- b) Prevention, detection and deterrence of fraud and corruption; and
- c) Response to fraud and corruption.

### **a) Identification and assessment of fraud and corruption risk.**

#### **Risk appetite.**

In accordance with the KeNAWRUA enterprise risk management policy, KeNAWRUA categorizes the risk of fraud and corruption as a fiduciary risk. For fiduciary risks, KeNAWRUA is highly risk averse: while it accepts that it remains exposed to these risks, KeNAWRUA recognizes its duty of care to employees and its obligations to stakeholders and commits to take prompt and effective action on matters of internal conduct.

KeNAWRUA is highly risk averse towards fraud and corruption and has zero tolerance for inaction.

KeNAWRUA is guided by the following risk appetite statement: **“KeNAWRUA commits to investigating substantive reports of violations of the anti-fraud and anti-corruption policy and taking appropriate disciplinary action/sanctions when allegations are substantiated. In addition, KeNAWRUA will take measures for corrective action, including, but not limited to, recovery of KeNAWRUA losses.”**

### **Fraud risk assessment**

Fraud risk assessment is an integral component of KeNAWRUA’s enterprise risk management.

Offices and functions are required to carry out a fraud risk assessment at least annually as part of their office or function level risk assessments in the annual performance planning process. Offices and functions may also carry out a fraud risk assessment at intervening points during the year as the need arises (such as at the programme planning stage, when a business process undergoes a major change or when there is concern regarding the integrity of operations).

A fraud risk assessment is an effective way to improve communication about and awareness of the potential for fraud and corruption among KeNAWRUA board member and employees. When employees are engaged in an open discussion about fraud and corruption, the conversations themselves can play a role in reducing vulnerability to fraud and corruption. A culture of openness and transparency in relation to fraud and corruption risks empowers employees to report potential cases. It also promotes the identification of potential vulnerabilities and enables KeNAWRUA to become more resilient with regard to fraud and corruption.

The aim of a fraud risk assessment is to help management identify and evaluate the areas of programme, operational and support activities that are most susceptible to fraud and corruption and to prioritize those on which KeNAWRUA should focus its resources for prevention and mitigation.

ERM maintains a fraud risk assessment guide to support offices and divisions in conducting fraud risk assessments.

### **b) Prevention, detection and deterrence of fraud and corruption**

Responsibility for the prevention, detection and deterrence of fraud and corruption cuts across functional and managerial lines and extends to all KeNAWRUA external parties. Successful preventive measures can safeguard resources, support the integrity of KeNAWRUA and protect KeNAWRUA’s reputation. ERM maintains a comprehensive handbook on fraud and corruption prevention, outlining major risks, **“red flags”** and mitigating actions by major functional area.

Key preventive and detective measures for KeNAWRUA are summarized in the following paragraphs.

**Tone at the top.**

Senior management is responsible for setting the tone at the top by emphasizing that fraud and corruption are not acceptable under any circumstance; consistently displaying the appropriate attitude regarding fraud prevention and encouraging free and open communication regarding ethical behaviour; and demonstrating, through their directives, actions and behaviour, the importance of integrity in supporting the functioning of the system of internal control.

**Governance and oversight.**

*The Management Board.*

The Management Board of KeNAWRUA is ultimately accountable for the establishment and management of an effective system for the prevention and detection of fraud and corruption. The Board is supported in this accountability by other parties as described in the following paragraphs.

*KeNAWRUA Secretariat*

KeNAWRUA Secretariat is responsible to ensure that the authority and responsibility for overseeing and maintaining fraud prevention programmes are clearly defined and that the resources needed to effectively manage fraud prevention programmes are made available, and to provide updates to the Audit Committee, which meets regularly and devotes time to assessing fraud risks and proactively supporting the implementation of fraud prevention mechanisms.

KeNAWRUA Secretariat and in field offices is responsible for ensuring that there is full cooperation with the Office of the Inspector General.

*Enterprise Risk Management Division (ERM).*

ERM is the custodian of this policy and is the second line lead for anti-fraud and anti-corruption, setting standards, providing training and agreeing risk appetite measures for anti-fraud and anti-corruption monitoring at the corporate level as well as assisting the Secretariat functions and field operations to develop suitable metrics.

ERM provides guidance and support in anti-fraud and anti-corruption matters to KeNAWRUA Office/Division employees, including a fraud risk assessment guide and a handbook on fraud and corruption prevention. Regional bureaux and country offices are supported by risk and compliance advisers in high-risk areas and in complex contexts and, in certain regional bureaux, by anti-fraud and anti-corruption specialists.

*Office of the Inspector General*

According to its charter, the Office of the Inspector General conducts independent and objective assurance and oversight activities to protect the integrity, efficiency and effectiveness of KeNAWRUA's activities and operations and detects and deters fraud, waste and abuse through internal audits, advisory services, inspections and investigations.

The Office of the Inspector General also ascertains that the actions of KeNAWRUA employees comply with KeNAWRUA's regulatory framework and that KeNAWRUA cooperating partners, vendors and

other contracted third parties observe applicable KeNAWRUA rules, regulations and policies. In addition, the Office of the Inspector General may undertake proactive integrity reviews on specific operational issues that may indicate risk of fraud, corruption and other wrongdoing.

#### *Ethics Office.*

The Ethics and Anti Corruption Office assists the KeNAWRUA Secretariat in nurturing a culture of ethical behaviour and accountability that enables all employees to perform their functions to the highest standards of integrity. As a confidential, independent office, the EACC is available to provide advice on preventing misconduct. The office administers the whistleblower protection policy,<sup>10</sup> which enables employees to report misconduct and cooperate with duly authorized audits, investigations and proactive integrity reviews without fear of retaliation.

#### *Office of Evaluation*

According to its charter, the Office of Evaluation contributes to the work of KeNAWRUA by providing management and stakeholders with independent assessment of results that strengthens accountability and learning and informs policy, strategic and programmatic decisions. The evaluation function combines centralized and demand-led decentralized evaluations.

#### *External Auditor*

Pursuant to KeNAWRUA financial regulation 14.1 and the annex to the financial regulations on additional terms of reference governing external audits, the External Auditor provides external oversight for KeNAWRUA. The External Auditor is obliged to report any fraud, presumptive fraud or wasteful or improper expenditure of KeNAWRUA's money or other assets to the Executive Board.

#### ***Building prevention of fraud and corruption into programme design and support activities***

When developing a new programme, project or activity, it is important to ensure that fraud and corruption risks are fully considered in the design and processes of the programme, project or activity. This is especially the case for high-risk programmes, projects and activities, such as those that are complex or that are undertaken in high-risk environments, in which information on risks must be communicated to relevant stakeholders, including donors and cooperating partners, together with an assessment of the extent to which the risks can be mitigated. Programme officers must also evaluate the impact of fraud and corruption (how easy it might be for fraud and corruption to occur and be replicated in day-to-day operations) and the effectiveness of measures taken to mitigate related risks, including programme and financial monitoring. Informed decisions can then be made regarding any additional mitigating actions required.

The processes involved in support activities, particularly in sensitive areas such as procurement and management of resources, also require careful consideration of fraud and corruption risks. Processes should be reviewed regularly to ensure that existing controls are effective in mitigating fraud and corruption risks.

#### **Awareness and training**

KeNAWRUA employees, cooperating partners, vendors and third parties engaged in activities and operations on behalf of KeNAWRUA must be aware of their responsibility to prevent, detect, deter, respond to and report fraud and corruption.

Accordingly, in respect of KeNAWRUA employees, KeNAWRUA board are responsible for raising awareness of this policy, of what constitutes fraud and corruption and of their detrimental effects and for underscoring the duty of all KeNAWRUA employees to report any reasonably suspected case of fraud and corruption, or any attempts thereof.

In respect of external parties, KeNAWRUA employees involved in the engagement of external parties are responsible for ensuring that such parties are aware of this policy through the contracting process.

All KeNAWRUA board members and employees, regardless of contract type, must complete mandatory online training courses, including but not limited to, courses on ethics and standards of conduct, prevention of fraud and corruption and cyber security. Refresher courses must be taken every three years. Completion of online training requirements by all employees is monitored centrally by KeNAWRUA.

#### ***Application and adherence to standards and codes of conduct.***

Adherence to standards and codes of conduct and contractual obligations deters fraud and corruption and encourages the highest standards of professional behaviour.

Standards and codes of conduct have been established for KeNAWRUA members and employees. Specifically, KeNAWRUA employees must be guided by, as applicable, the standards of conduct prescribed in the staff regulations and rules, the standards of conduct for the international civil service, the KeNAWRUA code of conduct and other documents.

Standards of conduct for cooperating partners, vendors and other third parties are set forth in their agreements.

Through the Ethics Office, KeNAWRUA maintains a policy applicable to KeNAWRUA employees in respect of conflicts of interest and their resolution. The policy covers the obligations of KeNAWRUA employees to avoid personal conflicts of interest and to disclose any that arise with a view to mitigating or eliminating them; to seek authorization concerning outside activities; to disclose offers concerning honours, decorations, favours, gifts or remuneration; and, for certain KeNAWRUA employees, to participate in an annual conflict of interest disclosure programme.

#### ***Internal control systems.***

A strong internal control system in which policies and procedures are enforced, internal controls are appropriately implemented and employees, vendors, cooperating partners and other third parties are informed about fraud and corruption and its consequences can mitigate the risks of fraud and corruption.

KeNAWRUA has incorporated several key preventive and detective controls into its systems and processes. They include, but are not limited to, the following:

#### **Employee management:**

- **Due diligence in hiring:** Conducted during any recruitment process for KeNAWRUA employees, regardless of rank or length of service. Includes an assessment of actual or perceived conflicts of interest.

- **Performance management:** Use of documented workplans and performance appraisals, including staff disciplinary procedures, where applicable.

**Roles and responsibilities:**

- Assignment of responsibilities: Clear reporting lines, job descriptions, and delegations of authority with approval workflows.
- Segregation of duties: Implementation of appropriate levels of checks and balances with regard to the activities of individuals.

**Access controls:**

- System profiles: Defined system role profiles and their assignment to relevant employees in line with their responsibilities.
- Premises access: Restricted access to premises and facilities.

**Data controls:**

- Data integrity and reconciliation: Validation checks and data analysis that support the detection of anomalies and abnormal patterns.

**Quality control:**

- External party due diligence: Rigorous selection procedures for cooperating partners, including assessment of their capacity to fulfil their obligations. KENAWRUA requires all of its vendors to be qualified and eligible.<sup>13</sup>
- External party performance monitoring: Regular monitoring of the performance of vendors, cooperating partners and other third parties, including through performance assessments and complaint and feedback mechanisms.

**Governance:**

- Management review: Supervision and control exercised by directors and line managers.
- Second line reviews: Second line activities carried out by staff responsible for specified functions and regional bureaux to provide support for country offices on internal controls and conduct compliance monitoring and decentralized evaluations.
- Committee review: Oversight and scrutiny by internal KeNAWRUA committees.

**c) Response to fraud and corruption.**

***Reporting procedures.***

The following reporting procedures apply to all individuals and entities to whom this policy applies.

KeNAWRUA employees must promptly report any reasonably suspected case of fraud and corruption, or any attempts thereof, to the Office of the Inspector General and may do so on an anonymous basis using the KeNAWRUA hotline. KeNAWRUA employees are strongly encouraged also to report to the Office/Division Director, as appropriate.

Cooperating partners, vendors and other contracted third parties must promptly report any reasonably suspected case of fraud and corruption, or any attempts thereof, in relation to any activities financed by KeNAWRUA according to the clauses in the applicable signed agreement. They are strongly encouraged also to inform the Office/Division Director, as appropriate; the KeNAWRUA hotline<sup>15</sup> and the local complaint and feedback mechanism are also available for this purpose.

Donors are encouraged to promptly report any reasonably suspected case of fraud and corruption, or any attempts thereof, to the Office of the Inspector General and, if appropriate, the relevant Office department.

Beneficiaries and host communities are encouraged to promptly report any reasonably suspected case of fraud and corruption, or any attempts thereof, via the KeNAWRUA hotline and the local complaint and feedback mechanism, which are available for this purpose.

In cases where the KeNAWRUA Secretariat receives a report from any individual or entity mentioned in the previous paragraphs, the KeNAWRUA Secretariat must:

- a) Firstly, ensure the matter has been duly reported to the Office of the Inspector General as required by paragraphs 49–52. The responsibility for evaluating allegations as to whether an investigation is warranted is determined by OIGI.
- b) Secondly, within three working days, ascertain basic information about the suspected case and report material cases, including estimated impacts and planned remedial actions, to their regional or headquarters director, the ERM division director, and the Inspector General. OIGI or ERM may be contacted for assistance.

If allegations have been reported to OIGI and not to the Secretariat, OIGI will, at the earliest reasonable time after completion of its preliminary assessment, inform the Secretariat affected and the Officer in charge of ERM of allegations of fraud and corruption deemed credible enough to warrant investigation. Once informed, the Secretariat must complete the materiality assessment as outlined in paragraph 53 b).

In the event of uncertainty as to whether any act or omission constitutes fraud and corruption, OIGI or ERM may be contacted for guidance.

Any KeNAWRUA employee reporting in good faith pursuant to the policy will be protected from retaliation, in accordance with the KeNAWRUA whistleblower protection policy. KeNAWRUA employees should be aware that making a report or providing information that is intentionally false or misleading constitutes misconduct and may result in disciplinary or other appropriate action.

## **8.0 Investigation procedures**

OIGI assesses all allegations reported under this policy in order to determine whether an investigation should be opened in accordance with OIGI's investigation guidelines and other relevant regulations, rules, policies and procedures.

All OIGI investigations are conducted impartially, independently and thoroughly, in accordance with the OIGI investigation guidelines and other applicable regulations, rules, policies and procedures.

The Office of the Inspector General reports its findings to the Executive Director and appropriate members of management. Permanent representatives accredited to the United Nations Rome-based agencies may request investigation reports in accordance with the procedures in the policy for disclosure of oversight reports.<sup>19</sup> The requirements for reporting to donors (which are subject to KeNAWRUA's legal framework) are governed by the agreements with the donors.

### **9.0 Remediation and implementation of lessons learned.**

The Office/Division Director must address any control weaknesses arising from fraud and corruption with the aim of remedying those weaknesses and preventing any potential incidents. Any remedial action taken during the preliminary assessment or investigation phase must be carried out in consultation with ERM and OIGI in order to ensure that it does not compromise any proposed or ongoing OIGI investigation. Any remedial action taken at the conclusion of an investigation should consider recommendations included in any management notification issued by OIGI.

Lessons learned from material incidents of fraud and corruption provide KeNAWRUA with insight into control weaknesses and possible recurring patterns. ERM supports function and country office management in building understanding that prevents both the likelihood and the impact of recurrence. The handbook on fraud and corruption prevention includes examples of control weaknesses identified through KeNAWRUA fraud investigations.

If at any stage of the investigation process OIGI determines that there is a potential or actual security risk or threat to individuals or KeNAWRUA's interests the Office of the Inspector General may engage relevant parties to assist with mitigation measures. Action should then be taken to address the problems identified and prevent their recurrence.

### **10.0 Recovery.**

KeNAWRUA will attempt, where feasible, to seek recovery of KeNAWRUA resources and/or property lost as a result of breaches of the policy using all the means at its disposal, including legal action when appropriate.

For example, in respect of KeNAWRUA employees KeNAWRUA may make deductions from salaries, wages and other emoluments. In respect of cooperating partners and vendors, KeNAWRUA would seek refund or recovery or withhold the relevant amount from subsequent disbursements, when legally feasible.

### **11.0 Sanctions and related measures.**

The Inspector General may recommend to KeNAWRUA management that appropriate administrative, legal and/or disciplinary action be taken against any individual or entity that is found to have violated the policy. Any such recommendation will be included in the investigation report issued to management, in accordance with OIGI investigation guidelines and other relevant regulations, rules, policies and procedures.

Any recommended action in respect of KeNAWRUA employees is referred to KeNAWRUA management as set forth in the applicable regulations, rules, policies and procedures. KeNAWRUA employees should be aware that fraud and corruption, once established, constitute serious misconduct and may lead to the imposition of disciplinary measures up to and including summary dismissal.

Any recommended action in respect of a vendor or cooperating partner (if applicable) is referred to the KeNAWRUA Sanctions Committee. The Sanctions Committee is an internal body tasked with making recommendations on vendor sanctions, including with respect to vendors' continued eligibility to do business with KeNAWRUA. If the Sanctions Committee finds that a vendor has been involved in fraud and corruption it can recommend sanctions, including debarment. Vendors and cooperating partners must be made aware that fraud and corruption, once established, may constitute grounds for the immediate termination of agreements.

The Inspector General may also recommend that cases involving criminal activity be referred to relevant national authorities. Any such referral will be made following consultation with the Legal Office and, if necessary, after applicable waivers of immunity have been obtained.

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## Approval and Implementation.

**This policy shall be officially approved by the Board of KeNAWRUA and shall take effect from the date of its approval.**