

Agency for Agricultural Development

Project of a Solidarity and Integrated Agriculture in Morocco (ASIMA)

Manual of procedures for investigations and sanctions
in the framework of the fight against corruption and fraud

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ABREVIATIONS LIST

- ADA : AGENCY FOR AGRICULTURAL DEVELOPMENT
- IAMC : INTERNAL AUDIT AND MANAGEMENT CONTROL (SERVICE)
- WB : WORLD BANK
- CPI : Companies and public institutions
- OE : Organizational Entity
- CACP : Central Authority for Corruption Prevention
- RBG : Good Governance Rules
- HR : Human Resources

INTRODUCTION

The Agency of Agricultural Development (ADA) considers corruption, fraud and other misconducts as particularly harmful to the achievement of its missions. Thus, the ADA has established this present Manual of Policies and Procedures for the Prevention and the Fight against CORRUPTION AND FRAUD (MPPCF) to:

- Prevent, detect and correct irregularities and practices related to fraud and corruption;
- Formalize the processes to fight all illegal activity that can harm the financial interest and reputation of the ADA.
- Define under what conditions and how corruption and fraud can occur in the operations of the Agency,
- Develop the terms of prevention;
Establish effective and proportional anti-fraud measures taking into account the risks identified
- Define the outline of how ADA staff and various external participants should behave and respond to acts of corruption and fraud related to the Agency's activities.

Indeed, to fight corruption and fraud, the ADA adopted a whistleblower protection policy and implemented preventive measures such as risk assessments (risk mapping) and the Staff status in order to make the internal staff aware and discourage the misconducts.

The Agency has also established a procedure to popularize the different measures of prevention for the internal staff and the external participants. Also, an email address was made available to different participants to report any illegal act; in the same framework, an online platform was created to share all relevant information or undertake joint actions to investors and agricultural partners.

Thus, this manual aims to create a management system and a strong and efficient control of ADA activities to ensure transparency, fairness and non-discrimination; he enrolled in effect in the spirit of the Code of Good Governance of the CPI that aims to create an ecosystem of trust and transparency between the different parties, investors and partners in the agricultural sector.

For this purpose, it is an institutional tool in the fight against fraud and corruption; it includes operational guidelines that describe the investigation and sanction process and an essential guarantee reflecting the ADA level of commitment in this area.

These procedures apply to the process to make a complaint of alleged misconduct committed in the context of the Agency's activities, and in all cases where it is necessary to make a decision in a case concerning a denunciation of misconduct committed by any participant or beneficiary of the Agency's activities.

Finally we point out that this manual has been developed by considering regulatory tools:

- The United Nations Convention against Corruption (United Nations Convention Against Corruption, UNCA);
The Manual of ethics and compliance against corruption developed by the OECD, the World Bank and UNODC;
The Moroccan Penal Code ;
- The Code of Good Governance of the CPI in Morocco;
- The Charter of the Governance Committee and Audit ADA;
- The Code of Ethics of the ADA;
- Plan to improve governance of the ADA;
- The Status of the ADA staff;

Definitions

The terms defined in this document and used in these procedures have the meanings set out below unless the context requires otherwise.

- "Funding Agreement" means an agreement by which the ADA is committed to provide financing for projects, programs (grants, etc.).
- "Illegal act" means any act constituting a violation of the law and punishable by applicable regulations;
- "Investigation Notice" means the information notification of the start of the investigation process and control issued by the organizational unit responsible for conducting investigations for fraud or corruption;
- "Sanction notice" means the sanction issued by the organizational unit responsible for the sanction on fraud or corruption;
- "Corruption" means any act of offering, giving, receiving or soliciting, directly or indirectly, anything of value (monetary or in kind) to influence improperly the actions of another party;
- "Informer" means any internal staff ADA or its representative or any third party notifies or is about to notify, an anonymously or openly, bribery or fraud intervened directly or indirectly in transaction of the Agency;
- "Fraud" means any act or omission, including a misrepresentation, which misleads or attempts to mislead a party to obtain, directly or indirectly, a financial or other benefit or evade an obligation; it is an intentional act by one or more members of management (general management, other directions), by a person or persons with governance of the institution, by one or more employees or parties outside the entity involving fraudulent tactics in order to gain an unfair or illegal advantage.
- "Defendant" means a natural person or an individual or collective entity, public or private, that has committed an act punishable and which was cited in the results obtained in investigations on misconduct or notice of sanctions procedures.
- "Staff Regulations" means the Statute Governing the ADA staff.

Presentation of the ADA

The ADA is a public institution with legal personality and financial autonomy and placed under the Ministry of Agriculture (cf. Royal Decree No 16-9-1 of 22 Safar 1430 (18 February 2009) enacting law No. 42-08 establishing the Agency for agricultural development).

The ADA's mission is to participate in the implementation of the strategy adopted by the government in agricultural development.

The ADA is especially responsible for proposing to the government authorities the action plans in support of agricultural sectors with high added value with a view to improving productivity through:

- Research and mobilization of land for the expansion of agricultural areas and the development of high-value crops;
- The incentive to the development of agricultural products through the introduction of new irrigation systems, farm equipment, packaging and marketing;
- The promotion of agricultural investment and implementing partnerships with investors;
- The development and promotion of local products
- Ensuring monitoring and evaluation of actions related to its mission.

The Agency is also responsible for proposing to the government authorities action plans to support agriculture solidarity through the promotion and implementation of economically viable projects to improve the income of small farmers and farmers.

ADA governance bodies are presented as follows:

- A Board of Directors responsible for the strategic management and monitoring the achievement of the ADA missions;
- A Governance and Audit Committee in charge of the implementation of all actions and resolutions dealing with Good Governance Practices as well as auditing activities;
- A CEO in charge of managing the Agency's activities;
- A Steering Committee, chaired by the DG in charge of the operational monitoring of the Agency's activities.

Objectives and applications fields of the manual

The objective of this manual is to communicate the existence of a risk management strategy of fraud and corruption within the ADA and to inform the Agency's staff and the various external stakeholders and partners for their specific responsibilities in the prevention, investigation and punishment of wrongdoing behaviors related to fraud or corruption.

The manual also aims to guide and assist the ADA staff to develop strategies and controls before and after the detection of fraud, corruption or abuse of which a third party is a victim; Indeed, this manual aims to:

- Develop an effective body for the investigation, detection and punishment of fraud and corruption;
- Inform and educate staff and various external stakeholders of the nature and scope of potential cases of fraud and corruption;
- Formalize processes and measures to be taken when such situations arise;
- Communicate on methods and risk identification tools to enable leaders to focus their efforts in high-risk areas and serious consequences in the fight against fraud and corruption;
- Identify and systematically investigate and punish potential cases of fraud and corruption within the ADA;
Define the organizational bodies and bodies responsible for the implementation of the various investigative process, investigation and sanction.

This manual of fraud prevention is published with the permission of governance bodies and management of the ADA.

It is an essential measure to communicate the existence of a strategy for fraud prevention within the ADA and is a tool to support the existence of good governance of public funds and own funding received from donors of national and international funds.

Thus, the support of ADA staff and various stakeholders and external partners (government, investors, financial partners ...) is required to implement the content of this manual and ensure resilience of the ADA against any abnormal act of management or abuse of power (fraud and / or corruption) liable to damage the image and reputation of the Agency.

Implementation date:

This manual is applicable to different transactions, managed directly or indirectly by the ADA as of the date of approval by the General Director of the ADA.

I- BACKGROUND

A. Characteristic of fraud

The term "fraud" is difficult to define as it covers a multiple notions and misconceptions. The distinguishing feature between fraud and mistake lies in the intentional or unintentional character of the act which is the source. Indeed, although the fraud reports to a broad legal concept, it is the result of both:

- The disclosure or communication of false financial information (or non-financial);
- Assets misappropriation ;
- Failure to comply with regulatory, legislative and statutory rules;
- Insider trading;
- The breach of trust;
- The fake and forgery, fraud, etc

In a more explicit way, fraud is characterized by the following main elements:

- Fraud is executed with intent;
- Fraud is motivated by dissimulation;
- Fraud is characterized by a procedure;
- The benefit fraud is made or acquired;
- Fraud is eventually removed or hidden to not leave traces, including financial ones.

B. Characteristics of corruption

Corruption is "the act whereby a person agrees, for remuneration, to accomplish (or promise to perform) an act of his office." This is therefore an act of favoritism and illegal action. It may represent an abuse of public or private power to satisfy particular interests.

Thus, corruption is characterized by the fact to offer, solicit, accept, transfer to a solicitation, award or receive essentially pecuniary advantage; may be cited as characteristics:

- The non-legitimate search for personal advantage or;
- The non-legitimate acquisition of a thing;
- The damage to moral integrity, etc.

Regarding the fact to, merely address a proposal likely corrupting is enough to describe the abstraction of corruption act made whether the proposal was approved or not by the agent who is the recipient and without taking into consideration that the briber will retract or withdraw its corrupting proposal. With regard to accepting a request, it must also be considered as corrupting.

Therefore, is described as corrupt, any request which the formulation is accompanied by, the expectation of a return, in the form of obtaining an undue advantage.

C. Responsibility for preventing and detecting fraud and corruption

The prevention and detection of fraud is the primary responsibility of those charged of governance, management and general management within the entity.

It is important that senior management, under the supervision of those charged of governance of the institution, put a strong emphasis on fraud prevention, which may reduce opportunities to commit them, and have a dissuasive effect. This can convince people to not repeat these acts because of the likelihood of detection and penalties incurred. This implies the need to develop a culture of honesty and ethical behavior which can be reinforced by an active oversight by those charged with governance.

In exercising their oversight function, they take into account the possibility that controls will be overridden or that an adverse influence is exerted on the development process of the financial information, as the willingness of management to manage earnings in order to influence the perception of others as to the particular financial performance of the entity, the destination and the nature of use of equity or received funds (grants or other).

D. Obligations of management and staff in the prevention and detection of fraud and corruption

The establishment of an effective framework to fight against fraud and corruption must be based on support and strong commitment, explicit and visible as well as management from all internal staff.

Indeed, the promotion of such a framework must come from the top of the entity. Thus, the management of any institution must clearly show a zero tolerance towards fraud and / or corruption. This exemplary level should be supported by policies and procedures that will put these commitments into practice. Such a commitment plays a key role in the establishment of a culture based on core values such as integrity, transparency and accountability.

Thus, management should give the example, ensuring that zero tolerance towards corruption and detailed policies and related procedures are understood by all employees and partners (investors, institutional, private partners ...).

As for internal personnel, interventions must consist of comprehensive initiatives implemented at each branch, division or service carrying an approach that considers fraud or corruption as unlawful acts that blacken the rules of ethics and ethics of their establishment. Staff should therefore be involved in any disclosure or suspicion of fraud or corruption; it also has an obligation to "lead by example" regardless of their level.

II- Investigation Procedures and prevention

A. General Principles

The ADA encourages integrity and prevention to promote a proactive and responsible role in deterring corruption, fraud and other harmful practice in the operations and activities of the Agency.

Regarding investigations, the ADA requires that they be comprehensive, professional and respectful of all parties concerned. They must be conducted in accordance with the policies, rules, regulations, privileges and immunities applicable to the Agency in accordance with laws and regulations.

The set of procedures to implement prevention and investigation of fraud must be implemented in accordance with this manual.

A.1. Nature and characters of the investigations

All investigations conducted by the organizational unit designated for this purpose in this manual (see paragraph C below) are administrative in nature. Given the administrative nature of the investigations, a staff member who is the subject of the investigation has the right to be accompanied or represented during interviews by another official or a member of staff representation in his defense in accordance with the Status of the Agency staff (Title IX and X).

For the purposes of an investigation, the standard of proof to be used to determine whether a complaint is motivated and defined by information that, taken together, show that the act is more likely; this means that during an investigation, all the resources and tools must be mobilized and examined; to that end, investigation findings must be supported by relevant evidence.

A.2. reprehensible acts and practices

The misconduct (fraud or fraudulent acts, corruption, abuse of power, coercive maneuvers, etc.) under the ADA operations and activities have been defined in this manual.

These definitions apply both to management (general management) as well as other branches of the Agency, internal staff and the various public and private partners of the Agency (institutional investors, companies, donors,) for all financing operations, project and program management, procurement as well as grants & gifts given or received.

As such, the ADA will mobilize all means necessary to contribute to the fulfillment of its tasks in a credible and transparent framework advocating the detection of any act of

corruption, fraud or other harmful practices that could be defined or treated as facts or misconduct.

A.3. Information Protection

The organizational entity responsible for conducting investigations (as defined and described below) can determine whether tools, documents, files and folders can be shared with other parties to the investigations or other support when deemed necessary to fulfill its missions.

All documents and information (including records, if any) are kept secure and confidential by the organizational entity responsible for investigations for a minimum of five (5) years. Retention of information collected and complete records must be made in a safe place

The members of the organizational unit responsible for the conduct of investigations shall take appropriate measures to prevent the unauthorized disclosure of information collected during the investigation.

The members of the organizational unit responsible for conducting investigations also take all appropriate measures to prevent the unauthorized disclosure of investigative information.

A.4. Obligations responsibilities of the staff

Staff or employee ADA is required to report any explicit act of fraud, corruption, fraudulent acts, abuse of power or any reprehensible named above immediately after becoming aware.

The information obligation or reprehensible acts and practices report can be made directly with the organizational entity in charge of investigations, with the supervisor; it can be made orally, in writing or via the website of the ADA in the section provided for this purpose.

Also, the staff or employee ADA is required to report any suspected violations of integrity to the organizational unit in charge of investigations. No approval or authorizations are required for staff to report an integrity violation or suspected misconduct.

A qualified staff member of "whistleblower" according to the rules, policies and procedures of the ADA is safe from reprisals of the agency and the persons involved in wrongdoing denounced or denounce.

The obligation of information does not confer any right to the organizational unit in charge of investigations, to impose to witness the informer; Moreover, it is the

responsibility of the organizational unit in charge of investigations to keep and preserve the anonymity of the revelation made by the informer.

The obligation of information does not engage at any case the responsibility of the whistleblower. It is protected under the laws, regulations and ethical rules. Any reprisal or attack of the informer will be considered as a unilateral act of misconduct which is not in accordance with the Staff Regulations and code of good governance of the Agency and that would be subject to sanctions by the Disciplinary Board.

Furthermore, depending on the severity of or impropriety, the ADA (the director, the entity in charge of investigations or the entity in charge of sanctions or any other person designated for this purpose by the competent bodies) can ask the staff to denounce acts of fraud, corruption, and other forms of misconduct and give evidence, if necessary. To this end, the Agency staff shall cooperate in an investigation and answer questions and to satisfy requests for information; these testimonies can indeed be made anonymously to the needs of the investigation and will be broadcast as members appointed for this purpose by the management of the ADA.

A.5. Protection of whistleblowers and the persons

The organizational entity in charge of investigations shall take reasonable steps to protect the confidentiality of any non-public information related to any investigation, including the identity of parties who are the subjects of the investigation and the parties providing testimony or evidence. The rules for external communication including those whose information is kept and made available to the parties, including national competent authorities shall be governed by the rules, policies and procedures of the ADA.

Depending on the severity of or impropriety, the organizational entity in charge of investigations may disclose certain evidence about an investigation in a manner that takes into account the need to protect informants and witnesses in accordance to the legal and regulatory provisions and the requirements of this manual.

A staff member who is considered a "whistleblower" under the provisions of this manual may not be subject to retaliation by the ADA (its management or internal staff). Any reprisal or attack of the informer will be considered a unilateral act of misconduct not in accordance with the Staff Regulations, the Code of Ethics and the plan to improve the governance of the Agency would be subject to sanctions by the council discipline.

A.6. Management of conflicts of interests

The organizational entity in charge of investigations shall inform the Director General of the ADA, in a timely manner, any real or potential conflict of interest known to him during an investigation in which they participate. The Director General is taking to this effect the appropriate steps to remedy the conflict.

When the conflict concerns the Director General himself, the organizational entity in charge of investigations shall inform the Chairman of the Board (CB). The latter takes the necessary measures to remedy this situation in consultation with the members of the Board in accordance with the rules.

The disclosure rules of the CEO or CB are defined by organizational entity in charge of investigations; However, the information period may not exceed 15 days.

A.7. Fault and responsibility of staff

A fault is the failure by a member of the ADA staff to observe the rules of conduct or standards of conduct prescribed by the Agency. Situations of misconduct or misbehavior include, without limitation, to all reprehensible acts and practices cited above. The fault or responsibility of the staff may also be imposed in case of non-denunciation of a fact or of impropriety after becoming aware.

A.8. Right to defense

As part of the investigation process, a natural or legal person being investigated has the opportunity to explain his conduct and present information in his favor. It also has the right to be represented by a member it designates the Agency staff; this member may belong to no staff representation.

However, the acceptance decision by the member for the person being investigated is pronounced by the organizational entity in charge of investigations; in case of disagreement, the decision is made by the DG. Moreover, the timing of "representation" could be set by the organizational entity in charge of investigations based on the severity of or impropriety according to laws and regulations.

During the investigation process, any natural or legal person being investigated may also rely on a lawyer's service to be represented or to assist in all stages of the process. The lawyer is appointed by the person subject to the investigation at his own expense, whatever the results of the investigation. The right of appeal to a lawyer does not follow any delay rule.

However, in both cases (representation by an internal member or lawyer), the survey object person must inform in writing the organizational entity in charge of investigations.

B. Due diligence required in the investigation and prevention

B.1. Critical mind

The organizational entity in charge of investigations must use critical thinking throughout the process of conducting the investigation, being aware of the possibility that a fact or impropriety may exist, disregarding passed experience, the honesty and integrity of the

internal staff, management and those charged of governance of the Agency.

Unless the members of the organizational unit in charge of investigations have reason to doubt they can accept as authentic the collected information and documents.

However, if the items identified during the investigation lead to the conclusion that a document or information may not be authentic or that terms in a document have been modified without that they have been mentioned, members of the organizational entity in charge of investigations must conduct further investigations. When the responses from persons under investigation are inconsistent, the members of the organizational unit in charge of investigations must conduct investigations on these inconsistencies.

B.2. Diligences of integrity

The ADA recognizes the need to promote, in accordance with laws and regulations, operational ethics, loyalty and honesty and good governance in the decision-making related to all operations and activities of the 'Agency.

Consequently, the ADA recommends that the relationship with the interlocutors and partners is held in good faith, in a constructive, respectful and in ensuring the compliance expectations.

Thus, the organizational entity in charge of the fight against corruption and fraud must be guided under the exercise of its functions by the following general principles of integrity including issues related to decision making:

- A rigorous examination of the indicted parties or subject to investigation;
- Consideration of serious offenses committed by the same person or persons; they must be formalized in a "high-risk list" and distributed to governing bodies;
- Identification of risk reduction factors and implementation of provisions taking into account the risks related to integrity;
- Ongoing monitoring of risks to integrity in the context of the management of different ADA projects and programs.

Finally, members of the organizational unit in charge of the fight against corruption and fraud must be free of any external link personal, professional or financial that may be construed as constituting an obstacle to their integrity or objectivity.

B.3. Diligences on independence

The members of the organizational unit in charge of the fight against corruption and fraud are obliged, immediately upon its occurrence of any event or situation that could place them in a situation of conflict of interest or affect their independence.

The members listed above should attach to their duties of general interest which is expressed not only in the integrity, objectivity, impartiality and objectivity but also in fact to avoid any conflict of interest. This could lead to a third question as obtaining a financial gain following the confidential information the persons have access to as part of the exercise of their functions etc.

B.4. Diligences on impartiality

Member of the organizational unit in charge of the fight against corruption and fraud to ensure all the long their mission to maintain an impartial attitude, characterized by the absence of prejudice, and impartiality.

B.5. Diligences of fairness and professional behavior

The organizational entity in charge of the fight against corruption and fraud perform their duties with fairness, competence, professionalism and independence of mind. As such, members of the OE shall refrain in all circumstances of acts contrary to probity, honor and dignity.

They must therefore focus on:

- Give to each examined question the necessary care and time it requires in order to acquire sufficient certainty before making any proposal or taking any decision;
- Giving their opinion regardless of the wishes of the person or company that consults and decide honestly, objectively, providing, if necessary, the required reserves on the value of the assumptions and conclusions reached;
- To never place themselves in a situation that could minor their impartiality or get obstacles to accomplish their duties.

C. Entity or organizational unit responsible for the investigation and prevention

C.1. Missions & awards

The organizational entity in charge of fraud investigations and corruption is the first point of contact for integrity violations related to activities of the ADA; she is responsible for investigations in the fight against corruption and fraud.

Thus, the object of the organizational unit in charge of investigations in the ADA is to examine and determine the veracity of:

- Allegations of corruption or misconduct (fraud, etc.) as defined in this manual, particularly with respect, without however limiting, projects funded by the ADA;
- Allegations of misconduct by members of the OE staff.

Its primary mission to conduct independent investigations into allegations of corruption, fraud and other improprieties committed in the context of the ADA activities. As such, the OE also develops preventive measures to reduce, in advance, the potential risks of corruption, fraud, misconduct and other reprehensible practices under all ADA activities.

It adopts a reactive approach in dealing with allegations of corruption and fraud whereas it uses proactive actions in preventing similar acts.

The organizational unit responsible for investigating fraud and corruption receives allegations of misconduct and conducts investigations. She then submits its report to the CEO of the ADA and may make appropriate recommendations for sanctions or be consulted on penalties.

In detail, the OE in charge of the investigation and prevention against fraud and corruption is responsible for:

- Conducting unhindered investigations into allegations of fraud, corruption and misconduct within the ADA. These inquiries relate to the Agency's activities (investment projects, funded projects, ...) and the acts of misconduct committed by the ADA and staff who are relevant to its activities, use of budget and resources, etc.
- Ensuring compliance with policies, procedures and guidelines relating to the integrity and ethics of the ADA (code of good governance, code of ethics, ...);
- Overseeing and implement procedures and mechanisms to ensure the confidentiality of the hotline complaint, protect whistleblowers and anonymous reporting of corruption and fraud within the ADA
- Receiving and preset allegations and accusations of fraud, corruption and irregularities or suspicions of such acts within the ADA;
- Using monitoring means deemed necessary and reasonable for further investigations; have unrestricted access to all person's subject to an inquiry, records, documents, property records, the ADA systems;
- Monitoring the implementation of survey recommendations;

- Reporting regularly to DG on allegations received and screened, and the progress of investigations and the implementation of related recommendations;
- Evaluating the risks of fraud and corruption in order to establish whether to introduce control mechanisms or strengthen in order to reduce vulnerability and to design tests to help detect cases of fraud, corruption or irregularities;
- Improving the prevention and detection of wrongdoing. Survey results are discussed with the relevant operational departments to promote dialogue on improving operational processes and to help prevent future wrongdoing;
- Conducting awareness and information campaigns on fraud and corruption internally and with external partners and promote integrity in ADA activities.

C.2. Power related to access to information

For purposes of the survey, the organizational entity responsible for conducting investigations of fraud or corruption has full and unrestricted access to all information and to all records, personnel, and relevant properties of the ADA according to the rules, policies and procedures of the Agency.

To the extent that the rules, policies and procedures, and relevant contracts of the organization permit, the investigation OE is authorized to examine and copy all the books, appropriate registers of different project, partners, investors and all the participants in the activities of the ADA.

The OE in charge of the investigations can consult and collaborate with other organizations, national or international institutions and other interested parties to exchange about the ideas and the practical experiences, in order to discuss about the best manner to treat these cases of mutual interest.

The OE can also give some assistance and share some information with other national entities (related to the MAPM or others). Indeed, the OE requires from these organizations, to use these information only for the aims for which they were communicated in order to protect the confidentiality of these information.

Even though, the share of information is subject to the acceptance of the ADA's management.

C.3. Composition & Members

The organizational entity in charge of the investigation and prevention of fraud and corruption within the ADA is attached to the service of the Internal Audit and Management Control.

It is headed by the Head of Internal Audit and Management Control; it is solely responsible for the planning, conduct inquiries and investigations. The members of this entity are designated among the internal audit service and management control personnel.

C.5. Rules in communication with internal regulators

The OE in charge of inquiries and investigations shall document the findings of its investigations and its conclusions. The survey results are based on facts and related analysis, which may include reasonable inferences.

The OE record the results and conclusions of each folder. It also makes recommendations regarding decisions & sanctions to be taken depending on the case and reprehensible.

The survey results are reported directly to the CEO that depending on the severity of the situation is seeking the intervention of the sanctions service.

C.6. Rules in communication externally

The OE in charge of inquiries and investigations communicate the results of its investigations only to the DG of ADA.

The latter is solely responsible for external communication, indicators and results of investigations (including sanctions for this purpose), corporate bodies, guardianship and the various external partners.

The ADA publishes in its annual report, the activities of the OE and performance indicators related to the performance of duties. Quality assessment is also made in terms of respect and preservation of ethics and integrity.

The fight against fraud and corruption, according to the internal policies related to information dissemination.

C.7. Rules concerning the sanctions related to irresponsible behaviors of the members of the EO

To ensure the respect of rules of conduct in terms of independence, impartiality, ethics and integrity of OE members, appropriate procedures will be applied to investigate allegations of misconduct share of any member of the OE staff.

Thus, the allegations of misconduct by members of the OE must imperatively be reported to the CEO of the ADA. The allegations will be examined by investigators from the OE to be appointed by the Director General.

D. Description of the process of the investigation and prevention procedure

D.1. Receiving a complaint

Any complaint of a fact or of impropriety is entered in the standard form (see Annex) used for this purpose. A "register forms" numbered and initialed will be provided for this purpose.

The complaint form is recovered from the order desk. The latter is required to accept, collect, record, to acknowledge and to track all complaints. At the end of each day, the office sends order forms filed to the organizational unit in charge of the investigation and prevention of fraud and corruption, namely the internal audit and management control service. A copy of the complaint form is retained by the whistleblower to follow up on its request.

Complaints can also be filled online on the website of the ADA, sent by mail, email or fax or announced by telephone. For details, it is necessary to give the "Contacts" in this manual.

Access to this sub section is reserved exclusively to the Head of Internal Audit and management control. To this end, access is protected by access rights provided by the head of the information system division. The latter may request of the Head of Internal Audit and management control, perform queries to inquire about the comprehensive treatment of all complaints online. On request of the head of internal audit department and management control, access could be extrapolated to other person of his service.

The internal audit and management control department, as the organizational entity in charge of the investigation and prevention of fraud must treat all complaints received regardless of their source (anonymous or non-anonymous).

D.2. Preliminary check up

Upon receipt of complaints, the internal audit department saves for evaluation. The evaluation of the complaint is the first step of the inquiry and investigation process. It is to ensure the credibility of the complaint, its materiality and its components:

- **Credibility of the complaint:** This is to check whether there is a reasonable possibility that a violation has occurred; the evaluation result of a perceived risk of occurrence of the case denounced;
- **Materiality:** the issue is important enough to justify the expenditures of the investigation and corrective action; the case (ie the reprehensible) -it is significant and is likely to harm the image of the ADA and its staff?

- Components of the complaint, the reported elements are real and related to ADA activities (eg: the person subject of the complaint made -it part of internal staff, complained project - managed by the ADA, etc.). This assessment is to check sufficient evidence to determine the truth of these allegations on a balance of probabilities.

For this purpose, the complaint is examined to determine whether or not a legitimate basis to conduct an investigation.

Following the preliminary assessment, the staff of internal audit and control proposes to the Head of Service, the closure of the complaint or further investigation. The Head of Service shall decide on the issue and report to the CEO of the ADA; Three situations can arise:

- On the recommendation and / or statement of the DG, the head of internal audit department decides to prosecute; to this end, he formalizes the decision in the tracking registry and complaint management. In this case, investigations are made according to the rules, policies and procedures of the ADA in accordance with this manual;
- On the recommendation and / or statement of the DG, the head of internal audit department decides not to prosecute; to this effect, he formalizes the decision in monitoring registry and complaint management. The information about the allegation and its evaluation will be available on request of a party. Untreated complaints will not be subject to reporting in the annual report to the management of the ADA;
- The complaint is put on hold or temporarily suspended due to lack of sufficient evidence to perform the preliminary assessment. To this end, the documents relating thereto are classified by the internal audit and management control service.

D.3. Folder opening: investigation of the complaint

The planning and conduct of an investigation and quantification of resources to allocate them will be defined taking into account the severity of the allegation and the results and possible impacts; it is decided by the Head of Internal Audit and Management Control; Furthermore, service personnel can if necessary make recommendations in this regard.

Decisions on opening or education surveys are taken in accordance with the rules and procedures defined in this manual; the decision to open an investigation in a particular case is the responsibility of the DG.

D.4. The investigation conduct

The internal audit and management control service on its quality of the organizational entity in charge of the investigation and prevention of fraud and corruption within the ADA is implementing all necessary means to ensure the veracity of the information gathered and to have a reasonable assurance that the facts have been diligent in accordance with the principles of good governance.

When the service can have reasonable assurance that especially with regard to the reliability of the information, it treats it according to his own perception and interpretation in consultation with the CEO of the ADA.

The investigation process includes the collection and analysis of documents, videos, recordings, photographs, and electronic information, forensic evidence or other materials, hearings of witnesses, observations of investigators and other such investigative techniques required for the conduct of the investigation.

The survey is conducted by the staff of the internal audit department and management control. The head of department may, if necessary, request an internal or external assistance to perform more controls; the request for assistance must be validated by the DG of the Agency.

The work of the inquiry and the relevant decisions are formalized in writing and reviewed under the responsibility of the Chief of the IAMC service. Subject to the rules, policies and internal procedures of the ADA, if at any time during the investigation, OE (IAMC service) considers a precautionary measure, as a precaution or to protect the information of temporarily prevent a staff member who is the subject of an investigation to have access to its records or office, or recommend suspension with or without pay and benefits, or recommend to place such other limits on its official activities, the OE (IAMC service) refers to the HR and Logistics Division and that at ADA DG for further action after consultation, if necessary, the disciplinary Board.

During the investigation process, and depending on available resources, interviews are conducted by at least two persons of IAMC service. These interviews are conducted in the language of the person who is the subject of the investigation; as in case of need, interpreters could be mobilized.

The IAMC service quality OE in charge of the investigation must provide a copy of the interview report to the person concerned by the investigation, or if necessary, to witnesses, after the completion of investigations.

The interviews can be recorded in consultation with those involved (under investigation, witnesses, or others).

No remuneration is paid to a witness or a subject for any information given. According to

the rules, policies and procedures of the ADA, the agency may cover reasonable expenses (travel expenses) incurred by witnesses or other sources of information to meet IAMC service personnel.

The investigation and all interviews are conducted on the premises of the ADA.

D.5. Investigation results

In case, during this work, the IAMC Service does not collect enough information needed to assess the relevance of the complaint, it formalizes its findings in a report that is forwarded to the DG. The investigation is concluded: a notification is made to the parties.

In case, during this work, the IAMC service finds sufficient information to judge the relevance, it establishes the case file, includes all the component parts of the folder and sends a written report to the CEO of the ADA according to the rules, policies and procedures of the institution.

Depending on the severity of the case, the CEO decides the transmission or not of the file sanction service (see section 3 below) in order to decide on the sanctions to be taken.

When the results of the investigation of IAMC Service indicate that a complaint was knowingly false, the service brings the matter to the DG attention for further action in accordance with the rules, policies and procedures of the Agency.

When the results of the Investigation service show that a witness or subject does not comply with existing obligations under the investigation process, the IAMC service may refer the matter to the CEO of ADA for possible sanctions in consultation with the department of sanctions under the rules, policies and procedures of the Agency.

D.6. Folder Closing

The IAMC Service formalizes its findings and makes recommendations on each case. Every completed investigation is the subject of a written report that is forwarded to DG.

The case is closed after issuing the report.

All fenced file is assigned in the IAMC service. An electronic registry case tracking is provided for this purpose; the following situations:

- Complaints received and processed, finalized and investigation report issued: Folder closed ;
- Complaints received and processed, finalized investigation and unissued report back with report being finalized;
- Complaints received and processed, investigation not yet finalized: Pending File ;
- Complaint received and untreated: Folder under investigation

E. Procedure for unannounced investigations and inspections

As part of its process of risk assessment of occurrence of fraud, corruption or facts or misconduct, the IAMC service as the entity organization also supports prevention may sponsor investigation and inspection without any complaint.

Unplanned investigation with unannounced character are implemented based on a risk assessment and evaluation of monitoring or reporting indicators (eg a repetitive type of fraud recurring instances of the same employee of complaints focused on one department, etc.).

The planning of these investigations is made by the head of service IAMC downstream of DG ADA.

III- Sanctions

Sanctions are decisions taken by the ADA to penalize persons (physical or moral) internal or external, whom are guilty of inappropriate actions. The Agency penalty system is purely administrative in nature. Sanctions are applied in accordance with the regulations.

A. LAWS AND REGULATIONS

The sanctions system defined in the scope of this manual is based in particular on regulatory tools in place, namely:

- The Moroccan Penal Code;
- The Code of Good Governance of the CPI in Morocco;
- The Charter of the Governance Committee and Audit AD
- The Statute of the ADA staff.

B. SANCTIONS SYSTEMS

C.

The OE in charge of conducting investigations and fraud prevention (IAMC service) has all the necessary powers to carry out its mission and investigate allegations of impropriety.

The decision to sanction individuals or entities on the basis of the investigation reports of the OE IAMC service is separated from the investigation process.

Thus, it is implemented in the ADA entity penalties practices and reprehensible acts whose composition and duties are defined below.

The ADA is implementing a two-tier procedure for deciding on sanctions for misconduct proven, committed in the context of the Agency's activities. Thus, the outcome of investigations conducted by the OE IAMC service, it sends the investigation reports to the CEO of ADA who will conduct a preliminary review and will, if appropriate, in consultation penalty decision with the entity in charge of sanctions. Two situations may arise:

- When investigations relate to allegations of misconduct committed by the ADA staff, and have a connection with the activities of the Agency, the OE service IAMC report conclusions to the CEO of the ADA. The DG, after consultation with the department in charge of sanctions, can enter the ADA disciplinary council in accordance with the level of seriousness of the facts, in accordance with the procedures described in the Agency's Staff Regulations.
- When investigations relate to allegations of misconduct committed by persons or entities external to the Agency and that relate to the by external persons, the OE IAMC the department develops its report and transmit its conclusions to the CEO of ADA who consults the entity in charge of sanctions. This entity analyzes the legal, financial, political, social etc., and proposes sanctions to the

Agency. To this end, it develops a detailed report and argued the CEO of ADA, which may or may not, on the basis of recommendations, accept the sanctions is made in the report addressed to him.

C. Entity responsible for the implementation of the sanctions system

C.1. Entity in charge of sanctions

The organizational entity in charge of sanctions is linked to the human resources department that is attached to the Division "Human Resources and Logistics".

The Head of the Division "Human resources and Logistics" is responsible for the validation of all the decisions, notes and reports of sanctions for the CEO of the ADA. The OE in charge of the sanctions performs tasks in accordance with procedures in terms of ethics, prevention and fight against fraud and corruption; as such, it is responsible for:

- Coordinate the implementation of policies, procedures and guidelines relating to the integrity and ethics regarding penalties;
- Propose to the DG of ADA, sanctions for the implementation of the recommendations of the survey findings conducted by the OE IAMC service;
- Study, in consultation with the Legal Division if appropriate, the legal, financial, political and social sanctions proposed for the Agency in particular in cases where the misconduct are performed by people outside the Agency;
- Define the communication rules on sanctions decisions in accordance with the rules of the Agency;
- Follow up on appeal or arbitration cases, in consultation as appropriate with the Legal Division.

C.2. Commission appeal, arbitration and dispute settlement

There shall be a committee of appeal, arbitration and dispute resolution that aims to receive and follow the appeals against the decisions of sanctions imposed by the CEO of ADA on the proposal of the Disciplinary Council and those relating to improprieties committed by physical or moral persons outside the agency and that relate to their activities.

The appeal board, arbitration and dispute settlement is chaired by the Head of the Human Resources Division and Logistics ", it is composed of the following members:

- 1 representative of IAMC service;
- 1 representative of the Legal Division;
- 1 representative of the Human Resources department;

D. Description of the process of the sanctions procedure

D.1. Evidence of reprehensible acts

At the end of its investigative mission, the IAMC service as an entity in charge of organizational investigation, prepares its report in which it formalizes all the evidence supporting the findings of the existence or not of one or more misconduct.

The IAMC service presents to the CEO of ADA once the investigation is complete, the findings of impropriety. When the CEO of ADA decides to enter the HR organization in its capacity as entity in charge of the sanctions, he asks the IAMC service transmit the file in question to the HR department.

Misconduct of the findings should:

- Identify the staff member, the party, the accomplice or any other person (physical or moral) in direct connection with the alleged offense;
- Qualify punishable practice;
- Attach all relevant evidence and any other information the IAMC service deems as material evidence to misconduct findings.

D.2. Starting of the sanctions procedure

The HR service quality OE in charge of sanctions, examine the investigation report issued by the IAMC service.

If the HR department determines that the findings of the practice punishable support a "prima facie" observation that the defendant committed an act punishable, the division head of HR and Logistics shall issue, on the instructions of the DG of ADA, a notice of sanctions proceedings to the defendant and notify the IAMC service.

- If the defendant is part of the internal staff of the ADA, the sanctions procedure is conducted in accordance with regulatory texts, including the Agency's Staff Regulations;
- If the defendant is not part of the internal staff of the ADA, the sanctions process is implemented by the legal department of the Legal Division and on the instructions of DG of the Agency.

The HR department and the legal department may seek clarification of the evidence and documents submitted by the defendant IAMC service or at any time before issuing its penalty decision.

D.3. Defendant reply

The HR service determines in its opinion the sanction, the period available to the defendant to formulate his response to the charges against him.

The deadlines are set in accordance with laws and regulations based on the two following variants:

- Severity levels of the committed acts;
- Nature of the people who committed the acts (internal or external to the Agency).

D.4. Sanction decision

The decision of sanctions is pronounced by the CEO of ADA on the basis of reports prepared by the IAMC service and the HR department.

The penalty decision is served on the defendant by the HR organization within the deadlines set by the regulations.

D.5. Appeal for review

The review of the decision of sanctions imposed by the CEO of the ADA, in consultation with the HR department and on the recommendation of chief IAMC service when this one, after realized research, discovers new evidence affecting the file.

The revised penalty decision is served on the defendant by the HR organization within the deadlines set by the regulations.

D.6. prescription period

No action shall be taken for an alleged practice liable to sanctions that was committed over five (5) years after the commission of the last act or omission constituting the alleged act punishable.

D.7. Commission appeal, arbitration and dispute resolution

There shall be a committee of appeal, arbitration and dispute settlement with the composition mentioned above.

The Commission particularly responsible for:

- Receive, review and monitor educated appeal cases against decisions of sanctions imposed by the CEO of the ADA;
- Set, by conciliation of disputes that may oppose the Agency to external people (investors, public and / or private, etc.);
- The appeal procedure is applicable only to decisions taken against individuals not part of the ADA staff.

D.8. Other points

➤ *Statement of honor*

Any person engaged in the process of investigation (defendant, witness or accomplice) before any affirmation or reversal, formalizes a sworn statement that his facts, his statements and his words are true, correct and reflect the information in line with reality.

➤ *Language*

All submissions under these procedures must be made in written Arabic or French. When one party provides documents that were written in other languages, the original documents must be provided with an official translation in Arabic or French.

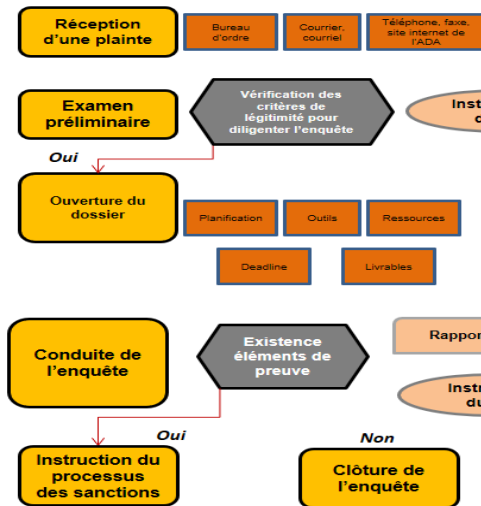
➤ *Changes*

These procedures can be modified to change to align with the legal and regulatory applicable dispositions.

IV- Annexes - Flowcharts

Manuel des procédures d'enquête et de sanction de la fraude Processus « enquêtes »

Workflow du process



Objectifs :

Le processus a pour objectif de décrire les différentes étapes relatives au lancement, la conduite, le suivi et le reporting des enquêtes sur la fraude et la corruption au sein de l'ADA

Responsables

- Service audit interne et contrôle de gestion

Tâches :

- Evaluation des plaintes déposées / reçues
- Evaluation post mise en œuvre des enquêtes réalisées

Points de contrôle

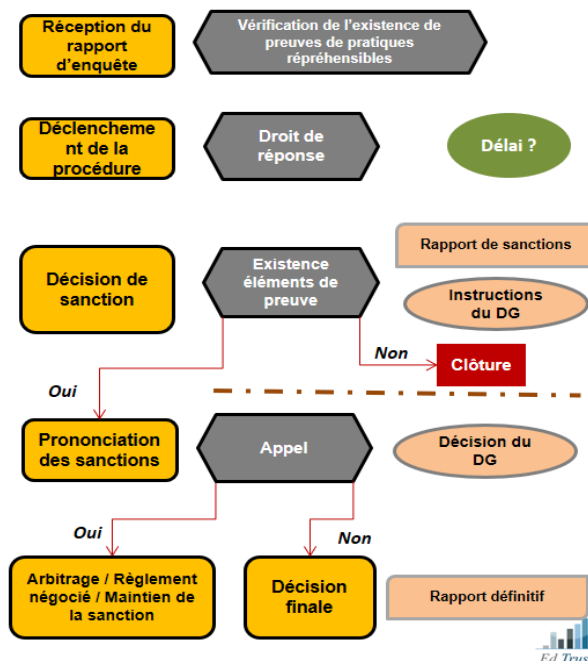
- Conformité au manuel des procédures
- Evaluation et mesure d'impacts par rapport aux objectifs / plans d'action
- Allocation des ressources pour la réalisation des missions
- Validation des décisions avec la Direction Générale

Indicateurs clés

- Affectation des plaintes : personnel interne ou personnes extérieures
- Nombre de plaintes reçues / déposées / traitées
- Niveau de fiabilité des plaintes
- Niveau de concentration des plaintes par direction / division / service

Manuel des procédures d'enquête et de sanction de la fraude Processus « sanctions »

Workflow du process



Objectifs :

Le processus a pour objectif de décrire les différentes étapes relatives au déclenchement et la mise en œuvre de la procédure des sanctions suite aux enquêtes sur la fraude et la corruption au sein de l'ADA

Responsables

- Division RH et logistique, Division juridique

Tâches :

- Evaluation du niveau de conformité des sanctions au regard de la réglementation en vigueur
- Evaluation post mise en œuvre des sanctions prononcées

Points de contrôle

- Conformité au manuel des procédures
- Evaluation et mesure d'impacts par rapport aux objectifs / plans d'action
- Allocation des ressources pour la réalisation des missions
- Validation des décisions avec la Direction Générale

Indicateurs clés

- Nombre de sanctions prononcées
- Niveau de conformité des sanctions par rapport à la réglementation
- Nombre de dossiers en arbitrage / appel
- % sanctions personnel interne // personnes extérieures

V- Contacts

The ADA protects the confidentiality of complainants and accepts anonymous allegations. Agency staff and all external partners can use contacts below to report the fraud, corruption or generally any abuse or misconduct occurring within the framework of the Agency's activities.

This action is in connection with the zero tolerance policy conducted by the ADA and the efforts for implementation of transparency measures and prevention of corruption.

In the statement of concerns, any person concerned is asked to give as much information and detail as possible, as well as basic information answering the questions who, what, where, when and how.

By telephone

IAMC The service is available by phone: **05 37 57 37 12**

ADA standard is always available to answer calls from complainants and / or transmit them directly to IAMC service.

By (Fax)

Denunciations and informations can be communicated to the service IAMC the secure fax number **05 37 57 37 12**

By email

IAMC The service can be contacted by email at the address below:
reclamations@ada.gov.ma

By mail

Complaints can also be submitted by mail to the office or sent order with the "IAMC" or "DG" to the following address:

**Agence pour le Développement Agricole
Espace les Patios, Angle Av. Annakhil et Mehdi Benbarka
Bâtiments 2 et 3, Hay Riad-Rabat**

By web plateforme

Complaints can also be filled online on the website of the ADA in "exchange platform for partner / investor agriculture", section "Making a Complaint"
<http://reclamation.ada.gov.ma/index.php5?page=citoyen.AccueilCitoyen>