1. Anti-corruption
Center For young leaders in Africa defines corruption as “the misuse of money or power in order to gain personal, often financial, advantages”.

Corruption is prohibited by the Zambian Law. The definition of corruption covers both active and passive corruption and influential actions. **Active corruption** is when someone offers another an *inappropriate benefit* in performing their job, position, or duty. **Passive corruption** is when someone demands, receives, or accepts an offer of an *inappropriate benefit* in association with their job, position, or duty. **An influential action** is when someone receives, accepts, gives, or offers an *inappropriate benefit* in order to influence the performance of a position, duty or task.

A benefit is anything which serves the recipient or can be of use and does not need to be money or valuables. Benefits may be gifts, discounts, travel and bonuses on private purchases, loans or similar, for example, concert tickets, gifts to charitable organisations, travel and commissions can be such benefits. A benefit is *inappropriate* if the relationship is clearly blameworthy. What is inappropriate is decided based on:
- The purpose of the inducement
- The status/position of the person giving the inducement
- The status/position of the recipient
- The value of the inducement
- The nature of the inducement
- Whether the employer/commissioner is informed
- Whether internal guidelines are breached

2. General policy
CYLA’s policy is never to accept any form of corruption and to always act and inform stakeholders on suspicion of corruption. This can sometimes mean that the activity is delayed, hindered or interrupted. Employees, elected officials and hired consultants may not provide or accept any gift or service that can be defined as corruption.

Corruption is not accepted in the activities done by the Center for Young Leaders in Africa either in the projects implemented or with its partner organisations. In case of suspected corruption CYLA assesses whether further investigation is needed. CYLA staff, elected officials, hired consultants and all CYLA partner organisations are required to inform CYLA of suspected or actual corruption.

2.1 Whistleblower
A person who informs the center for young leaders in Africa on suspected corruption will always have the right to be anonymous. The easiest way to get in contact with CYLA is to e-mail: **director@cylazambia.org** or phone: +260764000100 You can call from a public phone or mail from an anonymous e-mail account from a public computer to ensure no one can trace your e-mail or call. You can also reach out to CYLA webpage **http://www.cylazambia.org/**.
2.2 Gifts
No one must give gifts or other benefits on behalf of the CYLA with a view to receiving reciprocal benefits for their own advantage. It must not be possible to cast doubt on the CYLA motives and the recipients’ integrity.

3. Forms of corruption
Corruption can be of both a financial and a non-financial nature. The most common forms are described below.

Bribery is to receive or provide a bribe in exchange for a service, property or action. Bribes are often monetary but can also comprise gifts or sexual favors. Bribery to gain economic or other advantages is a form of corruption. Gifts can be considered as bribery if given to influence the recipient’s behavior to favour the giver.

Bureaucratic corruption involves appointed bureaucrats and public administration staff at the central or local level. It entails corrupt acts among those who implement the rules made by top officials.

Embezzlement is when someone uses funds entrusted to him/her for one purpose, but he/she uses them for other purposes. Embezzlement is a kind of financial fraud. In development projects, embezzlement can be if an organization is reporting the same project costs to several donors or falsifying receipts or invoices.

Grand corruption is when high-ranking politicians embezzle money from publicly financed services.

Kickbacks are when someone receives an illegal commission or reward from a supplier. The person engaging the supplier receives a sum of money taken from part of the payment made to the supplier. The original receipts and invoices are in order, but the supplier has overcharged and shared the additional profit with the buyer. This often happens in the procurement process or when purchasing goods or services.

Nepotism is when a friend, relative or someone close and trusted is hired or favored, despite the presence of other candidates with better qualifications or lower prices or to engage companies run by family members or friends, rather than seeking out the most cost-effective alternative.

Petty corruption is when public officials demand money from the public for services free of charge or more money than the services costs. It is often about small amounts of money but in some cases, aggregated, the sums may be large.

Political corruption is at hand when politicians are taking advantage of their position in order to win financial favors, either personally, for friends and relatives or seeking advantages for the party they represent.
1. Anti-corruption monitoring

1.1 Administration
There is a considerable risk of corruption in the administrative side of operations. Kickbacks, reporting the same costs to several donors, faking receipts, and showing favoritism toward relatives and friends are just a few examples.

To minimize the risk of corruption, it is important that the administrative routines and internal control systems function well. The organization’s normal administrative procedures shall always be followed, with as few exceptions as possible.

1.2 Why does corruption occur?
Corruption can occur when three elements come together in the so called “Fraud Triangle” (Donald R. Cressev)

![Fraud Triangle Diagram]

Any anti-corruption monitoring effort needs to reflect on how these three elements can interact, and how CYLA can minimize the opportunity to commit fraud, to minimize pressure that could lead to corruption and to detect persons who would rationalize dishonest actions in favor of family, wellbeing, results achievements, or other justifications.

1.3 The project cycle
The risk of corruption is present at all levels and in all stages of the project cycle. It is essential to not limit anti-corruption work to those with administrative or economic responsibilities in the project; instead, all project members shall work actively against corruption. To have anti-corruption lenses through-out the project it is important to uptake early in the partnership the risk of corruption. The dialogue on corruption should occur throughout the project and should look at the formal structures for anti-corruption (anti-corruption investigation register, whistleblower forms) and on the routines and treatment of corruption risks in the organization. It is important to assess the capacities of the staff to
deal with corruption and corruption investigation. If needed, specific training on anti-corruption can be procured to develop the capacity of partner staff to deal with corruption.

1.3.1 Project start
Whenever a project is going to start it is important to carry-out an anti-corruption training focusing on the rules that apply when entering a partnership with CYLA.

At this stage of the project cycle a lot of decisions need to be taken. What problem is the project aiming to solve, who should manage the project. Be sure to include the target group and other relevant stakeholders in the decisions. Transparent decision making with several persons involved reduces the risk of corruption. When hiring remunerated staff for the project, be sure to follow the procurement guidelines and watch out for nepotism. Assess the amount of work required by the remunerated staff and if the compensation is reasonable.

1.3.2 Budget checklist
- How large a budget do you/we need?
- Are there clear relations between the budget, the activities, and the objectives of the project? The more detailed your knowledge of the budget is, the less the risk of corruption.
- Are budgeted materials (such as computers and other equipment) necessary to achieve the project’s objective? Can the objective be fulfilled without the purchases?
- Are project management costs reasonable in relation to salaries in your country and the amount of work required by the project?
- Is there an agreement regulating the ownership of the equipment after the end of the project?

1.3.3 The implementation phase
Always follow up activities and their costs continuously during the project. Make sure that all costs belong to the project and that they are recorded in the accounting system.

Documentation (invoices/receipts) supporting the project’s costs must always be available. A well-functioning organization characterised by internal democracy, good administrative capacity and several people with insight to operations reduces the risk of corruption.

Therefore, implement measures to develop the organisation and improve its internal control systems. One suggestion is to introduce anti-corruption training for staff members and other people involved in the project.

1.3.4 Project end
When the project comes to an end, there is a risk that individuals will take the opportunity to profit by taking equipment acquired for the project. Emphasis should be placed on ending the project responsibly and drawing up ownership agreements or agreements regulating what is to be done with profits from sales. A plan for how the equipment is to be used ought to be in place already when planning the purchases.

1.3.5 Audit
Having all projects audited by an external, qualified, and independent auditor minimizes the risk of false receipts. However, it is important to remember that auditors are not specially trained to discover
corruption and that an unqualified audit opinion does not guarantee the absence of corruption (an audit opinion is said to be unqualified when the auditor concludes that the financial statements give a true and fair view of the finances the organisation has presented).

Preventing kickbacks requires that the project organisations have effective internal control systems and complies with procurement rules. To prevent favoritism and to ensure that development cooperation funds are used effectively, be sure to always seek opportunities for competition and to follow procurement rules in all purchases.

1.3.6 Evaluation
The Center for Young Leaders in Africa regularly engages external evaluators to evaluate operations. These external evaluators are independent in their assessments and have no self-interest in delivering positive results. The local project organisation can also carry out self-evaluations. In such cases, remember to conduct the evaluation in a structured manner and remain objective.

2. Options for action
CYLA has the responsibility to investigate any suspicion of corruption. Investigation can be initiated through dialogue with involved partners. Suspicion can arise from one or more of the different warning signals which must be clarified before closing an investigation. When investigations fail to obtain clarifying answers, CYLA can halt future disbursements and, depending on the situation, one of the following measures can be taken:

1. Demand additional reporting
2. Demand a change of auditor
3. Demand a change in the project group members
4. Inform the donor

3. For the Center for Young Leaders in Africa project partners
Always contact CYLA if you suspect corruption. Together, your organisation and the Center for young leaders in Africa can assess whether an investigation is needed and, if so, how it is to be handled. In certain cases, CYLA can apply for additional funds to conduct an external evaluation.