



ADAPTATION FUND

Adaptation Fund Board

ZERO TOLERANCE POLICY FOR THE BOARD

(ADOPTED IN OCTOBER 2014)

Zero Tolerance Policy for the Board

1. The Adaptation Fund Board (the Board) puts in place requirements so that recipients use the Adaptation Fund's (the Fund) resources only for the purposes intended. The Fund's policy on fraud and corruption is one of zero tolerance. Fraud and corruption is against the Fund's policies, procedures, standards and resources and not be tolerated because it:

- Diverts vital resources from the most vulnerable groups;
- Breaches the Board's public service ethics and core values;
- Damages the Fund's reputation for sound financial management; and
- Challenges the Fund's "fitness for purpose" and credibility in the eyes of its stakeholders and International partners.

2. Board members and alternates refrain from condoning, supporting or otherwise failing to address fraudulent or corrupt behaviour that may affect the Fund's decision making process and operations, either by their peers or by anyone actually or potentially involved in the Fund's operations.

3. Board members and alternates report to the Ethics and Finance Committee (EFC) Chair or Vice-Chair any information of fraud and corruption that may affect the Fund's decision-making process and operations. If the information relates to the EFC Chair or Vice-Chair, Board members and alternates report such information to the Board Chair or Vice-Chair, as appropriate. Any information relating to fraud and corruption is placed on the next EFC agenda for discussion. A fair chance to present its case to the EFC will be given to any Board member or Alternate member about whom a complaint has been raised. The EFC makes a recommendation to the Board for approval. Any recommendation is based on the evidence before the EFC.

4. The Board utilizes the appropriate channels available to pursue fraud and corruption, including the procedure for termination of Board membership outlined in paragraphs 52 to 54 of the rules of procedure of the Adaptation Fund Board.