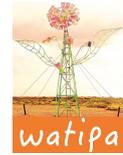


Anti-Money Laundering, Anti-Bribery and Anti-Corruption Policy



Policy statement

Watipa takes its responsibility for ensuring the establishment and maintenance of systems of internal control for the prevention and detection of fraud, irregularities and corruption as non-negotiable and will not tolerate fraud, corruption or abuse of position for personal or institutional gain.

The board of trustees of Watipa are committed to the principles of a policy of zero tolerance of bribery, money laundering, corruption, or financing of terrorism, and have therefore created this policy and programme of implementation. This commitment extends to establishing a culture of integrity and ethical conduct as outlined in other policies, and in the details described in this policy in relation to anti-bribery, anti- money laundering and anti-corruption.

- Integrity and zero-tolerance of bribery are fundamental and non-negotiable
- Employees, trustees, volunteers and associates know what is expected of them
- Anti-bribery policies and procedures are taken seriously
- Employees, volunteers and associates are given the information, skills and resources they need to comply with the policy of zero tolerance of bribery
- Watipa is prepared to forego projects and contracts rather than pay bribes and will support employees and associates in this
- Sanctions are implemented for breaching the anti-bribery policies, consistently, fairly and openly

It is therefore the policy of Watipa to comply fully with applicable provisions of the Proceeds of Crime Act 2002, Terrorism Act 2000, Bribery Act 2010 and Money Laundering Regulations 2019 and all amending legislation.

Purpose

The purpose of this policy is to ensure Watipa's compliance with anti-money laundering, bribery and corruption laws and regulations, to assist law enforcement in combating illegal money laundering, and to minimise the risk of charity resources being used for improper purposes.

Scope of the policy

This policy aims to maintain the high standards of conduct which Watipa currently enjoys. This will be achieved by ensuring that Watipa does not:

- Get used by third parties for the purpose of money laundering
- Receive bribes that are intended to influence Watipa decision making
- Become subjected to corrupt, dishonest and or illegal behaviour

This policy applies to everyone involved in the charity. i.e. employees, volunteers, suppliers, students and work experience personnel, contractors, beneficiaries and the board of trustees.

This policy is made available internally throughout the charity and the CEO ensures that everyone is aware of it and receives appropriate training. Failure to comply with this policy can lead to disciplinary action.

Money-Laundering

Money laundering is the practice of cleaning up money that has, for some reason, been obtained illegally. Often there is a complex trail involved so that the practice cannot be easily identified or traced.

Money laundering can occur in many ways. It may happen by dispersing money through many different bank accounts (to hide its origins), but can occur when the charity is used unwittingly as a “trading partner”. This could be directed at the charity or through an organisation where we have a close relationship, such as a funder.

Bribery and Corruption

Bribery is the offering, promising, giving, accepting or soliciting of money, gifts or other advantage as an inducement to do something that is illegal or a breach of trust in the course of carrying out an organisation’s activities.

It is a criminal offence to offer, promise or give a financial or other advantage to encourage or reward someone for performing their functions improperly under the UK’s Bribery Act 2010. The Bribery Act 2010 applies to individuals and commercial organisations, including charitable companies. It sets out 4 criminal offences:

- Bribing an individual or company.
- Being bribed by an individual or company.
- Bribing a foreign public official.
- Corporate failure to prevent bribery.

Examples of bribery and corruption include:

- Day-to-day situations such as; tendering, appointing preferred suppliers, contractors and agents, awarding licences or offering jobs.
- Provision of lavish hospitality by Watipa for public officials
- Use of Watipa funds, in the form of payments or gifts and hospitality for any unlawful, unethical or improper purpose.
- Authorisation of, making, tolerating or encouraging, or inviting or accepting, any improper payments in order to obtain retain or improve business.

- Permitting anyone to offer or pay bribes or make facilitation payments on behalf, of Watipa or do anything else Watipa would not be permitted to do itself.
- Offering or giving anything of value to a public official (or their representative) to induce or reward them for acting improperly in the course of their public responsibilities.
- Awarding employment where a person has not met the recruitment criteria requirements on the basis of acceptance of a donation.
- Offering or accepting gifts or hospitality, where this might impair objective judgment, improperly influence a decision or create a sense of obligation, or if there is a risk it could be misconstrued or misinterpreted.

This list is not exhaustive.

Watipa has a zero tolerance policy for bribery, included “tainted donations” that have any “strings attached” or expectations from the donor of a measurable benefit in return.

Risk assessment

Watipa undertakes a regular risk assessment that underpins this policy and programme to prevent bribery, money laundering and corruption. The trustees annually undertake a risk assessment process that includes identifying any bribery risks, assessing any risks identified, developing a strategy to mitigate the risks if any are identified, and then defines a plan to monitor and review the risks if any are identified.

The chair of the board of trustees will be responsible for convening this risk assessment annually. It will include a discussion with trustees and key associates of the charity such as anyone with fundraising and scholarship administration responsibilities. Advice will also be sought from the registered accountants working with Watipa on the annual accounts for the latest standards in the charity sector to ensure Watipa benefits from learning from the best practices and approaches adopted in other charitable organisations.

Specifically for Watipa, the annual risk assessment includes the following stages

- Analysis of how bribery could occur in the transactions, such as in relation to the payment of scholarships or living stipends
- Development of procedures to counter the risks, such as verification checks in the application and renewal process and payments for tuition fees directly to the institutes of higher learning on receipt of an invoice (rather than to individuals)
- Regular communication and training as part of the new staff orientation about policies and procedures to all Watipa employees and associates with responsibility for fundraising for the charity and the administration of the scholarship programme
- Documentation of activities fully and record the actions taken to ensure legitimacy of payments
- Regular monitoring of the risks, and checking that the procedures are working by the chair of the board of trustees and chief executive officer (CEO)

Procedures

The CEO acts as the reporting officer to receive disclosures from anyone involved in the charity of any suspected money laundering, bribery or corrupt activities. The Chair of the board of trustees will act as temporary reporting officer if the CEO is not available.

The CEO will be responsible for carrying out the charity's anti-money laundering, anti-bribery and anti-corruption procedures, and will ensure that proper records are maintained on all the relevant activities and steps taken to deal with them.

Due diligence

Trustees of Watipa are responsible for carrying out due diligence checks on donors, beneficiaries and local partners and can also monitor end use of funds. The measures outlined in this policy reflect guidance from the Charities Commission on compliance, due diligence monitoring and risk assessment.

Due diligence for donations received

Watipa undertakes a regular risk assessment to identify donors or other providers of income before entering into a relationship or transaction with them.

The risk assessment includes the following:

- Be reasonably assured that any donations are not from an illegal or inappropriate source
- Ensure that it is otherwise appropriate for the charity to accept money from a particular donor, whether that is an individual or organisation
- Ensure that no conditions are attached; or if there are some, that any conditions may be attached are appropriate and can be accepted by the charity
- Discretion and privacy protection by trustees for significant and longer term donors

Watipa receives donations made through online transactions such as Donorbox and Stripe. A full list of the donors is available to Watipa including address and name, as per the online transactions made. Some donors may have established a sustained relationship with Watipa and donate on a regular basis (monthly or annually). Whilst some donors need or want to maintain their privacy, Watipa verifies the identity of donors giving to the charity.

The CEO will continuously monitor the situation and records of all checks made will be kept.

Due diligence for payments made

Watipa undertakes a regular needs and verification assessment to confirm the validity of the requests for scholarship payments. Multiple documents are needed to verify identity and the claims on which the scholarship has been awarded before Watipa enters into a relationship or transaction with the scholars. A contract is signed on the award of a scholarship outlining the terms of the engagement with Watipa.

The application process for a scholarship is online, and transparent, reviewed in a collaborative processes and ranked according to need and the 'score' against the scholarship selection criteria. The selection criteria are clearly described on Watipa's website, and include the following:

- 15 – 25 years of age
- Living in a developing country, including but not limited to Malawi, Sri Lanka, Zimbabwe, South Africa or Nepal
- Have secured a place to study, either at an institute of higher education or secondary school. We will consider applicants starting a new course as well as those part-way through.
- passionate about community development and giving back to the community

Existing scholars must complete an annual scholarship renewal at the end of the year, providing documentation of progress (their own reflections as well as transcript from their institute of higher education) and financial request for support for the following year.

The CEO will continuously monitor the situation and records of all checks made will be kept.

Policy on disclosure

If anyone knows, suspects or has reasonable grounds for thinking or suspecting that a person is engaged in money laundering, bribery, corruption or terrorist financing, they must report such matters to the CEO immediately. Disclosure should be in writing to the CEO that includes the following information:

1. Details of the people involved.
2. Type of transaction.
3. The relevant dates.
4. Why there is a suspicion.
5. When and how activity is undertaken.
6. Likely amounts.

The CEO will acknowledge receipt of the disclosure within a two week period, and will consider the report and any other information available. A log will kept and updated with any suspicious donations noted and referred for the attention of the board of trustees.

Once the CEO has evaluated the disclosure or other information, they will determine if:

1. There are reasonable grounds for suspecting money laundering and the steps to be taken; or
2. There is actual money laundering, bribery, corruption or terrorist financing; and
3. Whether they need to report the matter to the National Crime Agency (NCA).

All disclosure reports referred to by the CEO and reports made by them to the NCA will be retained for a minimum of 5 years, and reported to and reviewed by the board of trustees at the next meeting.

Any serious criminal activity, known or suspected, will be reported to the Charities Commission and detailed in Watipa's Annual Return made by the trustees.

References

Charities Commission: [Chapter 2 Tool 1: The risk assessment cycle](#)

Charities Commission: [Chapter 2 Tool 6: Know your donor – key questions](#)

Charities Commission: [Compliance Toolkit, Chapter 3, Section M – Bribery and Corruption](#)

[National Crime Agency – How to report international bribery and corruption](#)

[Transparency International – Anti-bribery best practice e-learning](#)

[Department for International Trade: Anti-bribery and corruption advice](#)

[Proceeds of Crime Act 2002](#)

[Terrorism Act 2000](#)

[Bribery Act 2010](#)

[The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019](#)