

**SURVEY ON MEASURES TAKEN TO COMBAT BRIBERY
IN OFFICIALLY SUPPORTED EXPORT CREDITS – SWEDEN RESPONSES**

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):

Supplementary form for application for export credit guarantee in favour of lender (to be filled in by the exporter)
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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:

The OECD has agreed to a Recommendation on combating bribery against officials within the public sector. In reference hereto, and pursuant to the provisions of Swedish legislation relating to bribery etc., in both the public and private sector, EKN requests the following clarification from the applicant.

EKN: We hereby declare

that we acknowledge the importance of our development, application and documentation of the appropriate management control systems that combat bribery,

that neither we, nor any involved group company or agent, have been engaged or will engage in bribery or other inappropriate reward in relation to the export transaction referred to in this application,

that we are aware of the fact that EKN's responsibility for the guarantee may lapse, and that already received amounts of compensation – including interest thereon from the date of disbursement of such compensation – shall be repaid to EKN, if we, or anyone acting on our behalf, have been engaged or will engage in bribery or other inappropriate reward as mentioned above, also

that we will indemnify EKN for all its costs and expenses which will be the consequences of the fact that we, or anyone acting on our behalf, have been engaged or will engage in bribery or other inappropriate reward as mentioned above.

Note that, according to the Swedish criminal code 10:5a – 5e, Swedish law penalizes bribery inter alia in the cases that have been described here.

SEK: We hereby declare that

...neither we, nor anyone acting on our behalf, in connection with the loan transaction stated in the application, have been engaged or will engage in bribery or any other type of inappropriate reward as mentioned above.

...we are aware that the loan granted by SEK can be called, that the outstanding amount plus interest and costs in accordance with the terms of the loan in such case shall be prepaid to SEK if we, or anyone acting on our behalf, have been engaged or will engage in bribery or any other type of inappropriate reward as mentioned above.

...we will indemnify SEK for all costs and expenses that arise because we, or anyone acting on our behalf, have engaged or will engage in bribery or any other type of inappropriate reward as mentioned above.

Swedish law penalizes bribery and corruption offences in, among others, the cases stated above, see Chapter 10:5a – 5e, of the Swedish Criminal Code.

The OECD has agreed to an Action Statement on combating bribery of foreign public officials in connection with international business transactions. In accordance with the agreement, SEK and SEK's foreign equivalents shall obtain a declaration from the applicant.

In the declaration, the applicant shall state that neither the applicant, or anyone acting on his/her behalf has been engaged or will engage in bribery or any other type of inappropriate reward for the performance of official duties to foreign ministers, members of parliament or public officials in connection with the export transaction the application concerns.

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

EKN has extended the declaration to also include bribery in the private sector.

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

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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):

Supplementary form for application for export credit guarantee in favour of lender (to be filled in by the exporter)
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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:

The OECD has agreed to a Recommendation on combating bribery against officials within the public sector. In reference hereto, and pursuant to the provisions of Swedish legislation relating to bribery etc., in both the public and private sector, EKN requests the following clarification from the applicant.

EKN: We hereby declare

that we acknowledge the importance of our development, application and documentation of the appropriate management control systems that combat bribery,

that neither we, nor any involved group company or agent, have been engaged or will engage in bribery or other inappropriate reward in relation to the export transaction referred to in this application, ,

that we are aware of the fact that EKN's responsibility for the guarantee may lapse, and that already received amounts of compensation – including interest thereon from the date of disbursement of such compensation – shall be repaid to EKN, if we, or anyone acting on our behalf, have been engaged or will engage in bribery or other inappropriate reward as mentioned above, also

that we will indemnify EKN for all its costs and expenses which will be the consequences of the fact that we, or anyone acting on our behalf, have been engaged or will engage in bribery or other inappropriate reward as mentioned above.

Note that, according to the Swedish criminal code 10:5a – 5e., Swedish law penalizes bribery inter alia in the cases that have been described here.

SEK: see text in question 1

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

EKN has extended the declaration to also include bribery in the private sector.

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

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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):

In case of an application for an export credit guarantee in favour of lender the declaration is also made by the exporter in the Supplementary form.

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*

In case of an application for an export credit guarantee in favour of lender the declaration is also made by the exporter in the Supplementary form. The applicant must in EKN's new policy renew the declaration before support is provided.

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

The OECD has agreed to a Recommendation on combating bribery against officials within the public sector

In reference hereto and pursuant to the provisions of the Swedish legislation relating to bribery etc. in both the public and private sector, EKN requests the following clarification from the applicant.

We hereby declare

that we acknowledge the importance of our development, application and documentation of the appropriate management control systems that combat bribery,

that neither we, nor any involved group company or agent have been engaged or will engage in bribery or other inappropriate reward in relation to the export transaction referred to in this application,

that we are aware of the fact that EKN's responsibility for the guarantee may lapse, and that already received amounts of compensation – including interest thereon from the date of disbursement of such compensation – shall be repaid to EKN, if we, or anyone acting on our behalf, have been engaged or will engage in bribery or other inappropriate reward as mentioned above, also

that we will indemnify EKN for all its costs and expenses which will be the consequences of the fact that we, or anyone acting on our behalf, have been engaged or will engage in bribery or other inappropriate reward as mentioned above.

Note that, according to the Swedish criminal code 10:5a-5e, Swedish law penalizes bribery inter alia in the cases that have been described here.

SEK : SEK requests either a copy of anti-corruption declaration sent to EKN or that SEK anti-corruption declaration to be filled in by the applicants (see text in question 1)

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

The applicant is obliged to inform if any involved group company or agent is listed

b) Please indicate how the verification is achieved:

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

If the contract amount exceeds 50 MSEK in a country being ranked 100 or worse by Transparency International Corruption Perception Index or if the transaction concerns exports of military materiel our staff checks if the applicant or the buyer is listed.

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

EKN verifies and notes whether the exporter/applicant is listed on the debarment list of the World Bank since the above mentioned banks have agreed to cross debarment..

SEK: SEK verifies that any applicant or borrower in any transaction is not listed on publicly available debarment lists

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*

In case of an application for an export credit guarantee in favour of lender also the exporter must make a declaration in addition to the one made by the lender. The declaration is made by the exporter in the Supplementary form.

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

EKN requires that the applicant and where appropriate the exporter disclose whether they, any agent or involved group company have been *notified of the suspicion of committing bribery* or within a five-year period preceding the application have been convicted for bribery regardless if the conviction concerns a national or foreign public official or a private person.

SEK: SEK anti-corruption policy requires exporter or applicants to verify that nor they or any of their agents has been convicted for bribery or any other corrupt behaviour during the last five-year period. This could be done to EKN or SEK directly.

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

The applicant and/or exporter must explain why they, the agent and/or the involved group company have been notified of committing bribery or have been convicted for bribery. Further the applicant must submit its anti-corruption policy together with an evaluation of the policy from its auditor or an external consultant and explain what corrective measures it has carried out. EKN will undertake an in-house legal investigation regarding the background of the transaction that gave rise to the notification of the suspicion or conviction.

SEK: If any applicant or exporter have been convicted for bribery during the last five years, SEK will verify that proper measurements have been taken. Those measurements should be documented and would typically include dismissal of involved personnel, implementation of control systems and an independent official review.

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:

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

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

EKN do not impose a fixed ceiling on agents' commissions. EKN have, however, established trigger values for when an enhanced due diligence shall be conducted with regard to such commissions.

Such enhanced due diligence shall always be conducted if:

1. The commission is in excess of 5 % of the contract value, or
2. The commission amounts to 10 MSEK or more.

Furthermore, an enhanced due diligence will also be conducted in case the commission is in excess of 2 % of the contract value or more than 1 MSEK and provided also that one of the following additional specific criteria are present, namely:

- A business in a country being ranked 100 or worse by Transparency International Corruption Perception Index
- Exports of military materiel
- The buyer is a public entity
- Some suspicious facts with regard to the payment mechanisms for the commission or the agent's relationship to public institutions and/or public decisionmakers has come to our attention.

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

An enhanced due diligence would typically involve:

- An investigation into the anti corruption policy of the applicant
- An account by the applicant on what controls he has conducted on the agent and results from controls undertaken by him
- An investigation into the contract between applicant and agent
- Information search from public sources, such as Anti Corruption Portal, World-check on entries concerning buyer and agent.

SEK: SEK have similar procedures as EKN for enhanced due diligence in case of high risk for improper commissions to agents

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):

As outlined under question 6 above, there are certain triggers for an enhanced due diligence into the background to reported agents' commissions.

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):

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):

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:

If there is a suspicion that bribery or other inappropriate reward was involved in the export transaction, EKN will promptly inform Swedish law enforcement authority . . EKN have appointed two anti-corruption officers to act in relation to the enforcement authority. EKN has established, in a manual, forms of cooperation with the Chief District Prosecutor at the National Anti-Corruption Unit. In addition to meetings on specific suspicions EKN will have two meetings a year with the National Anti-Corruption Unit to discuss ways of cooperating. EKN has so far had three meetings with the Chief District Prosecutor at National Anti-Corruption Unit.

SEK: At SEK the procedure is the same and meetings with Anti-Corruption Unit is a joint initiative between EKN and SEK. SEK sustainability policy states that in case of suspicions of bribery in an export transaction, SEK should promptly inform Swedish law enforcement authority.

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

²

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

As of June 2014

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

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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:

The applicant and/or exporter must explain why they, the agent and/or the involved group company are listed. Further the applicant must submit its anti-corruption policy together with an evaluation of the policy from its auditor or an external consultant and explain what corrective measures it has carried out. EKN will undertake an in-house legal investigation regarding the background of the transaction that gave rise to the appearance on the list..

SEK: SEK will undertake enhanced due diligence in line with EKN procedures and if possible in cooperation with EKN.

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:

EKN has gone one step further and will undertake a due diligence should the applicant and/or exporter have been notified about suspicion of bribery by the prosecutor. The applicant/and or exporter must explain why they, the agent and/or the involved group company have been notified of the suspicion of bribery. Further the applicant must submit its anti-corruption policy together with an evaluation of the policy from its auditor or an external consultant and explain what corrective measures it has carried out.

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)

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:

EKN will undertake an in-house legal investigation regarding the suspicion that bribery might be involved in the transaction. The investigation includes check-ups on Internet, World Check and other public sources as well as contact with the Swedish Embassy in the country concerned. Depending on the level of suspicion a contact may also be taken with the prosecutor at the Swedish National Unit Against Corruption.

SEK: SEK will undertake enhanced due-diligence in line with and if possible in cooperation with EKN procedure as described above. SEK have the alternative to consult external forensic unit at audit firm. Contact with prosecutor at the Swedish National Unit Against Corruption will be taken if relevant.

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)

EKN will always do an enhanced due diligence in these cases, and depending on the outcome of such due diligence EKN will either provide support or not. As long as the credible evidence remains and pending the outcome of the review by law enforcement authorities, EKN will not provide support. The application will be either suspended or dismissed.

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:

EKN has also the option to decline the application.

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)*

In case of suspicion of bribery EKN will, after having informed the Board of Directors, contact the appropriate national law enforcement authority.

Depending on the outcome of appropriate due diligence measures on our part outstanding offers for guarantee might be withdrawn or put on hold.

In case of an ongoing indemnification procedure under an issued guarantee a decision to approve and/or to execute indemnification payments might, according to specific circumstances in the transaction, be put on hold until conclusion of satisfactory due diligence measures.

SEK: SEK will conduct enhanced due diligence and inform SEK Credit Committee. If relevant authorities will be informed.

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

In addition to actions outlined above in case of suspicions of bribery, the applicant is always required - when asking for guarantee to be issued – to supplement his request with a renewed anticorruption declaration involving also an obligation of full disclosure on any change in previously declared circumstances with regard to blacklisting, agents and ongoing judicial procedures. The same applies to information supplied by an exporter in his supplementary form to application of lender.

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)*

Actions of the kind reported already under question 14 above, the difference possibly being that, the concept of credible evidence in a more strict judicial meaning belongs to the realm of considerations and actions by public prosecutors. In case of public prosecutors communication of such suspicions and initiation of consequential legal action, the requirements on our part with regard proper due diligence and revaluation of our obligations under export credit guarantees might have to be even more stringent.

SEK: see question 14

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

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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)

The guarantee is valid until a final verdict by a court. In case compensation already has been paid recourse is sought vis-à-vis the guarantee-holder. Under a guarantee to lender, where the bribery has taken place, not in connection with the loan contract but in the context of the financed supply contract, recourse will be enforced on the exporter in accordance with his previous exporter declaration.

The applicant/exporter is aware of the fact that, should bribery have been involved in the export transaction, the guarantee may lapse. If it is proven that bribery was involved, EKN will take a decision grounded on the facts received whether to declare the guarantee invalid or not.

SEK: Loan disbursements are interrupted, recourse is sought for amounts disbursed and access to official support is denied by SEK if it is proven that bribery was involved after a due diligence has been undertaken.

The applicant (exporter/bank) is aware that the granted credit may be cancelled and that the outstanding balance plus interest and costs under the terms of the credit, in such case shall be prepaid to SEK, if the applicant, or anyone acting on its behalf, has engaged or will engage in bribery or other inappropriate reward as mentioned above; and the applicant (exporter/bank) will indemnify SEK for all its costs and expenses that may occur as a result of the applicant, or anyone acting on its behalf, having been engaged or intending to engage in bribery or other inappropriate reward as mentioned above.

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 checked="" type="checkbox"/>	<input 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"/>
<input type="text"/>	<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="text"/>	<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).

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.

EKN has in a couple of instances had indications that a client company was involved in foreign bribery. In one of the instances EKN had concerns about the level of agent commissions, and carried out enhanced due diligence, which did not give reason to suspect any irregularities. In the other instance the applicant appeared on the World Bank debarment list. EKN therefore carried out enhanced due diligence to ensure that the applicant had established adequate compliance measures, and was satisfied with the company's responses. Since there was no reason to believe that foreign bribery had taken place in either of these cases, export credit guarantees were approved and reports were not made to National Anti-Corruption Unit.

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"/>
"Other" means "... you started an enhanced due diligence"	<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"/>

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.

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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.

If during the due diligence process it turns out that the applicant or anyone acting on their behalf has been notified of a suspicion of bribery, has been convicted within a five year period preceding the application, or is listed on the debarment list of the World Bank Group the applicant must submit a written declaration explaining the reason.. The applicant must also explain what corrective measures they have carried out, such as if the persons notified of a suspicion or convicted have been relocated or has left his employment and if the applicant has implemented procedures with the object to prevent future corruption including verification of its management control systems in place for this purpose.

The applicant is required to submit their Anti-Corruption Policy together with an assessment from the group's auditor/external consultant. For lender guarantees EKN request a report of the anti-corruption controls made by the bank for the transaction.

In addition EKN makes information search from public sources such as World-Check and the Anti-Corruption Portal for controls.

Agents;

The applicant must always be able to explain the purpose with the agents' commissions and what costs and fees they are meant to cover. And in addition EKN request:

A copy of the applicant's anti-corruption policy if such a policy may reasonably be required with reference to the size, nature and ownership structure of the company, the operations run within the company and the **risk** within the company.

A report of whether the applicant has performed controls of the agent and if so, what controls that have been performed and what information that have been obtained.

The exporter's agreement with the agent. This should contain terms and conditions by which the agent undertakes not to provide inappropriate benefits and by which the company may withdraw from the agreement if the agent provides inappropriate rewards.

EKN also check if the agent is listed on the World Bank list, search for information on public sources, such as the Anti-Corruption Portal, and World-Check regarding the agent and buyer.

If a control reveals information that the agent has appeared in a context of corruption or similar EKN also request information on:

The commercial reason for choosing the agent.

What information the applicant has acquired about the agent, including background, qualifications, company ownership structure and technical and financial situation.

Whether the applicant has been given a clear account of (the precise nature of) the services offered by the agent and of costs, commissions and fees.

Where there is difficulty in obtaining the requisite information about the agent, the applicant is recommended to engage an independent consultant for an extended examination.

SEK:

- Evaluation of exporter/applicant management control systems to combat bribery and evaluation of relevant policies, codes of conducts, anti bribery declarations etc.
- Policies and control systems with respect to agents and purpose for using agents
- If relevant meetings with exporter will be requested
- In case of exporter/applicant has been debarred by an IFI or convicted of bribery SEK will verify that proper measurements have been taken by the counterparty. Those measurements should be documented and would typically include dismissal of involved personnel, implementation of control systems and an independent official review.

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.

If during the process of handling an application for guarantee or afterwards EKN finds a suspicion that bribery or other improper reward is/was involved in the export transaction, EKN will promptly inform the Swedish law enforcement authority. EKN have appointed two anti-corruption officers to act in relation to the enforcement authority.

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 any court having a nationwide jurisdiction and authority as established and upheld through constitutionally based arrangements of the country concerned.

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:

EKN recently made an extensive review of EKN's internal regulatory framework and decided on a new processing manual with new working methods. One change is that EKN will work to a greater extent to identify corruption risks in transactions, which will lead to a substantially larger number of transactions being scrutinised than before. EKN will also undertake greater numbers of in-depth controls. Apart from transactions involving agents' fees where the guarantee recipient has stated that the company is blacklisted or suspected of bribery-related offences or other improper rewards, EKN has also identified other transactions with a major intrinsic risk of corruption where more in-depth controls should be carried out. This includes transactions involving large contract sums and exports to countries ranked as particularly corrupt by Transparency International. The methods of controls are continuously under development.

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:

On a case by case basis and subject to reciprocity. The Swedish secrecy legislation can make it difficult to exchange information on suspected instances of bribery.

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).

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(The latest update to responses: 13 Nov 2013)