

Annual Report – Anti-Fraud and Corruption 2023

In 2023 Norwegian Red Cross allocated over NOK 2,6 billion in support of humanitarian work across the world. The activities undertaken by Norwegian Red Cross and its partners within the International Red Cross and Red Crescent Movement (The Movement) take place in some of the most challenging operational contexts and prohibiting environments.

To fulfil its mission which is to prevent and alleviate human distress and suffering in Norway as well as internationally, Norwegian Red Cross and the Movement Partners have set a high ethical framework which guides and delineates Norwegian Red Cross activities and operations. Institutional integrity and a focus on the prevention and dealing with any form of corruption, fraud, abuse, waste, and unethical behaviour is a priority. Norwegian Red Cross has a zero-tolerance approach to corruption, fraud, and abuse, and is regularly working to adopt and adapting its policies and procedures to improve its institutional efficiencies.

This report focuses on Norwegian Red Cross' international operations only; and provides an overview of reported cases pertaining to fraud and corruption for the year 2023.

Norwegian Red Cross is increasing its prevention efforts by conducting regular awareness sessions. Over the past year Norwegian Red Cross has conducted a series of virtual seminars focusing on a wide range of topics including legal requirements derived from grants and meeting compliance challenges. At the same time Norwegian Red Cross has supported several meetings held in different parts of the world working alongside various partner agencies to help in a form of collective preventive effort; and helping in the development of institutional systems to be able to deal with emerging situations where integrity issues might have occurred.

Moreover, Norwegian Red Cross has sent personnel and resources in support of several country, regional, and global level initiatives to strengthen Norwegian Red Cross and its partners institutional integrity.

Norwegian Red Cross actively supports the global efforts of both the ICRC and IFRC in respect to the development of global tools and systems to increase organisational integrity for all members of the RCRC Movement.

Throughout 2023 a number of cases have been identified and handled.

CASES CLOSED IN 2023

Kenya	A former employee of a partner organization in-country misappropriated money by falsifying payments for utilities. MFA and NORAD funds were involved. Norwegian Red Cross repaid respectively NOK 33,472 and NOK33,184 to each. The case was referred to the public authorities.
Lebanon	Allegations of collusion in a large procurement process for a project in the MENA region were received and investigated. The case was closed no evidence of wrongdoing was found. As a further prevention measure several additional controls have been introduced to the routines in respect to procurement and project management.
Nigeria	A partner agency working in country identified financial discrepancies in the systems and the subsequent investigation determined that the amount of NOK 920; had been misappropriated. The amount was repaid to the MFA.
Yemen	A partner organization identified the embezzlement of funds by one of their employees. The matter was referred to the local authorities Norwegian Red Cross has repaid the MFA NOK 47,834.

NEW CASES IN 2023

Five new cases were opened in 2023 following the receipt of allegations and/or the identification of elements of concern as part of the control mechanisms of Norwegian Red Cross and its partners agencies. The new cases pertain to the following countries; Burkina Faso, Moldova, Nigeria, Sudan and Yemen. Due to sensitivity of ongoing cases, the information below does not identify the country.

<ul style="list-style-type: none"> • Possible financial irregularities in procurement processes. The partner agency systems are dissimilar to Norwegian Red Cross whilst the complex context poses challenges. No clear sense of financial losses have been found.
<ul style="list-style-type: none"> • Allegations of fraud and corruption in a partner organization. Human resources practices were inconsistent with established policy frameworks, no direct financial losses have been found.
<ul style="list-style-type: none"> • Allegations of fraud in a partner organization. A number of purchases were committed as part of ongoing operations which has seen misappropriation of funds and goods. No direct losses to Norwegian Red Cross has been found to date.
<ul style="list-style-type: none"> • Theft of goods from warehouse. The humanitarian activities are taking place in a region affected by armed conflict and the items stored in the warehouse were looted by unidentified people.
<ul style="list-style-type: none"> • Misappropriation of funds in a partner organization. It has been identified that activities which were expected to take place may not have been conducted according to plan. There is concern for the possibility of financial losses.

ONGOING CASES:

There are also ongoing cases in the following locations: *Afghanistan, Madagascar, Pakistan, Yemen*