



**BANQUE OUEST AFRICAINE
DE DEVELOPPEMENT**

**POLICY AND PROCEDURES MANUAL FOR THE PREVENTION AND FIGHTING
CORRUPTION AND FRAUD IN THE OPERATIONS OF THE BOAD**

April 2014

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ACRONYMES AND ABBREVIATIONS

ITO	: International tender offers
NTO	: National tender offers
MDB	: Multilateral Development Bank
ECA	: United Nation Economic commission for Africa
MCC	: Mixte Consultative Commission
FCSC	: Fraud and Corruption supervising committee
FCID	: Fight against corruption and integrity department
PPFCM	: Policy and prevention and fight against fraud and corruption procedure manual
PASD	: Poverty alleviation strategy Document
IAAWG	: Intergovernmental action against money whitening group in West Africa
AU	: African Union
WAEMU	: West African Economic and Monetary Union
WAMU	: West African Monetary Union

DEFINITIONS

The following terms and phrases shall have the following meanings when used herein.

"Bank" means the West African Development Bank.

"Money whitening" means the acquisition, possession or use of proceeds of corruption or related offenses, or conversion, transfer, concealment or disposition of property to hide the true nature, origin, source, location or ownership of assets derived from corruption or related offenses.

Code of Ethics" Code of Ethics of BOAD

"Coercion" means the act of violating or harming, or threatening to impair or harm, directly or indirectly, any party or their property to influence the actions of that party;

"Collusion" means an arrangement between two or more parties to achieve an improper purpose, including influencing improperly the actions of another party;

"Corruption" is the offering, giving, receiving or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;

"Denunciator" means an employee of the Bank, representing a regional or non-regional corporation, or any third party shall bribery involved in a transaction of the Bank by contacting the Bank anonymously or short.

"Hijack" means a deliberate act of any person who appropriates funds or public or private property entrusted to the specific purpose of the exercise of his official functions.

"Member States" means the Member States of the UEMOA

"Exclusion" means declaring a company or an ineligible person, permanently or temporarily, to bid, participate as a subcontractor to contract or to benefit.

"Fraud" means any act or omission, including a misrepresentation, that misleads or attempts to mislead, a party to obtain, directly or indirectly, a financial or other benefit or to avoid an obligation ;

"Zero Tolerance Policy" means the policy in effect within the BOAD that does not tolerate any act of corruption in loan and non-loan of the Bank.

"Denunciator protection" means all the measures taken to shelter retaliation anyone who denounces fraud and corruption in Bank projects.

"Procurement Rules" means the rules and procedures of the Bank for the procurement of goods and works and the Bank's rules and procedures for the use of consultants.

"Staff Regulations" means the Staff Regulations of the BOAD.

"Retaliation" means any action taken against an employee of the Bank or entity due to the denunciation of a lack of the rules and regulations of the Bank by a company, person or any other entity.

"Bribery" means the action of providing benefits or commission in order to influence the actions or decisions of a person in the exercise of his official functions.

"Status" means the status of the BOAD

"Staff status" means the rules that governing staff of the BOAD

"Union" means WAMU or WAEMU

I. INTRODUCTION

01. Manual of Policy and Procedures for Prevention and Fight against Corruption and Fraud (MPPCF) aims to: i) provide a working definition and a conceptual framework for understanding the various forms, types and levels of corruption; ii) specify under what conditions and how corruption and fraud can occur in the operations of the Bank and the terms of their prevention and iii) establish procedures on how the Bank staff and other employees working on the Bank's activities must respond to acts of corruption and fraud in the operations of the Bank.

02. The MPPCF is drawn particular from: i) the bylaws of the (bylaws), the rules and code of conduct of the Staff, the Code of Ethic and other rules and procedures of good governance and good conduct relating to corruption and fraud in the operations of the Bank; ii) the uniform Framework for Preventing and fighting against fraud and corruption prepared by the working group on the fight against the corruption of the international¹ financial institutions in September 2006 and the policies and procedures adopted in this regard by those institutions. It complements ongoing initiatives to strengthen the safeguards of the Bank through inspection functions and mediation.

03. The fight against corruption and fraud is a battle to be fought on several fronts to reduce incentives in this regard and to remove the gains and, at the same time, increase the risks associated.

04. The MPPCF is structured into seven sections. In addition to this introduction (section 1), section 2 discusses the formal recognition of corruption and defines the concept of corruption, including a working definition and a typology and levels of corruption; Section 3 presents the well validity of the fight against corruption by reviewing recent

¹ It is the Group African Development Bank, Asian Development Bank, the European Bank for Reconstruction and Development, the Group of the European Investment Bank, the International Monetary Fund, the Group Inter-American development Bank and the World Bank Group.

conclusions that demonstrate the negative impact of corruption on economic development, Section 4 presents the basic principles, rules and procedures and the strategic approach of the bank for the prevention and the fight against corruption; Section 5 examines the most vulnerable intervention areas and presents the possible manifestations of corruption in the Bank's activities; Section 6 discusses the responsibility of the staff of the Member States, the World Bank, and other providers of the Bank in the prevention and fight against corruption, and describes the procedures and guidelines for the management of cases of corruption in operations of the Bank.

II. RECOGNITION AND CONCEPT OF CORRUPTION

05 Corruption² is one of the main symptoms of dysfunction of governance, characterized by failure of institutions to enforce rules of transparency, promote effective standards that condemn the venality and institute sanctions and enforcement mechanisms from those standards in the interest of transparency and accountability.

06. The Bank recognizes that fraud and corruption exist in all sectors of society. Therefore, these guidelines apply to fraud and corruption in Bank operations in both the public sector and the private sector in its daily operations.

07. For the implementation of its strategy, the Bank considers corruption as the practice of extortion and abuse of power, abuse of public trust and the Bank for personal use. That is why the Bank has governance documents and operational procedures advocating transparency and probity which non-compliance with basic principles can enter into the practice of corruption and fraud.

08. The strategy and the approach presented in MPPCF comply with UN Convention on Corruption and the efforts and arrangements put in place for

² In the context of these guidelines, corruption is understood in a broader sense to include fraud and money laundering.

transparency, good governance, the prevention and the fight against corruption. The African Union Convention on Preventing and Combating against Corruption, adopted in July 2003 by the African Heads of State, identifies nine key elements below as corruption acts:

- The solicitation or acceptance, directly or indirectly, by a public official or any other person, of any goods of monetary value, or other benefit, such as a gift, favor, promise or a benefit for himself or another person or entity, in exchange for the performance or omission of an act in the exercise of its functions;
- The offering or giving to a public official or any other person, directly or indirectly, of any goods of monetary value, or other benefit, such as a gift, favor, promise or a benefit for himself or another person or entity, in exchange for the performance or omission of an act in the exercise of its functions;
- The performance or omission by a public official or any other person, acting in the exercise of its functions for the purpose of illicitly obtaining benefits for himself or for a third party;
- Hijacking by a public official or any other person, property belonging to the State or its agencies he has received in the course of his duties, for purposes unrelated to those for which they are intended, to his own advantage, to that of an institution or that of a third party;
- Offering or giving, promising, solicitation or acceptance, directly or indirectly, any unjustified advantage granted to a person or proposed by a person holding a responsible position or any other position in a private sector entity, for its own account or that of another person, in exchange for the performance or omission of an act contrary to the requirements of its functions;
 - The offering, giving, solicitation or acceptance, directly or indirectly, offer or promise of an unjustified restriction on a person or by a person stating or confirming advantage that it is able to influence improperly the decision of a person performing functions in the public or private sector, in return for this advantage, that it is destined to itself or to another person, as well as

demand, the receipt or acceptance of the offer or the promise of such an advantage, in consideration of such influence, that it was or was not actually exercised or she was or not decisive for the expected results;

- Illicit enrichment;

- The use or concealment of product of any of the acts referred to in this article;

- Participation as author, co-author, intermediate, instigator, accomplice before or after any manner whatsoever, to the commission or attempted commission of, or in any collaboration or conspiracy to commit any act referred to in this manual.

9. Content and expressions of corruption and fraudulent maneuver vary considerably and require a differentiated response.

10. Although it is essentially that public officials act in the best interest of private enterprises, corruption, according to the extent of practical, can be categorized by type as follows:

- "Small corruption" means the exploitation of its official position for private gain in the performance of routine public services, public officials elected / appointed or in contact with the public, including the police, officers, customs officers, tax officials, etc.. ;

- The "great corruption" occurs when the process of public decision-making, as well as its design and implementation, including its officers - appointed / elected - are compromised (state capture). Great corruption is very common in the process of privatization, public procurement and issuing permits and approvals;

- "Systemic corruption" is said when both small and great corruptions are practiced. Systemic corruption is the biggest obstacle to development effectiveness because it introduces the venality in the delivery of public services and in the process of public decision making while increasing the cost to the business.

11. On the levels of corruption, the acts of corruption can be classified according to the level of interaction. The acts of corruption and fraudulent maneuver intervene usually at three levels as follow:

- Corruption in everyday actions: in the interactions between elected / appointed officials and citizens, corrupt practices concerning remittances, selling favors, non-performance of a duty and extortion.

The objective of these actors may consist to bypass the regulations, to obtain preferential treatment from the officials to avoid payment of statutory taxes, or contribute to the personal enrichment of public officials in addition to their public sector salary. Examples of such corruption include commission ask from traders, bribes to facilitate or ensure a favorable treatment of requests by officials, requests for additional payment to citizens seeking public services, etc..

- Corruption in the public sector: at this level, corruption includes payments to superior, payments to obtain public post, the favors to public officials, collusion in fraud, and abuse of public goods from the State enterprises.

The objective of these actors is to exploit their positions to increase their salary, ignore the rules and regulations for the benefit of family and ethnic ties, selling information for internal use as well as hijack public resources for personal enrichment.

Examples of these types of corruption include insider trading (selling information in the context of public procurement), the withholding of information on procedures and regulations, the presence of officials on the board of companies who deal with the State (conflict of interest), public officials who accept positions in companies that are contractors of the State, etc.

III. MERITS OF THE FIGHT AGAINST CORRUPTION

12. Evidence of the negative impact of corruption on economies and societies abound. It appears from a lot of research done both in and outside

the Member States that corruption is a factor that undermines political stability and economic progress slows down and causes social crisis.

It is generally shown that corruption and fraudulent practices are partly responsible for the incidence of poverty, and report findings in governance argue strongly in favor of a systematic and comprehensive strategy to address phenomenon.

Similarly, the results of investigations into several countries including the corruption perception index (CPI)³ of Transparency International, confirms a strong positive correlation between corruption, economic governance / business and growth.

13. International data support the deep and disturbing effects of widespread corruption in the performance of public institutions and development effectiveness. It is shown that corruption can increase up to 100% of the cost of goods and services provided by the State. By altering the allocation of resources, it increases the cost of public services, reduced quality, and limit access for the poor.

14. The household survey showed that the poor spend a disproportionately higher percentage of their income on bribes than the rich; the low-income households spend an average of 2-3% of their income on bribes, against 0.9% for the richest households. Corruption can also cost to the governments up to 50% shortfall in tax revenue, while helping to reduce the foreign and domestic investment by increasing the cost and risk associated with the business.

15. Empirical research on the nature and prevalence of corruption shows that the phenomenon is rooted in countries with weak institutions and a political system, which leads to the conclusion that "any policy that creates an artificial gap between demand and supply, creates a profit opportunity for opportunistic intermediaries. "Conversely, organizations and States with strong institutions of good governance and competitive economies are those which, according to studies, would benefit from the benefits of economic growth because they have few annuity situations to capture.

³ Transparency International, « corruption perception Index», www.transparency.org

16. The incidence of corruption is also a function of the probability of being arrested and punished. Studies indicate that corruption has grown in countries or institutions where the government system does little to stop bribes and other corruption practices, prompting the main violators of the law or regulations in force to believe that they are unlikely to be arrested and, if necessary, have to answer for their actions before the courts.

17. More recently, an empirical study of several countries conducted by international partners on the basis of best practices across the world has identified the persistence of corruption as a symptom of poor governance. The study evaluated and documented the harmful effects of corruption on the development of social capital, particularly at civil society, and a close interdependence between the transparent and accountable public institutions, an enabling policy environment and efficiency aid and development finance.

IV. BASIC PRINCIPLES, RULES AND PROCEDURES AND STRATEGIC APPROACH OF THE BANK FOR THE PREVENTION AND FIGHTING AGAINST CORRUPTION

18. The Treaty of the Union and the Constitution assign to the Bank the mission to promote the balanced development of Member States and contribute to the economic integration of West Africa. To achieve its goal, the Bank uses internal and external resources collected or available to finance investment projects and programs which aim at economic and social development of its member states (Article 2 of the bylaws).

19. In this context, the founding texts confer to the Bank the responsibility to ensure that resources for funding any loan made or guaranteed by itself are used solely for the purposes for which the funding was provided on the one

hand and, secondly that the products of its activities and financial resources are properly managed.

20. Thus the Bank has adopted the principles and rules of engagement involving transparency, ethics, prevention and the fight against corruption and fraud at the center of its activities. Under these principles, "BOAD does not finance a project if it can have uncontrollable negative impacts on the environment, or the point of view on the control measures against money whitening and terrorist financing, the project is not satisfactory. The amount that come from the Bank's funding must be exclusively allocated for the purposes for which they were granted, taking into account considerations of economy, efficiency and market competition, and ensuring the absence of unusual commercial expenses in part of project implementation." (Statement of General Policy, December 17, 2009, Title II, paragraph 7).

21. In addition to the above provisions, the Bank, by providing or guaranteeing financing, gives importance that is due to the consideration of the ability of the borrower and, if applicable, the guarantor, to cope with the imposes funding commitments. Also she adopted operational procedures for the evaluation, supervision and ex-post evaluation of projects as well as for the assessment, decision and collateral management.

22. The correlation between good governance, regional balance and poverty reduction in the Member States is underlying in the Articles under which "the choice of actions to which it will apply its competition, it will give priority consideration to those likely to facilitate the development of members of the most disadvantaged by natural conditions ... Union (Article 2 in fine) states.

23. In this sense, good governance is an important factor in the fight against poverty. Bank joins the increasingly growing consensus at the development partners level in favor of the Poverty Reduction Strategy Document (DSRP), which made good governance an integral part of poverty reduction, especially for countries that have benefited or wish to benefit from the HIPC initiative.

24. To fulfill its reasonable diligence responsibility, the Bank has adopted a proactive approach to preventing corruption in its operations, as evidenced by initiatives to ensure reform and periodic modernization of procedures for the award of contracts, procedures made available for disbursement and audit function (audit Committee within the Board of Directors, Division of Internal Audit within the audit Department).

For the same purpose, have occurred or are studying innovations in inspection functions, mediation and transaction risk.

25. In addition, the Bank has several internal mechanisms and procedures to prevent and punish corruption in its operations, namely the Code of Ethics, the Disciplinary Board, and the Joint Consultative Committee (JCC).

4.1 The zero-tolerance policy

26. The policy of zero tolerance of the Bank is fully applied when there is credible evidence of corruption or fraud involving its staff and its activities. Similarly, measures are taken to ensure that the processes and internal procedures of the Bank comply with the highest standards of accountability and integrity. Under this policy, in accordance with the staff regulations and staff rules, the Code of ethics defines acceptable standards of behaviour. Under this Code, staff whose involvement in corrupt practices or fraudulent in the exercise of official functions is established, subject to a thorough inquiry and is severely punished in accordance with the staff regulations of the Bank.

27. Zero tolerance applies also to the conditions agreed in any agreement or contract of loan, guarantee or any other operational conventions (the "operational contracts"). When the Bank establishes credible evidence of corruption in its operations as well as a breach of the obligations arising from operational contracts, it applies a series of sanctions, including the cancellation of a loan in whole or in part. Under the zero-tolerance policy, it is

not tolerated in the activities of the Bank, any act of corruption, or any fraudulent, of any kind or form whatsoever, and under no circumstances. The policy of zero tolerance of the Bank is entirely in harmony with the policies and procedures adopted by the other MDBs.

4.2 Discipline and the ethical conduct of the staff of the Bank;

28. The Bank has defined with the commitment of its leaders and its staff, five core values at least three are directly associated with the bulk of the attitude to discipline staff behavioural, of fraud and corruption to know: professionalism, discipline, loyalty, team spirit and integrity. (Regulation No. 2009-010, December 30, 2009).

29. Staff of the Bank devotes a whole chapter (chapter IV) to the discipline of agents. This chapter defines the acts and behaviors prohibited and reprehensible that are inter alia, breach of professional secrecy, the perception of prohibited pay, fraud, breach of trust, corruption and fraud as well as the attempt of these behaviours. It sets penalties ranging from warning to dismissal with or without notice for heavy and serious mistakes, also through blame, layoff, the delay in promotion, demotion and suspension of the guilty recognised agent. Finally, there is created a disciplinary board consisting of an ad hoc basis for each case, which guarantees the right to defence of the offending agent.

30. The Code of ethics, underpinned by the Declaration of the President of the Bank, is a statement of the basic principles governing the staff of the Bank in the course of its activities. It defines the values to promote as well as the basics rules to guide attitudes behavioural and professional agents, and makes a distinction with respect to private acts that are in conflict with the obligations under the status of Member of the staff of the Bank. Failure to

comply with the rules set out in the Code of ethics may give rise to actions that could be considered as a breach of discipline or misconduct serious. The offence, if established, is liable to penalties provided in the Statute and the staff rules.

31. The Code of ethics clearly states that there is a conflict of interest in "any situation where private or personal interests could influence the impartial and objective exercise of their tasks or would be issued. Private or personal interests are including any actual or potential advantage for themselves, their families, their other relatives or their circle of friends and acquaintances». This Code establishes an obligation and a mechanism of personal reporting of conflicts of interest for all agents and particularly those who participate "in a loan transaction, of warranty" or any other operation of the Bank.

4.3The fight against money laundering and the financing of terrorism

32. Following the appeal launched against the laundering of money in the aftermath of the attacks of September 11, 2001, the Bank, as a purveyor of lines of credit to financial institutions and public and private sector funding, felt the need to guard against such eventualities. After a thorough examination of the situation within the framework of a working group, she came to the conclusion that in addressing the issue, should adopt a multidisciplinary approach and multi institutional. Because of existing institutions such as the Financial Action Task Force on Money Laundering (FATF), regional FATF-style bodies and regional working groups specialized in the fight against money laundering GIABA (in West Africa) are better placed to tackle this problem in a multilateral framework, the Bank will continue to play an active support and participation in global and regional initiatives in this regard. Similarly, in line with its mandate, it will concentrate on assisting countries to foster the emergence of appropriate legal and regulatory

systems and plans in order to strengthen economic growth and sustainable development.

33. Within this dynamic operations, the Bank has set up by Regulation No 2006-017 dated November 28, 2006 a device to combat money-laundering and the financing of terrorism, based on a policy statement on the matter. This device is developed in compliance with the UN conventions y relating, the FATF recommendations, the guidelines and rules of UEMOA in the matter. It includes a repository framework, the compendium of procedures, operational procedures. An approval Committee was established to investigate and decide on the approval of records of financing, guarantee and other operations of the Bank, on the basis of the KYC analysis and other parameters of each project. Unit financial security, hosted by the financial security officer conducts investigations and provides the interface for the declarations of suspicion and analysis KYC. The Bank operational contracts incorporate declarations and obligations of borrowers and partners of the Bank in this area, to enable it to implement fully its device.

4.4 Procedures for procurement and recruitment of consultants

34. The Bank regulations relating to procurement procedures do lend no ambiguity about their approach and treatment of irregular procurement practices.

35. In the instructions to bidders and borrowers (Chapter 3 of the rules of procedure of acquisition of goods, services and works financed by a loan of BOAD, it is stated that, the Bank must ensure that resources from the loan are used only for the purposes for which they were granted. Hence the Bank examines the regularity of the implementation of procedures agreed to in operational contracts, giving advice from non-objections to each step of the

procedure. Notwithstanding the notice of no objection, the Bank may rely on the acquisition of non-compliant, if this notice has been given on the basis of incomplete, inaccurate or misleading information provided by the borrower, or if it is established by a court decision following an oversight or an audit of the project, that the market has been awarded as a result of irregular practices.

36. Irregular practices naturally include corruption and corrupt. Material, corruption means to offer, give, receive, or solicit anything of value to influence a responsible action in the process of procurement and performance of contracts, and covers, inter alia, bribery and extortion or coercion that involve threats of injury to the person, property or reputation. As corrupt, they agree to an inaccurate representation of the facts with the aim of influencing the process of procurement or execution of contracts at the expense of the borrower, and include collusion between bidders or bidders and the borrower (before or after the submission of tenders) in order to fix prices of artificial and non-competitive levels offers.

37. Rules and guidelines above are applied systematically and rigorously in order to ensure greater transparency in the procedures for acquisition of property and work of the Bank. The rules and procedures of the Bank are revised and modernized regularly. The Bank must therefore proceed to the cancellation of part or all of a loan or a gift if the procurement procedure turns out to be tainted by corruption or fraud. Similarly, companies whose involvement in acts of corruption or fraud manoeuvres is established can be denied any involvement in contracts financed by the Bank, either indefinitely or for a specified period.

38. Similarly, all recruitment practices must comply with the regulations of the Bank. Rules of procedure for the recruitment of consultants proscribe self-confidence nepotism, favoritism on the basis of nationality or membership in a

group, and the non-transparency in the operations of recruitment. Ad hoc committees are created for each recruitment and consultations are always made on the basis of short list, subject to the choice of consultants for rare areas of specialization and the policy of using experts retired BOAD. The members of the staff of the Bank which, either directly or indirectly, does not conform to these rules are subject to the penalties provided for in the staff regulations.

39. Furthermore, operational contracts of the Bank complete the Bank procurement rules, by imposing on borrowers declarations and obligations to not practice or extraordinary in light of applicable anti-fraud and anti-corruption of the borrower, including anti-bribery country commercial pay.

4.5 Provision of loans procedures

40. The Bank provides loans and provides technical assistance to Member States for economic development, subject to conditions specified in the terms and conditions applicable to the loan agreements and the funding of studies. The Bank and the borrower State sign a legally binding agreement, which constitutes the main instrument setting out the terms and conditions of the loan (loan agreement) or the financing of studies operation. In addition, the Bank signed with any borrower of the private and public sectors merchant agreements financing or guarantee unique referred to as "loan agreement". The interest on the loan disbursement and funding of studies as a potential area of corruption is a problem that required strict supervision.

41. Loan disbursement procedures are strictly regulated in Directives on procedures for the release of funds on loans from the Bank, the latest version of which is dated June 2010. To prevent corruption and the embezzlement of destination of its funding or resource object of the guarantee, the guidelines

pose as a basic principle, in their beginning, that "the funds made available by the BOAD must be used exclusively for the payment of expenses related to the project for which the loan is granted. The list of the components financed and identified during the evaluation of the project is provided in the loan agreement. layout updates can be made up to the maximum amount assigned to each component: any transfer of resources from one component to another can be done only with the written consent of the Bank. ». Request drawing must be accompanied by well-defined exhibits.

42. The General Conditions applicable to the loan agreements, the General conditions applicable to the financing of studies, the loan agreement, the loan agreement, the convention's guarantees provide cases of suspension of the disbursement of the loan funds for various reasons that might be interpreted as relating to corruption. Funding or the guarantee may be suspended or even cancelled for non-compliance with the commitments entered into by the contractor or guarantor in the conventions, particularly if one of the statements made by the borrower or the guarantor in respect of the loan, the loan or the guarantee agreement contract agreement, or any certificate on which the Bank relied to make the loan is tainted with inaccuracy. Financing or guarantee cancellation may intervene when the borrower changes the nature or aims of the project financed by the loan resources.

4.6 Audit control

43. Through internal and external oversight functions, the organizational unit responsible for the control and auditing backup the assets of the Bank and ensures that the Bank's operations are governed by standards and the highest ethical considerations. This Department assesses control environments within the Bank and the forces of the mechanisms of internal control and the

institutional arrangements in the Member States borrowers to ensure that progress reports and statements received from the external auditors give an accurate picture of the financial compliance, including compliance with the procurement rules of the markets, and physical operations progress. It also ensures formation where such mechanisms are lacking.

44. To prevent and fight effectively against fraud and corruption and safeguard the ethical core values of the Bank, features "ethics, prevention and fight against fraud and corruption and surveys» have been created within the unit.

45. The independence of the organizational unit is a major asset, which freed him from any form of pressure in the accomplishment of its mission. Furthermore, the use of the threat of the audit to get personal favors, or to obstruct the publication of the findings of an audit could be considered to be a form of corruption to fight vigorously.

4.7 Monitoring of fraud and corruption,

46. Aware of the fact that the system of prevention and fight against fraud and corruption must be operational and effective, the Bank has created new units organizational (OU) responsible for the integrity and the fight against fraud and corruption, including:

- a Division of integrity and the fight against corruption (DILFC), which performs the functions of Office of integrity and prevention and investigation office;
- an office of the sanctions;
- a Supervisory Committee of fraud and Corruption (CSFC).

These organizational units are created to complement those existing, in order to identify cases of fraud and corruption committed by physical or legal persons external to the banks. These include the Committee on ethics, of the disciplinary board of the Joint Consultative Committee that handle many more issues internally. If the Office of integrity and prevention, OIOS investigations and the office of the sanctions are OUs responsible for the day-to-day management of the integrity and the fight against corruption, the Supervisory Committee of the fraud and Corruption (CSFC) meanwhile is an appeal board that receives and processes calls for a decision taken by the President of the Bank, on proposal of the Office of the sanctions, any respondent against external to the Bank and made proposals to the President of the Bank in respect of the appeal made by the respondent.

4.8 The strategic approach of the Bank in operations with the States

47. The strategy and the action of the Bank, for the purposes of the fight against corruption, are part of its policy on good governance, and are carried out in close consultation with the Member States concerned. When the environment is plagued by corruption, the effectiveness of lending suffers. So the work of the Bank in this area could be effective, two prerequisites must be met: on the one hand, Member States must demonstrate their commitment to the challenge of corruption in a credible manner and, on the other hand, staff and operations of the Bank must be above all suspicion.

48. The Bank anti-corruption strategy drew taking internal measures and effective backup mechanisms, coupled with a programme of strong action at the national and regional levels. This strategy, therefore the Bank lacks adequate resources to finance policies and State actions to fight against fraud corruption revolves around: i) the prevention of corruption in the Bank's

operations and ii) the integration of the concerns of combating corruption in the Bank's operations.

4.8.1 Prevention of corruption in the Bank's operations

49. The existence of corruption in the Bank's operations is a serious concern to its Member States, its management and staff. The Bank has adopted a zero-tolerance policy where there is credible evidence of corruption at the level of its staff and its operations. To deal with the risk of corruption within the Bank requires, however, more than policy instruments and a mechanism. This requires shared business values and a culture of probity and integrity, accepted both by the staff and management. Thus, addition processes and internal procedures which comply with the standards of the highest business, the Strategic Plan for the period 2009-2013 reaffirms the commitment of the Bank for probity and institutional integrity. Moreover, suggested values and behavior adopted by the staff of the Bank reflect the elevated occupy integrity and transparency in the corporate culture of the Bank.

50. In practice, zero tolerance is an Director strategy for the prevention and the fight against corruption in the Bank's activities, and reflects the conditions agreed in the General Conditions applicable to loan agreements, those applicable to the financing of studies, operational contracts and warranty agreements. When the Bank finds that there is credible evidence of corruption in its operations and a breach of the conditions of an operational agreement, applied a series of measures, including the refusal to finance certain expenses, the suspension of disbursement, the cancellation of a loan in whole or in part. In situations where corruption is widespread and chronic, the Bank may, after consultation with the Member States, reduce or suspend its allocation to the sector and/or country.

51. The zero-tolerance policy is complemented by internal control measures aimed at safeguarding the probity and integrity in the Bank's operations. These measures include a code of conduct that defines acceptable standards of behaviour of staff; transparent policies of human resources management, including predictable of recruitment procedures and promotion; procedures for the use of consultants and the acquisition of goods, works and services; procedures of disbursement of loans, clearly defined procedures for prevention and notification of corrupt practices - including these guidelines; familiarization of staff with guidelines and other codes/procedures relevant, vigorous measures of control and enforcement to ensure compliance with foregoing. That said, senior management will continue to revise these guidelines and other policies and procedures for greater efficiency in the fight against the present and future risks of corruption.

4.8.2 Integrating the fight against corruption in the Bank's activities:

52. The integration of the issues of good governance in the Bank's activities through the understanding by the staff of the causes, effects and the impact of corruption on their specific sector or their geographical areas of responsibility. The Bank is based on the evaluation of projects to assess the performance of the institutions in the country and assess the situation of good governance and combat corruption in operations with the Member States.

53. When the Bank and the Member States agree that corruption constitutes a continuing threat to the country's development objectives or undermines the impact of interventions of the institution, the State will proceed to a more detailed assessment of operational risks, to sectoral diagnosis studies and make recommendations regarding the assistance that

the Bank may provide audit Member State to help promote integrity and good governance.

54. Bank tackle the risks of corruption at the level of its operations paying particular attention to transparency, accountability and efficiency through a rigorous assessment of risks and the implementation of controls and internal mechanisms of prevention. The establishment of credible evidence of an environment dominated by corruption during the identification phase can constitute a reason to suspend a fundraising activity. In addition, in the activities of loan/off loan and technical assistance operations of the Bank, the vulnerability to the risk of corruption cycle projects will be taken into account in the selection of cells of project management, acquisition of goods, works and services, disbursement of loans, as well as the supervision and auditing of projects. The Bank's ability to detect and prevent corruption in its operations will also be strengthened by improving the skills of staff and the recruitment of new skills in the areas of financial management, the procurement and audit investigation. In this regard, the organizational unit responsible for investigations, fraud and Corruption, with mission to integrate good governance in the Bank's activities will play an essential role of catalyst and coordination.

55. The institutional capacity of execution and bodies of institutions for consideration of the Member States, in the acquisition of goods and services, compliance with accounting standards, and maintenance of internal control systems will be more attention. Will taking account of corruption concerns also benefit from internal training of the staff in the detection of the "warning signs" of corruption, and in relation to the areas of intervention of the Bank particularly exposed to corruption and fraudulent practices.

V. THE MOST VULNERABLE AREAS OF INTERVENTION, AND PREVENTION OF POSSIBLE MANIFESTATIONS OF CORRUPTION IN BANK OPERATIONS

56. As a purveyor of development finance to the economies of the Member States, the Bank is necessarily obliged to establish effective control mechanisms in its financing and guarantee operations, specifically, in relation to the procurement and disbursement, and to assess itself issues that may have an impact on the success of its interventions. The Bank is therefore required to enforce vigorously the provisions and standards of backup in ensuring that appropriate due diligence measures are taken throughout the lifecycle of the operation.

57. The prevention and the fight against corruption in the Bank's operations require safeguards and policies/procedures internal relevant, such as to make the practice of corruption and fraud more difficult and quickly detectable.

58. Corruption and fraud may constitute problems for the various phases of the project cycle, but particularly in the following areas:

- Identification of projects;
- Project design;
- Implementation of projects;
- Procurement;
- And financial management.

5.1 Projects identification.

59. It is at this stage of the project cycle, which can prevent any risk of corruption or fraud. The staff of the Bank must explain to the borrower the cycle of the project, the conditions of treatment of the institution, and the

responsibility of the Bank as well as of the Member States. In addition, the institutional environment as well as the economic and political risks must be assessed, including the risk of corruption. During the identification, agents of the borrower may try to offer incentives or to exert pressure on the staff of the Bank in order to bypass the normal procedures for identification, and bring them to identify and select projects and/or regions that benefit them directly or indirectly.

5.2 Preparation of projects

60. It is at this stage that the concepts are translated into programs with detailed settings, measurable amounts of inputs / outputs and unit costs. The imposition of stringent measures to protect upstream during the preparation phase is essential for the success of the implementation. Similarly, a poor preparation makes it vulnerable projects to manipulation that can lead to additional costs or delays in implementation. Member States, other borrowers and the Bank are the main actors at this stage. The preparation of the projects can be done according to different scenarios, including by the borrowers themselves, through the technical/financial assistance by the Bank or by an agreement of collaboration with other organizations. In either case, the staff of the Bank is called to work especially with the borrowing member States closely to ensure that the objectives, design, and the components of the project are realistic, and that the cost estimate is carefully made based on best possible technical solutions.

5.3 Evaluation of projects

61. During project appraisal, staff of the Bank shall endeavour to validate the needs of procurement of goods and works by report procedures of procurement by the Bank, and the reliability of the accounting and control

internal. It will also advise a realistic tree for the body of implementation, including appropriate methods for monitoring and evaluation. Furthermore, the staff of the Bank must be vigilant against attempts to overestimate the magnitude of the work, the time, the necessary resources for the implementation of the project.

62. During the evaluation, staff must ensure that modes of acquisition proposed are consistent with the procedures of the Bank in this area. It will also give advice on a realistic mode of organisation of the Executive Body, including appropriate monitoring and evaluation systems. Similarly, staff will have to be vigilant to thwart attempts of overestimation of the scope of work, time or resources they needed to carry out the project.

63. This is a critical assessment by the staff of the Bank, all aspects of a project, including its relevance, its feasibility and its potential effectiveness before by the Board of Directors of a decision on the approval or not of a contest. The assessment is essential to ensure quality at the entrance and set up enforcement and control mechanisms. In this phase, the staff of the Bank and the borrower, after review, agree the design, execution, and monitoring and control mechanisms. At this level, the staff of the Bank must pay special attention to the mechanisms of procurement to ensure that the acquisition of goods, works and services will be by appeal procedures for tenders, fair and transparent, in accordance with the rules of the Bank. The staff will also examine with the agents of the Member State / borrower, the methods/procedures for disbursement of the Bank, and ensure their understanding, so as to minimize the risk of corruption based on the disbursement downstream of the project cycle.

64. During the evaluation, the team of the Bank must also ensure the existence of an effective framework for accounting and financial reporting. An effective mechanism for financial control is essential to ensure healthy by

the borrower project execution and management. This mechanism will also enable the staff of the Bank to check the financial health of the project and deter acts of corruption and corrupt. At this point, the staff must also evaluate the accounting procedures of the borrower and other control systems, and to ensure that its standards are acceptable. When these control systems are not in place, the Bank will require that appropriate measures are taken as a condition of the loan.

65. In the context of the evaluation process, staff should also review and verify the implementation of administrative and institutional mechanism relevant within the executing agency. It will be, shall ensure that a competent counterpart personnel has been assigned to the project; that appropriate facilities and a work environment were provided to carry out the work, and that the executive body is supported through adequate budget allocation to ensure implementation.

5.4 Execution and supervision of projects;

66. This is a set of continuous activities that begin with the signing of the loan ends at the completion of the project. The main role of the Bank in this phase is to ensure that the borrower is running the project with due diligence to achieve the planned objectives and in accordance with the loan agreement, the loan agreement, the financing of studies agreement or guarantee agreement; to detect the problems that arise, including fraud and corruption, and to help the borrower to resolve them, and taking appropriate steps to cancel a project when its continuation is no longer justified.

67. The execution is an important phase where corruption can occur. At this point, the phenomenon is mainly a result of poor design and evaluation. The main actors of this phase are: the staff of the Bank, the cell / the executing agency for the project, the consultant responsible for the

surveillance and contractors/suppliers. The main role of the Bank in this phase is that of supervision. The implementation of the project document sets out the framework which specifies the body responsible for execution, gives details on the agreement between the borrower and the executing agency, and the role of the Bank in the performance. In addition, the Project Implementation Plan outlines a plan with specific deadlines, including a timetable for procurement of goods and works, a disbursement schedule for each expenditure category, the establishment of systems of financial accounting / and a timetable for hiring a project auditor.

68. During this phase, the consultants responsible for the supervision of the execution of the project may be influenced by shady contractors and agents of the borrower, and consultants can collude with one or other of these parties. The staff of the Bank must be aware of such contingencies. As an additional safeguard measure, the Bank requires that borrowers insert in their record of request for proposal, a provision anti-corruption, including an absence of conflict of interest clause. Moreover, the requirement in respect of the agreement/contract of loan for borrowers to submit monthly/quarterly progress reports should be subject to strict application to serve as a mechanism for early detection of fraud and corruption.

69. Overbilling and fraudulent claims to the title of undelivered products or services not approved on the list of goods and services are among the common forms of corruption during the execution phase. Such practices occur when the full text of the loan agreement/contract between the Bank and the borrower, and the list of services and activities eligible and authorized, shall not be communicated to consultant. As part of its duty of supervision, the staff of the Bank shall ensure that the contract between the borrower and the consultant provides a detailed list of goods, services and activities approved and eligible for financing by the Bank.

70. Implementation of project contracts and the possible types of tenders of the Bank documents contain certain clauses and provisions defining the allowed range in relation to the work and results. If there are not rigorously the provisions, such practices may give rise to a deeply flawed execution of corruption. To prepare for such an eventuality, the bank personnel must carefully examine the justification, the use and implications of cost of these imponderables. The staff of the Bank can also strengthen its supervisory role by requiring the submission of reports in a timely manner, on the part of the borrowing Governments strictly and by conducting unannounced visits on the ground. On the occasion of the physical supervisions, staff of the Bank shall verify the delivery and the quality of such material as agreed in the initial offer, and take steps against the dilution/reduction of the composition of the material of the project by the contractor. In addition, the staff of the Bank shall use physical and financial supervision missions to check conformity between the status of the implementation of the project and the status of disbursement.

5.5 Procurement process

71. This level is one of the most vulnerable stages of the project cycle. To prevent corruption at this stage, the staff of the Bank must be aware of the practices of the body for procurement of the borrower and have read the internal procedures of the borrower, to have basic information, and ensure compliance with the rules and procedures for acquisition of property and work of the Bank. Likewise, the borrower and the cell's project management staff must have a good knowledge of the procedures of procurement by the Bank, including:

- the procedures for publication of notices of invitations to tender by the Government of the borrower;
- official pre-qualification and eligibility conditions and conditions administrative and submission related to the design of the project;

- the process of evaluation of tenders and award of contracts.

72. Collusion and illicit obtaining information constitute serious problems for certain markets and require intervention by procurement of the Bank specialists to ensure compliance with the highest standards of probity and diligence. Corrupt practices at the level of the procurement, including the staff of the Bank must have conscience, include:

- inadequate advertising procedures which do not allow potential bidders to take cognizance of public tenders;
- the reduction of the deadline and administrative and legal conditions unreasonable to promote a particular bidder which might be the only one able to meet the requirements within this short time;
- the collusion and leakage of confidential information, giving a particular contractor one advantage over others, in what concerns the amount of the offer and the deadline for submission;
- the use of national procedures for tendering not approved by the Bank because they make it possible to patronage;
- the exercise of pressure by the agents of the borrower on the bidders to withdraw their bids and colluding with a "bidder";
- the submission of misleading offers that contain many reservations or expressed in a subject to multiple interpretations language conducive to the bidder.

5.6 Disbursement and financial management

73. The disbursement is the process by which the Bank funds are made available to the borrower in accordance with the General Conditions applicable to loan, loan agreements/contracts, education funding agreement. In the context of the operations financed by the Bank, a contractor/vendor submitted a request for payment and approved for disbursement by the borrower. Before any disbursement, personnel

responsible for the Bank verifies the application from the list of goods and services, as well as the increase in the price of specific contract clause. In the event of discovery of anomaly, additional information is requested to project leaders, and if it is a manoeuvre of corruption / fraudulent, the relevant rules of suspension of disbursement of the Bank are engaged.

74. Possible corrupt practices resulting from the inefficiency of financial management and disbursement procedures, include the following:

- double payment resulting from the failure of the financial control mechanisms;
- falsification of invoices and supporting documents, and presentation of invoices without supporting documents, to take advantage of the gaps in the control ;
- duplication or alternation of accounting records in order to conceal illegal transactions;
- voluntary delays in the submission of invoices and claims records;
- submission of invoices for ineligible services or for the retroactive financing of goods/services not approved, and use of funds for purposes not defined in the tender ;
- use of project resources for payments not authorized prior to the provision of a service, often in collusion with the Government agents borrower;
- use of goods or equipment acquired for the project purposes that have nothing to do with the project;
- operational expenditure excessive and remanufactured unregistered.

75. The staff of the Bank can also reduce corruption opportunities ensuring the implementation and effectiveness of the systems of reporting on accounts, control and financial management of the borrower. In the assessment of projects, the staff of the Bank shall certify the existence of financial experts within the cells of project management are responsible for

assessing the systems of record keeping concerning the expenditure of the project. When a failure is detected, measures must be taken to remedy, and make, if necessary, a condition of the loan. Similarly, the audit functions must wear on the effectiveness of internal controls and the institutional arrangements in place. Also, the reports and recommendations of audits of project should be implemented with seriousness, particularly as regards the proposals for changes to financial management systems.

76. The aspects above are just examples that indicate under what conditions and how corruption occurs and can be prevented in the Bank's operations. Corrupt officials are very ingenious and may transfer their activities from one domain to another where controls are less stringent. For example, officials can move from corrupt practices at the level of procedures for the disbursement of loan, that might be identified in an audit, in collusion with corrupt people who bid at a market. Despite the existence of rules, procedures and other safeguard measures to combat corruption, its authors find new ways to conceal their activities, thus making the responsibility of more complex and costly time detection. Therefore, the staff of the Bank must be vigilant to changes in operations and attention to irregularities in the activities of their loan programs.

VI. PROCEDURES AGAINST CORRUPTION IN BANK ACTIVITIES

6.1 General Precautions

77. The Bank and the borrowers have a shared responsibility in the fight against fraud and corruption in Bank-financed operations. However, the staff of the Bank as well as its other employees have a responsibility and a special obligation in which the prevention of fraud and corruption, in maintaining high levels of moral integrity in their respective areas of competence. Staff

and other employees are therefore required to comply unreservedly to the Code of ethics as well as to other rules and procedures that govern the rights, duties and behaviours of the staff as international civil servants, and those of the other employees. Where it is established that a member of staff or other employees are involved in fraud and corruption cases, the applicable texts are:

- The Manual of Policy and Procedures for Prevention and Fight against Corruption and Fraud
- Procedures investigations and sanctions in the context of the fight against corruption and fraud;
- Policy whistleblower protection;
- Any other relevant enactments.

78. In addition to moral integrity, staff and other employees of the Bank are required to demonstrate due diligence in the assessment of the risks of fraud and corruption in the context of the design and execution of projects/programmes. At this point, they must carefully evaluate the risks of corruption and introduce safeguard measures, including the phases of project clearly defined with measurable indicators reflecting the fulfilment of the conditions of the loan and financing. Secondly, agreements/contracts of loan and other relevant documents should include an explicit agreement on the components of project must conform to the standards of national tender (AON) and those to meet the standards of international tender (AOI) and other duly justified procedures. Thirdly, should agree to control the process of disbursement, including the standards of financial management and accounting provisions control of the use of funds and satisfaction of loan conditions. In conclusion, project documents should be well maintained in order to make possible effective control periodic supervision and portfolio review missions, to facilitate the verification of the accounts after the completion of the project.

6.2 Responsibility of borrowers

79. The Bank's operations can take place efficiently in an environment where corruption is chronic and widespread. The unreserved commitment and perceptible action of borrowers against corruption are therefore an essential first step. In the context of the operations of the Bank borrowers (public and private) have the obligation to guarantee full respect for the commitments and conditions agreed in the loan agreement/contract, financing and warranty. These agreements contain terms and standard safeguards to deter and detect corruption in the Bank's operations.

80. Borrowers can also ensure the integrity of the Bank's operations by adopting and implementing a policy of zero tolerance in the context of their operations, and providing effective internal control systems, including affecting counterparts with the qualifications and skills required for the Bank's operations and ensuring the availability of counterpart funds. However, despite prevention efforts by borrowers of counterpart staff to operations financed by the Bank will be required to observe the same high levels of moral integrity that the staff and other employees of the Bank. Also, when evidence of corruption are obtained or prepared by a member of counterpart personnel assigned to the operations of the Bank, the latter will be subject to the same notification requirement set out in the present guidelines and applicable to the staff and other employees of the Bank, as well as anti-fraud and anti-corruption and anti-subornation of the concerned Member State laws. In so far as the Bank is concerned, the policies, procedures and appropriate directives will be triggered and implemented, including: :

- the Procedures for investigations and sanctions in the fight against corruption and fraud;
- whistleblower protection policy;
- all other relevant texts applicable to borrowers as well as others 'respondents' external.

6.3 Responsibility of the staff of the Bank;

81. Before and during the launch of any activity of project/programme funded by the Bank, the staff of the Bank must inform the staff of the Member State, the borrower, the counterparties of project staff, or any other employee under contract directly or indirectly with the Bank, the borrower, its consultant, its contractor that the institution has and shall ensure the strict a policy of zero tolerance of all forms of corruption and fraud in its operations. Furthermore, the policy of zero tolerance for fraud and corruption and the notification and implementation procedures prescribed herein shall be inserted in the loan agreements/contracts and other contracts financing or guarantee concluded with borrowers, as well as the conditions of markets subject to the rules of acquisition of the property and services and work.

6.4 Notification of corruption;

82. When a member of the staff of the Bank or any other employee under contract with the institution, its borrower, contractor or supplier, finds malpractice or receive written allegations of corruption and/or fraudulent practices in a transaction financed by the Bank, obligation is made to notify the case or allegation in good faith, regardless of the source immediately and at the latest within 72 hours following. The allegations of corruption and/or

fraudulent practices should be the subject of a confidential written report, sent to the Head Office of investigations at the following addresses:

Mr the Commissioner of investigations

West African Development Bank

Division of the integrity and the fight against corruption (DILFC)

68, Avenue de la libération

BOX 1172 Lomé

Lomé Togo

Phone number : (+228) 80 00 00 09 ; Fax: (+228) 22 23 25 78 ;

Email : investigations@boad.org

6.5 Decision corruption

83. The final decision as to if the evidence or the allegation received should be brought to the knowledge of the DILFC, in accordance with these procedures and other rules of the Bank, for investigation, is governed exclusively by the staff member, of the employee or external source, and does not depend on any higher authority or express approval. Notification of the embezzlement or allegations may be revealing the source or keeping anonymity. Non-notification of the information/allegations of fraud or corruption within the time prescribed in paragraph 82 above, should be explained to the DILFC during the submission of the report.

6.6 Failure to notify

84. By contrast, an employee of the Bank, any other employee or outside element, which finds proof or receives allegations written corrupt or fraudulent practices in the operations of the Bank, regardless of the source,

and who fails to report such information to the DILFC, in accordance with item 82, these procedures and other rules of the Bank indeed accomplice of the Act and is liable to penalties provided by the relevant provisions of staff regulation, and/or possible lawsuits.

6.7 Limits of the intervention of the informant

85. These procedures are not intended to transform investigative police personnel. Therefore, the intervention of the employee, other employees or external sources from the consideration of the allegation of fraud and corruption which took place in the Bank's operations cease once they have passed the evidence / allegation of corruption of which they have knowledge. Beyond the notification of information held in the DILFC, the employee, the other employees or external sources, must, under any circumstances, try to initiate a personal inquiry into the question. In addition, except in the case of formal request for provision of additional information to the DILFC, to facilitate the understanding of the folder, whistleblowers will refrain from any other intervention in case. They should also refrain from further discussion with officials of the Member State, the staff of the Bank, or the persons concerned.

6.8 Decision to initiate an investigation

86. In accordance with the rules and procedures of the Bank staff (section 10: Sanctions, remedies, Obligations) and to the credibility of the evidence provided, the DILFC, after consultation of the relevant departments of the Bank, will decide if it is necessary to continue the investigation or to halt the procedure. In either case, however, all the allegations and investigations will be treated with confidentiality and discretion, and the identity of the source,

in the event of notification with revelation of the source, as well as the content of the evidence provided, will be protected.

6.9 Conduct an investigation

87. When the credibility of the information provided or the claim being made is proven, the DILFC, with the agreement of the President will conduct a thorough investigation into the issue, together with the competent bodies of the Bank, in accordance with the relevant rules of administrative investigations of the Bank, as defined in the staff rules, in proceedings of investigations and sanctions in the fight against corruption and fraud and whistle-blower protection policy. Une fois l'enquête lancée, la Banque veillera à ce qu'elle soit menée dans les délais voulus et conformément aux procédures, dans le respect de la loi, et des exigences d'équité, d'efficacité et de confidentialité.

6.10 Decision no investigation

88. All information/claims are not always supported, and all notified cases will not be able to be the subject of review. When the DILFC, after a thorough review of the evidence, decides the undesirability of further investigation, it will justify the grounds of this decision and will deliver the closing of the record, on agreement of the President of the Bank.

6.11 Survey and conclusions

89. investigations are conducted by the DILFC and its findings transmitted to the President of the Bank in accordance with the Procedures of

investigations and sanctions in the fight against corruption and fraud and BOAD whistleblower protection policy.

6.12 Sanctions

90. If an inquiry leads to a formal disciplinary action against a staff member, the relevant provisions of the Statute and rules apply. Depending on the nature of the conclusions and recommended actions, personnel may have to face corrective measures or disciplinary sanctions, including a formal reprimand in writing, a suspension without pay and a dismissal without notice. When it comes to physical or legal persons external to the Bank, the Office of sanctions is before it the conclusions of investigations by the President of the Bank to propose sanctions. Procedures for the sanctions in the fight against corruption and fraud are then triggered.

6.13 Protection of whistleblowers

91. Prevention remains the Bank's preferred mechanism to deal with fraud and corruption in its operations. However, when a fraudulent act or corruption occurs, it is important to encourage the staff of the Bank, the other employees and outside sources to report credible evidence of such acts, guaranteeing them protection against harassment or other forms of vengeance, retaliation or negative actions, due to the revelation of such information. The whistleblower protection allows to focus systematically on the message given rather than the Messenger, and helps strengthen the application of the safeguard anti-corruption measures. The protection is granted to whistleblowers, in accordance with the Bank whistleblower protection policy, as long as they act in good faith and reasonably believe that the information reported or the allegations made were accurate.

6.14 Risk Notification

92. The Bank will put in place stringent safeguard measures to protect the identity and the reputation of whistleblowers against any risk to individuals or firms, resulting from the notification of cases of fraud or corruption. These safeguard measures will aim to reassure staff, other employees or external sources that the provision of information on fraud and corruption has no direct or indirect risk of revenge or retaliation, including their personal safety and their professional reputation.

6.15 Protection against false allegations

93. The denunciation is a double-edged sword which must contain provisions to protect the accused. Accordingly, any person or company accused of practices of corruption and fraud in the Bank's operations will continue to be presumed innocent until his guilt is established by an independent inquiry. Such an investigation will be conducted in a timely manner and in strict compliance with the Act. During this investigation, the Bank will protect the identity and reputation of the object and the nature of the investigation. When the investigation of the Bank establishes that the allegations were not made in good faith, but for imaginary reasons and/or maliciously, it will take appropriate measures to restore the reputation possibly contaminated by the false allegation, and apply disciplinary sanctions to the authors.

94. In any case, it is waived right to the rule of confidentiality in the event that a decision of an administrative or judicial authority so requires. Similarly, for confrontation required for an investigation, the suspect must be heard in the presence of the informer or the witnesses, especially when the suspected

person refutes allegations of suspicion against it. As such, the DILFC has the high Direction the conditions for the lifting of this privacy.

6.16 Development of references and indicators

95. Without points of reference proper or measurable progress indicators, the Bank risk being accused of inaction and see the effectiveness of efforts to fight against corruption questioned. To deal with these concerns and assess the progress made in this area, the Bank will proceed with development of references and appropriate indicators to support its efforts in anti-corruption. Similarly, the Office of the integrity, the Bureau of investigation and the Office of the sanctions will develop a series of references and indicators qualitative and quantitative for measuring the progress made in the fight against corruption, the demonstration of the progress made and the identification of the challenges, and the submission of regular reports to the President of the Bank. These offices will also collect and disseminate information on lessons learned and best practices of the sister institutions.

VII. CONCLUSION

96. The prevention and the fight against corruption and fraudulent practices are a fundamentally complex business, in which the progress can only be gradual. The MPPCF affirms the commitment of the Bank to combat corruption in its operations and sets the strategy and procedures to achieve this goal. They reflect the determination of the Bank to promote a culture of good and sound management as well as to strengthen the safeguard of the Bank by the transparency provisions in the decision making process, the quality in the project cycle and rigour in monitoring and the implementation. They will be enhanced through wide dissemination in any Bank and to external stakeholders, including on the website of the Bank. Training of staff -

including the orientation of new recruits – will be part of the dissemination strategy to help staff better understand and respond to potential cases of fraud and corruption.

97. The MPPCF may be supplemented by rigorous compliance and enforcement mechanisms. Actions and procedures it contains may be revised and updated that deepens the experience in the fight against corruption in the Bank's operations. Following the procedures contained in the DPPCF, the Bank will draw from the experience of the partners (Transparency International, EBRD, World Bank) institutions to usefully develop a checklist to assist staff to better detect the warning signs of fraud and corruption in the project cycle.

98. The lessons learned from the experience of the partner institutions will continue to help enrich the Bank anti-corruption strategy and the implementation of procedures. The introduction of references and interim indicators of progress will be the tag against which progress will be measured and the way forward defined. The institutional commitment of the Bank and the adoption by it of a approach prospective prevention and fight against corruption and fraud, the MPPCF object, is a crucial and necessary step for the promotion of good governance, transparency and efficiency in operations financed, as well as the activities of the Bank.