

ANTI-BRIBERY RESOURCE GUIDE

This Resource Guide was prepared by the BIAC Task Force on Anti-Bribery and Corruption. It seeks to make available to the user an inventory of relevant instruments and initiatives in the field of anti-corruption which define legally binding obligations on states and companies, reflect a commitment against bribery and/or offer guidance and assistance to companies' in their fight against bribery and corruption.¹ Neither BIAC nor the Task Force on Anti-Bribery and Corruption take any responsibility for the accuracy of the information provided. The resources referred to in this document can be accessed by using the hyperlinks inserted in this Guide. The list of instruments and initiatives mentioned in this Resource Guide is not exhaustive. Users of the Resource Guide are kindly invited to highlight to BIAC any other initiatives that should be included in the Guide. We would in particular welcome suggestions regarding tools that provide practical help to companies and that would make a useful addition to the instruments already mentioned in Section III of this Resource Guide.

About BIAC

The Business and Industry Advisory Committee to the OECD (BIAC) was constituted in March 1962 as an independent organisation officially recognised by the OECD as being representative of business and industry. BIAC's members include the industrial and employers' organisations in the OECD Member countries. In the framework of its consultative status with the OECD, BIAC's role is to keep the OECD informed of the private sector's response to different policy options and to communicate the consensus view of the OECD business community on specific policy issues to the Organisation. BIAC offers business and industry an excellent opportunity to participate in intergovernmental discussions on policy issues, thus allowing the business community to help shaping the development of long-term policies in OECD countries.

For more information about BIAC please visit our website (www.biac.org) or contact us directly (BIAC Secretariat, 13/15, Chaussée de la Muette, 75016 Paris, phone: +33-0-1 42 30 09 60, Email: biac@biac.org).

About the Task Force on Anti-Bribery and Corruption

The BIAC Task Force consists of business experts nominated by BIAC member associations. Since its inception in 1997, the Task Force has been advising and supporting the OECD in matters related to the fight against bribery in an international business context. In particular, BIAC and its members supported the development of the OECD Anti-Bribery Convention and assisted in ensuring its implementation including through participation in consultations in the context of OECD country reviews. The BIAC Task Force on Anti-Bribery and Corruption has also been engaged in alerting OECD governments to the on-going problem of bribe solicitation. In 2007-08, the main focus of the BIAC Anti-Bribery Task Force is to contribute business views to the ongoing review of OECD anti-bribery instruments and to design of the future OECD monitoring of the implementation of its Anti-Bribery Convention.

¹ Click with the right mouse button on the hyperlinks, i.e. the underlined text marked in blue. Then choose from the scroll-down menu the option "open hyperlink".

Table of contents

I. Multilateral regional legal instruments and activities by international organisations	3
OECD Anti-Bribery Convention	3
UN Convention against Corruption.....	3
Inter- American Convention against Corruption	4
Council of Europe Conventions.....	4
South African Development Protocol against Corruption	5
African Union Convention on Preventing and Combating Corruption	5
World Bank Anti-Corruption Strategies	5
II. Guidelines and Recommendations Addressed to States	6
OECD Recommendation on Tax Deductibility of Bribes	6
OECD Guidelines for Managing Conflict of Interest in the Public Service	6
OECD Action Statement on Bribery and Officially Supported Export Credits	6
Principles for Donor Action in Anti-Corruption	6
Paris Declaration on Aid Effectiveness	7
Basel Committee Guidelines on Customer Due Diligence for Banks	7
Financial Action Task Force	7
III. Guidelines, Recommendations and Practical Help for Companies	7
Asia-Pacific Economic Co-operation (APEC) Initiatives	7
Avoid Corruption – A Guide for Companies	8
Business Anti-Corruption Portal	8
Extractive Industries Transparency Initiatives (EITI)	8
Global Compact (10th Principle)	9
International Association of Oil and Gas Producers’ Guidelines on Reputational Due Diligence..	9
ICC Rules of Conduct.....	9
OECD Guidelines for Multinational Enterprises	9
OECD Risk Awareness Tool for Investors in Weak Governance Zones.....	10
Pacific Basin Economic Council Charter	10
Preventing Corruption – Recommendations by the Federation of German Industries.....	10
United States Defence Industry Initiative (DII) on Business Ethics and Conduct.....	10
Wolfsberg Anti-Money Laundering Principles	11
World Economic Forum Initiatives (PACI)	11
Transparency International Tools and Initiatives.....	11
TRACE International	12

I. Multilateral regional legal instruments and activities by international organisations

OECD Anti-Bribery Convention

Bribing a foreign public official is a crime in the countries that have ratified the OECD Convention on [Combating Bribery of Foreign Public Officials in International Business Transactions](#). The Convention is the first legally binding international instrument that aims at combating bribery and through this, protecting fair competitiveness in international transactions. It entered into force in 1999 and has been implemented in all 30 OECD Member countries as well as in seven non-member countries (Argentina, Brazil, Bulgaria, Chile, Estonia, Slovenia and South Africa).

The Convention focuses exclusively on the supply-side of the bribery of public foreign officials and sanctions for such activity. The Parties to the Convention must put in place legislation that criminalises bribery of a foreign public official as well as complicity in bribery, including incitement, aiding and abetting, or authorisation of a bribery act (“bribery” and “foreign public official” are defined broadly). Criminal penalties must be effective, proportionate and dissuasive and can be combined with additional civil or administrative sanctions. In case of legal persons not subject to criminal penalties, monetary sanctions can take place. According to the Convention, the bribery of a foreign public official shall also be deemed to be included as an extraditable offence under the laws of the Parties and the extradition treaties between them. In order to conduct all necessary criminal investigations, the countries that are Party to the Convention must provide prompt and effective legal assistance to each other (Mutual Legal Assistance).

Implementation of the Convention is supported through monitoring and surveillance procedures that are carried out by the OECD Working Group on Bribery, made up by all Parties. Assessments focus on the adequacy of countries’ legislation to implement the Convention (phase 1) as well as the effectiveness of the application of the legislation (phase 2). Phase 2 includes country visits in which a team of examiners meets with government representatives as well as with civil society and private sector representatives. The evaluation system includes both self-evaluation (countries respond to a questionnaire) and mutual evaluation (each country is examined in turn by the Working Group, with teams made up of members from different participating countries). For each country reviewed, the Working Group adopts and publishes a report which includes an evaluation of the country's performance. This report is published on the OECD website. The OECD website also comprises information about the implementing legislation in all states that are party to the OECD convention.

UN Convention against Corruption

The UN Convention (UNCAC) came into force in 2005 and as of July 2007, UNCAC has 140 signatories and 94 ratifications. The UNCAC seeks to prevent corruption and includes measures to this effect, including model preventive policies that are directed at both the public and private sectors. It further seeks to cover detection and sanctioning and also promotes transparency and technical assistance. As to prosecution, the Convention requires countries to establish criminal and other offences to cover a wide range of acts of corruption, if these are not already crimes under domestic law. The UNCAC covers a wide range of offences including bribery, domestic and foreign; embezzlement; trading in influence; concealment and laundering in the proceeds of corruption. It also provides a framework for criminalising bribery in the private sector and calls for measures to improve business integrity. Offences committed in support of corruption, including money-laundering and obstructing justice, are also dealt with. A significant feature of the Convention is that it recognises the need for shared responsibilities between law enforcement agencies of countries in cases of cross-border corruption activities. They include requirements that states parties consider joint investigation, the transfer of criminal proceedings and special investigative techniques. Asset-recovery has been stated explicitly as a fundamental principle of the Convention. The Convention is a mixture of mandatory and discretionary provisions.

Implementation is to be carried out under the auspices of the Conference of Parties to the Convention that is required to meet regularly and review periodically the implementation of the Convention by State Parties. They are also required to cooperate with relevant international and regional organizations and mechanisms and non-governmental organizations in this field. With respect to technical assistance, the convention addresses the need for “enhanced financial and material assistance” to developing countries to help them implement the Convention.

Inter- American Convention against Corruption

Adopted in 1996, the OAS Convention represents regional consensus about what states should do in the areas of prevention, criminalisation, international cooperation and asset recovery. The Convention has been ratified by all members of the OAS. It covers corruption in the public sector, both on demand and supply. It gives a wide and inclusive interpretation to what constitutes “corruption offences” including bribery, domestic and foreign; illicit enrichment; money laundering and concealment of property. Measures adopted to curb bribery include preventive measures (creating and enforcing codes of conduct), criminalisation and regional assistance cooperation measures, as well as provisions on recovery of assets. Obligations towards the Convention are a mixture of mandatory and discretionary provisions. For monitoring, a committee of experts has been established that is to conduct technical analysis of the implementation of the Convention by parties.

Council of Europe Conventions

The EU has two binding policies against corruption. [The Council of Europe Criminal Law Convention](#) was adopted in 1998. It represents a European regional consensus on what states should do in the areas of criminalisation and international cooperation with respect to corruption. The Convention covers the public sector and private sector (private-to-private) corruption and covers a broad range of offences including bribery (domestic and foreign), trading in influence, money laundering and accounting offences. Penalty ranges from criminalisation to recovery of assets, with regional co-operation. Chapter II, Article 2 of the Convention requires each signatory to implement legislation to criminalize the promising or offering of any undue advantage to any of its public officials for him or her to act or refrain from acting in the exercise of his or her functions. Article 3 of that chapter requires legislation to criminalise the request or receipt by any public official of any undue advantage for similar actions. Article 5 of the same chapter covers bribery of foreign officials and states: “Each Party shall adopt such legislative and other measures as may be necessary to establish as criminal offences under its domestic law the conduct as referred to in Articles 2 and 3, when involving a public official of any other State.”

The [Council of Europe Civil Convention](#) was adopted in 1998 and came into force in 2003. It is the first attempt to define common international rules in the field of civil law and corruption. In particular, it provides for compensation for damages as a result of acts of corruption. While it also covers the public and private sector, a broad scope is given to the Convention covering the “requesting, offering, giving or accepting of a bribe or any other undue advantage or the prospect thereof”. Civil law remedies for injured persons include compensation for damage from corruption; invalidity of corrupt contracts; whistleblower protection. The monitoring mechanism is the same as adopted for the Criminal Convention. The Convention calls for mandatory provisions with no reservations allowed in respect of any provision of the Convention.

[GRECO](#) (Group of States against Corruption) is the monitoring mechanism that aims through a process of mutual evaluation and peer pressure at monitoring the compliance of states with their undertakings in the field of corruption, including the CoE Criminal and Civil Law Conventions. As of 6 July, 2004, 38 states including the United States had joined. GRECO monitoring comprises of a “horizontal” evaluation procedure (all members are evaluated within an evaluation round) leading to recommendations aimed at furthering the necessary legislative, institutional and practical reforms and a compliance procedure designed to assess the measures taken by its members to

implement the recommendations. The Criminal Convention is mostly binding with some provisions for making specified reservations.

South African Development Protocol against Corruption (SADC)

This protocol was adopted in 2001 by all 14 SADC members. It provides both preventive and enforcement mechanisms. The purpose of the Protocol is (a) to promote the development of anti-corruption mechanisms at the national level (b) to promote cooperation in the fight against corruption by state parties and (c) to harmonise anti-corruption national legislation in the region. Preventive measures include the development of a code of conduct for public officials, transparency, and establishment of anti-corruption agencies. In line with the OECD Convention, the Protocol criminalises the bribing of public foreign officials. It also addresses the issue of money laundering by allowing for seizure of the proceeds of the crime, thereby making it more difficult to benefit from proceeds of corruption. The Protocol also sets out an implementation mechanism.

African Union Convention on Preventing and Combating Corruption

Adopted in 2003, this legally binding convention has been ratified by 53 African countries. It covers the public and the private sector. Offences covered are bribery (domestic or foreign), diversion of property by public officials, trading in influence, illicit enrichment, money laundering and concealment of property. All provisions are mandatory including those on private to private corruption. The Convention provides for prevention, criminalisation, regional cooperation and mutual legal assistance as well as the recovery of assets. The follow-up mechanism provided for in Art. 22 calls for an Advisory Board which has broad responsibilities for promoting anti-corruption work, collecting information on corruption in Africa, developing methodologies, advising governments, developing codes of conduct for public officials, and building partnerships. In addition it is required to submit a report to the Executive Council on a regular basis on the progress made by each State Party in complying with the provisions of the African Union Convention. States Parties are required to report to the Board on their progress in implementing the Convention on an annual basis. They are also required to ensure and provide for the participation of civil society in the monitoring process.

World Bank Anti-Corruption Strategies

The Bank views corruption as an outcome of poor governance aims to help develop capable and accountable states and institutions that can devise and implement sound policies, provide public services, set the rules governing markets, and combat corruption, thereby helping to reduce poverty. Bank Group activities in the areas of governance and anti-corruption fall into three main areas: preventing fraud and corruption within bank-financed projects, helping countries in their efforts to reduce corruption by advising on economic policy and other reforms and strengthening institutional capability; and adding voice and support to international efforts, including OECD's efforts, to reduce bribery and corruption.

The World Bank recently moved to a new two-tier sanctions management. The first step is conducted by the respective Evaluation and Suspension Officer (ESO), who shall determine: (1) whether the evidence submitted by the Department of Institutional Integrity (INT) in a proposed Notice of Sanctions Proceedings is sufficient to support a finding that a respondent engaged in any corrupt, fraudulent, coercive, collusive or obstructive practice in a World Bank Group project, or violated a material term of the Voluntary Disclosure Program (VDP) Terms and Conditions; and (2) whether the respondent should be temporarily suspended from bidding on Bank-financed contracts pending the final outcome of the sanctions process. In addition, the ESO will recommend a sanction to be imposed on the respondent, which would become effective only if the respondent elects not to challenge the allegations against it by appealing to the Sanctions Board. In the second part of the two-step process, the Sanctions Board members will review and make final

decisions regarding sanctions cases when a respondent contests the allegations and/or the decision of the respective Evaluation and Suspension Officer of the World Bank Group. More information about the World Bank's sanctions management can be found on the Ban's website (<http://www.worldbank.org/sanctions>).

II. Guidelines and Recommendations Addressed to States

OECD Recommendation on Tax Deductibility of Bribes

The 1996 Recommendation of the OECD Council on the Tax Deductibility of Bribes to Foreign Public Officials sought to put an end to claiming bribes to foreign public officials as tax deductible expenses. Based on this recommendation the vast majority of Parties to the OECD Anti-Bribery Convention now prohibits the deductibility of bribes to foreign public officials. In many cases, countries have gone one step further and have prohibited the deductibility of all bribes.

OECD Guidelines for Managing Conflict of Interest in the Public Service

The Guidelines set a comprehensive benchmark for modernising governance structures to identify and manage conflict of interest situations. To help governments apply the Guidelines, a practical Toolkit has been developed to put policy into practice. Since the adoption of the 2003 Recommendation, 23 of the OECD's 30 member countries have enhanced the standards in their laws and codes of conduct and strengthened implementation measures to prevent conflict of interest. The OECD has recently reviewed arrangements for promoting integrity in lobbying and post-public employment.

OECD Action Statement on Bribery and Officially Supported Export Credits

Under the OECD Anti-Bribery Convention, governments are obliged to take action to deter and sanction bribery of foreign public officials in international business transactions supported by official export credits. This general requirement has been reinforced by a set of specific common undertakings agreed by the OECD in its 2000 Action Statement on Bribery and Officially Supported Export Credits which was revised in 2006. The 2006 Action Statement contains a number of specific recommendations that countries are asked to take into account regarding the provision of officially supported export credits. In particular the Action Statement calls for enhanced scrutiny of transactions where there are apparent risks of bribery – for example, where companies appear on multilateral financial institutions' debarment lists or if there have been past convictions for violations of anti-foreign bribery laws. Countries monitor the implementation of the Action Statement through an ongoing review process. These recommendations are of immediate relevance to businesses that seek export credit support in countries that are participants to the OECD Export Credit Arrangement.

Principles for Donor Action in Anti-Corruption

The Principles were developed by OECD countries in their capacity as donors. In these principles donors resolve to harmonise their efforts to support developing countries' anti-corruption work and to address the supply side of corruption. Goals set out in the principles include strengthening civil society in aid recipient countries and their capacity to demand reform and transparency in the fight against corruption, and progress in donor countries on issues such as money laundering and recuperating assets lost through corruption. Donors are also working to assess corruption jointly in aid recipient countries and to formulate a code of conduct for donor agencies to prevent, detect, and respond to corruption.

Paris Declaration on Aid Effectiveness

The Declaration goes beyond previous agreements among donors and defines a clear, practical plan to help improve the quality and positive impact of development aid. Within this framework donors have committed to giving greater support to developing countries' anti-corruption efforts, aligning with country-led initiatives and promoting local ownership of anti-corruption reforms. Specific areas of focus are developing countries' programs to strengthen procurement systems and financial management systems.

Basel Committee Guidelines on Customer Due Diligence for Banks

The 13 member Basel Committee, established by the Bank for International Settlements (BIS), formulates broad supervisory standards and guidelines and recommends best practices in the expectation that individual authorities will implement them through detailed and tailor made arrangements. The aim is a move towards common approaches and common standards without attempting detailed harmonisation of member countries' supervisory techniques. One of its initiatives of the Basel Committee is to benchmark know-your-customer (KYC) policies for banks, most closely associated with the fight against money-laundering. Sound KYC policies and procedures are critical in protecting the safety and soundness of banks and the integrity of banking systems, thereby reducing risks. KYC safeguards require banks to formulate a customer acceptance policy and a tiered customer identification programme that involves more extensive due diligence for higher risk accounts, and includes proactive account monitoring for suspicious activities. The Paper on Customer Due Diligence for Banks provides precise guidance on the essential elements of KYC standards and their implementation. These standards may need to be supplemented and/or strengthened, by additional measures tailored to the risks of particular institutions and risks in the banking system of individual countries. The need for rigorous customer due diligence standards is not restricted to banks and need to be developed for all non-bank financial institutions and professional intermediaries of financial services such as lawyers and accountants.²

Financial Action Task Force

The FATF is an inter-governmental body whose purpose is the development and promotion of national and international policies to combat money laundering and terrorist financing. The FATF has published recommendations addressed to countries in order to meet the objective with respect to money laundering. These cover the criminal justice system and law enforcement, the financial system and its regulation, and international co-operation. They FATF Recommendations have been recognised, endorsed, or adopted by many international bodies. Though not a binding international convention, many countries have made a political commitment to implement the FATF Recommendations.

III. Guidelines, Recommendations and Practical Help for Companies

Asia-Pacific Economic Co-operation (APEC) Initiatives

APEC members instituted the Anti-Corruption and Transparency Expert Task Force's (ACT) in 2005 tasked with the implementation of international corruption instruments in the region. The Task Force formulated "Best Practice Principles for the Private Sector" (January 2007). Their

² See also, The Joint Forum Initiatives with International Organization of Securities Commissions, International Association of Insurance Supervisors to combat money laundering and the financing of terrorism: <http://www.bis.org/publ/joint05.pdf> and Prevention of criminal use of the banking system for the purpose of money-laundering: <http://www.bis.org/publ/bcbcs137.pdf>

widespread adoption could raise standards across industries and contribute to the goals of good governance and economic development. Further, under its collective action plan on government procurement, APEC also drafted a set of non-binding principles on government procurement in 1999. NBP's have contributed to the successful promotion of transparency and the liberalization of government procurement markets across member economies.

Avoid Corruption – A Guide for Companies

The guide has been developed by the BIAC member Confederation of Danish Industries (DI) and updated in 2007. It provides definitions and information about the occurrence of corruption as well as information about the legal environment for fighting corruption in Denmark and internationally. The DI guide also provides thoughts and concrete suggestions concerning the development of corporate strategies, anti-bribery codes of conduct and the implementation of anti-bribery policies in companies. It includes additional chapters concerning agents and other intermediaries, control and reporting as well as internal whistleblowing. Copies of the publication "Avoid Corruption – A Guide for Companies" can be ordered on the website of the Confederation of Danish Industries (<http://www.di.dk/English/Shop/>).

Avoid Corruption in International Business

The report Avoid Corruption in International Business (Korruption bei Auslandsgeschäften vermeiden), which was produced by ICC Austria in co-operation with the Austrian Federal Economic Chamber (AWO), is available in German language. It informs companies about legal provisions, definitions, reasons for the occurrence corruption and what to do in certain situations. The report also discusses special issues such as problems concerning SMEs and certain sectors, public procurement, doing business with government owned companies, dealing with agents and consultants, and dealing with suppliers. Further, the report suggests a number of concrete measures to be implemented by companies and offers a checklist for anti-corruption measures as well as a model code of conduct. Annexes include information. WKO and ICC Austria also offer hands on consultation for individual companies (for more information check out <http://www.icc-austria.org/>).

Business Anti-Corruption Portal

With the aim of supporting in particular the SME's in avoiding and fighting corruption, this portal offers information about corruption in a number of developing countries. So far, country profiles exist for 24 developing countries. These profiles comprise detailed information about corruption categorized according to sectors and levels as well as facts about public and private anti-corruption initiatives and ratification status on international conventions. The Business Anti-Corruption Portal also offers due diligence tools for identifying and avoiding corruption risks in typical business situations, integrity system on how to integrate anti-corruption policies and practices in the existing company procedures, a contact network which serves as entry point to public and private organisations in the countries, information on relevant legislation and initiatives, links to business relevant national and international organizations and training modules. The Portal is a public private partnership between the Danish International Development Agency and the consultancy Global Advice Network in conjunction with Transparency International as well as the UN Global Compact.

Extractive Industries Transparency Initiatives (EITI)

EITI is a voluntary initiative that seeks to create transparency and accountability in countries dependent on revenues from oil, gas and mining. It is supported by a coalition of companies, governments, investors and civil society organizations from about 20 countries. Alongside other efforts to improve transparency in government budget practice, the EITI begins a process whereby citizens can hold their governments to account for the use of those revenues. The Initiative works

to build multi-stakeholder partnerships in developing countries in order to increase the accountability of governments. There is a need for a mutually agreed set of EITI criteria required to be complied with by all countries wishing to implement the EITI. The [Multi-Donor Trust Fund \(MDTF\)](#) administered by the World Bank is currently disbursed to implementing countries to help meet the EITI criteria. In addition, extractive industries transparency is now being mainstreamed into World Bank country programs. The EITI Secretariat has developed an [EITI Source Book](#) that provides guidance for countries and companies wishing to implement the Initiative. EITI is governed by a Board consisting of five constituent groups representing implementing countries, supporting countries, civil society organisations, industry, and investment companies.

Global Compact (10th Principle)

The Global Compact is a voluntary international initiative that seeks to promote responsible corporate citizenship to ensure that business can be part of the solution to the challenges of globalisation. The tenth principle ("*Businesses should work against corruption in all its forms, including extortion and bribery*") commits UN Global Compact participants to not only avoid bribery, extortion and other forms of corruption, but also to develop policies and concrete programs to address corruption. To fight corruption and respect their commitment, Global Compact urges participants to first introduce anti-corruption practices and policies in their own organisations and then share experiences and join forces with co-participants.

International Association of Oil and Gas Producers' Guidelines on Reputational Due Diligence

The guidelines are designed as a resource for member companies of the Association, intending to establish and/or maintain effective anti-corruption practices. These include evaluation of the potential risks of doing business with associates and implementation of measures to reduce those risks. It sets out to provide guidelines on designing and conducting due diligence procedures and establishing a framework for in-house programmes. Companies can adapt the guidelines to fit the particular needs and circumstances of their own organisation.

ICC Rules of Conduct

The International Chamber of Commerce's Rules of Conduct are intended as a method of voluntary self-regulation by business against the background of applicable national laws. The rules, which were revised in 2005, aim at assisting enterprises to comply with their legal obligations and with the numerous anti-corruption initiatives at international level. These rules are of a general nature constituting what is considered good commercial practice but are without direct legal effect. The rules cover the following substantive issues: prohibition of bribery and extortion; agents and other intermediaries; joint ventures and outsourcing agreements; political and charitable contributions and sponsorships; gifts, hospitality and expenses; facilitation payments; corporate policies; financial recording and auditing; and responsibilities. Further guidance regarding the implementation of these rules is provided by the ICC's handbook "[Fighting Corruption: A Corporate Practices Manual](#)".

OECD Guidelines for Multinational Enterprises

The Guidelines are voluntary recommendations addressed by governments to multinational enterprises operating in or from adhering countries. They cover all the major areas of business ethics. Chapter VI of the Guidelines provides recommendations on combating bribery. The main recommendation is that "Enterprises should not, directly or indirectly, offer, promise, give, or demand a bribe or other undue advantage to obtain or retain business or other improper advantage. Nor should enterprises be solicited or expected to render a bribe or other undue advantage." Adhering governments have committed to promote the Guidelines among multinational enterprises operating in or from their territories. The instrument's distinctive

implementation mechanisms include the operations of National Contact Points (NCP), which are government offices charged with promoting the Guidelines and handling enquiries in the national context. Adhering countries comprise all 30 OECD member countries, and nine non-Member countries. The Investment Committee has oversight responsibility for the Guidelines which are one part of a broader OECD instrument (Declaration on International Investment and Multinational Enterprises). Clarifications provide interpretations of how certain provisions of the Guidelines should be understood, as a result of deliberations by the OECD Investment Committee.

[OECD Risk Awareness Tool for Investors in Weak Governance Zones](#)

The Tool aims at helping companies that invest in Weak Governance Zones (WGZ), i.e. countries where governments are unwilling or unable to assume their responsibilities. Through a checklist of questions the Tool addresses risks and ethical dilemmas that companies are likely to face in such weak governance zones, including obeying the law and observing international instruments, heightened care in managing investments, knowing business partners and clients and dealing with public sector officials, and speaking out about wrongdoing. Chapter 2.3 (“Combating Corruption and Money Laundering”) raises several questions that aim at increasing companies’ awareness for the risks of corruption in WGZ.

[Pacific Basin Economic Council Charter](#)

The Pacific Basin Economic Council, an association of senior business leaders representing more than 1,200 businesses in 20 economies grouped around the Pacific Ocean, advocates transparent and honest transactions between business and government. The PBEC's Charter on Standards for Transactions Between Business and Government, a set of voluntary standards for its members released in 1997, tracks closely amongst others, the OECD Convention on Combating Bribery of Foreign Public Officials. It calls for business to respect laws and standards and to refuse extending direct or indirect bribes.

[Preventing Corruption – Recommendations by the Federation of German Industries](#)

The 3rd edition of “Preventing Corruption – BDI Recommendations” informs about the legal anti-corruption environment for companies. The BIAC member BDI calls on companies to make an important contribution to the fight against corruption and it highlights the crucial role that CEOs and senior management play in leading companies’ efforts. BDI recommends to prohibit all forms of corrupt behavior and – irrespective of any criminal law consequences – and to impose labor law and disciplinary sanctions. The business association suggests spelling these sanctions out in a general code of conduct, which could be made an integral part of employment contracts. BDI calls for the implementation of appropriate corporate organisational measures to enforce agreed rules of behaviour uncover violations and prosecute infringements. The organization offers nine principles and practical suggestions that are meant as a guide for the preparation or enhancement of codes and internal organisational measures.

[United States Defence Industry Initiative \(DII\) on Business Ethics and Conduct](#)

A number of U.S. defense industry companies have signed the [DII Principles of Business Ethics and Conduct](#) acknowledging and expressing their federal-procurement-related corporate responsibilities to the Department of Defense, as well as to the public, the Government, and to each other. The six DII principles cover the following areas: (1) written codes of business ethics and conduct; (2) employees’ ethical responsibilities; (3) corporate responsibility to employees; (4) corporate responsibility to the government; (5) corporate responsibility to the defense industry; and (6) public accountability. In addition to adopting and adhering to this set of principles of business ethics and conduct, signatories seek to assume a leading role in making the principles a standard for the entire defense industry, and a model for other industries.

Wolfsberg Anti-Money Laundering Principles

The Wolfsberg Group is an association of twelve global banks, which aims to develop financial services industry standards, and related products, for Know Your Customer, Anti-Money Laundering and Counter Terrorist Financing policies. In 2000, the group published its [Anti-money Laundering Principles for Private Banking](#) (revised in 2002) and in 2002, it also released the [Wolfsberg Anti-Money Laundering Principles for Correspondent Banking](#). These guidelines lay down what acts may call on for due diligence and special attention and also provides monitoring mechanisms. In 2006, the Group published the paper, "[Guidance on a Risk Based Approach for Managing Money Laundering Risks](#)" to assist institutions in managing money laundering risks and to prevent the use of their institutions for criminal purposes. The paper also seeks to articulate relevant considerations which institutions may find useful in developing and implementing a reasonably designed risk based approach while dealing with clients. In 2007, the Group issued its [Statement against Corruption](#) describing the role of the Wolfsberg Group and financial institutions more generally in support of international efforts to combat corruption. The Statement against Corruption identifies some of the measures financial institutions may consider in order to prevent corruption in their own operations and protect themselves against the misuse of their operations in relation to corruption.

World Economic Forum Initiatives (PACI)

The World Economic Forum Partnering against Corruption Initiative (PACI) was launched in January 2004. It aims at developing multi-industry principles and practices that will result in a competitive level playing field, based on integrity, fairness and ethical conduct. The PACI principles "Partnering against Corruption – [Principles for Countering Bribery](#)" were developed by a multinational Task Force of companies working with the World Economic Forum, Transparency International, and the Basel Institute on Governance. The aim of these principles is to provide a framework for good business practices and risk management strategies for countering Bribery. They are intended to assist enterprises to: eliminate bribery; demonstrate their commitment to countering bribery; and making a positive contribution to improving business standards of integrity, transparency and accountability wherever they operate.

Transparency International Tools and Initiatives

Transparency International is a civil society organisation with about 90 national local chapters whose objective is to lead the fight against corruption. It provides a number of initiatives and publications that companies may find helpful. These include the Business Principles for Countering Bribery (BPCB), introduced in December 2002, that provide a model for companies seeking to adopt a comprehensive anti-bribery programme which companies may consider using as a starting point for developing their own anti-bribery programmes or as a benchmark for existing ones. The two principles (Principle 1: "The enterprise shall prohibit bribery in any form whether direct or indirect"; Principle 2: "The enterprise shall commit to implementation") have been designed for use by large, medium and small enterprises. They apply to bribery of public officials and to private-to-private transactions. The purpose of the BPCB is to provide practical guidance for countering bribery, creating a level playing field and providing a long-term business advantage. TI offers also a comprehensive Guidance Document which provides additional background and practical information for those wishing to implement the principles. The [TI Six Step Implementation Process](#) is a "how-to" guide for companies that are early on in the process of devising and implementing an anti-bribery programme. TI is also developing a Self-Evaluation Module to assist companies wishing to assess their anti-bribery performance.

The Global [Integrity Pact \(IP\)](#) developed by TI is a tool aimed at preventing corruption in public contracting. It consists of a process that includes an agreement between a government or a government department and all bidders for a public contract. It contains rights and obligations to

the effect that neither side will: pay, offer, demand or accept bribes; collude with competitors to obtain the contract; or engage in such abuses while carrying out the contract. The IP also introduces a monitoring system that provides for independent oversight and accountability. Sanctions apply in cases of violations ranging from loss of contract, forfeiture of the bid or performance bond and liability for damages, to blacklisting for future contracts on the side of the bidders, and criminal or disciplinary action against employees of the government.

TI has also developed indices which provides indication regarding the occurrence of corruption respectively perceptions about the occurrence of corruption in countries (Corruption Perceptions Index, Bribe Payers' Index and Global Corruption Barometer).

TRACE International

TRACE is a non-profit membership association that specializes in anti-bribery due diligence reviews and compliance training for international commercial intermediaries (sales agents and representatives, consultants, distributors, and suppliers). TRACE has a model Code of Conduct, which specifically addresses local and foreign laws, bribery and facilitating payments, kickbacks, extortion, conflicts of interest, political and philanthropic contributions, gifts, hospitality and entertainment, accounting and reporting requirements, and communication of and training for the code. In July 2007 TRACE launched its [Business Registry for International Bribery and Extortion \(BRIBELine\)](#). The BRIBELine is a medium through which companies and individuals can safely and anonymously report demands for bribes by government officials worldwide. The BRIBELine initiative focuses exclusively on the demand side of bribery and aims at providing a more detailed picture than is currently available to the public, with the assistance of the collective knowledge of the private sector. It is not a law enforcement tool and reports made do not trigger any investigation. It does not collect individual names, job titles, or corporate names associated with either the individual making the report or the individual who requested a bribe. Instead, the information is to be collated and reported in the aggregate, by country and by government department: customs, defense, health, transportation, mining, etc. The published BRIBELine provide companies with a more precise tool to evaluate risk and allocate anti-bribery resources, leading to stronger compliance with anti-bribery laws and reducing corrupt activity.