

**SURVEY ON MEASURES TAKEN TO COMBAT BRIBERY
IN OFFICIALLY SUPPORTED EXPORT CREDITS – ITALY (SACE)**

SECTION I – GENERAL MEASURES TO DETER BRIBERY

Question 1

Do you inform exporters and, where appropriate, applicants, requesting official export credit support about the legal consequences of the bribery in international business transactions under your national legal system including your national laws prohibiting such bribery?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If yes:

a) Please indicate the method(s) by which this is accomplished:

- ☒ text in the application form
- ☐ a stand-alone document is provided to applicants
- ☐ text included in a stand-alone document submitted by applicants
- ☐ text in the general conditions of cover (*for export credit insurance and guarantees*)
- ☐ text in the credit agreement
- ☐ information posted on the organisation's web site
- ☐ customer publications (e.g. brochures, handbooks)
- ☒ other (please elaborate):

Exporter Indemnity Letter

- b) Please provide the text used to describe the legal consequences of the bribery in international business transactions under your national legal system including your national laws prohibiting such bribery:

SACE Application Form

“The Exporter/Applicant is aware that, in order for the SACE Insurance Policy/Guarantee to be valid, the supply contract and any guarantee which may be granted must comply with Italian and foreign law, in particular, administrative and criminal laws, including Italian Legislative Decree 231/2001.”

Exporter Indemnity Letter

“One of the principles upon which the SACE Cover is based is, among others, respect of Italian and foreign laws applicable to the Supply Contract (for Supplier Credit cover) and/or the Loan Agreement (for Buyer Credit cover) and/or related guarantees, including international anti-bribery laws and Italian Decree No. 231 of 8 June 2001, which establishes the corporate liability of legal entities, companies and associations, including those without legal personality.

In order to issue its Cover, SACE requires the Exporter to make a series of declarations and provide the information necessary to demonstrate that it is in compliance with the above stated Italian and foreign laws in relation to the Supply Contract [and/or the relevant Guarantee].”

Comments/clarifications/additional information related to the answers provided above:

Please describe any additional measures taken in relation to information provided to exporters/applicants:

Question 2

Do you encourage exporters and, where appropriate, applicants, requesting official export credit support to develop, apply and document appropriate management control systems that combat bribery?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If yes:

a) Please indicate how this is accomplished:

- ☒ text in the application form
- ☐ a stand-alone document is provided to applicants
- ☒ text in the general conditions of cover (*for export credit insurance and guarantees*)
- ☐ text in the credit agreement
- ☐ information posted on the organisation's web site
- ☐ customer publications (e.g. brochures, handbooks)
- ☒ other (please elaborate):

Exporter Indemnity Letter

b) Please provide the text used to encourage exporters and, where appropriate, applicants, requesting official export credit support to develop, apply and document appropriate management control systems that combat bribery:

SACE Policy – “The Insured Party expressly declares to be fully aware of the SACE Code of Ethics and undertakes to fully comply with it – to the extent that it is applicable to it – as it constitutes an integral and substantial part of this Policy”.

SACE Guarantee - “The Agent/Lender, in exercising rights and fulfilling obligations under this Guarantee, shall act in conformity with the terms set out in the Code of Ethics.”

Exporter Indemnity Letter – “The Exporter declares and guarantees that it is adopted its own code of ethics and organisational model pursuant to Decree 231/2001.

[IN CASE EXPORTER HAS NOT ADOPTED ITS OWN CODE OF ETHICS: The Exporter declares and guarantees to be fully aware of the SACE Code of Ethics and undertakes to fully comply with it – to the extent that it is applicable to it.”]

Comments/clarifications/additional information related to the answers provided above:

Please describe any additional measures taken in relation to exporter/applicant management control systems to combat bribery:

Question 3

Do you require exporters and, where appropriate, applicants, requesting official export credit support to provide an undertaking/declaration that neither they, nor anyone acting on their behalf, such as agents, have been engaged or will engage in bribery in the transaction?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If Yes:

a) The requirement is communicated to exporters/applicants via:

- ☒ text in the application form
- ☐ a stand-alone document is provided to applicants
- ☐ text in the general conditions of cover (*for export credit insurance and guarantees*)
- ☐ text in the credit agreement
- ☐ information posted on the organisation's web site
- ☐ customer publications (e.g. brochures, handbooks)
- ☐ other (please elaborate):

b) The undertaking/declaration is obtained from exporters/applicants through:

- ☒ the application form
- ☒ a stand-alone document submitted by the exporter/applicant ☐ *at the time of application* ☒ *before support is provided*
- ☒ other (please elaborate): ☐ *at the time of application* ☐ *before support is provided*

The SACE Guarantee

- c) Please provide the text of the requirement and/or the undertaking/declaration provided by exporters/applicants:

Application Form

“To the best of its knowledge, the Exporter/Applicant represents, to all legal effects that:

- ☐ it has not been subject to any charge/administrative measure by national courts in the last 5 years for violation of international and/or national anti-bribery laws
- ☐ *on [X], a charge in a national court or a national administrative measure was issued against it for violation of international and/ or national anti-bribery laws
- ☐ no legal proceedings are currently being brought against it for violation of international and national anti-bribery laws
- ☐ *legal proceedings are currently being brought against it for violation of international and/or national anti-bribery laws
- ☐ no legal proceedings are currently being brought against any of its agents for violation of international or national anti-bribery laws
- ☐ *legal proceedings against its agents and/or representatives are currently being brought for violation of international and national anti-bribery laws
- ☐ it has never been included on any debarment lists of the World Bank or other International Organisations.

*If one of such boxes is ticked, the Exporter/Applicant shall be obliged to provide SACE with further information.”

Exporter Indemnity Letter

“The Exporter hereby declares and guarantees that:

- a) Neither itself, nor any of its directors, executives or any other subject acting on its behalf, has violated, and shall violate international and/or national anti-bribery laws in relation to the award of the export contract, its participation in international tenders, and throughout the negotiation, signature and entry into force of the export contract and/or in respect of any other potential agreement, authorisation, license, consent, or obligation pursuant to or in connection with the export contract. On the date hereby, no legal proceedings are currently being brought against the Exporter any of the above-stated violations.
- b) In the case whereby the Exporter is not in a position to make one or a number of the declarations at point (a) above, it shall make one the following declarations*:
 - ☐ on [X], a charge in a national court or/administrative measure was issued against it for violation of international and/or national anti-bribery laws
 - ☐ legal proceedings are currently being brought against it for violation of international and/or national anti-bribery laws
 - ☐ legal proceedings are currently being brought against one or any of its agents for violation of international and/or national anti-bribery laws

*If one of such boxes is ticked, the Exporter shall be obliged to provide SACE with further information.”

SACE Guarantee

“The SACE Agent/Each SACE Lender represents, with respect to itself, that neither it nor, to the best of its knowledge and belief, anyone acting on its behalf,

- is currently subject to proceedings before a court or administrative tribunal, or
- during the five-year period immediately preceding execution of this Guarantee, has been convicted in a court or been subject to equivalent administrative determination,
- in either case for violation of laws or regulations against bribery of a public official of any country in connection with the Project.”

As of June 2014

Comments/clarifications/additional information related to the answers provided above:

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Please describe any additional measures taken in relation to exporter/applicant declarations/undertakings:

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Question 4

Do you verify and note¹ whether exporters, and where appropriate, applicants, are listed on the publicly available debarment lists of the following international financial institutions (IFIs): World Bank Group, African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development and the Inter-American Development Bank?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If Yes:

a) Which actors associated with the transaction are subject to verification?

<input checked="" type="checkbox"/> the applicant	<input checked="" type="checkbox"/> <i>at the time of application</i>	<input checked="" type="checkbox"/> <i>before support is provided</i>
<input checked="" type="checkbox"/> the exporter(s)	<input checked="" type="checkbox"/> <i>at the time of application</i>	<input checked="" type="checkbox"/> <i>before support is provided</i>
<input checked="" type="checkbox"/> other (<i>e.g. agents – please elaborate</i>)	<input checked="" type="checkbox"/> <i>at the time of application</i>	<input checked="" type="checkbox"/> <i>before support is provided</i>

SACE Know Your Customer Procedure

SACE employees must, both before and after official support is provided by SACE (including in the underwriting, portfolio management, indemnity and recovery phase) check on the relevant reputational databases the presence of SACE counterparties (i.e. insured banks, exporters, debtors, guarantors, beneficiaries, and sponsors, as appropriate) on IFI debarment lists.

b) Please indicate how the verification is achieved:

<input checked="" type="checkbox"/> staff check the lists	<input checked="" type="checkbox"/> <i>at the time of application</i>	<input checked="" type="checkbox"/> <i>before support is provided</i>
<input checked="" type="checkbox"/> exporter/applicant self-declaration	<input checked="" type="checkbox"/> <i>at the time of application</i>	<input type="checkbox"/> <i>before support is provided</i>
<input type="checkbox"/> other (please elaborate):	<input type="checkbox"/> <i>at the time of application</i>	<input type="checkbox"/> <i>before support is provided</i>

Comments/clarifications/additional information related to the answers provided above:

Please describe any additional measures taken in relation to current or past debarment of exporters/applicants by other institutions:

¹ Such verification may take the form of a self-declaration from exporters and, where appropriate, applicants, as to whether they are listed on the publicly available IFI debarment lists.

Question 5

Do you require exporters and, where appropriate, applicants, to disclose whether they or anyone acting on their behalf in connection with the transaction are currently under charge in a national court or, within a five-year period preceding the application, have been convicted in a national court or been subject to equivalent national administrative measures for violation of laws against bribery of foreign public officials of any country?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If Yes:

a) Please indicate how requirement is met:

☒ the application form provides for such disclosures to be made

☒ a stand-alone document requiring such disclosures must be provided by the exporter/applicant ☐ *at the time of application* ☒ *before support is provided*

☒ other (please elaborate): ☐ *at the time of application* ☐ *before support is provided*

Please see the details provided under question 3.

Comments/clarifications/additional information related to the answers provided above:

Please describe any additional measures taken in relation to exporter/applicant disclosure of charges and/or convictions of bribery:

Question 6

Are agents' commissions (included in the export contract) eligible for official support?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If Yes:

a) Do you apply a ceiling to agents' commissions for which official support is provided?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If Yes:

b) Please provide details on the ceiling(s) applied:

They must be included in the downpayment

c) What is the rationale for imposing a ceiling on agents' commissions?

They should be justified by the kind of project and in compliance with standard business practices.

Too high commissions always engender a more specific verification.

Comments/clarifications/additional information related to the answers provided above:

Please describe any additional measures taken in relation to the eligibility for official support of agents' commissions:

Question 7

Do you require that details be provided in respect of agents' commissions associated with the transaction?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If yes:

a) Do you require the **amounts** of commissions to be disclosed?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If yes, the amounts of commissions must be disclosed:

- ☒ at the time of application
- ☐ before the final decision to provide support is made
- ☐ before a claim will be indemnified
- ☐ other (please elaborate):

b) Do you assess whether the **level** of commissions is consistent with standard business practice?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

If yes, the assessment is made:

- ☒ at the time of application
- ☐ before the final decision to provide support is made
- ☐ before a claim will be indemnified
- ☐ other (please elaborate):

c) Do you require the **purpose** of commissions to be clearly identified?

☐ Yes, always ☒ Yes, sometimes (*please provide details below*) ☐ No

If yes, the purpose is identified:

- ☒ at the time of application
- ☐ before the final decision to provide support is made
- ☒ before a claim will be indemnified
- ☐ other (please elaborate):

We ask the purpose in case the amount is clearly exceeding business practices and in case of enhanced due diligence.

d) Do you require that details (e.g. name, company, address) be provided in respect of the **agent(s)** to whom commissions are paid?

☐ Yes, always ☒ Yes, sometimes (*please provide details below*) ☐ No

If yes, the details must be provided:

- ☒ at the time of application
- ☐ before the final decision to provide support is made
- ☒ before a claim will be indemnified
- ☐ other (please elaborate):

We ask further details only in case of enhanced due diligence.

Comments/clarifications/additional information related to the answers provided above:

Please describe any additional measures taken in relation to the collection of information on and/or review of agents' commissions:

Question 8

Have you developed and implemented procedures to disclose to your law enforcement authorities instances of credible evidence² of bribery?

☒ Yes ☐ No

If Yes:

Please provide a short description of your policies and procedures:

According to the **KYC Procedure**, if
 (a) the databases reveal that a SACE insured party or exporter has been convicted or subject to administrative measures or that legal proceedings have been brought against it for violation of international laws against bribery of foreign public officials and/or offences pursuant to Italian Legislative Decree 231/2001; or
 (b) there is reason to believe that bribery may be involved in the transaction;
 the relevant SACE structure conducts an **enhanced due diligence** on the transaction.
 If such enhanced due diligence process reveals **credible evidence** of a violation of international laws against bribery of foreign public officials, the Litigation Department is informed thereof and evaluates whether to report to the law enforcement authorities.

If it is proven that bribery was involved in the award or execution of an export contract, the relevant SACE structure informs the Litigation Department thereof and the Litigation Department immediately informs the law enforcement authorities.

Comments/clarifications/additional information related to the answers provided above:

Please describe any additional measures taken in relation to the disclosure of information on possible instances of bribery to law enforcement authorities:

² As defined in the OECD Council Recommendation on Bribery and Officially Supported Export Credits.

SECTION II – ACTIONS TAKEN IN RELATION TO A SPECIFIC APPLICATION BEFORE CREDIT, COVER OR OTHER SUPPORT HAS BEEN APPROVED

Question 9

If, **before** credit, cover or other support has been approved, you become aware that an exporter and, where appropriate, applicant (or anyone acting on their behalf in connection with the transaction) **are listed on any of debarment lists that you verify**, what action(s) are taken?

☒ Enhanced due diligence is undertaken. ☒ always ☐ sometimes (please provide details below)

☐ Other (please elaborate): ☐ always ☐ sometimes (please provide details below)

If enhanced due diligence is undertaken:

a) Does the enhanced due diligence process include, *inter alia*, verification that the exporter/applicant has in place appropriate management control systems that combat bribery?

☒ Yes, always ☐ Yes, sometimes (please provide details below) ☐ No

b) Does the enhanced due diligence process include, *inter alia*, verification that the exporter/applicant has taken appropriate internal corrective and preventative measures after having been debarred?

☒ Yes, always ☐ Yes, sometimes (please provide details below) ☐ No

c) How is the application treated?

☒ The approval of the application is suspended pending the outcome of the enhanced due diligence process. ☒ always ☐ sometimes (please provide details below)

☐ No fixed policy.

☐ Other (please elaborate): ☐ always ☐ sometimes (please provide details below)

Comments/clarifications/additional information related to the answers provided above:

Question 10

If, **before** credit, cover or other support has been approved, you become aware that an exporter and, where appropriate, applicant (or anyone acting on their behalf in connection with the transaction) **is currently under charge in a national court for violation of laws against bribery of foreign public officials of any country**, what action(s) are taken?

- ☒ Enhanced due diligence is undertaken. ☒ *always* ☐ *sometimes (please provide details below)*
- ☐ Other (please elaborate): ☐ *always* ☐ *sometimes (please provide details below)*

If enhanced due diligence is undertaken:

a) Does the enhanced due diligence process include, *inter alia*, verification that the exporter/applicant has in place appropriate management control systems that combat bribery?

- ☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

b) How is the application treated?

- ☒ The approval of the application is suspended pending the outcome of the enhanced due diligence process. ☒ *always* ☐ *sometimes (please provide details below)*

☐ No fixed policy.

- ☐ Other (please elaborate): ☐ *always* ☐ *sometimes (please provide details below)*

Comments/clarifications/additional information related to the answers provided above:

Question 11

If, **before** credit, cover or other support has been approved, you become aware that an exporter/applicant (or anyone acting on their behalf in connection with the transaction) **has been convicted in a national court or has been subject to equivalent national administrative measures for violation of laws against bribery of foreign public officials of any country within a five-year period**, what actions are taken?

- ☒ Enhanced due diligence is undertaken. ☒ *always* ☐ *sometimes (please provide details below)*
- ☐ Other (please elaborate): ☐ *always* ☐ *sometimes (please provide details below)*

If enhanced due diligence is undertaken:

a) Does the enhanced due diligence process include, *inter alia*, verification that the exporter/applicant has in place appropriate management control systems that combat bribery?

- ☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

b) Does the enhanced due diligence process include, *inter alia*, verification that the exporter/applicant has taken appropriate internal corrective and preventative measures after having been convicted?

- ☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

c) How is the application treated?

- ☒ The approval of the application is suspended pending the outcome of the enhanced due diligence process. ☒ *always* ☐ *sometimes (please provide details below)*

☐ No fixed policy.

- ☐ Other (please elaborate): ☐ *always* ☐ *sometimes (please provide details below)*

Comments/clarifications/additional information related to the answers provided above:

Question 12

If, **before** credit, cover or other support has been approved, you have reason to believe that **bribery may be involved in the transaction** (e.g. press reports from a reputable source, information provided by participants in the transaction) related to the award of the export contract, what action(s) are taken?

☒ Enhanced due diligence is undertaken. ☒ *always* ☐ *sometimes (please provide details below)*

☐ Other (please elaborate): ☐ *always* ☐ *sometimes (please provide details below)*

Enhanced due diligence is undertaken according to the **KYC Procedure**, as described under Question 8.

If enhanced due diligence is undertaken:

a) Does the enhanced due diligence process include, *inter alia*, verification that the exporter/applicant has in place appropriate management control systems that combat bribery?

☒ Yes, always ☐ Yes, sometimes (*please provide details below*) ☐ No

b) How is the application treated?

☒ The approval of the application is suspended pending the outcome of the enhanced due diligence process. ☒ *always* ☐ *sometimes (please provide details below)*

☐ No fixed policy.

☐ Other (please elaborate): ☐ *always* ☐ *sometimes (please provide details below)*

Comments/clarifications/additional information related to the answers provided above:

Question 13

If, **before** credit, cover or other support has been approved, you become aware of **credible evidence that bribery was involved in the award of the export contract for the transaction**, what action(s) are taken?

- ☒ Law enforcement authorities are informed. ☒ always ☐ sometimes (please provide details below)
- ☐ Enhanced due diligence is undertaken. ☐ always ☐ sometimes (please provide details below)
- ☐ Support is not provided for the transaction. ☐ always ☐ sometimes (please provide details below)
- ☐ Other (please elaborate): ☐ always ☐ sometimes (please provide details below)

If enhanced due diligence is undertaken:

a) Does the enhanced due diligence process include, *inter alia*, verification that the exporter/applicant has in place appropriate management control systems that combat bribery?

- ☐ Yes, always ☐ Yes, sometimes (please provide details below) ☐ No

b) How is the application treated?

- ☐ The approval of the application is suspended pending the outcome of the enhanced due diligence process. ☐ always ☐ sometimes (please provide details below)

☐ No fixed policy.

- ☐ Other (please elaborate): ☐ always ☐ sometimes (please provide details below)

If investigative authorities are informed:

c) How is the application treated?

- ☒ The approval of the application is suspended pending the outcome of the review by law enforcement authorities. ☒ always ☐ sometimes (please provide details below)

☐ No fixed policy.

- ☐ Other (please elaborate): ☐ always ☐ sometimes (please provide details below)

Comments/clarifications/additional information related to the answers provided above:

SECTION III – ACTIONS TAKEN IN RELATION TO A SPECIFIC TRANSACTION AFTER CREDIT, COVER OR OTHER SUPPORT HAS BEEN APPROVED

Question 14

If, **after** credit, cover or other support has been approved, you have reason to believe that **bribery may be involved in the transaction** (e.g. press reports from a reputable source, information provided by participants in the transaction) related to the award of the export contract, what action(s) are taken?

- ☒ Law enforcement authorities are informed. ☐ *always* ☒ *sometimes (please provide details below)*
- ☒ Enhanced due diligence is undertaken. ☒ *always* ☐ *sometimes (please provide details below)*
- ☐ Other (please elaborate): ☐ *always* ☐ *sometimes (please provide details below)*

Enhanced due diligence is undertaken as described under Question 8 and SACE Litigation Department evaluates whether to inform law enforcement authorities if such due diligence process reveals a suspected violation of anti-bribery laws.

Comments/clarifications/additional information related to the answers provided above:

Question 15

If, **after** credit, cover or other support has been approved, you become aware of **credible evidence that bribery was involved in the award of the export contract for a transaction**, what action(s) are taken?

- ☒ Law enforcement authorities are informed. ☒ *always* ☐ *sometimes (please provide details below)*
- ☐ Other (please elaborate): ☐ *always* ☐ *sometimes (please provide details below)*

Comments/clarifications/additional information related to the answers provided above:

Question 16

If, **after** credit, cover or other support has been approved, **it is proven that bribery was involved in the award of the export contract for a transaction**, what action(s) are taken?

- ☒ Law enforcement authorities are informed. ☒ always ☐ sometimes (please provide details below)
(only in relation to a conviction outside the Member's country)
- ☐ Loan disbursements are interrupted. ☐ always ☐ sometimes (please provide details below)
- ☒ Cover is invalidated *(for export credit insurance and guarantees)*. ☒ always ☐ sometimes (please provide details below)
- ☒ Claims are not indemnified *(for export credit insurance and guarantees)*. ☒ always ☐ sometimes (please provide details below)
- ☐ Recourse is sought for amounts disbursed. ☐ always ☐ sometimes (please provide details below)
- ☒ Recourse is sought for claims that have already been paid *(for export credit insurance and guarantees)*. ☒ always ☐ sometimes (please provide details below)
- ☐ Access to official support is denied for a specified period of time. ☐ always ☐ sometimes (please provide details below)
- ☐ Other (please elaborate): ☐ always ☐ sometimes (please provide details below)

Comments/clarifications/additional information related to the answers provided above:

SECTION IV – PAST EXPERIENCE

Question 17

Please indicate by marking the appropriate boxes if you have had any experience with the following scenarios related to the time **before** credit, cover or other support has been approved:

	<i>You became aware that an exporter/ applicant was on one of the debarment lists that you verify, and...</i>	<i>You became aware that an exporter/ applicant was under charge in a national court for bribery, and...</i>	<i>You became aware that an exporter/ applicant had been convicted in a national court or had been subject to equivalent national administrative measures for bribery, and...</i>	<i>You have reason to believe that bribery may be involved in the transaction (e.g. press reports from a reputable source, information provided by participants in the transaction), and...</i>	<i>You became aware of credible evidence that bribery was involved in the award of the export contract for a transaction, and...</i>
... you notified law enforcement authorities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... you undertook enhanced due diligence.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...you decided not to provide support for the transaction.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...you suspended approval of the application pending the outcome of the enhanced due diligence process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...you suspended approval of the application pending the outcome of the legal process.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... [other].	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<div></div>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... [other].	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<div></div>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please describe the circumstances of the actual incidents noted in the preceding table.³ Please also provide information on any actions that were taken as a result of situations not listed in the table (*e.g.* Members who review the details of agents' commissions as part of the standard application process should provide information on any actions that were taken as a result of the review of commissions).

Since 2012, with the introduction of the SACE Know Your Customer Procedure, when SACE becomes aware that an exporter/applicant is under charge in a national court for bribery, whether before or after credit, cover or other support has been approved, the relevant SACE structures undertake the enhanced due diligence process on the transaction, verifying, *inter alia*:

- whether appropriate internal corrective and preventive measures have been taken, maintained and documented;
- whether the Exporter/Applicant has in place appropriate management control systems that combat bribery;
- the treatment of agent's commissions in the transaction.

In scenarios relating to the time before credit, cover or other support is provided, in undertaking the enhanced due diligence, SACE evaluates whether the approval of the application for SACE cover should be suspended. In practice, SACE has not yet suspended application for cover.

Till date SACE has conducted an enhanced due diligence on the transaction in 5 cases where an exporter/application was under charge in national court for bribery offences.

³ It is recognised that Members may not be able to provide certain information in respect of a given transaction, *e.g.* if the transaction is subject to an ongoing investigation or prosecution or if the information is commercially confidential.

Question 18

Please indicate by marking the appropriate boxes if you have had any experience with the following scenarios related to the time **after** credit, cover or other support has been approved:

	<i>You became aware that an exporter/ applicant was under charge in a national court for bribery, and...</i>	<i>You became aware that an exporter/ applicant had been convicted in a national court or had been subject to equivalent national administrative measures for bribery, and...</i>	<i>You have reason to believe that bribery may be involved in the transaction (e.g. press reports from a reputable source, information provided by participants in the transaction), and...</i>	<i>You became aware of credible evidence that bribery was involved in the award of the export contract for a transaction, and...</i>	<i>It was proven that bribery was involved in the award of the export contract for a transaction, and...</i>
... you notified law enforcement authorities.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...you interrupted loan disbursements.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...you invalidated export credit cover.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...you did not indemnify a claim.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...you sought recourse for disbursed loan amounts.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...you sought recourse for claims that had already been paid.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
...denied access to official support for a specified period of time.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... [other].	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
... [other].	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Enhanced Due Diligence	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Please describe the circumstances of the actual incidents noted in the preceding table.⁴ Please also provide information on any actions that were taken as a result of situations not listed in the table.

Since 2012, with the introduction of the SACE Know Your Customer Procedure, when SACE becomes aware that an exporter/applicant is under charge in a national court for bribery, whether before or after credit, cover or other support has been approved, the relevant SACE structures undertake the enhanced due diligence process on the transaction, verifying, inter alia:

- whether appropriate internal corrective and preventive measures have been taken, maintained and documented;
- whether the Exporter/Applicant has in place appropriate management control systems that combat bribery;
- the treatment of agent's commissions in the transaction.

SACE has had 4 cases of enhanced due diligence relating to the scenario of cover for the time after credit - the outcome of the enhanced due diligence process did not lead SACE to take any further restrictive measures, but SACE continues to closely monitor the relevant cases.

⁴

See footnote 3.

SECTION V – PRACTICAL APPLICATION OF KEY TERMS

Question 19

Please provide a detailed description of your **Enhanced Due Diligence Procedures**, addressing, *inter alia*:

- Whether they comprise verification that the exporter/applicant has in place appropriate management control systems that combat bribery.
- Whether the procedures seek to verify whether an exporter/applicant that has been debarred by an IFI (or any other entity checked under your procedures) or convicted of bribery has taken appropriate internal corrective and preventative measures after having been debarred or convicted.
- The treatment of agents' commissions under the procedures.

SACE KYC Procedure

if

- there is reason to believe bribery may be involved in transaction;
- it has been revealed that the Exporter/Applicant is present on an IFI debarment list;
- the Exporter/Applicant has been convicted or subject to administrative measures or legal proceedings for violation of international and/or national anti-bribery laws;

then the relevant SACE structure conducts an enhanced due diligence on the transaction, including, *inter alia*:

- verifying whether appropriate internal corrective and preventive measures have been taken, maintained and documented;
- verifying whether the Exporter/Applicant has in place appropriate management control systems that combat bribery;
- verifying the treatment of agent's commissions in the transaction.

Question 20

Please describe how the term **Credible Evidence** is applied in practice under your system (*e.g.* who makes the assessment). Any Member who has adopted a definition which is broader (*i.e.* that sets a lower threshold) than the definition provided in footnote 5 of the OECD Council Recommendation on Bribery and Officially Supported export Credits should provide its definition.

OECD definition applies to credible evidence. The assessment is made first by the underwriting department that informs of its suspicions the Legal Department. This last one examines the matter and, coordinated with Top Management, decides whether to proceed to law enforcement (please see question 8).

Question 21

Please describe how the term **national court** is applied under your system (*i.e.* does it apply to any national court, or is it limited to certain national courts such as your own and/or or the national courts of the buyer/borrower country).

National Court is intended as any domestic court of any level and grade; however SACE requires the applicants/exporters to declare, at the time of application, if they have been in charge/convicted during last 5 years in any court, no matter the nationality.

SECTION VI - FURTHER MEASURES

Question 22

Are you considering any further general measures to deter bribery and/or changes to your policies and practices described in the survey?

☐ Yes ☒ No

Comments on measures and/or actions under consideration:

SACE's recently implemented Know Your Customer envisages that a check is made on all relevant parties involved in a transaction, not limited merely to the exporter/applicant/intermediary.

Question 23

Would you be prepared to exchange information with other ECG Members about suspected and/or proven instances of bribery related to specific officially supported export credit transactions?

☒ Yes ☐ No

Comments:

Subject To legal provisions regarding Privacy Code.

SECTION VII – ADDITIONAL COMMENTS

Please provide any additional comments on the items covered in the survey, or in relation to any issue, policy, or practice which has not been addressed (including any additional measures you take to combat bribery).

(The latest update to responses: 15 November 2013)