



Geneva, 2 May 2019

SERVICE ORDER No. 19/09

POLICY AGAINST FRAUD, CORRUPTION AND OTHER PROSCRIBED PRACTICES

- **ITU has zero tolerance for fraud, corruption and other proscribed practices.**
- **ITU is committed to a culture of deterrence and prevention.**
- **Any suspected fraud, corruption and other proscribed practices should be reported to the Ethics Office. ITU personnel have the right to be protected from retaliation related to such reports.**

The ITU Constitution establishes the Organization's unique role in promoting international cooperation and coordination in the field of information and communication technologies. To perform this role and deliver its mandate, ITU must prudently manage and diligently safeguard the public resources with which it is entrusted. Above all, it is critical for ITU to promote and maintain trust in the organization – by Member States, Sector Members, Associates, Academia, ITU personnel, partners, and the general public.

Fraud, corruption and other proscribed practices divert funds, assets and other resources necessary to fulfill ITU's mandate and directly undermine its image and reputation as a trusted organization.¹ These practices violate ITU's core values and will never be tolerated.

The ITU Policy Against Fraudulent and Other Proscribed Practices (the "Policy") outlines the policy and procedures adopted by ITU to prevent, detect and respond to fraudulent and other proscribed practices. ITU personnel with information or evidence to support a reasonable belief of fraud, corruption, and other proscribed practices have a duty to report it, and will be protected from retaliation related to such reports.

This Policy is part of ITU's Enterprise Risk Management and is operationalized through preventative and detective controls in all key corporate processes. It reflects ITU's commitment to upholding the highest standards of ethics, transparency and accountability.²

Houlin Zhao
Secretary-General

¹ See Constitution of the ITU, Art. 27, Sec. 4): "*The paramount consideration in the recruitment of staff and in the determination of the conditions of service shall be the necessity of securing for the Union the highest standards of efficiency, competence and integrity....*"

² This Policy is informed by similar policies adopted by other organizations of the United Nations system. Relevant language from some of those policies has been used or adapted for this document. This Policy is also informed by the [Fraud Management Framework](#) developed by the Joint Inspection Unit which is comprised of eight pillars that address prevention, detection, and response to fraudulent and other proscribed practices in the UN system. See JIU/REP/2016/4, "Fraud Prevention, Detection and Response in United Nations System Organizations".

I. Key Principles

1. There are three key principles that guide this Policy:
 - a. ***ITU has “Zero Tolerance” for any type of fraud, corruption and other proscribed practices.***³ Along with diligent efforts to prevent and detect fraudulent and other proscribed practices, ITU will ensure that any individuals or entities found to have engaged in such behaviour will be held accountable to the fullest extent possible under the relevant legal framework. Respecting standards of due process, the organization will ensure swift action, as well as proportionate and adequate sanctions on individuals or entities found to have engaged in such behaviour. ITU will also undertake appropriate efforts to recover defrauded resources.
 - b. ***ITU is committed to a culture of deterrence and prevention.*** Measures to prevent and deter fraud, corruption and other proscribed practices are more effective and less costly than those required to detect and respond to such activities after they have taken place. Implementation of this Policy will promote active prevention and detection efforts in the Organization’s administrative procedures, operational systems and internal controls.
 - c. ***Reporting is an obligation; protection is a right.*** It is the obligation of all ITU personnel to report suspected fraud, corruption and other proscribed practices. Where they have done so they have the right to be protected from adverse action related to their act of reporting.

II. Scope

2. This Policy applies to all ITU personnel, regardless of contract type or duration, including but not limited to: ITU elected officials, ITU appointed staff (including staff members holding a short-term contract as well as those on secondment⁴) and related personnel such as interns,⁵ Junior Professional Officers and individuals who are working under a Special Service Agreement (SSA) with ITU.
3. All ITU systems, processes, operations, functions and activities, as well as funds made available to grantee institutions, are subject to this Policy.

III. Definitions

4. The following definitions apply to this Policy:
 - a) “Proscribed practice” includes engaging in any of the following practices, as well as actions taken to instigate, aid, abet, attempt, conspire or cooperate in so doing:

Fraudulent practice: Any act or omission whereby an individual or entity knowingly misrepresents or conceals a fact (a) in order to obtain an undue benefit or advantage or

³ In the ITU Risk Appetite Statement, the organization has stated that it has: “*No appetite (i.e. zero tolerance) in the areas of fraud, corruption, illegal acts, and misconduct;....*” ITU Risk Appetite Statement (Document C17/73-E).

⁴ Under the UN Inter-Agency Mobility Accord.

⁵ Students or new graduates participating in the ITU Internship Program.

avoid an obligation for himself, herself, itself, or a third party, and/or (b) in such a way as to cause an individual or entity to act, or fail to act, to his, her or its detriment;⁶

- i. Corrupt practice: The offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party;
 - ii. Collusive practice: An arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party;
 - iii. Coercive practice: Impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party;
 - iv. Obstructive practice: Acts or omissions intended to materially impede the exercise of contractual rights of audit, investigation and access to information, including destruction, falsification, alteration or concealment of evidence material to an investigation into allegations of fraud and corruption;
 - v. Unethical practice: Conduct or behaviour that is contrary to ITU personnel or supplier codes of conduct (including the UN Supplier Code of Conduct), such as those relating to conflict of interest,⁷ gifts and hospitality, postemployment provisions, abuse of authority and harassment.
5. A non-exhaustive list of examples of fraud, corruption and other proscribed practices appears in **Annex A** hereto.

IV. Anti-fraud Culture

6. ITU is committed to ensuring that opportunities for committing acts of fraud, corruption and other proscribed practices are reduced to the lowest possible level. To achieve this, consistent with the ITU Accountability and Transparency Framework⁸ and the Risk Management Policy,⁹ ITU will promote an anti-fraud culture through measures that may include:
- Providing training and briefings to managers and other personnel on ethical obligations and good financial practices;
 - Developing and maintaining effective controls to prevent fraud;

⁶ ITU also applies the following definition of “*Presumptive Fraud*”: “*Allegations that have been deemed to warrant an investigation and, if substantiated, would establish the existence of fraud resulting in loss of resources to the Organization.*”

⁷ ITU applies the definition of conflict of interest that appears in UN Staff Regulation 1.2 (m): “*A conflict of interest occurs when, by act or omission, a staff member’s personal interests interfere with the performance of his or her official duties and responsibilities or with the integrity, independence and impartiality required by the staff member’s status as an international civil servant.*” Consistent with the Standards of Conduct for the International Civil Service, “*[i]f a conflict of interest or possible conflict of interest does arise, the conflict shall be disclosed, addressed and resolved in the best interest of the organization.*” Standards of Conduct for the International Civil Service, Service Order No. 17/07, Annex at ¶ 23.

⁸ Accountability and Transparency Framework, Document C17/64-E.

⁹ Risk Management Policy, Document C17/74-E.

- Reviewing contractual arrangements with partners, vendors, suppliers and other parties in a commercial relationship with ITU to incorporate provisions referencing ITU's zero tolerance policy for fraud, corruption and other proscribed practices;
- Ensuring that, if fraud, corruption and other proscribed practices occur, a vigorous and prompt investigation takes place in accordance with ITU investigation guidelines¹⁰ without regard to position held, length of service or relationship to ITU or to particular personnel within it;
- Taking appropriate disciplinary action in all cases, within ITU's disciplinary authority and, where appropriate, legal action, including waiving of immunity to permit prosecution; and
- Reviewing systems and procedures to prevent similar cases of fraud, corruption and other proscribed practices.

V. Reporting fraud, corruption and other proscribed practices; Protection Against Retaliation

7. ITU personnel who have information or evidence to support a reasonable belief of suspected fraud, corruption and other proscribed practices have a duty to report it.¹¹ Reports can be made through any of the following channels: a direct or hierarchical supervisor, the Secretary-General, or the Ethics Office. If not the Ethics Office, reports shall be forwarded to the Ethics Office, which shall register such reports. Reports should be made preferably in English or French, but, in any case, in one of the six ITU official languages.
8. It is preferable for individuals to provide as much detail as possible when submitting a report under this Policy. The relevant ITU authority will be better-placed to investigate a matter if the individual coming forward identifies herself/himself, or at least provides contact information. Individuals wishing to protect their identity may make anonymous reports. However, it can be more difficult to assess and investigate anonymous allegations.
9. Confidential reports can be made to the Ethics Office, through any of the following channels:
 - **Email:** HelplineITU@protonmail.com
 - **In person or by mail:** ITU Ethics Officer
Office T. 1205
ITU
Place des Nations
CH-1211 Geneva 20
Switzerland
10. Depending on the type of allegation and the supporting information provided, the Ethics Office will perform a preliminary review.¹²
11. ITU does not tolerate any form of retaliation and is committed to fostering and maintain a culture in which personnel are able to report fraud, corruption and other proscribed practices without fear of reprisals, reprimand or any other form of retaliation. ITU is also committed to taking swift and appropriate action in cases in which retaliation has occurred.

¹⁰ See Service Order 19/10 on ITU Investigation Guidelines

¹¹ See Service Order No. 17/07, Annex at ¶ 20; see also ITU Code of Ethics, Service Order No. 11/02 at p. 1 (cover note); Service Order 11/04 at 2.1.

¹² If the allegations involve a complaint under the ITU Policy on Harassment and Abuse of Authority (Service Order 19/08), with the consent of the complainant, the Ethics Office will refer the matter to the Secretary General for review and consideration under the provisions of that policy.

12. Personnel who report fraud, corruption and other proscribed practices under this policy, or who cooperate with a duly authorized audit or investigation, have the right to be protected from retaliation in accordance with the ITU Policy for the Protection of Staff Against Retaliation for Reporting Misconduct.¹³ Any questions or concerns on this topic should be addressed to the Ethics Office.
13. Partners, vendors, suppliers and other parties in a commercial relationship with ITU shall be held to the highest ethical standards.

VI. Sanctions

14. The Union follows up on investigation reports and takes appropriate action against all perpetrators of fraud, corruption and other proscribed practices.
15. The allegations, if substantiated by the investigation, may result in disciplinary and other actions by the Union, in accordance with the relevant legal framework. The outcomes may include, but are not limited to, the following:
 - For personnel, disciplinary action;
 - For suppliers, termination of the contract and debarment from doing business with ITU;
 - Referral to the national authorities of a Member State for criminal investigation and prosecution;
 - Recovery of financial loss and/or loss of assets suffered by ITU, and return of funds recovered to the respective funding sources.

VII. Roles and Responsibilities

16. All ITU personnel play a critical role and are responsible for safeguarding ITU resources and maintaining the organization's reputation.
17. Specific roles and responsibilities under this policy are as follows:

- Executive Leadership

The Secretary-General, as the executive head of the ITU Secretariat, holds the primary responsibility of ensuring that the ITU maintains a culture of ethics, transparency and accountability. This includes sending a clear message to internal and external parties that fraud, corruption and other proscribed practices will not be tolerated.

With delegated authority from the Secretary-General, the Deputy Secretary-General has responsibility for directing efforts to raise awareness on these issues and promoting a culture of prevention and deterrence.

- Chief, Financial Resources Management Department

The Chief, Financial Resources Management Department is ITU's Chief Financial Officer and is responsible to the Secretary-General for establishing and maintaining a sound system of internal control that supports the management of financial resources. This system of internal control is designed to respond to, and manage, the financial risks faced by ITU.

¹³ Service Order No. 11/04; *see also* Service Order 17/07, Annex at ¶ 20.

➤ Chief, Human Resources Management Department

The Chief, Human Resources Management Department is responsible, in coordination with the relevant hiring managers, for ensuring that ITU performs the necessary due diligence prior to engaging personnel. This includes academic checks for ITU personnel (other than SSA-holders). It also includes reference checks for ITU personnel (other than those on short-term appointments - i.e., short-term contracts, interns, SSA-holders). He/she also ensures that there are consistent recruitment processes in place. In addition, he/she is responsible for implementation monitoring and periodic review of this policy.

➤ Supervisors and/or Managers

The day-to-day responsibility for the prevention and detection of fraud, corruption and other proscribed practices rests with line managers. Following the example of the elected officials, they are responsible for also promoting a “Tone at the Top” to reflect the organization’s zero tolerance approach to fraud, corruption, and other proscribed practices. This includes demonstrating that they are vigilant for fraud risk and take proactive steps to prevent and identify potential fraudulent and other proscribed practices. In particular, supervisors and managers at all levels are expected to:

- Raise awareness and knowledge of the risk of fraud, corruption and other proscribed practices with their personnel;
- Perform risk assessments to identify which ITU assets, programmes, activities, and interests are exposed to fraud risk; assess the level and impact thereof;
- Select the most appropriate risk response option to accept, reject, transfer, or mitigate risk through the design and implementation of preventative and detective controls;
- Monitor and supervising the performance, working methods and outputs of their personnel to ensure that they are conducting themselves in ways that meet the most ethical and professional standards; and
- Seek guidance, where necessary, from Unit Chiefs/Heads, Deputies to the Directors, and/or elected officials, as well as the Internal Audit Unit and/or the Ethics Office.

Managers who fail to take appropriate action, or who tolerate or condone fraud, corruption and other proscribed practices, will be held accountable.

➤ All ITU Personnel

The responsibilities of all personnel include adhering to the ITU Code of Ethics and the standards set forth in ITU regulations, rules and administrative issuances and/or the provisions of contractual agreements entered into with ITU as applicable to them based on their contractual status, among other things, by:

- Acting at all times in accordance with the highest standards of integrity;
- Under no circumstances, engaging in, condoning or facilitating, or appearing to condone or facilitate, any proscribed practices;
- Refraining from participating in any situation that may give rise to any conflict of interest and promptly disclosing circumstances where there is a potential conflict of interest or the appearance thereof;
- As stewards of public resources, avoiding any use of the funds, resources and/or assets of ITU that is contrary to the Policy;
- Detecting, preventing and reporting any fraud, corruption and other proscribed practices, as well as any attempts thereof, in accordance with the Policy;

- Performing due diligence before entering into agreements with third parties, and exercising due care in managing the funds, resources and/or assets of ITU or entrusted to ITU, applying established risk-control mechanisms to mitigate the risk of fraud and corruption;
- Promptly reporting any practice contrary, or reasonably suspected of being contrary, to the Policy, or any attempts thereof, as indicated above;
- Respecting postemployment restrictions, including the prohibition on attempts to unduly influence decisions of the organization in the interest or at the request of a third party with a view to seeking an opportunity to be employed by such third party. In this regard, it should be noted that ITU’s General Conditions of Contract for the Provision of Services and Goods provides: “Neither ITU nor the Contractor shall, during the period of one year following the completion of all Contractor’s obligations, either employ or consider employment of any member of the personnel of the other Party without the prior written approval of the latter.”¹⁴
- Maintaining the utmost care in handling confidential or otherwise sensitive information and refraining from unduly disclosing confidential or otherwise sensitive information to internal as well as external parties; and
- Complying with any mandatory training established under the Policy.

In addition, all personnel with delegated authority for the use of ITU resources are responsible for ensuring compliance with established procedures and acting prudently and ethically to provide reasonable assurance for the prevention and detection of fraudulent and other proscribed practices. Particular attention must be paid to the protection of passwords and financial documents.

➤ Internal Audit Unit

Pursuant to the Charter of the Internal Audit Unit, it is “*the sole entity entitled to perform internal audits and related oversight investigations.*”¹⁵

➤ The Ethics Office

Any allegations of fraud, corruption and other proscribed practices should be reported (directly or indirectly – see 7 above) to the Ethics Office. Depending on the type of allegation and the supporting information provided, the Ethics Office will perform a preliminary review (see 10 above). In addition, the Ethics Office is responsible for increasing ITU personnel awareness on the core values and principles of ITU and the United Nations and the importance of ethical standards and expected behaviours. The Ethics Office also provides advice and guidance to ITU personnel, at their request and in confidence, on conflicts of

¹⁴ Standards of Conduct for the International Civil Service, Service Order No. 17/07, Annex at ¶ 26 states: “*After leaving service with organizations of the United Nations system, international civil servants should not take improper advantage of their former official functions and positions, including through unauthorized use or distribution of privileged or confidential information; nor should international civil servants, including those working in procurement services and as requisitioning officers, attempt to unduly influence the decisions of the organization in the interest or at the request of third parties with a view to seeking an opportunity to be employed by such third parties.*”

¹⁵ Internal Audit Charter, Service Order No. 13/09, at ¶ 9; *see also id.* at ¶¶ 21-23. Note: this does not include reviews of formal complaints under the ITU Policy on Harassment and Abuse of Authority, which are investigated by a Commission on Inquiry established under that policy. ITU Policy on Harassment and Abuse of Authority, Service Order No. 19/08, nor does it include internal audits and related oversight investigations should the Secretary-General be the subject.¶¶.

interest and other ethics-related issues. Furthermore, the Ethics Office administers ITU's Policy for the Protection of Staff Against Retaliation for Reporting Misconduct.

➤ The External Auditor

Pursuant to the ITU Financial Regulations and Financial Rules, the External Auditor is responsible for bringing fraud cases to the notice of the Council.¹⁶

VIII. Final provisions

18. This policy will be reviewed periodically. Personnel wishing to receive further information and clarification on this policy and/or to make suggestions for improvements should contact the Ethics Office.

¹⁶ ITU Financial Regulations and Financial Rules, Annex 1, Sec. 6 c) i).

Annex A: Examples of Fraud, Corruption and Other Proscribed Practices

Examples of fraud, corruption and other proscribed practices include, but are not limited to, the following actions:

- Forging documents, preparing false entries in ITU systems or making false statements to obtain a financial or other benefit for oneself or another/others;
- Collusion or other anti-competitive scheme between suppliers during a procurement process to influence the contract award by ITU;
- Providing information that the claimant knows to be false in relation to dependants, education grants, rental subsidies, home leave travel or another entitlement to gain a financial benefit;
- Forging the signature of a ITU personnel or forging a document purporting to be from ITU to induce a party outside ITU to act;
- Using the information technology identity or password other than one's own, or creating false identities/passwords, without consent or authority, to manipulate ITU processes or cause the approval or denial of actions;
- Accepting without authorization gifts or hospitality such as meals or entertainment from a supplier;
- Misrepresenting ITU employment status to obtain a benefit from a governmental or private sector entity;
- Failing to disclose a financial or familial interest in a business or outside party while participating in the award/management of a contract to the benefit of that business or outside party;
- Covering the cost of personal travel as part of official travel;
- Making misrepresentations, including educational credentials or professional qualifications, on a personal history form in the context of a job application;
- Falsifying documents, making false statements, preparing false entries in ITU systems or other deceptive acts to the detriment of those someone seeks to disfavor, or to discredit a person, programme or the organization;
- Submitting claims for expenses incurred by partners that were known as being ineligible or unsupported;
- Misusing assets, commodities and other items or knowingly allowing implementing partners and other third parties to do so;
- Soliciting or accepting a bribe/favour to award a contract to a supplier; and
- Impairing or harming, or threatening to impair or harm, directly or indirectly a colleague or supervisor to improperly obtain a favorable performance appraisal.

Annex B : Other References

This Policy should be read in conjunction with other elements of the ITU legal and administrative framework on this topic. These include:

- ITU Staff Regulations and Staff Rules, including: Chapter I (Duties, Obligations and Privileges); Chapter X (Disciplinary Measures);
- ITU Staff Regulations and Staff Rules for Elected Officials, including: Chapter I (Duties, Obligations and Privileges); Chapter IX (Disciplinary Measures); Rule XI.1.2 (Financial Responsibility).
- ITU Financial Regulations and Financial Rules, including: Art. 12; Art. 28.9 (on reporting fraud or suspected fraud to External Auditor); Annex 1, Sec. 6 c) i)-iv) & vii);
- Standards of Conduct for the International Civil Service, Service Order No. 17/07;
- ITU Policy on Financial Disclosure, Service Order No. 11/03;
- ITU Policy for the Protection of Staff Against Retaliation for Reporting Misconduct, Service Order No. 11/04;
- ITU Policy on Harassment and Abuse of Authority, Service Order No. 19/08;
- ITU Code of Ethics, Service Order No. 11/02;
- ITU Accountability and Transparency Framework (Document C17/64-E);
- ITU Risk Management Policy (Document C17/74-E);
- ITU Risk Appetite Statement (Document C17/73-E);
- Internal Audit Charter, Service Order No. 13/09;
- UN Supplier Code of Conduct;
- ITU General Conditions of Contract for the Provision of Services and Goods.
- ITU Investigation Guidelines, Service Order 19/10