Anti-Corruption & Financial Irregularities Report 2023

In accordance with Stichting Fern’s cooperation agreement with Norad, QZA-21/0187: ‘Using European policies to protect rights & reduce global deforestation’, Stichting Fern makes public a description of its efforts to combat financial irregularities in its operations of the previous year, as well as any closed cases of financial irregularities that the grant recipient has been involved in during the previous year.

Summary of year

Fern’s risk management approach in 2023 continues to be implemented at all levels of the organisation, from Board to staff and sub-grantees. Fern has continued its practice of conducting face-to-face visits with its global financial partners. These visits are instrumental in assessing financial and governance systems, ensuring the integrity of reporting, and verifying compliance with financial regulations. Through refresher training Fern has also reinforced the mechanisms enabling employees, stakeholders, or whistle-blowers to confidentially and securely report suspected or witnessed instances of corrupt practices. Through the establishment of this robust reporting mechanism, Fern has cultivated a culture characterized by transparency, accountability, and integrity, thereby serving as a deterrent against corrupt practices and safeguarding the interests of all stakeholders.

What did we do in 2023 to minimise the risk of corruption and financial irregularity?

Fern has undertaken efforts to instil a culture where risk management holds significance for personnel across all echelons of the organization. In 2023 deliberation on emerging risks and their potential alleviations has been institutionalised as a regular agenda item in all-staff meetings, with outcomes contributing to Fern's comprehensive risk register, accessible to the Management Team and Board. This emphasis on transparency throughout the organization nurtures accountability and integrity, empowering individuals with the awareness and assurance to identify and report 'red flags' as they arise.

In 2023 there has been an increased focus on improving Fern’s cyber security processes. All staff were enrolled in a 12-month anti-Phishing training which included simulated phishing scams, alongside training and testing. This aim to move Fern towards complying with the NIS2 cyber security directive issued by the EU and aims to ensure that external fraudulent activity targeting Fern’s work and finances can be better protected against.
To maintain fiduciary compliance, **external financial audits** have been conducted for Fern’s annual accounts, along with project audits for the NICFI, EU LIFE project, EU EVFTA, and Green Livelihoods Alliance (NL Government) projects. These audits were carried out by a registered auditor **VRC Bedrijfsrevisoren**.

Efforts to enhance Fern’s **safeguarding protocols** and awareness persisted throughout 2023. Safeguarding stands as a critical focal point, given the frequent correlation between corruption and safeguarding issues, alongside power imbalances. Notably, Fern fortified its policies in this realm, and staff refresher training was held by an external safeguarding expert (Esther Dross) for Fern’s designated safeguarding officers.

**Financial Irregularities in 2023**

There were no issues of financial irregularities identified for Stichting Fern in 2023.

No concerns of financial irregularities by any of Fern’s subgrantees were identified or brought to our attention.

**Norad direct contact**

If you wish to contact Norad’s whistleblowing channel for financial irregularities, you can email: varsling@norad.no. If you wish to report through this channel, please use Norad’s report form for whistleblowing.