The purpose of this revision is to:

1. Update the AFAC Model Clause to reflect the revised WFP Anti-Fraud and Anti-Corruption Policy (WFP/EB.A/2021/5-B/1)

Main changes are:
- Inclusion of language that CPs acknowledge that WFP is highly risk averse towards “fraud and corruption” and has zero tolerance for inaction
- Inclusion of language that CPs acknowledge they will act honestly and with integrity and ensure that WFP resources are safeguarded and used for their intended purposes
- Addition of theft, money laundering and financing of terrorism as Prohibited Practices

**Clause 13.1:** Revised language to include: a) WFP’s risk appetite position towards fraud and corruption, that is, WFP is highly risk averse to fraud and corruption; updated list of Prohibited Practices (see paragraph 13.3); and clarifying that WFP has zero tolerance for inaction.

**Clause 13.2 (new):** New paragraph added to clarify WFP’s expectations on its CPs and their personnel, agents, contractors, subcontractors and affiliates to act honestly and with integrity in the provision of goods and services to WFP and to ensure that WFP resources are safeguarded and used for their intended purposes.

**Clause 13.3 a)-h) (Previously 13.2):** Three new Prohibited Practices have been added, that is, theft, money laundering and financing of terrorism.

**Clause 13.4 (Previously 13.3):** No substantive change.

**Clause 13.5 (Previously 13.4):** No substantive change.

**Clause 13.6 (Previously 13.5):** No substantive change.

**Clause 13.7 (Previously 13.6):** Language added to clarify that WFP’s right to apply sanctions and recover losses where fraud and corruption has occurred includes (but is not limited to) debarment. Also clarified that when trying to recover losses, WFP can withhold relevant amounts from any subsequent disbursements to CPs.