

**IAJ/UIM**  
**Study Group Four—2020**  
**Costa Rica**

**Fraud and Corruption in the workplace: How does it affect employees?**

Fraud and corruption are universal problems that exist in all spheres of society, including in the workplace, whether in the employer's business, in unions, or in outside contractors. Fraud and corruption greatly impact employees. Some employees are ready to fight and denounce this problem, but others fear retaliation.

Fraud and corruption are closely related concepts but address different issues:

Fraud generally involves deliberate misrepresentation of facts and/or significant information to obtain undue or illegal financial advantage.

Corruption involves effort to influence and/or the abuse of public authority through the giving or the acceptance of inducement or illegal reward for undue personal or private advantage.

The 4th Study Commission will examine these questions this year. What kind of fraud and corruption is found in the workplace? What are the consequences? What protection can be offered to whistleblowers?

**Questions :**

- (1) Does your country have any legislation, or rules, that deal with fraud and corruption in the workplace? If so, please briefly describe them.**

The Criminal Code of the Republic of Kazakhstan established responsibility for committing fraud and corruption crimes, and in 2015 the Law of the Republic of Kazakhstan «On Combating Corruption». The legislation of the Republic of Kazakhstan "On Combating Corruption" is based on the Constitution of the Republic of Kazakhstan and other regulatory legal acts of the Republic of Kazakhstan.

- (2) Do you have one example of fraud or corruption in the workplace and its consequences on employees?**

On 11th of February 2021 a Supreme Court judge with 30 years of experience, a former member of the Supreme Judicial Council, was detained. He was detained red-handed while receiving a large sum of money in Nur-Sultan city. He is under an investigation now. If fraud or corruption in the workplace is detected, a preliminary investigation is being conducted. Subsequently, the materials are submitted to the court.

**(3) Do you have any specific laws protecting whistleblowing by employees, and, if so, what are they? Do these laws cover**

**wrongdoing, fraud and corruption by third parties (who are not employers)? What remedies are available to whistleblowers.**

As mentioned earlier, we have the Law of the Republic of Kazakhstan "On Combating Corruption". According to paragraph 4 of article 24 of this Law, information about a person who provides assistance in combating corruption is a state secret and is provided in the manner prescribed by law. Disclosure of this information entails liability established by law.

According to paragraph 3 of Article 24 of this Law, a person who reported the fact of a corruption offense or otherwise provides assistance in combating corruption is under the protection of the state and is encouraged in the manner established by the Government of the Republic of Kazakhstan.

The provisions of this clause do not apply to people who have provided deliberately false information about the fact of a corruption offense, who are subject to liability in accordance with the law.

This law covers all spheres of life and applies to all people living on the territory of the Republic of Kazakhstan. The procedure for informing at workplaces is regulated by this law, as well as by internal corporate documentation, depending on the type of work activity.

**(4) Do non-government agencies, such as civil society organizations, play any part in fighting corruption in the workplace, and if so, how do they interact with the administrative agencies or courts in your country?**

Non-governmental organizations independently conduct sociological research, seminars, and round tables as preventive measures to combat corruption. The information collected by NGOs can be used as an advisory tool for the country's law enforcement agencies as well.