

ANTI-CORRUPTION AND FRAUD PREVENTION POLICY

Balkans Forward Foundation

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1. Purpose

The purpose of this Anti-Corruption and Fraud Prevention Policy is to protect the integrity, independence, credibility, and resources of Balkans Forward Foundation (“the Foundation”) by preventing, detecting, and responding to corruption, fraud, bribery, theft, embezzlement, misuse of funds, abuse of position, and other dishonest or unethical conduct.

The Foundation is committed to conducting all of its work lawfully, transparently, and in line with the highest standards of accountability and professional ethics. Corruption and fraud undermine trust, damage the Foundation’s mission, expose the organisation to legal and reputational risk, and divert resources away from the communities and purposes the Foundation exists to serve.

The Foundation applies a zero-tolerance approach to corruption and fraud.

2. Scope

This policy applies to all individuals involved in the work, governance, operations, representation, or decision-making of the Foundation, including the Founder, Board members, Executive Director, staff, consultants, interns, volunteers, external experts, evaluators, and any other person acting on behalf of or representing the Foundation.

This policy also applies, where relevant, to implementing partners, vendors, contractors, grantees, and other third parties engaged by the Foundation.

3. Definitions

For the purpose of this policy, corruption means the abuse of entrusted power, position, influence, or resources for private gain or improper advantage.

Fraud means any intentional act or omission designed to deceive another person or entity in order to obtain an unlawful, unfair, financial, reputational, operational, or other advantage.

This includes, but is not limited to, bribery, kickbacks, falsification of documents, false reporting, theft, embezzlement, misuse of assets, procurement manipulation, undisclosed conflicts of interest, double funding, forged invoices, inflated costs, and intentional misrepresentation.

4. Principles

The Foundation shall prevent and address corruption and fraud in accordance with the following principles:

- Integrity means acting honestly, ethically, and in good faith in all Foundation-related matters.
- Transparency means ensuring that decisions, expenditures, processes, and records are open to appropriate scrutiny.
- Accountability means that individuals are responsible for their actions and may be held accountable for misconduct.
- Prevention means reducing risks through sound systems, clear rules, internal controls, and responsible oversight.
- Protection means ensuring that concerns can be raised safely and without retaliation.

5. Prohibited Conduct

No person covered by this policy may directly or indirectly engage in, facilitate, tolerate, conceal, or benefit from any corrupt, fraudulent, dishonest, or abusive conduct connected to the Foundation.

This includes offering, giving, requesting, soliciting, receiving, or accepting any bribe, kickback, secret commission, improper payment, favour, or undue advantage.

It also includes the misuse of Foundation funds, grants, property, data, time, equipment, influence, authority, or reputation for private benefit or for the benefit of another person or entity.

False accounting, falsified supporting documents, fabricated activities, forged signatures, inflated expenses, manipulated procurement, undisclosed related-party dealings, and intentional misreporting are strictly prohibited.

6. Gifts, Hospitality, and Undue Advantage

Individuals covered by this policy must not request or accept gifts, hospitality, payments, discounts, favours, or other benefits that may influence, or appear to influence, their judgment, conduct, or decisions in relation to the Foundation.

Modest and reasonable hospitality may be accepted only where it is lawful, proportionate, infrequent, and clearly connected to legitimate professional engagement.

Cash or cash equivalents must never be accepted.

Where there is any doubt, the matter must be disclosed in advance to the Executive Director or, where relevant, to the Board.

7. Financial Integrity and Internal Controls

The Foundation shall maintain appropriate financial controls, approval procedures, segregation of duties where feasible, record-keeping requirements, and oversight mechanisms to reduce the risk of corruption and fraud.

All financial transactions must be properly authorised, accurately recorded, supported by appropriate documentation, and used only for legitimate Foundation purposes.

No off-the-record accounts, hidden funds, false entries, or misleading financial records are permitted.

All persons handling Foundation funds or assets must do so responsibly, lawfully, and in accordance with the Foundation's financial procedures and donor requirements.

8. Procurement, Contracting, and Grant-Making

All procurement, contracting, consultant selection, vendor engagement, and grant-making processes must be conducted fairly, transparently, and in the best interest of the Foundation.

No person may influence such processes for personal gain or to improperly favour a friend, family member, associate, partner organisation, political ally, or related entity.

All relevant conflicts of interest must be disclosed and managed in accordance with the Foundation's Conflict of Interest Policy.

Decisions must be based on documented, objective, and proportionate criteria.

9. Duty to Report

All persons covered by this policy have a duty to report any suspected, attempted, observed, or actual corruption, fraud, bribery, theft, misuse of resources, financial irregularity, or related misconduct involving the Foundation.

Concerns must be reported as soon as reasonably possible through the appropriate internal channel, including the Executive Director, designated responsible person, Board, or whistleblower mechanism, depending on the nature of the concern and the position of the person involved.

Failure to report serious known misconduct may itself constitute a breach of this policy.

10. Reporting in Good Faith and Protection

Any person who raises a concern in good faith shall be treated seriously and protected from retaliation, intimidation, harassment, disadvantage, or other adverse consequences.

A report made in good faith does not need to be proven at the time it is raised. It is sufficient that the person honestly believes there may be wrongdoing or a serious risk.

Retaliation against a person who reports a concern or participates in a review, inquiry, or investigation is strictly prohibited and may result in disciplinary action.

Malicious or knowingly false allegations may also lead to appropriate action.

11. Review and Investigation

All reported concerns shall be reviewed promptly, fairly, confidentially, and proportionately.

The Foundation may conduct an internal review, appoint an independent reviewer, or refer the matter to the Board, donor, auditor, legal counsel, or competent authority, depending on the seriousness and nature of the concern.

All persons involved are expected to cooperate fully, provide truthful information, and preserve relevant documents and records.

12. Consequences of Breach

Any breach of this policy may result in appropriate action depending on the seriousness of the misconduct and the legal or contractual framework involved.

This may include internal disciplinary measures, termination of employment or engagement, recovery of funds, cancellation of contracts or grants, removal from role or office, reporting to donors, referral to law enforcement or other competent authorities, and legal action where appropriate.

Deliberate concealment of corruption, fraud, or related misconduct will be treated as a particularly serious violation.

13. Responsibilities

All persons covered by this policy are responsible for reading, understanding, and complying with it, acting with integrity, using Foundation resources responsibly, and reporting concerns where necessary.

The Executive Director is responsible for ensuring implementation of this policy, maintaining appropriate systems and controls, receiving and addressing reports where applicable, and ensuring follow-up.

The Board is responsible for oversight of compliance, reviewing serious or sensitive cases, and ensuring that organisational leadership remains free from improper influence or misuse of authority.

14. Related Policies

This policy should be read together with other relevant Foundation policies, including the Code of Conduct, Conflict of Interest Policy, Financial Policy and Procedures, Procurement Policy, Whistleblower Protection Policy, and any donor-specific compliance requirements applicable to the Foundation's work.

15. Review of the Policy

This policy shall be reviewed periodically and updated as necessary to reflect legal obligations, donor expectations, organisational growth, operational risks, and good governance practice.