



Preventing Fraud and Corruption in Special Programme projects

Why is this important?

Fraud & corruption constitute criminal offenses under the vast majority of national legal systems.



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In any organisation, fraud, corruption and fraudulent acts are a serious issues that can:

- Waste resources;
- Jeopardize projects;
- Negative consequences for end beneficiaries
- Cause reputational damage.

Why is this important?

What are the costs of Corruption?

<https://www.youtube.com/watch?feature=oembed&v=-RUUpsugP7Q>



Why is this important?

International Anti-Corruption Day - 9 December 2023



<https://www.unodc.org/unodc/en/anticorruptionday/index.html>

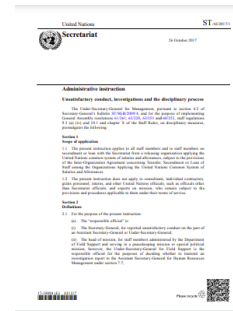


Relevant guidance and concepts

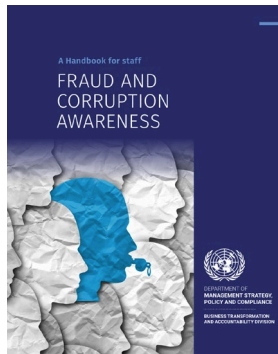
Guidance documents



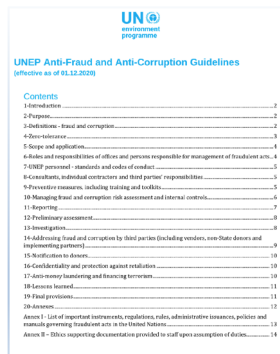
[United Nations Secretariat 2016 Anti-Fraud and Anti-Corruption Framework](#)



[ST/AI/2017/1 Unsatisfactory conduct, investigation and the disciplinary process](#)



[Handbook for staff on fraud and corruption](#) – aimed at UN staff but useful information including examples of potential indicators of fraud



[United Nations Environment Programme 2020 anti-fraud and anti-corruption guidelines](#) – applicable to staff members, other personnel and third parties including implementing partners

Concepts and definitions

Fraudulent acts include both “**fraud**” and “**corruption**”.

Fraud encompasses any **act or omission** whereby an individual or entity **knowingly misrepresents or conceals a material fact** in order **to obtain an undue benefit or advantage** for himself, herself, itself or a third party, **or to cause another to act to his or her detriment**.

Corruption encompasses any **act or omission** that **misuses official authority** or **seeks to influence the misuse of official authority** in order **to obtain an undue benefit** for oneself or a third party.

Examples of Fraudulent acts – Vendors, implementing partners

- **Forging** of documents
- Making **false statements** to obtain a financial or other benefit to which the entity is not entitled
- Offering something of value to **improperly influence a procurement process**
- “**collusion**” or other anti competitive scheme between suppliers during a tender process to obtain undue benefits
- Deliberate **substandard compliance** with contractual terms
- **Diversion or misappropriation of funds**
- Purported delivery of diverted goods
- **Billing twice or multiple times** for the same items or services
- **Falsifying internal records** that are used to support claims
- **Failing to report known overpayments and credit balances by or to the Organization, “extortion” or “coercion**



Principles

- a. **Zero-tolerance approach** to fraud and corruption
- b. Everyone has a **duty to report** any and all possible cases of fraudulent acts. This includes UN staff members and implementing partners
- c. **Process** for reporting possible fraudulent acts, with **investigation**
- d. Obligations of third parties (e.g. vendors and implementing partners) are set out in the relevant contractual agreement
- e. **Recourse** against entities that engage in fraudulent acts is provided for in the relevant contractual agreements
- f. For non-state donors and implementing partners, **due diligence** is undertaken before concluding a legal agreement

ZERO TOLERANCE POLICY



Implementing partners

Implementing partners

Implementing partner :

“an arrangement through which the United Nations has entrusted the implementation of programme activities specified in a formal agreement, along with the assumption of responsibility and accountability for the effective use of the United Nations resources and the delivery of results as set forth in an agreement”.





Implementing partner responsibilities

- Special Programme projects are implemented by implementing partners, usually governments.
- The legal instrument is usually the Project Cooperation Agreement (PCA).



Implementing partners are expected to use resources efficiently and for the intended purpose, and to refrain from, prevent and mitigate all possible fraudulent acts.



Implementing partner responsibilities



Responsibilities of the Implementing partners in the PCA

- a. The Implementing Partner affirms it has the **capacities** to carry out the activities outlined in the Agreement (section on general principles)
- b. The project is to be implemented under the terms of the agreement
- c. The Partner's **personnel** shall meet the highest standards of qualification and technical and professional competence; employment is non-discriminatory; personnel are free from conflicts of interest (Clause V Personnel)
- d. The Partner shall not take instructions regarding the project from any Government or other **authority** external to UNEP
- e. **The Partner shall refrain from any conduct that would adversely reflect on the United Nations which is incompatible with the aims and objectives of the United Nations or the mandate of UNEP**

Implementing partner responsibilities



- f. Information that is considered **confidential** shall not be used without the authorization of UNEP and shall not be used for individual profit (Clause VI Terms of obligations of the partner)
- g. **Any procurement of goods or services with UNEP funds will safeguard the principles of highest quality, economy and efficiency; be based on an assessment of competitive quotations, bids, or proposals unless otherwise agreed to by UNEP**
- h. The Partner shall maintain complete and accurate **records** of equipment, supplies and other property purchased with UNEP funds and shall take periodic physical inventories. (Clause VII Equipment)
- i. The amount of the agreement will be made available to the partner in **instalments**, subject to UNEP's acceptance of progress and expenditure reports; the final instalment of funds will be released after UNEP's acceptance of the final report
- j. UNEP may withhold disbursements or suspend the Project until financial or **reporting** obligations are met



Implementing partner responsibilities



- k. **The partner agrees to use the funds in strict compliance with the Project Document (which is annexed to the agreement) and shall notify UNEP about any expected variations on the Project**
- l. **Unused** supplies or unused funds are to be returned to UNEP upon termination of the agreement or completion of the project
- m. UNEP shall not be liable for the payment of any cost not outlined in the Project Plan or Project budget unless UNEP has agreed in writing prior to the expenditure by the Partner. (Clause IX Financial and operational obligations)
- n. The Partner shall keep records and documents about expenditures incurred with UNEP funds for eight years and maintain proper supporting documentation for each disbursement (Clause X Maintenance of records)
- o. **The partner is required to submit annual progress and financial reports, which must be accepted by UNEP before any further instalment of funds is issued, and must also provide final reports at the end of the project. (Clause XI reporting requirements)**

Implementing partner responsibilities



- p. The partner is required to provide a copy of its **consolidated audited financial statements** in which UNEP funding is clearly identified, issued by an independent and reputable audit authority. UNEP shall have the right, at its own expense, to audit or review such Activity-related books and records as it may require, and have access to the books and record of the Partner, as necessary. (Clause XII Audit requirements)
- q. **UNEP may, following consultation with the partner, suspend or terminate the Project or modify the arrangements for the management of the Project (e.g. by entrusting its management to another institution), should circumstances arise that jeopardize successful completion or the accomplishment of the purposes of the Project. The partner may also terminate the agreement where a condition has arisen that impedes it from successfully fulfilling its responsibilities under the Agreement, after consultation with UNEP (Clause XIV Suspension and termination)**



Risk areas for fraud and corruption

Highest risk areas

The United Nations has identified the most critical fraud and corruption risks that might affect the functioning of the Organization:



Human resources



Procurement



Implementing partners



Cybersecurity

Human resources



Improper or corrupt recruitment processes

- Inadequate procedures for hiring, managing and/or determining fee levels for consultants and individual contractors
- Job applicants not assessed according to the prescribed procedures.
- Conflict of interest between the personnel involved in the recruitment process and the candidate

Falsification or forgery of educational and professional credentials

- Inadequate reference checks of candidates
- Conflicts in dates provided for educational and employment history
- Underqualified job applications to implement project activities. Job performance shows that successful candidate does not have core skills required

Falsification of time and attendance and of leave

- Excessive or questionable overtime reported
- Inaccurately reported absences
- Repeated absences from the offices without approval

Procurement



Collusive agreements = when there is a secret combination, conspiracy or concert of action between two or more persons for fraudulent or deceitful purposes, to gain market advantage. Collusive agreements can take the form of price-fixing, bid-rigging and market division (or allocation) schemes and can be very difficult to detect.

- **Price-fixing:** an agreement among competitors to manipulate prices
- **Bid-rigging:** an agreement among competitors on which firm will submit the winning bid. It is used to effectively increase prices.
- **Market division (or allocation) schemes:** agreements whereby competitors divide specific customers or types of customers, products or territories among themselves.

Procurement



Bribery, kickbacks and conflict of interest

Bribery = offering, giving, receiving or soliciting of anything of value to influence action as an official or in the discharge of legal or public duty. E.g. paying a contracting officer (with money, goods or services) in exchange for being awarded a lucrative contract.

Kickbacks = any money, fee, commission, credit, gift, gratuity, item of value or compensation of any kind that is provided, directly or indirectly, to any prime contractor, subcontractor, or employee of either, to improperly obtain or reward favourable treatment in connection with a prime contractor or in connection with a subcontract relating to a prime contract; the exchange of something of value for preferential treatment.

Conflict of interest = when a staff member's private interests, e.g. outside relationships or financial assets, (appear to) interfere with the interests of the organization, making it difficult for the staff member to fulfil their duties impartially.



Procurement



Non-performance and breach of contractual obligations

Charging for products not used or services not rendered in relation to third parties engaged by implementing partners
Substitution of inferior products or labour



Progress payments fraud

When a partner submits a request for payment with a false project/final report with falsified costs, incorrect information on activities implemented

Formation of a new company to conceal previous violations, debarments or debarred officials

Creating a new corporate entity to conduct business that a bidder's previous violations would have prevented, but the officials, employees and products and/or services sold remain essentially unchanged. In substance, the newly formed company is the same as the original.

Cybersecurity



Social engineering = a non-technical cyberattack that relies on human interaction and involves tricking people into divulging confidential computer credentials or breaking standard security practices;

Phishing = fraudulent emails alleging to be from a reputable source in order to induce individuals to reveal sensitive information;

Malware = malicious software designed to infiltrate or damage a computer system without the owner's consent. Include computer viruses, worms, trojans, spyware and adware;

Ransomware = a type of malware that denies a user access to a system or to data until a sum of money is paid;

Hackers = individuals or groups who break into networks to cause disruption, harm or chaos;

Cybersecurity



Masquerading = where the attacker pretends to be an authorized user of a system in order to either gain access to it or to gain privileges above their authorization;

Man-in-the-middle attack = a form of cyber eavesdropping in which malicious actors insert themselves into a conversation between two parties in a compromised system and intercept, filter or steal data;

Internal attack = where someone, e.g. staff member within an organization exploits a system in a manner that causes damage such as system downtime or steals or misappropriates organizational data for nefarious purposes.



Fraud prevention

How to prevent fraud?



UN including UNEP has the following in place to prevent fraud:

1. Code of conduct that UN personnel are required to adhere to:

UN Charter article 100: In the performance of their duties the Secretary-General and the staff shall not seek or receive instructions from any government or from any other authority external to the Organization. They shall refrain from any action which might reflect on their position as international officials responsible only to the Organization.

2. Protection against retaliation policy: to protect whistle-blowers who report misconduct (including fraud and corruption)

3. Risk Management framework including the financial system

4. Internal control system comprising:

Regulations and rules, policies, manuals, guidelines

Comprehensive staff selection systems/processes

Delegation of authority and segregation of duties

Oversight bodies

How to prevent fraud?



5. **Fraud and Corruption** awareness programme including mandatory training
6. **Due Diligence** procedures
7. Prevention of **conflicts of interest** (disclosure)
8. **Monitoring** and vigilance on use of funds
9. Processes for detecting and **investigation** fraud and corruption
10. Policies defining **consequences** for proven instances of misconduct including fraud
11. **Transparency** through regular reports to governing body on fraud and corruption



Addressing Fraud and Corruption in the UN

Dealing with possible fraud and corruption

- **Who can report fraud and corruption?**
 - ✓ Anyone.
- **To whom should the report be addressed?**
 - ✓ Office of Internal Oversight Services
 - ✓ Executive Director, UNEP
- **What the report should contain?**
 - ✓ Substantially detailed and provide adequate information to be reviewed.
 - ✓ Supporting documents and emails
- **Anonymous reports/Whistle blower reports?**
 - ✓ Office of Internal Oversight Services
- **Who is responsible for investigating reports of fraud and corruption?**
 - ✓ Office of Internal Oversight Services and/or UNEP



How to report fraud and corruption

UN OFFICE OF INTERNAL OVERSIGHT SERVICES (OIOS)



oioshotline@un.org



<https://oios.un.org/report-wrongdoing>



+ 1 212 963 1111 (24 hours)

UNEP Executive Director



Inger Andersen unenvironment-executiveoffice@un.org

What happens next:



1. Preliminary assessment (by UNEP) and/or
2. Investigation by UNEP or OIOS
3. Decision on action to take:
 - a) close the case
 - b) take managerial action
 - c) institute disciplinary action or
 - d) refer to national authorities
4. UNEP reports to UNEA on cases of fraud and corruption

UNEP keeps OIOS informed of status of preliminary assessment or UNEP investigation and decision taken

Consequences



For UN Personnel:

Committing fraud or corruption = **MISCONDUCT**

Resulting in disciplinary measures (including separation, recovery of financial losses, referral of credible allegations of criminal wrongdoing to national authorities)

For third parties (including vendors and implementing partners):

- UNEP reserves the right to seek restitution of funds which were used for fraudulent acts.
- Reputational damage
- Temporary suspension of transfer of funds to the partner
- Likely impact on future engagements with UNEP e.g. fraud under a Special Programme project reduces the chances of further funding from UNEP in future



Sexual Exploitation and Abuse



Principles and framework

THERE IS

- ❑ UNEP has a zero tolerance to Sexual Exploitation and Abuse
- ❑ IASC Principles of the Interagency Steering Committee

Principles

- ❑ The UN does not partner with entities that fail to address SEA
- ❑ Human rights, interest and needs of all victims at the center of UN efforts
- ❑ A victim centered approach guides UN SEA actions
- ❑ Best interest of the child in prevention and response to SEA

Policy Framework

- ❑ [ST/SGB/2003/13 Special measures for the protection from sexual exploitation and abuse](#)
- ❑ [UN Protocol on allegations of sexual exploitation and abuse](#)
- ❑ [UNEP Statement on the protection from sexual exploitation and abuse for implementing partner](#)
- ❑ [UN IP PSEA Assessment](#)
- ❑ UNEP Partnership Policy and Procedures


DEFINING SEXUAL EXPLOITATION AND ABUSE

	Sexual Exploitation (SE)	Sexual Abuse (SA)
Who?	Implementing partner to Beneficiary & the community	Implementing partner to Beneficiary & the community
What?	<ul style="list-style-type: none"> • actual or attempted abuse of vulnerability, differential power, or trust, for sexual purposes. 	<ul style="list-style-type: none"> • actual or threatened physical intrusion of a sexual nature, • whether by force or under unequal or coercive conditions.
Examples?	<ul style="list-style-type: none"> • Offering money, gifts, or a job in exchange for sex • Withholding due services or blackmailing for sex • Hiring prostitutes • Threats of sexual exploitation 	<ul style="list-style-type: none"> • Unwanted kissing, touching, grabbing, or rubbing • Threats of an unwanted sexual act • Raping or attempted rape • Any sexual activity with a child

EXAMPLE

Mr. Deshani works for an international NGO. His agency is an implementing partner of the UNEP. He has been in the country for six months and lives on the same street as Meena, a 14 year-old local girl whom he has become friendly with. Meena's parents discover that Mr. Deshani has been "sexting" their daughter and asking for revealing photos of her in "special poses" that he suggests.

What constitutes Sexual Exploitation and Abuse?

- **Sexual activity with children:**(persons under the age of 18) is prohibited regardless of the age of majority or age of consent locally. Mistaken belief in the age of a child is not a defence.
- **Exchange of money, employment, goods or services, including sexual favours:** This includes any exchange of assistance that is due to beneficiaries of assistance. 
- Sexual relationship **with beneficiaries** that involves improper use of position is prohibited. Sexual exploitation and abuse by implementing partners is a grounds for termination of legal instrument.
- **Sexual relationships between Implementing partners and beneficiaries of assistance:** since they are based on inherently unequal power dynamics, undermine the credibility and integrity of the work of UNEP United Nations and are strongly discouraged
- Implementing partners are obliged to created an maintain an environment which prevents sexual exploitation and abuse.

Obligations of UN entities

- Prior screening before engaging IP/signing legal instrument
- Inform IP of their obligations, receive written undertaking from IP and share with IP copy of the SEA policy documents
- Consider IP's capacity to prevent and respond to IP when designing work programmes for program activities
- Request documentation on regular SEA training by IPs
- Review changes in the IP's capacity to manage SEA risks and adjust capacity building and monitoring activities
- Investigate SEA allegations involving IPs

Obligation of IPs

- Report all SEA allegations to UN entity
- Offer capacity training to their personnel on SEA.
- Develop policies to respond and address sexual exploitation and abuse

Reporting SEA

- Obligation to report
- Anyone can report SEA
- All allegations reported to OIOS through the [hotline](#)

Obligations, reporting, training

Steps to take when IP is involved in SEA allegations

- UN to withhold further cash supply to IP
- Share information on allegation with OIOS
- Referral of victim to safe and confidential victim assistance with consent- medical, legal etc
- Take action!- termination of IP personnel contract per procedure, referral for criminal accountability

SEA Trainings for IPs

- [IASC Learning package](#) (Eng, Fr, Sp, Arabic, Rus, Port, Polish, Ukraine)
- [Prevention of SEA UNICEF](#) (Eng, Fr, Sp, Rus, Arabic, Chinese)
- [Free Guide to Responding to Sexual Violence in the Aid Workplace](#), (Eng) access by smartphones, Disaster Ready.
- [Free Guide to Caring for Sexual Assault Survivors](#), [English] access by smartphones, Disaster Ready
- [Course materials for PSEA](#)



Case study- Fraud and Corruption

Case study on implementing partners



OIOS investigation:

Implementing partner = local NGO

Amount of agreement = \$804,575

Amount disbursed to NGO = \$428,038

OIOS conclusion:

The NGO had fabricated fraudulent invoices, receipts and other records totaling \$390,467.

Consequences:

The UN entity suspended the NGO which did not receive any further funding
The matter was referred to the jurisdiction in which the NGO operated and maintained financial assets.

Case study on implementing partners



OIOS investigation:

Implementing partner = international NGO

Amount of agreement = \$3,6 million

Amount disbursed to NGO = \$3,1 million

OIOS conclusion:

An employee of the NGO had received \$110,000 in kickbacks from a pharmaceutical supplier, was responsible for arranging and falsely accounting for the undersupply of commodities and was engaged in procurement fraud.

Consequences:

The UN entity engaged with the NGO to recover the amounts lost. The matter was referred to a number of jurisdictions in which the NGO operated and/or maintained financial assets and the NGO cooperated with the authorities of a jurisdiction in which proceedings were initiated against it.



Questions



THANK YOU!



REFERENCE SLIDES

Human resources: fraud indicators



1. Improper or corrupt recruitment processes eg:

- Inadequate procedures for hiring, managing and/or determining fee levels for consultants and individual contractors
- Conflict of interest between the personnel involved in the recruitment process and the candidate
- Third-party individuals pretending to be the candidate in tests or interviews
- Job applicants not assessed according to the prescribed procedures
- Inappropriate composition of assessment panels
- Candidates providing model answers on written tests
- Candidates performing highly in written tests but not demonstrating similar skills in interviews
- Missing electronic and hard-copy records pertaining to the recruitment process



Human resources: fraud indicators



2. Falsification or forgery of educational and professional credentials

- Inadequate reference checks of candidates
- Knowledge or skills in interviews not consistent with those presented in job applications
- Advanced qualifications or work experience listed without any evidence of basic prerequisite qualifications or experience
- Conflicts in dates provided for educational and employment history
- Delays in candidate providing copies of qualifications, or low-quality copies provided
- Job performance shows that successful candidate does not have core skills required





3. Falsification of time and attendance and of leave

- Excessive or questionable overtime reported
- Inaccurately reported absences
- Repeated absences from the offices without approval
- Persistent late delivery of work
- Difficulties contacting remote workers during working hours
- No medical certificate or fraudulent medical certificate provided for certified sick leave
- Suspicious medical certificates to justify sick leave, e.g. missing signatures, identical signatures across multiple providers, inconsistent or unusual diagnosed medical condition, no contact details for provider and/or inconsistent dates
- Medical certificates issued by a physician who has family ties with the staff member
- Combining and applying for different kinds of leave (sick leave and annual leave) to justify long absences
- Information (obtained e.g. from social media or witnesses) that personnel on sick leave have been engaging in leisure or outside activities



Procurement: fraud indicators



- Prices of multiple bidders are identical or suddenly become identical and remain so for long periods of time
- Price increases do not appear to be supported by increased costs
- Discounts are eliminated, especially in a market where discounts were historically given
- The proposals or bid forms submitted by different bidders contain the same irregularities, such as identical calculations or spelling errors, or similar handwriting, similar stationery
- Bid or price documents contain white-outs or other physical alterations indicating last-minute price changes
- A company submits a bid when it is incapable of successfully performing the contract (likely a complementary bid)
- The same group of vendors submits bids on multiple contracts, and each vendor seems to take a turn as the successful bidder
- Some bids are much higher than published price lists, previous bids by the same firms, or cost estimates



Procurement: fraud indicators



- A company appears to be bidding substantially higher on some bids than on other bids, with no apparent cost differences to account for the disparity
- Bid prices drop whenever a new or infrequent bidder submits a bid
- A successful bidder subcontracts work to competitors that submitted unsuccessful bids for the same project
- A company withdraws its successful bid and subsequently is subcontracted by the new winning contractor
- Schedules are split between bidders (e.g. one bidder is lowest for schedule 1, the other for schedule 2, or one bidder submitted a quote for schedule 1 only, and the other bidder for schedule 2 only, etc.)
- Bank guarantees submitted by different bidders are issued by the same bank and have almost- identical reference numbers (e.g. A-123 and A-124)
- Details regarding the ownership and management of several bidders show that they have the same key personnel, such as directors, partners, etc



Procurement: fraud indicators



- A company brings multiple bids to a bid opening and submits its bid only after determining (or trying to determine) who else is bidding
- A bidder or supplier makes a reference to industry-wide or association price schedules
- A bidder or supplier makes any statement indicating advance (non-public) knowledge of competitors' pricing
- A bidder or supplier makes statements to the effect that a particular customer or contract “belongs” to a certain vendor
- A bidder or supplier makes any statement indicating that vendors have discussed or reached an understanding about prices among themselves
- Overly friendly relationship between staff responsible for the procurement process and potential suppliers
- Staff socializing with suppliers and contractors outside of the work environment
- Staff members living beyond their means (e.g. elaborate vacations and expensive vehicles)



Procurement: fraud indicators



- Specifications designed to favour a bidder for proprietary goods
- Employment of family members by suppliers and contractors
- Unexplained increases in business with one supplier/contractor or subcontractor
- Many change orders
- Indications of unreported poor performance on the part of the contractor
- Tailoring statements of work and specifications to fit the products or capabilities of a single supplier/contractor
- United Nations personnel or their families acquiring stocks or a financial interest related to the business of a supplier, contractor or subcontractor
- United Nations personnel discussing possible employment opportunities, for themselves or a family member, with a contractor or subcontractor
- Disqualifying the bids or proposals of qualified contractors without adequate or sound reasons
- Costs greatly exceed estimates
- Duplicate billing for the same products or services
- Goods purchased in excess of needs
- Delivery location is not the office or job site
- Requisitioning office cannot explain why a certain amount of materials was required for the job



Procurement: fraud indicators



- Time-cards are not signed by the contractor employee responsible for doing so
- Contractor's employees bill for more hours than typically worked in a workday
- Country of origin not shown or removed
- Supplier and/or contractor attempts to limit or avoid inspection of goods or services
- Supplier refuses to provide documentation regarding the manufacture, shipment or production of goods
- Supplier attempts to select samples for testing and is resistant to random selection by the receipt and inspection team
- Documentation is incomplete or lacks approval signatures
- Discrepancy between the product's description and actual appearance
- Machines with identification or specification plates removed
- Resubmission of previously rejected goods
- Irregularities in signatures, dates or quantities on delivery documents
- Client complaints related to products or services purchased



Property: fraud indicators



Assets under construction

- Inability to account for equipment furnished by the contracting party when works are finished, and the contract is terminated
- Construction work receipts are certified without inspection
- Use of inferior materials or falsification of test results to accept inferior and/or counterfeit materials
- Multiple change orders (a common indicator that the work was underbid with the intention of subsequently submitting elaborate change orders to up the price)
- Unjustified scope creep (indicating deliberate attempt to increase costs)
- Intentional delay in the project (indicating an intent to increase costs)
- Falsification of project progress reports to cover up delays
- Unjustified change orders based on an overestimate of requirements, or change orders for products or services that were already included in the base contract



Property: fraud indicators



Assets under construction

- Untimely and inappropriate closeout of contracts
- Costs charged for a job with no evidence that the job was performed
- Frequent adjusting of journal entries with such descriptions as “charged wrong work order” or “wrong contract number”
- Close relationship with contractors
- Use of official vehicles for non-official purposes or by unauthorized persons
- Unexplained loss of stock (expendable and non-expendable)
- Irreconcilable differences in inventories
- Inventory records are incomplete, inaccurate or out-of-date
- Stock counts are not documented, and discrepancies are not reconciled
- Spikes in defective and/or damaged goods
- Overstocking and unnecessary purchase of lucrative items and consumables, such as laptops



Implementing partners: fraud indicators



- Substandard compliance with contractual terms and/or failure to meet terms
- Supporting documents for expenditures are missing or unavailable for review
- Complaints from beneficiaries about lack of deliveries by the implementing partner
- Failure to report overpayments and credit balances
- Falsified or fabricated supporting documents for expenditures
- Forged documents or signatures
- Multiple bills for the same items or services
- Frequent substandard compliance with contractual terms
- False claims, invoices and/or statements on the implementation of programme activities or of any other nature
- Unreasonable or unexplained delays in providing agreed-to or access
- Lengthy unexplained delays in producing requested documentation



Cybersecurity: fraud indicators



- Frequent data errors or signs of compromised data
- Frequent emails from unknown senders with attachments or containing messages that instill a sense of urgency or outright fear, with the intention to solicit an immediate response
- Mysterious email content
- Unusual password activity
- Suspicious registry or system file changes
- Anomalies in the privileged user account activities
- Increased attacks specifically targeting remote workers

