



Honest business, without corruption



**Practical tips for doing
business abroad**

Foreword

Everyone knows that corruption undermines honest business. It also damages a country's economic and social development. But what do you do if a foreign public official asks for a bribe before he will help you? In the Netherlands, bribery, including bribery of a foreign public official, is a criminal offence. Does this mean you run the risk of being prosecuted if you offer a bribe?

This booklet answers this and other questions. More importantly, it provides tips to help you avoid getting involved in corruption abroad.

Self-regulation – rules that businesses impose on themselves – plays an important part in the fight against corruption. Back in the 1970s, the International Chamber of Commerce (ICC) published its first rules of conduct for businesses in its report entitled Extortion and Bribery in International Business Transactions. The rules were recently revised and reissued as the ICC Rules on Combating Corruption.

In addition to self-regulation, legislation is essential to level the international playing field. An awareness of this need prompted the international business community to contribute to the establishment of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions in 1997. The Netherlands incorporated the Convention into Dutch law in 2001.

The Dutch government and business community together want to combat corruption abroad. The Confederation of Netherlands Industry and Employers (VNO-NCW), the Royal Association MKB-Nederland and ICC Netherlands are working with the Ministries of Economic Affairs, Agriculture & Innovation, Foreign Affairs, and Security & Justice to achieve this goal.

This booklet is one of the outcomes of our cooperation. It explains how we can help you deal with corruption.

A survey by Transparency International in 2011 found that Dutch businesses were considered to be honest by their foreign counterparts. Not all entrepreneurs in the Netherlands, however, are familiar with the legislation in place to promote fair competition and good business practice.

We hope this booklet will increase your understanding of this legislation and provide guidance on how to avoid corruption abroad, so that together we can raise the integrity of Dutch business to an even higher level.

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1 In brief

Corruption is morally reprehensible, it harms internal corporate culture, it is expensive and it distorts competition. Moreover, it is bad for a country's economic development. It undermines honest business practice and must be combated. Fighting corruption is in the interests of both government and business.

Internationally, a distinction is often made between bribery and facilitation payments. Bribery involves offering substantial payments or gifts to induce someone to commit an unlawful act that gives you a competitive advantage. A facilitation payment is a smaller sum paid to encourage someone to carry out a legitimate action more quickly. Facilitation payments are also covered by Dutch criminal law but the Public Prosecution Service generally does not proceed against this form of corruption.

This booklet provides 11 practical tips to prevent or combat corruption abroad:

1. Prevention is better than cure
 2. Be properly prepared for doing business abroad
 3. Work with embassies and other businesses
 4. Introduce a code of conduct or whistleblower scheme
 5. Be transparent
 6. Keep facilitation payments to a minimum
 7. Work with clear contracts
 8. Design financial management procedures to combat corruption
 9. Select agents carefully
 10. Prepare customs clearance carefully
 11. Checklist: assess the situation
- We can inform you of corporate initiatives and publications that can help you.
 - The government can also help you. Embassies can play an important role by assisting businesses facing corruption abroad.
 - A list of sources for further information and an appendix with an action plan for drawing up a code of conduct are presented at the back of this booklet.

2 What is wrong with bribing foreign public officials?

Research has shown that, on average, corruption accounts for 10% of the cost of international business transactions. In the case of public procurement, it can even account for up to 25%, if not more.¹

If nothing is done about corruption, it usually gets worse. Integrity is not rewarded in a corrupt environment. Corruption is a lucrative business. The payments that public officials ask for and/or receive are getting ever higher and the chance that a service will actually be provided ever smaller.

If a business gives in to corruption, its corporate ethics suffer and its reputation can be damaged. Corporate social responsibility (CSR) is becoming more important to consumers. Going along with corruption obviously has no part in a CSR policy. In the past, corruption was sometimes looked upon as a necessary evil (and the costs were even tax deductible); today, it is recognised that corruption is not only morally and legally unacceptable but also leads to lower economic growth in the country concerned. In the long term, no one benefits from corruption.

¹ Estimates by, *inter alia*, Transparency International, an organisation that promotes integrity and transparency worldwide.

3 What is bribery according to the law?

You will of course have an idea of what bribery is and be aware that it is forbidden. But is bribery the same as corruption? And what does the law say?

Corruption is a social climate characterised by bribery, fraud and extortion. Bribery is therefore a form of corruption.

Bribery: inciting someone to act or refrain from acting by means of gifts, services, hospitality or promises with a view to gaining an unfair business advantage. It makes no difference for the purpose of this definition whether or not acting or refraining from acting will entail a breach of duty on the part of the public official receiving the bribe.

Bodies such as the Organisation for Economic Cooperation and Development (OECD), the United Nations (UN) and the Council of Europe have concluded treaties to combat corruption. They have been incorporated into Dutch law and a Directive of the Public Prosecution Service.

Under the OECD Convention, small facilitation payments do not constitute bribery.

Facilitation payment: payment of a small sum to induce someone to perform an act that in itself is lawful, without gaining an unfair competitive advantage.

Bribing public officials or judges at home and abroad is a criminal offence, as laid down in the Criminal Code.² The Public Prosecution Service outlines its policy on prosecution in its Investigation and Prosecution of the Corruption of Foreign Public Officials Directive.³ The Directive considers bribery and facilitation payments in detail. Although articles 177, 177a and 178 of the Criminal Code do not make a distinction between bribery and facilitation payments, and both are therefore criminal offences, the Public Prosecution Service does not find it necessary to investigate and prosecute facilitation payments in addition to investigating and prosecuting bribery. In general, businesses are not prosecuted for making facilitation payments. A growing number of international businesses, however, are opting for a zero tolerance policy and are refusing to make facilitation payments, provided the personal integrity and health of their staff are not put at risk.

² Criminal Code (Wetboek van Strafrecht), articles 177-178a.

³ Government Gazette (Staatscourant), 26 July 2011, number 13663; see also: www.om.nl.

Example 1: Permit issued on time for the official opening of a foreign branch

A large Dutch company is about to open a branch outside the Netherlands. The ceremony has been arranged and the directors will be arriving in a week's time to cut the ribbon and 'switch on' the factory. The environmental permit, however, has not yet been issued because additional information requested by the local authorities was not provided on time. The mayor's assistant rings up and says she can withdraw the request for extra information and issue the permit on time if the company pays the mayor, who will also attend the ceremony, €10,000 in cash. The accountant reluctantly agrees; he cannot let the directors fly in for nothing.

This is bribery, not a facilitation payment, because the payment is not a small amount and the favour would not be granted without the payment.

Facilitation payments

The Dutch Public Prosecution Service generally does not prosecute facilitation payments, provided:

- they concern acts or omissions falling within the legal competence of the official concerned;
- the payments do not distort competition;
- the payments are small in absolute or relative terms;
- the payments are made to a low-ranking official;
- the payments are entered transparently in the business's accounts;
- the initiative for the payments is taken by the foreign official.

An entrepreneur must be able to satisfy the Public Prosecution Service that a facilitation payment is not a bribe. He need not produce irrefutable proof. The Public Prosecution Service will consider the circumstances of the payment and the customs of the country concerned.

Example 2: Border control of a lorry and its load

A forwarding company that carries goods between Central and Western Europe makes its first delivery to a distant country in Eastern Europe. The driver, who is working alone, does not speak the language and is told he must wait three days before he can cross the border. When he explains he cannot wait that long because his load is perishable, the customs officer says he can cross immediately if he pays €150. The accountant back in the Netherlands approves the facilitation payment and enters it in the accounts. The driver then pays the customs officer and continues his journey.

The customs officer is authorised to let the driver cross the border. And as the official took the initiative to ask for the payment, which is small in both absolute and relative terms and is entered openly in the accounts, the driver will not be prosecuted. The payment could have been avoided, though, if the driver had been better prepared (see box on page 15).

Scope of Dutch criminal law on bribery

The scope of Dutch law is very extensive. Corruption of foreign public officials includes bribery of:

- all officials in service with foreign government bodies;
- foreign politicians;
- persons working for foreign state-owned companies;
- persons working for international treaty based organisations;
- persons who have held or are about to hold one of the above positions;
- staff of a private enterprise engaged by a foreign government to perform a public task, e.g. a consultancy involved in the selection procedure for a public contract.

The following can be prosecuted in the Netherlands for bribing a foreign public official:

- persons who arrange a bribe or attempt to bribe on behalf of a business established in the Netherlands;
- superiors who order or approve a bribe (tacitly or otherwise);
- members of the board of a business established in the Netherlands who fail to prevent bribery even though they knew or should have known about it;
- legal persons for whom the above natural persons work.

Maximum sentences

Any natural person who contravenes article 177 or 177a is liable to a fine of up to € 76,000 or a term of imprisonment of up to four years and any legal person (the business) is liable to a fine of up to € 760,000. Furthermore, the Public Prosecution Service can confiscate the proceeds or profits gained. In principle, an application for confiscation can be made when the proceeds are estimated to be at least € 500.

The benefits gained from the payment of a bribe can be regarded as the proceeds of crime. It does not matter whether the entrepreneur or business would have gained the same benefits without bribery.

As well as bribery itself, the promise or offer of a gift to incite a public official to commit an unlawful act is a criminal offence, as is attempted bribery. It does not matter whether the official accepts the gift or not. The form of the gift is also described in detail. Apart from money and material benefits (such as a car or a house), non-financial benefits are also classified as bribes. These include the payment of study costs, charitable donations, free travel or entertainment.

Double criminal liability

In some cases, a business guilty of bribery is subject to both Dutch and foreign criminal law, for example in the country in which the bribery took place. Countries such as the US and the UK take a very active stance on combating corruption.

Other countries also actively combat corruption abroad, including the US and the UK

United States

Foreign bribery has been an offence in the United States since the early 1970s. The US takes a very active approach to investigation and prosecution based on the Foreign Corrupt Practices Act (FCPA). A business does not have to be established in the US to be prosecuted; a listing on the New York stock exchange or even making transactions through an American bank can be enough for the law enforcement authorities to prosecute a business. The American authorities can prosecute a Dutch business in the US if a subsidiary pays a bribe in Asia. More information on the FCPA is available at www.justice.gov/criminal/fraud/fcpa/.

United Kingdom

A new law on bribery in the United Kingdom and abroad took effect in July 2011. It makes both bribery of foreign officials, whether through an intermediary or not, and failure to prevent bribery by associated persons or entities (e.g. agents and consultants) an offence. The law gives the Serious Fraud Office (SFO) the same far-reaching powers as the US authorities. This means that carrying on a business in the UK can be enough to prosecute a Dutch business if its Asian subsidiary commits bribery in Asia. Precisely how close the link with the UK activities must be will become clearer as the courts hand down more judgments based on the new law. More information is available at www.legislation.gov.uk.

4 What you can do as an entrepreneur

Eleven practical tips

1. Prevention is better than cure

Someone who has committed bribery is open to blackmail and will usually have to make yet more payments. Furthermore, being named in the press in connection with bribery, let alone being subject to investigation by the criminal justice authorities, is very unpleasant.

Prevention is the best option. Decide for yourself what you are willing to accept and document it. A clear integrity policy can enhance your image with business partners and public authorities.

2. Be properly prepared for doing business abroad

As an entrepreneur, you must have a thorough knowledge of the country in which you want to do business – its culture, customs and norms regarding gifts. There is no blueprint for what is or is not acceptable or permitted in a particular country. Before you start to do business in a particular country, collect information (for relevant websites see sections 6 and 7), seek advice from industry associations or other entrepreneurs, or contact NL Agency or the local Dutch embassy.

3. Work with embassies and other businesses

It is very important that businesses work together to combat corruption abroad: the best source of information is an entrepreneur who already has experience with the local public authorities and knows how to steer clear of corrupt officials or how to convince them that it is pointless trying to elicit a bribe. The Dutch embassies can help in this (see section 5b, Help from embassies).

4. Introduce a code of conduct or whistleblower scheme

A code of conduct is particularly advisable for larger businesses but industry associations can also draw up codes of conduct that their members can adopt. A code of conduct sets out what a business stands for. The business must of course implement policies that ensure the code is observed, such as training courses and internal communication. Otherwise the code is a dead letter. Furthermore, internal sanctions should be introduced and actually imposed on staff who do not observe the code.

A whistleblower scheme is recommended for larger businesses. Staff can then report violations of the code of conduct, preferably to an independent contact point, without fear of victimisation.

5. Be transparent

Transparency is the best antidote to corruption. Encourage your staff to present dilemmas to management so that they themselves do not have to respond, often secretly, to requests for bribes. Good communication between management in the Netherlands and the management of a foreign subsidiary is also important. A transparent policy is essential, for example as a means of defence against possible prosecution by the Public Prosecution Service. The Public Prosecution Service will be prepared to refrain from prosecuting a business only if the business recognises facilitation payments transparently in its accounts.

6. Keep facilitation payments to a minimum

The size and frequency of facilitation payments should be as low as possible. The International Chamber of Commerce (ICC) code recommends not making facilitation payments but if they are unavoidable safeguards should be built in to limit the payments to small sums to low-ranking officials for routine acts. You can then evaluate payments internally and adopt a strategy to eliminate or reduce them in the future. Being able to talk about facilitation payments with management and other internal and external parties can contribute to the organisation's overall transparency.

7. Work with clear contracts

Use model contracts containing ethical or anti-corruption provisions when making agreements with agents, intermediaries, suppliers, sellers, subcontractors, joint ventures, outsourcing partners, etc. The clauses or provisions should contain rules or standards that both parties must respect. Audit rights must be agreed to so that compliance by contractors can be monitored and checked. If the agreed rules and standards are not observed the contract can be terminated.

8. Design financial management procedures to combat corruption

Build controls into your financial accounting system (especially regarding cash management) to identify bribes. Internal and external audits can also reveal such costs. Another practical measure to combat corruption is to allow ample time to plan and prepare the contract. Working against the clock to get a contract signed can provoke scope for corruption.

9. Select agents carefully and check their background and reputation

Estimates vary but the lion's share of bribery is committed by local agents or intermediaries engaged by a foreign company. You are responsible for the actions not only of your own staff but also of intermediaries such as representatives and commercial agents you engage. You can be prosecuted if your intermediaries commit bribery. A criminal investigation will consider whether you could have reasonably relied on the integrity of the intermediaries.

The selection of agents therefore requires great care and agents may have to be screened, especially in countries that are known to be corrupt. Candidates should be rejected if red flags or potential risk factors are identified. You should draw up a list of red flags, either by yourself or together with other businesses. Through NL Agency or the local embassy, the Dutch government can help you by providing information on the reliability of intermediaries. It is usually better to screen intermediaries yourself than to pick a name from a list. After all, the list may be out of date.

Commercial agent in the Middle East

Careful selection of a commercial agent is more important in some countries than in others. An agent or sponsor is even obligatory in some countries in the Middle East. Entrepreneurs in this region complain they can never get rid of an agent once he has been appointed. Such information is very important to an entrepreneur.

Consultants in Shanghai

The Consulate-General in Shanghai has a list of consultancies and consultants with which Dutch businesses have had positive experiences (not only regarding bribery). It can pay to work with your own security agents rather than using the 'safe zones' imposed by the government, such as storage sites or car parks where you may be driven into the arms of corrupt officials.

10. Prepare customs clearance carefully

It is well known that corruption (or attempted corruption) can occur when goods pass through customs. A written code of conduct, a policy printed on corporate stationery or a contract with the signature of a high-ranking public official can help you pass through customs relatively smoothly. If you systematically have problems at a particular customs post, the embassy can

help you (see section 5, How the government can help you). Electronic reports and the exchange of documents lead to less, if any, physical contact and therefore to less risk of attempted corruption. If you send an electronic report in advance of the value and number of products, the importer will not know which official will deal with the report and the official will not know who to approach at the company.

11. Checklist: Assess the situation

In certain unpleasant situations, it is advisable to ask yourself and your colleagues the following questions:

- Will following your plan break national or international rules?
- What are your own standards and values and is the transaction consistent with them?
- Are you encouraging illegal actions?
- Is the transaction consistent with your business's guidelines and code of conduct?
- Can the transaction put your business or your colleagues in any form of danger?
- Who benefits from the transaction (directly or indirectly)?
- Will you disclose the facilitation payment in your accounts?
- Is the payment already included in the project costs and known to all involved?
- Are there potentially successful alternatives?
- Will the transaction harm your business's reputation?

Clearance, arranged together

A recurring problem in the transport industry is that in some countries goods can be cleared in a reasonable period of time only if a payment is made, as described in example 2. A number of transport companies have therefore joined forces and engaged an agent to arrange customs clearance. The local officials know that the agent is not willing to make facilitation payments and that he is 'important' because he represents a number of large economic players. This ensures that the goods arrive at their destination on time and without additional 'costs'.

5 How the government can help you

5a Help in the Netherlands

Help from the Public Prosecution Service and the National Police Internal Investigations Department

You may find it useful to contact the National Police Internal Investigations Department or the national corruption officer of the Public Prosecution Service (contact details are provided on page 23). They can answer your questions about, for example, the interpretation of facilitation payments, without your being immediately considered a suspect.

You can also report bribery committed by businesses outside the Netherlands to the National Police Internal Investigations Department or the Public Prosecution Service. The national corruption officer can pass the information on to the authorities in the country in which the business is located and/or to the authorities in the country of the bribed official so that the case can be investigated and prosecuted.

Such reports are very important because they help the authorities to detect and combat corruption.

Checks on recipients of government support

The Dutch government seeks to prevent businesses that use government schemes offering financial support (such as the Private Sector Investment Programme) from engaging in corrupt practices. To qualify for government support, you must declare in writing that you have read the OECD guidelines and will observe them to the best of your ability. Applications will not be accepted if the implementing organisations have well-founded fears that you are or will be involved in corruption. If you sign the declaration and later commit an offence, the government can recover the support (in the case of a grant) or make you pay damages (in the case of credit insurance).

Example 3: Investing in the sustainability of your host country?

An international construction firm with a commitment to social responsibility has tendered for a contract to build a storage terminal in a large port in a developing country. The call for tenders provided all the technical specifications. A high-ranking official in the regional government promises the company it will be awarded the contract if it transfers \$100,000 to a government fund he manages for slum development in the port area. There is no reference to this in the call for tenders.

This sounds like a good way to invest in slum development but the official is asking for a very high bribe. The 'investment' in the fund has no relationship to the contract and it would undeniably distort competition.

Combating corruption in developing countries

Combating corruption is a priority of Dutch development policy. In addition to taking measures to prevent development aid ending up in the wrong hands, the government supports programmes that address corruption in several partner countries. The government helps them reduce unnecessary regulations and alleviate administrative burdens, which in turn diminishes opportunities for corruption. In Indonesia, for example, the Dutch embassy has worked with the World Bank to simplify company registration. As a result, the number of procedures has been reduced and thus the number of days needed to register a company.

Creating a level playing field

For honest business and fair competition, international rules must be harmonised wherever possible. In the OECD, 37 countries, including the Netherlands, are working on harmonisation. The working group's main task is to monitor whether member states fulfil their international obligations. It also carries out peer reviews to check the effectiveness of legislation and enforcement.

Although the OECD itself cannot impose sanctions on countries that take little or no action against businesses that bribe foreign officials, political pressure is a powerful lever. Peer reviews are published and the press often devote attention to the urgent recommendations made by the OECD. The recommendations specify the measures that individual countries must take to improve compliance with the Convention.

Outside the OECD, the G20 has also made combating corruption one of its priorities. These bodies are working increasingly hard on creating a level playing field.

Example 4: The local consultant

A successful entrepreneur wants to expand his operations into the Middle East and is seeking contact with the local authority in a large port city. It advises him to engage a consultant from company X, who will deal with all the licences and fees for just \$1,200 a day. The entrepreneur had heard from other businesses that receiving the necessary licences could take months. So a consultant seems handy. The first two licences, together with the bill, are received after a month. The consultant has invoiced not only the daily fee for no less than two weeks' work but also \$55,000 in vaguely defined expenses. The entrepreneur assumes he will have no difficulty recouping the costs now that he can get down to work without delay, so he pays the bill.

The entrepreneur is criminally liable because the licences have clearly been issued unusually quickly and the cost is disproportionately high for a licence. Furthermore, he chose not to ask any questions.

5b Help from embassies

Business support

If someone induces you or your business to act corruptly, for example by asking you to pay a bribe or commit another form of fraud, the embassy can use its contacts with the government to intervene. Embassy staff can also ring the superiors of the official who asked for a bribe. In special cases they may accompany the Dutch business's representative to interview the official about the request for a bribe. In most cases, it will be claimed that no request was made because the official will be well aware that the embassy staff will report their findings.

Information on the country

Embassy staff are well informed about local corruption. They know how best to approach the local authorities, which branches of government are known for corrupt practices and which services or people will offer a good and ethical working relationship. Embassies often have information about the reliability of agents.

Embassies can also inform you about local and Dutch laws, the most common forms of corruption and local customs regarding gifts and hospitality.

Conversely, to ensure that competition is fair, entrepreneurs are encouraged to inform the embassy of actual or attempted bribery. Although the Netherlands itself is not responsible for investigating and prosecuting such cases, the embassy may decide to inform local officials. They can in turn pass the information on to the criminal justice authorities. If the country is a member of the OECD and does not take action, the matter can be raised within the OECD. By contacting and consulting the embassy, you can therefore contribute to an honest business culture.

Facilitating contact between businesses

You might not always be able to achieve much by yourself, but embassies can put you in touch with other businesses facing the same problems. Embassies can also help you prepare a common strategy and share best practices and tips on how to prevent corruption.

Embassies are obliged to report cases of corruption

If embassy staff suspect that foreign public officials are being bribed by Dutch citizens or businesses, they are obliged by law to pass on their suspicions to the Corrupt Practices Reporting Point of the Ministry of Foreign Affairs. Fear of prosecution can deter entrepreneurs from seeking support or help to combat corruption. But there is of course no obligation to report cases that have not yet occurred. Preventive advice can always be provided, and action or projects undertaken jointly by businesses and the embassy can have an enormous impact.

Who can you call?

If you call an embassy, ask for a member of staff from the economic section.

6 Corporate, NGO and OECD initiatives

International Chamber of Commerce (ICC)

The International Chamber of Commerce (ICC) has been combating corruption for many years and has issued several publications on the subject, including the ICC Rules on Combating Corruption 2001, first published in 1977. The rules are a form of self-regulation and outline what businesses should consider when developing their own anti-corruption policies. As an entrepreneur, you can endorse the rules in your policy. More detailed information is available in the ICC's Fighting Corruption – International Corporate Integrity Handbook. This book clearly and concisely presents best practices in a number of areas.

The ICC will soon issue the ICC Guidelines on Gifts and Hospitality.

In April 2011, the organisation issued ICC Guidelines on Agents, Intermediaries and Other Third Parties. Bribery is usually committed by a third party, but a company's criminal liability is just the same as if it were directly engaged in bribery.

To prevent third parties committing bribery in your name, these general guidelines provide suggestions suitable for a broader anti-corruption policy, as described in the ICC's handbook.

www.icc.nl

www.iccwbo.org

The ICC publications can be ordered from the Dutch branch of the ICC or from the ICC online bookstore.

www.icc.nl

www.iccbbooks.com

Industry associations

Industry associations are excellent sources of practical advice for Dutch businesses. They understand the problems in their sectors better than anyone else. If they do not have specific information on combating corruption, you can raise the matter with them so that they can take action.

Transparency International

Transparency International (TI) is an international organisation that seeks to combat corruption. It has issued Business Principles. It published Business Against Corruption – A

Framework for Action in cooperation with Global Compact (a UN initiative to promote corporate social responsibility) and the International Business Leaders Forum. It includes an action plan for businesses to combat bribery. TI has also developed the concept of Integrity Pacts, in which the contracting authority and the parties tendering for a public contract commit themselves to an ethical procedure.

www.transparency.org

TI's secretariat in Berlin has a separate section dedicated to cooperation with the business community. TI has a chapter in the Netherlands, Transparency International Nederland, since 2009.

www.transparency.nl

OECD manuals

In February 2010, in an annexe to its anti-corruption recommendations, the OECD summarised the measures that businesses can incorporate into their own internal controls and corporate ethics and compliance codes, the OECD Good Practice Guidance on Internal Controls, Ethics and Compliance. The measures leave a lot of leeway for a business's circumstances and operational context. The summary is also specifically intended for small and medium-sized enterprises.

www.oecd.org/corruption

In May 2011, the 42 countries that adopted the OECD Guidelines for Multinational Enterprises updated the guidelines and enlarged the chapter on combating corruption, partly in response to the Good Practice Guidance. The OECD guidelines are recommendations by governments to international businesses regarding corporate responsibility.

www.oecdguidelines.nl

www.oecd.org/investment

7 More information on combating corruption and related initiatives

NL Agency

NL Agency is part of the Ministry of Economic Affairs, Agriculture and Innovation. One of its subdivisions, NL EVD International, concentrates on export and international cooperation. Its website provides information on many countries worldwide, foreign markets, legislation and potential growth sectors in many countries. It also presents general information on corruption, ranging from examples of corruption and how to deal with it to specific forms of corruption in individual countries.

www.agentschapnl.nl

www.internationaalondernemen.nl

MVO Nederland (CSR Netherlands)

This knowledge and network organisation promotes corporate social responsibility by organising projects to share know-how and undertake joint actions. CSR Netherlands offers best practices and practical tips, many concerned with combating corruption. Its website provides support specifically for SMEs in combatting corruption. It presents information on corruption, including information on specific countries. The site also presents tools and training courses to protect your business better against corruption.

www.mvonederland.nl/thema/corruptie

www.business-anti-corruption.com

World Bank

The World Bank's website includes a standard anti-bribery code. You can also find specific country information, examples of how to deal with corruption and information on the form and extent of the problem and reporting options. There is also a blacklist of corrupt businesses and individuals that are debarred from tendering for World Bank contracts.

www.worldbank.org

United Nations Global Compact

Global Compact is a United Nations initiative to promote global social and environmental guidelines. It is made up of thousands of businesses and organisations and enjoys the support of the Dutch government. One of its main priorities is the fight against corruption. Guidelines to combat corruption are available on its website.

www.globalcompact.org/issues/transparency_anticorruption/index.html

Information on partners

www.rijksoverheid.nl

www.oecdguidelines.nl

www.mvonederland.nl

www.vno-ncw.nl

www.mkb.nl

www.icc.nl

National Public Prosecutors' Office

Rotterdam office

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3000 AJ Rotterdam

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National Police Internal Investigations Department

Postbus 16424

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Email: info@rijksrecherche.nl

Appendix

Your own integrity programme and code of conduct.

The following Seven Steps will help you prepare an integrity programme:

- 1 Draw up a code of conduct.
- 2 Appoint qualified staff to monitor compliance with the code
- 3 Bring recruitment, promotion and remuneration policy into line with the business's integrity standards.
- 4 Give staff information and training regarding the business's standards of conduct.
- 5 Organise internal and external audits, checks and reports.
- 6 Set sanctions for infringements.
- 7 Improve the code if there are weaknesses.

The Seven Steps are inspired by the *US Department of Justice Sentencing Guidelines*.

Possible elements of an integrity code of conduct:

- Compliance with legislation, regulations and corporate policy as underlying principle.
- Full, truthful and accurate reporting.
- Open and transparent communication.
- Non-participation in party politics.
- Avoiding conflicts of interest.
- Not using business assets for improper personal gain.
- Prohibition of bribery.
- Making no use of unethical means to gain a competitive advantage.
- A whistleblower scheme.

If you have a small business, a selection of elements from the Seven Steps and the code of conduct may suffice. They can be presented in a separate code or as part of your corporate policy. You can also ask your industry association if it has a standard code of conduct.

This booklet is a joint publication of the Confederation of Netherlands Industry and Employers (VNO-NCW), the Royal Association MKB-Nederland, the International Chamber of Commerce Netherlands (ICC) and the Ministries of Economic Affairs, Agriculture & Innovation, Foreign Affairs, and Security & Justice.

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