



# **Strategic Framework for the Prevention of Fraud and Corruption**

**July 2013**

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## Section 1 – Introduction

1. UNHCR, as a potential victim of fraudulent acts whether by its staff or external parties with which it has business relations, is exposed to various risks which may be grouped into three broad categories: **financial risks**, which can be measured in monetary terms; **operational risks**, which cause deficiencies in the implementation and delivery of programmes, and **reputational risks**, which harm the prestige and respect of the Organization.

2. The types of fraud to which the Organization is vulnerable can be further categorized broadly into ‘opportunistic’ and ‘systemic’ fraud. Opportunistic fraud refers to those cases in which a wrongdoer, operating in a generally well-controlled environment, succumbs to temptation and seizes an isolated opportunity for improper gain. Systemic fraud refers to those situations in which fraud is endemic, entrenched in the system – the norm rather than the exception. Systemic fraud represents a much more serious problem to the Organization, its operations and reputation than opportunistic fraud.

3. UNHCR is committed to promoting and adhering to the highest standards of probity and accountability in the use of its resources, hence it takes a zero-tolerance stance towards cases of fraud and corruption in its activities and has taken concrete steps towards reinforcing its efforts in this area.

4. In order to effectively address fraud and corruption, UNHCR maintains a dynamic framework that responds to its operational and administrative environment, while taking advantage of lessons learned and best practices developed in the course of preventing, detecting, investigating and sanctioning fraud and corruption that have occurred.<sup>1</sup>

## Section 2 – Purpose

5. The purpose of this Strategic Framework is to outline UNHCR’s policies and methods to strengthen the prevention of, and its response to, incidents of fraud and corruption. Whereas the prevention and addressing of fraud and corruption are integral parts of the management of the Organization, a dedicated framework intends to serve as a clear and user-friendly reference for both external and internal audiences for the purposes of awareness, advocacy, implementation and monitoring.

6. In particular, this Strategic Framework is used to:

- a) raise awareness of fraud and corruption risks;
- b) implement and strengthen controls aimed at preventing fraud and corruption;
- c) consolidate procedures for the detection, investigation and sanctioning of fraud and corruption; and
- d) provide concrete and practical advice to UNHCR staff in identifying potential risk areas and tools to prevent or address situations of fraud and corruption.

7. The Strategic Framework takes into account ongoing efforts of UN funds, programmes and agencies, international financial institutions and donors to harmonize approaches to prevent and address incidents of fraud and corruption in the Organization.<sup>2</sup>

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<sup>1</sup> See the examples of fraud/corruption prevention measures in UNHCR (Annex 1) and the Reference Matrix for Dealing With Fraud and Corruption (Annex 2).

<sup>2</sup> United Nations organizations have been giving increased attention to this area. Prominent was the adoption of the United Nations Convention Against Corruption by the UN General Assembly on 31 October 2003 (entry into force on 14 December 2005). As part of the implementation of the Convention, public

## Section 3 – Definitions and Scope

8. For purposes of this Strategic Framework, the following definitions apply:

- **Fraud** – Any act or omission, including misrepresentation or concealment of a material fact, that knowingly or intentionally misleads, or attempts to mislead, a party to obtain a benefit, whether directly or indirectly, whether for oneself or for a third party. Fraud could involve misappropriation of cash (such as fraudulent claims/disbursements) or other assets (such as fraudulent shipments, falsifying inventory records), or fraudulent statements (purposefully misreporting or omitting information).
- **Corruption** – The offering, giving, receiving or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party. Corruption may take the form of an undisclosed conflict of interest, unauthorized acceptance of honours, gifts or remuneration, bribery (including kickbacks), illegal gratuities or economic extortion.

9. For ease of reference, the term “fraudulent acts” when used in the rest of this document, is understood to include both fraud and corruption.

10. The duties, obligations and privileges of UNHCR staff members are outlined in the Staff Rules and Staff Regulations of the United Nations.<sup>3</sup> As per Staff Rule 10.1 (a), “[f]ailure by a staff member to comply with his or her obligations under the Charter of the United Nations, the Staff Regulations and Staff Rules or other relevant administrative issuances or to observe the standards of conduct expected of an international civil servant may amount to misconduct and may lead to the institution of a disciplinary process and the imposition of disciplinary measures for misconduct.”

11. Fraudulent acts constitute serious acts of misconduct, and include the following examples:

- a) Forging of documents, preparing false entries in UNHCR systems or making false statements to obtain a financial or other benefit to which a person is not entitled;
- b) Bribery, such as offering or receiving something of value to improperly influence a procurement process;
- c) Asking for or receiving money for providing information to a vendor in the procurement of goods and services;
- d) Falsifying supplier invoices or creating fictitious invoices;
- e) Asking for or receiving personal reward or other private gain in return for showing favour to a candidate in a recruitment process;
- f) Falsifying expense claims;
- g) Misuse or theft of a password for the unauthorized access to UNHCR systems; or
- h) Collusion or other anti-competitive scheme between suppliers during a tender process.

12. Such acts can be perpetrated by people within the Organization or by outside parties (possibly in collusion with staff members). This Strategic Framework applies to any fraud or corruption (actual, suspected or attempted) involving UNHCR staff members as well as any party, individual or corporate, having a direct or indirect contractual relationship with UNHCR or that is funded wholly or in part with UNHCR resources.

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international organizations are reporting on efforts undertaken to align their financial and other integrity rules to the principles set forth in the Convention ([www.unodc.org/pdf/crime/convention\\_corruption/signing/Convention-e.pdf](http://www.unodc.org/pdf/crime/convention_corruption/signing/Convention-e.pdf)).

<sup>3</sup> [ST/SGB/2011/1](http://www.unhcr.org/refworld/docid/3d4d1111.html), 1 January 2011.

13. The present framework does not directly address fraudulent acts committed by persons of concern,<sup>4</sup> which are covered under separate policies.

14. The scope of this document is limited to a statement of UNHCR's policy and procedures to prevent and combat fraudulent acts in its operations and does not cover *other types of misconduct* or mismanagement (e.g. harassment,<sup>5</sup> disrespectful behaviour and breaches of legal and contractual obligations not involving fraud or corruption) by UNHCR staff members and other parties covered by this policy.

## **Section 4 – Zero tolerance approach**

15. UNHCR applies a zero-tolerance approach where it has been established that its staff, consultants, contractors, implementing partners, and/or other parties with a contractual link to UNHCR have engaged in fraudulent acts. “Zero tolerance” means that UNHCR will pursue all allegations falling under the scope of this Strategic Framework, and that appropriate firm administrative/disciplinary measures or contractual remedies will be applied where the allegations are substantiated.

16. It is UNHCR's responsibility to ensure that its resources are used for the intended purposes. This is clearly extended to resources administered or controlled by UNHCR staff, or by individuals or entities representing the Organization or implementing the Organization's projects. It is of paramount importance that UNHCR staff members, consultants, contractors, implementing partners, and/or other parties with a contractual link to UNHCR are beyond reproach, and that the Organization's regulations and procedures support the highest standards of ethical and financial integrity.

## **Section 5 – Indicators to detect fraudulent acts**

17. There are several factors that may cause someone to commit a fraudulent act. The following three components (often referred to as the “fraud triangle”) could, together, lead to fraudulent behaviour:

- a) incentives and pressures (e.g. someone has expensive hobbies);
- b) perceived opportunity (e.g. weak control might lead the perpetrator to the assessment that he/she will not be detected); and
- c) rationalization (e.g. the perpetrator considers him-/herself to be undervalued in the organization).

18. The risk level of fraudulent acts may vary depending on the environment. Fraud might occur more often in, for example, operations with high staff turn-over, ill-defined or limited supervision and control mechanisms in place, and environments characterized by high demand for limited resources.

19. Some fraud indicators may be identified that are applicable to all risk areas. These should always be considered in conjunction with indicators that relate to a specific risk area under review. General fraud indicators include, but are not limited to:

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<sup>4</sup> There are other documents that deal with fraud or corruption by persons of concern. See, for example, footnote 55 on resettlement fraud.

<sup>5</sup> See for additional guidance on harassment: [IOM/029/2005 – FOM/029/2005](#), *UNHCR's Policy on Harassment, Sexual Harassment and Abuse of Authority* dated 28 April 2005.

- a) Lack of an appropriate organizational structure with defined lines of authority and reporting responsibilities;
- b) Lack of transparency;
- c) Management override of key controls;
- d) Inadequate or weak internal controls;
- e) Inadequate accounting systems and controls (such as monthly bank reconciliation);
- f) Lack of written policies and procedures;
- g) Insufficient physical security over facilities, assets and records;
- h) High turnover rate of staff; reassignment or separation from service of key personnel;
- i) Missing electronic or hard copy supporting documents;
- j) Lost or destroyed electronic or hard copy records;
- k) Photocopied documents instead of originals; copies of poor quality or illegible; documents in pencil;
- l) Revisions to electronic or hard copy documents with no explanation or support;
- m) Use of means of alteration to data files; and
- n) Missing or false signatures of approval; discrepancies in signature/handwriting; signature by non-authorized persons;

20. Managers play a key role through their oversight over the Organization's control environment, including integrity and ethical values, compliance and disclosure. Management's influence over the control environment in an organization is not only a fraud risk factor, but also entails fraud indicators. Possible management fraud indicators include, but are not limited to:

- a) Failure to display and communicate an appropriate attitude regarding the importance of internal control, including a lack of internal control policies and procedures and oversight of significant controls;
- b) Display (through words or actions) that senior management is subject to less stringent rules, regulations, or internal controls than other employees;
- c) Failure to establish procedures to ensure compliance with laws and regulations and prevention of illegal acts;
- d) Lack of, or failure to adhere to, policies and procedures requiring thorough background checks before hiring key management, accounting, or operating personnel;
- e) Failure to effectively follow-up on recommendations resulting from external reviews or questions about financial results;
- f) Failure to disclose unusual accounting practices or transactions;
- g) Directing subordinates to perform tasks that override management or internal controls;
- h) Disinterest or no knowledge about a sensitive or high profile issue in which management involvement would be expected; and
- i) Unwillingness to co-operate with auditors, or efforts to control the audit process (timetables, access, scope).

## Section 6 – Preventive measures

21. Preventing fraudulent acts is a shared responsibility that cuts across functional and hierarchical lines, and that also extends to UNHCR partners and interlocutors. Successful preventive measures safeguard resources, support the integrity of the Organization and protect its reputation. Fraud prevention should normally result in a reduction of incidents requiring investigations and disciplinary or administrative measures. Several policies and procedures in the areas of human resources management, financial management, contracting and procurement are specifically designed to reduce the risk of fraud and corruption, while ensuring that staff rights are respected.<sup>6</sup>

22. Fraudulent acts can be significantly minimized by:

- a) Senior management setting a good example of behaviour, according to the highest standards of ethical and financial integrity;
- b) Strengthening awareness of staff to fraud and corruption prevention;
- c) Sound and consistent application of the Organization's policies and procedures, including those relating to finance, human resources/recruitment and procurement;
- d) Compliance with the UNHCR Code of Conduct;
- e) Having an effective and confidential complaints mechanism in place;
- f) Improving exclusion practices by introducing, alongside the blacklisting, the so-called whitelisting, an approach which requires bidders to certify compliance with anti-bribery laws and prove that they have adequate internal management and accounting practices to ensure such compliance; and
- g) Control mechanisms (e.g. segregation of duties, clear authorities for each role, the use of adequate IT tools, internal and external audit on the accounts payable system to detect overpayments to suppliers or any other anomaly related to contracts awarding and execution, etc.).

23. The UNHCR Code of Conduct and the Standards of Conduct for the International Civil Service<sup>7</sup> generally serve as guides for the standards of conduct expected of UNHCR staff members, whose legal obligations are set out in the UN Staff Rules and Regulations.<sup>8</sup>

24. In preventing and addressing fraud and corruption, the Organization will act consistently and undertake the investigative activities required in accordance with individual contracts in relation to staff members and direct hires, as well as the respective agreements or memorandum of understanding in respect of third parties.

25. The Organization provides, as part of various internal learning programmes, training components that assist in better understanding the accountabilities within the Organization and create fraud and corruption awareness.<sup>9</sup> In addition, the Global Learning Centre (GLC) has a number of blended-learning programmes under development that will include components on fraud and corruption prevention.

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<sup>6</sup> See the Reference Matrix for Dealing With Fraud and Corruption (Annex 2).

<sup>7</sup> See: *Standards of Conduct for the International Civil Service*, [A/56/30](#), Annex II.

<sup>8</sup> See [IOM/009/2012 – FOM/010/2012](#). *The role, functions and modus operandi of the Inspector General's Office* dated 7 February 2012, para. 27.

<sup>9</sup> For an overview of the Organization's fraud/corruption prevention measures, see Annex 1.

## 6.1 *Staff Members*

### 6.1.1 *All Staff*

26. All staff members have a duty to comply with the Staff Regulations and Rules, the Financial Regulations and Rules, as well as relevant administrative instructions and the Organization's Code of Conduct. In the context of the prevention and detection of fraud, all staff members have a duty to assist in combating fraud and to report instances of possible misconduct, including fraud and corruption, as well as any information that relates to misconduct they have observed.<sup>10</sup>

27. It should also be noted that staff members who violate, wilfully or with gross negligence, the UN/UNHCR Financial Regulations and Rules or relevant administrative instructions, either through their own action or by not implementing mandatory control mechanisms, may be required to reimburse UNHCR for financial loss incurred to the Organization as a result of their actions. The Staff Rules, Financial Regulations and Rules and specific policies determine the conditions under which UNHCR will seek reimbursement, either in full or in part.<sup>11</sup>

### 6.1.2 *Staff with Functions in Sensitive Areas*

28. Staff members carrying out functions in sensitive areas such as procurement and investment management are subject to higher standards as considered necessary in relation to the discharge of their duties and responsibilities, as further stipulated by the Organization.<sup>12</sup> It is of overriding importance that such staff members are not placed in a position where their actions may constitute, or could be reasonably perceived as reflecting, favourable treatment to an individual or entity by accepting gifts and hospitality or other similar considerations. Staff members may, in principle, not accept any honours, decorations, favours, gifts or remuneration from a governmental source or from any individual or entity doing business with, or seeking to do business with, the Organization.<sup>13</sup> This includes offers of gifts such as drinks, meals, tickets, hospitality, transportation, or any other form of benefits, even if it is in association with an "official working visit". In this regard, relevant provisions have also been included into the UN Supplier Code of Conduct.<sup>14</sup>

29. In addition, post-employment restrictions apply to UN former staff members and to staff in service who participated in the procurement process, as well as to UN suppliers. For a period of one year following separation from service, former staff members are prohibited from seeking, or accepting, employment from a UN supplier. Staff members in service must also refrain from accepting any future employment from a UN supplier, with whom they have been involved. In case of violations of these provisions, UN suppliers may be subject to having their registration as a qualified supplier

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<sup>10</sup> See [IOM/009/2012 – FOM/010/2012](#), para. 28. See Section 7 for further details on reporting possible fraud.

<sup>11</sup> The conditions under which staff members may be held personally accountable and financially liable are further defined in [IOM/086/2012 – FOM/087/2012](#), *Financial Responsibility of Staff Members for Gross Negligence* dated 16 November 2012.

<sup>12</sup> [ST/AI/2010/1](#) of 14 January 2010, *Reporting, retaining and disposing of honours, decorations, favours, gifts or remuneration from governmental and non-governmental sources*, para. 1.5. See, for example, UNHCR Manual, Chapter 8: *Supply Chain Management*, Part 7, Section, 2, [Code of Conduct for Supply Staff](#).

<sup>13</sup> *Idem*, para. 3.3. Further procedural issues and possible exceptions are detailed in [ST/AI/2010/1](#).

<sup>14</sup> [United Nations Supplier Code of Conduct](#), Rev. 04, January 2011, para. 21 states:

"The UN has a "zero tolerance" policy and does not accept any type of gift or any offer of hospitality. The UN will not accept any invitations to sporting or cultural events, offers of holidays or other recreational trips, transportation, or invitations to lunches or dinners. The UN expects UN suppliers not to offer any benefit such as free goods or services or a work position or sales opportunity to a UN staff member in order to facilitate the suppliers business with the UN."



with the United Nations barred, suspended or terminated.<sup>15</sup> Further restrictions relate to refraining from soliciting or accepting, directly or indirectly, any promise or offer of future employment from a supplier and – for former staff members – to the prohibition from knowingly communicating or appearing before the Organization on behalf of a third party in the context of a procurement process.<sup>16</sup>

30. Additionally, all staff members who are procurement officers, or whose principal occupational duties are the procurement of goods and services for the United Nations, and those whose principal occupational duties relate to the investment of the assets of the United Nations, have an obligation to file an annual financial disclosure statement.<sup>17</sup>

### 6.1.3 Managers

31. Managing the risk of fraud is a crucial part of the Organization's good governance. While it is the responsibility of every staff member to assist in preventing and combating fraud and corruption, managers are expected to put in place the appropriate controls to prevent and address fraud and corruption risks. It is always advisable to identify such risks at the earliest possible stage, to be able to take mitigation actions. In particular:

- a) Identify the types of risks to which activities within the area of responsibilities are exposed, including those relating to implementing partnership management and procurement and sub-contracting of goods and services;
- b) Assess the identified risks and risk mitigation options, and design and implement cost effective prevention and control measures;
- c) Coordinate, in the case of procurement, with other UN agencies who have recently purchased similar products or services in order to improve the understanding of the market concerned and associated risks; and
- d) Establish and implement measures to prevent the recurrence of fraud and corruption.

32. To assist with the process of identifying and assessing risks of fraud and corruption, and with defining which appropriate control measures should be established, managers may use the template in Annex 4. Managers are encouraged to pay attention, in particular, to the risk areas highlighted in Annex 2. UNHCR is also rolling out an Enterprise Risk Management (ERM)<sup>18</sup> system in 2013, which includes further details on conducting generic risk assessments and on monitoring risk mitigation measures. Fraud risk assessments should be done in accordance with the ERM framework that has been developed.

33. Managers who fail to take appropriate action, or who directly or indirectly tolerate or condone improper activities, may be subject to administrative or disciplinary action in case negligence or misconduct is established.

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<sup>15</sup> Idem, para. 22.

<sup>16</sup> See for details: [ST/SGB/2006/15](#), *Post-employment restrictions*, 26 December 2006, para. 2.1-2.3.

<sup>17</sup> [ST/SGB/2006/6](#), *Financial disclosure and declaration of interest statements*, 10 April 2006, para. 2.1(b) and (c). This obligation also applies to all staff members at the D-1 or L-6 level and above, other staff members whose direct access to confidential procurement or investment information warrants the filing of a financial disclosure statement, and all staff members serving in the Ethics Office.

<sup>18</sup> See UNHCR's Intranet under [Executive Direction and Management / Organizational Development and Management / Enterprise Risk Management \(ERM\)](#).

## 6.2 *Implementing Partners and Other Contractual Parties*

34. The obligations to assist in preventing and combating fraud and corruption extend to other parties working directly or indirectly in partnership with UNHCR, and to whomever has signed the UNHCR Code of Conduct.<sup>19</sup>

35. UNHCR expects its suppliers to adhere to the highest standards of moral and ethical conduct, to respect local laws and not engage in any form of corrupt practices, including extortion, fraud, or bribery, at a minimum.<sup>20</sup> As part of contractual terms for ethical behaviour, UNHCR's implementing partners and contractors (including their employees) are required to use resources efficiently and for the intended purpose, refrain from acts of fraud and corruption, and have procedures in place to address incidents of fraud and corruption. Regular monitoring activities, verifications and audits of the use of UNHCR funds entrusted with partners are conducted. UN suppliers are expected to disclose to the UN any situation that may appear as a conflict of interest, and disclose to the UN if any UN official or professional under contract with the UN may have an interest of any kind in the supplier's business or any kind of economic ties with the supplier.<sup>21</sup>

36. Appropriate provisions are included in all agreements<sup>22</sup> and contracts to further request implementing partners to put into place strengthened measures for prevention, report allegations of fraud and corruption to UNHCR, undertake investigations in coordination with UNHCR and cooperate in any investigation undertaken by UNHCR to detect possible fraud or corruption affecting its operations. Training materials have been developed, and training to enhance the capacity of implementing partners in this regard is being rolled out.

## Section 7 – Reporting possible fraud

37. Staff Rule 1.2 (c) states:

*Staff members have the duty to report any breach of the Organisation's regulations and rules to the officials whose responsibility it is to take appropriate action and to cooperate with duly authorized audits and investigations. Staff members shall not be retaliated against for complying with these duties.*

38. In accordance with Staff Rule 1.2 (c), all staff members have a duty to report instances of misconduct as well as any information that relates to possible misconduct.<sup>23</sup> Staff are, however, cautioned that using the investigation process in a malicious manner – or otherwise providing information known to be false or with reckless disregard for its accuracy – may constitute misconduct and will be investigated as a separate act of possible misconduct. For practical reasons, investigations will not normally be conducted into events that occurred more than five years ago, or more than one year ago in cases of possible harassment, sexual harassment and abuse of authority, unless the nature of such events permits effective investigation.<sup>24</sup>

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<sup>19</sup> This includes all partners who contract personnel to work with UNHCR (UN Volunteers, UNOPS, stand-by partners, implementing partners).

<sup>20</sup> [United Nations Supplier Code of Conduct](#), para. 19.

<sup>21</sup> *Idem*, para. 20.

<sup>22</sup> See [IOM/001/2013 – FOM/001/2013](#), *Revised Format for Standard Project Agreement with Governmental and Non-Governmental Implementing Partners (Bilateral and Tripartite Agreements)* dated 16 January 2013.

<sup>23</sup> The Inspector-General's Office (IGO) is the designated entity to receive and investigate complaints or information concerning possible fraudulent and/or corrupt activities committed by staff members or those who have a direct contractual link to UNHCR.

<sup>24</sup> See [IOM/009/2012 – FOM/010/2012](#), para. 28. In case of doubt, the IGO may be contacted.

39. The IGO is able to receive reports of possible misconduct 24 hours a day, seven days a week. A report of possible misconduct may come to the IGO's attention as a complaint, allegation, observation or concern; or through inspection, inquiry, audit or other oversight observations; or through circumstances that tend to indicate wrongdoing (e.g. missing or damaged property) even in the absence of a direct allegation. Reports of possible misconduct can therefore take any form, and can originate from any source (identified or anonymous; including staff members, UNHCR's persons of concern, UNHCR implementing partners, UNHCR's external interlocutors or the general public).

### ***Reporting possible misconduct***

40. The IGO can receive reports in a confidential manner in the following ways:

- a) Email: [inspector@unhcr.org](mailto:inspector@unhcr.org)
- b) UNHCR website: [www.unhcr.org/php/complaints.php](http://www.unhcr.org/php/complaints.php)
- c) Telephone: +41 22 739 8844
- d) Facsimile: +41 22 739 7380
- e) Mail: Head of Investigation Service  
Inspector General's Office  
UNHCR  
94, rue de Montbrillant  
1202 Geneva  
Switzerland
- f) Directly to an IGO staff member

41. When alerting the IGO to situations involving possible staff misconduct, staff members and others are encouraged to provide as much detail as possible, including any supporting documents and/or other relevant facts available to them. However, staff (including managers) or others should not take steps to investigate the alleged misconduct without first consulting with the IGO on the appropriate procedures and due process considerations.

42. All operations will also have a complaints mechanism<sup>25</sup> through which persons of concern can report cases of misconduct, including fraud and corruption. These cases will be reported to the IGO for advice and further action.

43. Allegations of possible misconduct that implicate staff at the IGO or staff at UNHCR's Executive Office, including the High Commissioner, should be communicated to the UN Office of Internal Oversight Services (OIOS) in New York as follows:

- a) Email: [investigationsoios@un.org](mailto:investigationsoios@un.org)
- b) Website: [www.un.org/depts/oios](http://www.un.org/depts/oios)
- c) Telephone: + 1 (212) 963 1111 (24-hour hotline)
- d) Facsimile: + 1 (212) 963 7774
- e) Mailing address: Office of Internal Oversight Services  
United Nations Headquarters  
Dag Hammarskjöld Convenience Center (DHCC)  
P.O. Box 20114  
New York, NY, 10017  
USA

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<sup>25</sup> As part of a "Complaints Policy" to be issued later in 2013.

## Section 8 – Confidentiality and protection against retaliation

44. The identity of any person or entity reporting possible fraud or corruption is confidential. The IGO protects the identity of the source. However, the source may become known to the perpetrator during a disciplinary process.

45. Staff Rule 1.2 (c) states that staff members may not be retaliated against for complying with the duty to report possible misconduct. No action may be taken against staff or others as a reprisal for reporting and disclosing information on possible fraud or corruption, or otherwise co-operating with investigation activities of the Inspector General’s Office.

46. In line with the above, and in implementing ST/SGB/2005/21<sup>26</sup> on the protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations, UNHCR issued a specific policy on protection of individuals against retaliation (“whistleblower policy”) in September 2008.<sup>27</sup>

47. Individuals who believe they have been subjected to retaliation or a threat of retaliation should forward all information and documentation available to them to support their complaint to the Director of the UNHCR Ethics Office, as this is the only body established to receive reports of retaliation.<sup>28</sup> After an initial review of such complaint, and when finding that there is a credible case of retaliation, the Director of the Ethics Office will refer the complaint in writing to the IGO for investigation and will notify the complainant that this has been done.<sup>29</sup>

## Section 9 – Investigations

48. The purpose of an investigation by the IGO is to determine whether or not there are facts to support an allegation of misconduct that may ultimately be subject to disciplinary measures. An investigation is an administrative fact-finding exercise to determine whether misconduct has occurred, and not a punitive undertaking.

49. The IGO is responsible for ensuring that possible misconduct involving “any entity or person having a direct contractual link with UNHCR, including staff members, consultants, interns and persons deployed to UNHCR offices and Headquarters units, as well as to UNHCR funded projects under agreements with third parties” is properly investigated. Given the potentially large scope of third party investigative responsibilities, priority is given by the IGO to serious allegations concerning sexual exploitation and abuse, serious fraud and criminal behaviours that could impact most severely on UNHCR’s reputation.<sup>30</sup>

50. The legal bases for the IGO’s investigation activities include the relevant provisions of the Staff Rules and Staff Regulations of the United Nations, and internal UN/UNHCR policies and procedures. The Investigation Service within the IGO is charged with assessing complaints of possible misconduct and conducting investigations.<sup>31</sup> In all instances, the IGO retains the prerogative to

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<sup>26</sup> [ST/SGB/2005/21](#), *Protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations*, 19 December 2005.

<sup>27</sup> See [IOM/043/2008 – FOM/045/2008](#), *UNHCR’s policy on protection of individuals against retaliation (Whistleblower policy)* dated 15 September 2008.

<sup>28</sup> See [IOM/043/2008 – FOM/045/2008](#), para. 1.5.

<sup>29</sup> See [IOM/043/2008 – FOM/045/2008](#), paras. 3.2 and 3.6.

<sup>30</sup> See [IOM/009/2012 – FOM/010/2012](#), para. 31.

<sup>31</sup> In specific cases involving allegations against IGO staff or senior staff within the Executive Office, the United Nations Office of Internal Oversight Services (OIOS) will normally conduct the investigation.

determine if and when circumstances warrant a formal investigation and the appropriate investigative process to be followed.

51. The IGO is charged with maintaining objectivity, impartiality, and fairness throughout the investigative process and conducting its activities competently and with the highest levels of integrity. In particular, the IGO is to perform its duties independently and free from improper influence and fear of retaliation.<sup>32</sup>

52. UNHCR has also signed a specific Memorandum of Understanding with the UN Office of Internal Oversight Services (OIOS) to strengthen collaboration in the conduct of investigations and inspections and to define a framework for cooperation and an agreed division of responsibilities in these two areas.<sup>33</sup>

53. The IGO's mandate does not include the institution of disciplinary proceedings.

## **Section 10 – Administrative or disciplinary measures and contractual remedies<sup>34</sup>**

54. The decision whether to institute disciplinary proceedings is made by the Director of the Division of Human Resources Management (DHRM), in accordance with the procedure set out in ST/AI/371 and its Amendment 1.<sup>35</sup> The IGO retains a monitoring and compliance role in regard to DHRM's action with respect to the findings of investigations conducted by the Investigation Service.<sup>36</sup>

55. Disciplinary measures<sup>37</sup> could take one or more of the following forms:

- a) written censure;
- b) loss of one or more steps-in-grade;
- c) deferment, for a specified period, of eligibility for a within-grade salary increment;
- d) suspension without pay;
- e) fine;
- f) demotion;
- g) separation from service, with or without notice or compensation in lieu of notice;
- h) summary dismissal.

56. Non-disciplinary measures<sup>38</sup> could be:

- a) reprimand (normally written by a supervisory official);
- b) recovery of monies owed to the Organization;
- c) suspension<sup>39</sup> during investigation and/or disciplinary proceedings.

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<sup>32</sup> Inspector General's Office, Investigation Service, [Guidelines on Conducting Investigations and Preparing Investigation Reports](#), September 2012, para. 6.4.

<sup>33</sup> See [IOM/092/2006 – FOM/092/2006](#), *Memorandum of Understanding between UNHCR and OIOS* dated 15 December 2006. This Memorandum of Understanding is currently under revision.

<sup>34</sup> Further information regarding disciplinary measures and procedures can be found in Chapter X of the Staff Rules and Staff Regulations of the United Nations. See: [ST/SGB/2011/1](#), 1 January 2011.

<sup>35</sup> [ST/AI/371](#), *Revised Disciplinary Measures and Procedures*, 2 August 1991; [ST/AI/371/Amend.1](#), *Revised Disciplinary Measures and Procedures*, 11 May 2012.

<sup>36</sup> See [IOM/009/2012 – FOM/010/2012](#), para. 7.

<sup>37</sup> See [IOM/038/2002 – FOM/036/2002](#), para. 1.6.

<sup>38</sup> See [IOM/038/2002 – FOM/036/2002](#), para. 1.7.

<sup>39</sup> See [Guidelines on Conducting Investigations and Preparing Investigation Reports](#), Inspector General's Office, Investigation Service, 28 September 2012, Section 6.8.

## ***Staff Members***

57. Fraud and corruption, once established, constitute a serious act of misconduct, which may result in a staff member's separation from service.

58. In addition, a staff member may be referred to national authorities for prosecution where the conduct may also be considered a criminal act. UNHCR's policy is based on a transparent case-by-case assessment and takes into account the circumstances of each case. A staff member will be informed of any resulting referral to the national authorities.

59. Furthermore, regarding monies due to UNHCR by a staff member involved, the Organization may make use of all means available to it to recover misappropriated funds, including by making deductions from salaries, wages and other emoluments, and by taking judicial action before the relevant national judicial authorities.

## ***Implementing Partners and Other Contractual Parties***

60. New clauses have been introduced<sup>40</sup> as an integral component of implementing partnership project agreements that oblige implementing partners (1) to have or to adopt a plan to put in place investigation policies and procedures and to investigate allegations of abuse and possible misconduct (including fraud and corruption), and (2) to establish a disciplinary system to take appropriate disciplinary measures when misconduct is found to have occurred. Implementing partners are also required to share with UNHCR the full investigation report of any investigation into alleged abuse and misconduct and to ensure close coordination with UNHCR regarding the planning and conduct of any administrative action in regard to such allegations.

61. The standard Project Agreement requires that UNHCR assets (including funds) are used in accordance with the project description and budget, as UNHCR will not be liable for the payment of any expenses that are not outlined in the Agreement. The use of assets is verified and audited through financial reports. In case of misuse of assets, including loss or misappropriation of UNHCR assets by implementing partners, UNHCR would seek refund or recovery, or withhold the corresponding amounts from subsequent disbursements. The recovery of UNHCR assets lost or misappropriated by other contractual parties and their respective employees is regulated through applicable legal principles and contractual agreements.

62. Failure by implementing partners to take effective measures to prevent misconduct, or failure to investigate allegations of misconduct and take disciplinary and corrective actions when misconduct is found to have occurred, will constitute grounds for termination of a Project Agreement with UNHCR.<sup>41</sup> The contracts of other parties covered by this Strategic Framework may also be terminated, if a fraudulent or corrupt act is established.

63. Fraud prevention mechanisms will be enhanced for procurement-related activities, in compliance with the current Strategic Framework. This will include fraud risk assessments, a review of existing controls, training, and other measures.

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<sup>40</sup> See footnote 22.

<sup>41</sup> See the Standard Project Agreement, as issued by [IOM/001/2013 – FOM/001/2013](#), para. 6.03.3.

## Section 11 – Reporting and monitoring

64. Cases of fraud and presumptive fraud are reported to the United Nations General Assembly, as well as to the Executive Committee, through inclusion in the UNHCR financial report and financial statements as audited by the United Nations Board of Auditors.

65. OIOS has signed a memorandum of understanding (MoU) with UNHCR with respect to the conduct of investigations, which defines the division of responsibilities.<sup>42</sup> It is agreed that OIOS will investigate possible cases of misconduct involving senior staff from the Executive Office and the Inspector-General's Office. Investigation reports resulting from such OIOS investigations will be transmitted by OIOS directly to the High Commissioner and the Inspector-General as appropriate.<sup>43</sup> OIOS reports resulting from investigations undertaken pursuant to the MoU are subject to the disclosure requirements set out in General Assembly Resolution 59/272 paragraph 1(c). UNHCR will be afforded the opportunity to request OIOS to modify or withhold any UNHCR-related report, prior to release, in accordance with paragraph 2 of the aforementioned General Assembly Resolution and at the discretion of the Under-Secretary-General of OIOS. Internal auditors also consider risks of fraud and/or corruption during their regular audit assignments, and may conduct specific assignments on fraud related matters. Internal auditors will also provide advice on fraud prevention on request.

66. An overview of disciplinary measures taken following misconduct, including fraudulent acts is communicated to all staff on an annual basis, and made available on UNHCR's Intranet.<sup>44</sup>

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<sup>42</sup> [IOM/092/2006 – FOM/092/2006](#), *Memorandum of Understanding between UNHCR and OIOS*, 15 December 2006, para. 2.

<sup>43</sup> Except reports on the High Commissioner him/herself, which would be transmitted by OIOS directly to the Secretary-General. See: *idem*, para. 3.9.

<sup>44</sup> See UNHCR's Intranet under [Staff Resources / Legal Affairs Service / Disciplinary Measures](#).



## Annex 1 – Examples of Preventive Measures Relating to Fraud and/or Corruption in UNHCR<sup>45</sup>

- a) Issuance of instruction in November 2012 relating to the **financial responsibility of staff members** who act with gross negligence and/or in violation of UN/UNHCR Financial Regulations and Rules or relevant administrative instructions. Staff may be held personally accountable and financially liable, and may be required to reimburse UNHCR for financial loss to the Organization incurred as a result of their actions. Staff and Financial Rules determine the conditions under which UNHCR will seek reimbursement, either in full or in part;<sup>46</sup>
- b) Establishment of the UNHCR **Internal Compliance and Accountability Committee (ICAC)** in June 2012, as the central body to prioritize and monitor recommendations from internal and external oversight bodies, and to identify changes in policies and procedures to respond to suggestions from oversight bodies and anticipate recommendations likely to be made by oversight bodies;
- c) Roll-out of **Investigation Learning Programmes** at several duty stations, training staff members to assist UNHCR's Inspector General's Office (IGO) with investigations into allegations of staff misconduct;
- d) Issuance of a revised document in February 2012 on the **role, functions and modus operandi of the Inspector General's Office (IOM/009-FOM/010/2012)** that further clarifies processes and procedures for dealing with possible staff misconduct;
- e) UNHCR initiated an Enterprise Risk Management (ERM) Project in 2012 with a purpose of developing and deploying a simple **enterprise risk management framework** that does not pose onerous burdens on the field and ensures optimal alignment between business decisions, resources and important risks. The main objective of the multi-year Project is to improve organizational performance and accountability by embedding a culture of effective risk management into all levels as appropriate across the organization. At the end of 2012, UNHCR completed Phase I of the Project with the main output consisting of increased awareness of the Senior Management Committee (SMC) towards ERM concepts, development of methodology and tools, and a compilation of an initial corporate risk register. The Project will pursue with a view to enhance the ERM framework, initiating integration of ERM with other management processes and rolling out the ERM process, policy, tools, and training relevant staff;
- f) Establishment of an **Independent Audit and Oversight Committee (IAOC)** following a decision of the Standing Committee in 2011. The IAOC serves in an expert advisory capacity to assist the High Commissioner and the Executive Committee in exercising their oversight responsibilities, by providing advice on the adequacy and effectiveness of audit and other oversight functions; on measures to ensure management's compliance with audit and other oversight recommendations; as well as on various issues relating to risk management, internal control, operations, accounting and disclosure;
- g) Introduction of a **guide for managers on the UNHCR Code of Conduct**, coupled with annual **Code of Conduct refresher sessions** held in all UNHCR offices to familiarize with UNHCR's Code of Conduct and to identify new or persistent challenges in its implementation;

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<sup>45</sup> This overview of UNHCR's preventive measures relating to fraud and/or corruption is non-exhaustive.

<sup>46</sup> See [IOM/086/2012 – FOM/087/2012](#), *Financial Responsibility of Staff Members for Gross Negligence* dated 16 November 2012.



- h) Development and delivery of a range of **learning programmes** that touch on fraud and corruption prevention, including the Management Learning Programme (revised in 2012), the New Representatives Orientation Programme (raising awareness for fraud prevention), the new Induction & Orientation Programme, and a limited number of stand-alone interventions;
- i) Development of an **accountability site**<sup>47</sup> on UNHCR's intranet that serves as a single point of reference for all matters related to accountability, including misconduct, and that is easily accessible to all staff to help them acquire information in a more practical manner;
- j) Extensive **inter-agency coordination** on best practices in dealing with fraud and corruption, including active membership in the International Group for Anti-Corruption Coordination (IGAC) and the annual Conference of International Investigators, regular participation in the activities of the Association of Certified Fraud Examiners, and hosting an Investigation Workshop to which representatives for other organizations were invited. UNHCR also participated in the Conference of the States Parties to the United Nations Convention against Corruption (UNCAC)<sup>48</sup> and the CEB round-table discussions on the UNCAC in late January 2008, and has provided input to the report of the Ad Hoc Committee on the criminal accountability of United Nations officials and experts on mission;<sup>49</sup>
- k) Implementation and monitoring of rules<sup>50</sup> on the **receipt of gifts by staff members** from governments, non-government agents and private entities in accordance with UN Staff Regulation 1.2 (m)-(n) and Staff Rule 1.2 (k)-(o). The guidelines stipulate that staff may not accept an honour, decoration, favour or gift from a government<sup>51</sup>; however, if refusal would cause embarrassment, the staff member may receive it on behalf of UNHCR and then "report and entrust it" to the High Commissioner.<sup>52</sup> In case of doubt, staff members must consult with their supervisor and/or UNHCR's Ethics Office. The acceptance of inappropriate gifts, favours, hospitality or travel may lead to an investigation and may constitute misconduct;
- l) Full participation since mid-2006 in the UN **Financial Disclosure Programme**. Staff members at the D1-level and above, as well as staff in certain functional groups (such as procurement officers or those involved in investment of assets), are subject to a financial disclosure requirement according to which they must file detailed annual statements, which are analyzed by an outside consulting firm contracted by the UN Ethics Office;<sup>53</sup>
- m) Issuance of revised Baseline **Standard Operating Procedures on Resettlement (SOPs)**<sup>54</sup> on resettlement in 2011, providing step-by-step guidance on compliance with the Policy and Procedural Guidelines on Addressing Resettlement Fraud Perpetrated by Refugees issued in

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<sup>47</sup> See UNHCR's Intranet under [Executive Direction and Management / Organizational Development and Management / Management Accountability](#).

<sup>48</sup> Adopted by the General Assembly in Resolution No. 58/4 on 13 October 2003 and entered into force on 14 December 2005 (A/RES/58/4).

<sup>49</sup> See for more information: [www.un.org/law/criminalaccountability/](http://www.un.org/law/criminalaccountability/), in particular [A/63/54](#), para. 14 and 16.

<sup>50</sup> [UNHCR Guidelines and Procedures on Gifts](#), March 2008.

<sup>51</sup> Staff members may accept from a non-governmental source following prior approval by the High Commissioner, or – in case of minor gifts of "essentially nominal value" – without prior approval.

<sup>52</sup> [UNHCR Guidelines and Procedures on Gifts](#), para. 8.

<sup>53</sup> See [IOM/043/2006 – FOM/046/2006](#) of 12 June 2006 (on the *Secretary-General's Bulletin on Financial Disclosure and Declaration of Interest Statements, ST/SGB/2006/6*), Staff Regulations 1.2 (m)-(n), Staff Rules 1.2 (k)-(o) and (p) and *ST/SGB/2006/6* of 10 April 2006 (on the *Financial disclosure and declaration of interest statements*).

<sup>54</sup> [Baseline Standard Operating Procedures on Resettlement](#) (2011 version, last updated June 2012).

March 2008.<sup>55</sup> Specific anti-fraud measures include the introduction of fraud risk assessments and resettlement fraud vulnerability checklists to be completed by field offices;

- n) Introduction of a **global reporting requirement** in June 2012 with regard to fraud in registration, refugee status determination (RSD) and resettlement. The report is required by all field offices and is sent to the Regional Support Hubs and Headquarters on a bi-yearly basis. The requirement strengthens HQ's capacity to monitor compliance with the 2008 Policy and Procedural Guidelines on Addressing Resettlement Fraud Perpetrated by Refugees;
- o) Development of an interim **database to track resettlement fraud** cases, which is being piloted in July and September 2013 and will be rolled out to the field early 2014. The database will allow the Resettlement Service to maintain a global inventory of resettlement fraud occurrences and statistical data, and tailor future fraud prevention measures;
- p) Development of a new **learning programme**, to be launched by the end of 2013, seeking to enhance in-depth interviewing and investigation skills for anti-fraud focal points in the field and to establish a pool of experts who can provide support to operations with investigations of fraud perpetrated by refugees and other persons of concern;
- q) Revision of the **Resettlement Learning Programme** in 2011 to include a fraud awareness segment. More than 100 staff completed the revised programme. In addition, in January 2012, an e-learning course was launched on Managing an Effective Resettlement Operation. One of the main objectives of this course is to enable staff to address resettlement fraud;
- r) Issuance of the **RSD Procedural Standards** in 2003 as a fraud prevention measure in response to the fraud scandal in Nairobi, Kenya. This was one of the first efforts to mainstream fraud and corruption control measures (by staff and persons of concern) in RSD operations; and
- s) Launch of an **RSD Learning Programme** in 2006, mainstreaming anti-fraud and anti-corruption provisions in the context of refugee status determination and containing relevant procedural standards.

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<sup>55</sup> See [IOM/008/2008 – FOM/010/2008](#).

## Annex 2 – Reference Matrix for Dealing With Fraud and Corruption

Sector	Regulatory Instruments	Process/Controls	Focal Point
Financial Management	<a href="#">ST/SGB/2003/7</a> and <a href="#">ST/SGB/2003/7/Amend.1</a> (Financial Regulations and Rules of the United Nations) <a href="#">A/AC.96/503/Rev.10</a> (UNHCR Financial Rules) Delegation of Authority Plan (DOAP) <a href="#">ST/SGB/2006/6</a> (financial disclosure) <a href="#">IOM/043/2006 – FOM/046/2006</a> (financial disclosure)	Segregation of duties Transaction approval system Reconciliation of accounts	DHC DFAM / Office of the Controller
Procurement	<a href="#">General Conditions for the Purchase of Goods and Services</a> <a href="#">UNHCR Manual, Chapter 8</a> (Supply Chain Management) <i>Doing business with UNHCR</i> of November 2007 <a href="#">IOM/060/2002 – FOM/056/2002</a> (Code of Conduct) <a href="#">IOM/080/1996 – FOM/090/1996</a> (immunities) <a href="#">IOM/060/2002 – FOM/056/2002</a> (Code of Conduct – implementation) <a href="#">IOM/006/2004 – FOM/006/2004</a> (Code of Conduct – manager guidelines) <a href="#">IOM/043/2006 – FOM/046/2003</a> (financial disclosure) <a href="#">ST/SGB/2006/15</a> (post-employment restrictions) <a href="#">United Nations Supplier Code of Conduct</a> <a href="#">ST/SGB/2005/21</a> (protection against retaliation) <a href="#">ST/SGB/2006/6</a> (financial disclosure)	Competitive bidding Contracts Committee	DFAM / Office of the Controller DESS / SMLS
Asset management	<a href="#">UNHCR Manual, Chapter 8</a> (Supply Chain Management) <a href="#">IOM/099/2012 – FOM/100/2012</a> (inventory management) <a href="#">IOM/080/2012 – FOM/081/2012</a> (physical verification inventories) <a href="#">IOM/069/2012 – FOM/070/2012</a> (physical verification PPE) <a href="#">IOM/090/2011 – FOM/091/2011</a> (STIs)	Physical verification	DFAM / Office of the Controller DESS / PMCS HAMB / RAMBs / LAMBs
Partnerships	<a href="#">IOM/001/2013 – FOM/001/2013</a> (project agreement) <a href="#">IOM/109/2012 – FOM/110/2012</a> (audit certification)	Project Agreement Project audit	DFAM / IPMS

Staff conduct	<a href="#">UN Charter</a> <a href="#">Staff Regulations and Rules</a> <a href="#">IOM/060-FOM/056/2002</a> (Code of Conduct) <a href="#">ST/AI/371</a> and <a href="#">ST/AI/371/Amend.1</a> (disciplinary measures)	CoC refreshers	DHRM IGO
Protection	<a href="#">Resettlement Handbook</a> <a href="#">Baseline Standard Operating Procedures on Resettlement</a> <a href="#">IOM/044/2003 – FOM/044/2003</a> (RSD procedural standards) <a href="#">IOM/008/2008 – FOM/010/2008</a> (resettlement fraud)	Inspection	DIP IGO
Detection	<a href="#">IOM/009/2012 – FOM/010/2012</a> (IGO) <a href="#">Guidelines on Conducting Investigations and Preparing Investigation Reports</a>	Investigation	IGO
Disciplinary or administrative measures	<a href="#">Staff Regulations and Rules</a> , Article X and Chapter X <a href="#">ST/AI/371</a> and <a href="#">ST/AI/371/Amend.1</a> (disciplinary measures) <a href="#">IOM/038/2002 – FOM/036/2002</a> (disciplinary measures) <a href="#">IOM/008/2008 – FOM/010/2008</a> (resettlement fraud)	UN internal justice system	DHRM LAS
Recovery	<a href="#">ST/SGB/2003/7</a> and <a href="#">ST/SGB/2003/7/Amend.1</a> (Financial Regulations and Rules of the United Nations) <a href="#">ST/AI/2004/3</a> (gross negligence) <a href="#">IOM/086/2012 – FOM/087/2012</a> (gross negligence)	General reconciliations Disciplinary measures	DFAM / Office of the Controller LAS DHRM

## Annex 3 – Selected Reference Documents<sup>56</sup>

### *United Nations*

#### UN General Assembly

- [A/55/469](#) of 11 October 2000, *Rules and procedures to be applied for the investigation functions performed by the Office of Internal Oversight Services*;
- [A/56/30](#) of 9 August 2001, Annex II, *Standards of Conduct for the International Civil Service*;
- [A/RES/58/4](#) of 21 November 2003, *United Nations Convention against Corruption*;
- [A/RES/62/63](#) of 8 January 2008, *Criminal accountability of United Nations officials and experts on mission*;
- [A/AC.96/503/Rev.10](#) of 12 October 2011, *Financial rules for voluntary funds administered by the High Commissioner for Refugees*;

#### UN Secretary-General

- [ST/SGB/2012/1](#) of 20 March 2012, *Staff Regulations*;
- [ST/SGB/2011/1](#) of 1 January 2011, *Staff Rules and Staff Regulations of the United Nations*;
- [ST/SGB/2008/5](#) of 11 February 2008, *Prohibition of discrimination, harassment, including sexual harassment, and abuse of authority*;
- [ST/SGB/2007/11](#) of 30 November 2007, *United Nations system-wide application of ethics: separately administered organs and programmes*;
- [ST/SGB/2006/15](#) of 26 December 2006, *Post-employment restrictions*;
- [ST/SGB/2005/22](#) of 30 December 2005, *Ethics Office – establishment and terms of reference*;
- [ST/SGB/2005/21](#) of 19 December 2005, *Protection against retaliation for reporting misconduct and for cooperating with duly authorized audits or investigations*;
- [ST/SGB/2006/6](#) of 10 April 2006, *Financial disclosure and declaration of interest statements*;
- [ST/SGB/2003/13](#) of 9 October 2003, *Special measures for protection from sexual exploitation and sexual abuse*;
- [ST/SGB/2003/7](#) of 9 May 2003 and [ST/SGB/2003/7/Amend.1](#) of 16 December 2010, *Financial Regulations and Rules of the United Nations*;
- [ST/SGB/2002/13](#) of 1 November 2002, *Status, basic rights and duties of United Nations staff members*;
- [ST/SGB/2002/9](#) of 18 June 2002, *Regulations Governing the Status, Basic Rights and Duties of Officials other than Secretariat Officials, and Experts on Mission*;
- [ST/SGB/273](#) of 7 September 1994, *Establishment of the Office of Internal Oversight Services*;

#### Others

- [ST/IC/2012/19](#) of 6 September 2012, *The Practice of the Secretary General in disciplinary matters and cases of criminal behaviour, 1 July 2011 to 30 June 2012* (updated annually);
- [United Nations Supplier Code of Conduct](#), Rev. 04, January 2011;

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<sup>56</sup> This list of selected reference documents is non-exhaustive.

- [ST/AI/2010/1](#) of 14 January 2010, *Reporting, retaining and disposing of honours, decorations, favours, gifts or remuneration from governmental and non-governmental sources*;
- [ST/AI/2004/3](#) of 29 September 2004, *Financial responsibility of staff members for gross negligence*;
- [ST/AI/2000/12](#) of 25 October 2000, *Private legal obligations of staff members*;
- [ST/IC/1996/29](#) of 25 April 1996, *Terms of Reference for Investigations by the Office of Internal Oversight Services: “Mismanagement, Misconduct, Waste of Resources and Abuse of Authority”*;
- [ST/AI/371](#) of 2 August 1991 and [ST/AI/371/Amend.1](#) of 11 May 2011, *Revised Disciplinary Measures and Procedures*;

## **UNHCR**

### IOM/FOMs

- [IOM/001/2013 – FOM/001/2013](#) of 16 January 2013, *Revised Format for Standard Project Agreement with Governmental and Non-Governmental Implementing Partners (Bilateral and Tripartite Agreements)*;
- [IOM/109/2012 – FOM/110/2012](#) of 13 December 2012, *Audit Certification of Implementing Partner Projects Funded by UNHCR – New Reporting Requirement*
- [IOM/080/2012 – FOM/081/2012](#) of 30 August 2012, *Annual Physical Verification of Inventories*;
- [IOM/086/2012 – FOM/087/2012](#) of 16 November 2012, *Financial Responsibility of Staff Members for Gross Negligence*;
- [IOM/074/2012 – FOM/075/2012](#) of 20 September 2012, *UNHCR Electronic Mail Policy (revision) – reduction in time period for retention of emails – HQ’s Systems*;
- [IOM/069/2012 – FOM/070/2012](#) of 7 August 2012, *Annual Physical Verification of Property, Plant and Equipment (PPE) and Land & Buildings*;
- [IOM/045/2012 – FOM/046/2012](#) of 24 May 2012, *Establishment of an Independent Audit and Oversight Committee (IAOC)*;
- [IOM/009/2012 – FOM/010/2012](#) of 7 February 2012, *The role, functions and modus operandi of the Inspector General’s Office*;
- [IOM/060/2009 – FOM/059/2009](#) of 11 December 2009, *UNHCR Internet Appropriate Use Policy*;
- [IOM/043/2008 – FOM/045/2008](#) of 15 September 2008, *UNHCR’s policy on protection of individuals against retaliation (Whistleblower policy)*;
- [IOM/040/2008 – FOM/042/2008](#) of 6 June 2008, *Ethics Office – terms of reference*;
- [IOM/008/2008 – FOM/010/2008](#) of 9 March 2008, *Policy and Procedural Guidelines: Addressing Resettlement Fraud Perpetrated by Refugees*;
- [IOM/092/2006 – FOM/092/2006](#) of 15 December 2006, *Memorandum of Understanding between UNHCR and OIOS*;
- [IOM/054/2006 – FOM/054/2006](#) of 16 June 2006, *Delegation of Authority in Disciplinary Matters involving UNHCR Staff Members*;
- [IOM/044/2006 – FOM/044/2006](#) of 9 June 2006, *Revised Delegation of Financial Authority Policy: New Financial Internal Control Framework*;
- [IOM/043/2006 – FOM/046/2006](#) of 12 June 2006, *Secretary-General’s Bulletin on Financial Disclosure and Declaration of Interest Statements, ST/SGB/2006/6*;
- [IOM/029/2005 – FOM/029/2005](#) of 28 April 2005, *UNHCR’s Policy on Harassment, Sexual Harassment and Abuse of Authority*;

- [IOM/068/2004 – FOM/070/2004](#) of 29 October 2004, *Code of Conduct signature form for non-UN personnel due to the revision of the Code of Conduct in September 2004 (English and French)*;
- [IOM/006/2004 – FOM/006/2004](#) of 16 January 2004, *UNHCR Code of Conduct: “Guidelines for Managers”*;
- [IOM/044/2003 – FOM/044/2003](#) of 20 November 2003, *RSD Procedural Standards for Refugee Status Determination under UNHCR’s Mandate*;
- [IOM/060/2002 – FOM/046/2002](#) of 14 October 2002, *UNHCR Code of Conduct: initial implementation procedures*;
- [IOM/038/2002 – FOM/036/2002](#) of 30 May 2002, *Disciplinary Proceedings and Measures*;
- [IOM/025/2002 – FOM/024/2002](#) of 15 March 2002, *Management of Protection Activities – Responsibilities of UNHCR Staff*;
- [IOM/080/1996 – FOM/090/1996](#) of 13 November 1996, *Privileges and Immunities of UNHCR and its Staff*;

#### Other Documents

- [Guidelines on Conducting Investigations and Preparing Investigation Reports](#), Inspector General’s Office, Investigation Service, 28 September 2012;
- [Baseline Standard Operating Procedures on Resettlement](#) (2011 version, last updated June 2012);
- [UNHCR Resettlement Handbook](#), Division of International Protection, revised edition, July 2011;
- [Global Management Accountability Framework \(GMAF\)](#), May 2010;
- [Management Accountability](#) (Intranet portal);
- [Code of Conduct for Supply Staff](#), UNHCR Manual, Chapter 8: *Supply Chain Management* (Part 7, Section 2), July 2009;
- [UNHCR Guidelines and Procedures on Gifts](#), March 2008;
- [Doing business with the United Nations High Commissioner for Refugees](#), Supply Management Service, revised version, November 2007 (for staff involved in the procurement process);
- [UNHCR Financial Empowerment and Accountability Framework](#), November 2005;
- [Conclusion on Protection from Sexual Abuse and Exploitation](#), No. 98 (LIV), Executive Committee, 10 October 2003;
- [Allegations of sexual exploitation](#), Inspector General’s all staff memorandum, 26 March 2002;
- [Staff Administration and Management Manual](#) (SAMM) (continuously updated);

#### Other Sources

- [Uniform Guidelines for Investigations](#), 2<sup>nd</sup> edition, as endorsed by the 10<sup>th</sup> International Conference of Investigators, Brussels, June 2009.

## Annex 4 – Sample Fraud/Corruption Risk Assessment Template

This template may be used to develop a risk assessment for a particular operation/office. Please see Annex 2 above for various sectors (categories of risks) to assess, as well as applicable regulatory instruments and suggestions for processes and control measures.

Identified fraud risk/scheme <sup>57</sup>	Likelihood of occurrence <sup>58</sup>	Impact <sup>59</sup>	Department/service/unit/ persons affected/concerned <sup>60</sup>	Measures/controls in place <sup>61</sup>	Assessment of control effectiveness <sup>62</sup>

<sup>57</sup> Include a full list of the **potential fraud risks and schemes** that may face the office. This list will be different for different offices and should be formed following discussions and brainstorming sessions with staff and management.

<sup>58</sup> Assess the likelihood of the identified fraud risks/schemes, so that proper anti-fraud controls may be established for the risks that are deemed most likely. For purposes of the assessment, it should be sufficient to evaluate the **likelihood of risks** as “remote”, “(reasonably) possible”, and “probable” (“likely”).

<sup>59</sup> Assess the **significance** of fraud risks/schemes, by considering quantitative and qualitative factors. For purposes of the assessment, it should be sufficient to evaluate the significance/impact of risks as “immaterial” (“low”), “significant” (“medium”), and “material” (“high”).

<sup>60</sup> Evaluate which people inside and outside the office are **subject to the risk**. This knowledge will assist the office in tailoring its fraud risk response, including establishing appropriate segregation of duties, proper review and approval chains of authority, and proactive fraud auditing procedures.

<sup>61</sup> Map **pre-existing controls** to the relevant fraud risks identified. Note that this occurs after fraud risks are identified and assessed for likelihood and significance. By progressing in this order, identified fraud risks will be assessed on an inherent basis, without consideration of internal controls.

<sup>62</sup> Are the identified controls **operating effectively and mitigating fraud risks** as intended? What monitoring procedures would be appropriate for implementation to gain assurance that the internal control structure is operating as intended?