

## Policy on Good Governance and Anti-Corruption

**Africa-Asia Impact (AAI)** is committed to the highest standards of integrity, accountability, transparency, and responsible use of resources. We recognize that corruption, fraud, misuse of funds, lack of transparency, and abuse of power undermine development outcomes, erode trust, and harm the communities we serve.

This policy defines AAI's principles, responsibilities, prohibited practices, reporting mechanisms, and enforcement measures to ensure good governance and a zero-tolerance approach to corruption in all our activities, partnerships, and financial operations.

This policy complements AAI's existing policies on safeguarding, PSHEA, due diligence, conflict of interest, anti-terror compliance, financial management, and Code of Conduct.

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### 1. Principles of Good Governance

AAI is committed to:

- **Transparency:** open sharing of decisions, budgets, procurement, selection criteria and project results
  - **Accountability:** clear roles, responsibilities and reporting lines
  - **Participation:** inclusive decision-making with partners, staff and communities
  - **Rule of Law:** compliance with national laws, donor requirements and international standards
  - **Integrity:** honesty, impartiality and professionalism in all actions
  - **Zero tolerance for corruption:** no form of bribery, extortion, favoritism or misuse of resources
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### 2. Scope of the Policy

This policy applies to:

- all AAI staff, board members and volunteers
- all partner organizations

- subcontractors, consultants, suppliers and service providers
- community committees, beneficiary groups and local leaders engaged in AAI projects

All individuals involved in AAI-funded activities must read, understand and comply with this policy.

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### 3. Definitions of Corrupt and Prohibited Practices

The following are strictly prohibited in all AAI operations:

- Corruption:** Any abuse of entrusted power for private gain.
  - Bribery:** Offering, giving, receiving or requesting anything of value to influence decisions.
  - Fraud:** Any intentional deception, falsification, manipulation of documents, accounts or information.
  - Embezzlement or Theft:** Misappropriating funds, assets or resources.
  - Conflict of Interest:** Situations where personal interests may improperly influence professional decisions.
  - Nepotism and Favoritism:** Unfairly giving jobs, contracts or benefits to relatives, friends or specific individuals.
  - Collusion:** Secret agreements between two or more parties to manipulate outcomes, bids or procurement.
  - Coercion or Abuse of Power:** Using authority, threats or intimidation to influence decisions or gain benefits.
  - Obstruction:** Destroying, falsifying or hiding evidence related to investigations or audits.
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### 4. Governance Requirements for AAI Operations

AAI will ensure the following principles are integrated into all stages of the project cycle:

#### Financial management

- transparent budgeting and reporting
- separation of duties and dual approval for payments
- monitoring of transfers, grants, and community funds
- mandatory receipts and documentation

#### Procurement

- competitive and transparent procurement processes
- clear evaluation criteria
- prohibition of single-source procurement except under approved exceptions
- documentation of all procurement steps

#### **Partner selection & due diligence**

- risk-based due diligence of all partners and suppliers
- screening against international sanctions and terrorism lists
- verification of governance capacity and financial systems

#### **Community-based governance**

- community committees must be representative and gender-balanced
  - published lists of grant recipients and selection criteria
  - transparent communication of entitlements, selection, and complaints mechanisms
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### **5. Responsibilities**

#### **AAI Board**

- ensures oversight, accountability, and compliance with this policy
- approves annual financial statements, audits, and risk assessments

#### **Management**

- implements internal controls and financial systems
- ensures donor compliance
- trains staff and partners

#### **Staff and volunteers**

- comply with all governance and anti-corruption rules
- report any suspicion of misconduct within 24 hours

#### **Partners, suppliers, and contractors**

- must sign AAI's Anti-Corruption & Good Governance Declaration
  - comply with procurement, finance and reporting rules
  - allow audits, site-visits and document checks
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### **6. Reporting of Concerns, Suspicions or Misconduct**

AAI recognizes that fear of retaliation, job loss or social consequences often prevents people from reporting concerns. AAI is therefore committed to creating a safe, trustworthy, and confidential reporting environment. We make every possible effort to build confidence in our reporting channels and guarantee 100% confidentiality. Reports will only be accessed by a designated, trained, and trusted focal point within AAI, and information will never be shared with partners, employers, community leaders, or authorities without the explicit consent of the reporter. AAI will not take any action that may directly or indirectly reveal the identity of the individual who reported the concern.

Reports may be made through:

- AAI's confidential email (confidential@africa-asia.dk)
- any senior staff member
- the Board's designated safeguarding & compliance focal point
- anonymous submission (if available)

AAI requires mandatory reporting of any suspected corruption, fraud, or misuse within 24 hours.

### **No retaliation**

Whistleblowers and complainants are protected.  
Any form of retaliation is strictly prohibited.

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## **7. Handling Reports and Investigations**

AAI will:

- acknowledge receipt of reports
- conduct impartial and confidential investigations
- involve external investigators when needed
- protect complainants, witnesses, and evidence
- suspend suspected individuals if necessary
- coordinate with donors and relevant authorities

AAI's confidential email (confidential@africa-asia.dk) is handled only by the Chairperson, the Deputy Chairperson, and the Internal Auditor. No other staff, partners, managers, community members, or external parties have access to this inbox.

AAI will not take any action that may directly or indirectly reveal the identity of the person who reported the concern. Protecting the anonymity and safety of whistleblowers is a core governance principle.

## **8. Consequences of Misconduct**

Violations of this policy may result in:

- disciplinary measures
  - termination of employment or partnership
  - repayment of funds
  - cancellation of contracts
  - blacklisting from future collaboration
  - referral to law enforcement or anti-corruption authorities
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## **9. Training and Capacity Building**

AAI will ensure:

- mandatory annual training for all staff
  - partner training on financial management, procurement, and compliance
  - community awareness sessions on rights, entitlements, and complaint mechanisms
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## **10. Monitoring, Audits and Continuous Improvement**

AAI commits to:

- regular internal and external audits
- partner monitoring visits
- review of procurement files and financial records
- annual review of risks and internal controls
- revision of this policy every 3 years or earlier if required
- random spot checks and value-for-money spot checks to verify efficient, transparent, and cost-effective use of resources