

**SURVEY ON MEASURES TAKEN TO COMBAT BRIBERY IN OFFICIALLY SUPPORTED  
EXPORT CREDITS – LATVIA (LGA-ALTUM) 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):

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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:

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| <p>Latvia is a member state of the Organization for Economic Co-operation and Development (OECD) Working group on bribery in international business transactions and OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (Convention) (the Convention was adopted on 30 May 2014).</p> <p>No bribery is admissible in international business transactions to conquer market or acquire profit. Corruption arouses serious moral and political concern, jeopardises good state management and development of national economy, as well as distorts international trade conditions.</p> <p>The Convention shall be considered the most effective international anti-corruption tool aimed at:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Implementation of effective investigation and, promoting awareness of merchants on their liability, admitting no bribery of foreign officials among merchants in business transactions abroad;</li> <li><input type="checkbox"/> Ensuring application of constraint measures towards legal entities for bribery of foreign officials;</li> <li><input type="checkbox"/> Promoting international cooperation in the area of eradication of bribery.</li> </ul> <p>By joining the Convention, each member state agrees with a binding obligation to investigate bribery in international business transactions.</p> <p>Liability and application thereof</p> <p>For bribery of foreign officials, the Criminal Law of Latvia (CL) prescribes the same punishment as that for bribery of Latvian officials.</p> <p>The maximum limit of deprivation of liberty for physical entities prescribed by CL is 5 years; for grand bribery or, if carried out by an official or a group of officials on their prior agreement – 8 years, and, if carried out by an organized group – up to 10 years.</p> <p>In turn, for legal entities, in whose interests, or, as a result of whose inadequate supervision or control such bribery has been carried out, the constraint measure – liquidation, limitation of rights, confiscation of property or levy of assets up to 32 million Euros may be applied.</p> <p>CL provides for an obligation to investigate crimes, including bribery, committed abroad by a citizen, non-citizen of Latvia, or a foreign citizen possessing a permanent residence permit in Latvia, even if it is not recognized as a crime and is not punishable within the territory of the respective country.</p> |
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Comments/clarifications/additional information related to the answers provided above:

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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):

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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:

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

When expanding current export credit guarantee activity Latvian Guarantee agency intends to implement list of certain recommendations for exporters to help them identify and combat possible activities, by its members or agents acting on their behalf, which could lead to bribery.

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):

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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*

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

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| Text of declaration, which is included in a standard application form:<br>I confirm that neither applicant nor exporter mentioned in this application and/or any other legal or natural person acting on their behalf have been and will be involved in corrupt activities concerning transaction(s) within the framework of this application. |
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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 note<sup>1</sup> 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?

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

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b) Please indicate how the verification is achieved:

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| <input checked="" type="checkbox"/> staff check the lists    | <input type="checkbox"/> <i>at the time of application</i> | <input checked="" type="checkbox"/> <i>before support is provided</i> |
| <input type="checkbox"/> exporter/applicant self-declaration | <input 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>            |

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

Latvian Guarantee agency examines IFI debarment lists in cases where volume of export transaction exceeds 200 th. EUR and the buyer is either budgetary institution (institution which is fully funded by the state and is not a corporation) or, if shareholder of a company is public person, it owns at least 50% of the company shares (which has complete control over the company's strategic decisions). (LGA can identify ownership structure of the company after it has received a credit report about the buyer. Nevertheless in most cases, before ordering credit reports, ownership can be identified through publicly available sources, such as company website, various public records, etc.)

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

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<sup>1</sup> 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*

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

Declaration provided by exporter or applicant, which is included in a standard application form:

I confirm that neither applicant nor exporter mentioned in this application and/or any other legal nor natural person acting on their behalf within last five years from the date of this application have not been involved in legal proceedings at the national level and/or such proceedings abroad in relation to bribery of public sector officials.

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

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**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:

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

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

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

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**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):

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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):

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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):

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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):

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

Latvian Guarantee agency provides only short-term export credit guarantees and in most cases these are exports of consumer goods with short periods of deferred payments where role of the agent (if any) is more characteristic to one of trade representative.

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

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**Question 8**

Have you developed and implemented procedures to disclose to your law enforcement authorities instances of credible evidence<sup>2</sup> of bribery?

☒ Yes    ☐ No

*If Yes:*

Please provide a short description of your policies and procedures:

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| Internal procedures of Latvian Guarantee agency stipulate that in cases where it is suspected that during procurement procedure or when signing an export contract there are suspicions of potential bribery, exporter or applicant is asked to provide detailed description of activities that resulted in the conclusion of the contract. If after submission of the detailed description Board of Latvian Guarantee agency have reason to believe that bribery have been involved, this information is passed to The Corruption Prevention and Combating Bureau. |
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Comments/clarifications/additional information related to the answers provided above:

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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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<sup>2</sup>

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)

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*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)

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

There is no fixed policy by Latvian Guarantee agency; further steps are taken considering circumstances of each case but always taking into account recommendations by competent authorities, such as The Corruption Prevention and Combating Bureau.

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**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)

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*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)

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

There is no fixed policy by Latvian Guarantee agency; further steps are taken considering circumstances of each case but always taking into account recommendations by competent authorities, such as The Corruption Prevention and Combating Bureau.

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**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)

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*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)

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

There is no fixed policy by Latvian Guarantee agency; further steps are taken considering circumstances of each case but always taking into account recommendations by competent authorities, such as The Corruption Prevention and Combating Bureau.

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**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)

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*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)

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

There is no fixed policy by Latvian Guarantee agency; further steps are taken considering circumstances of each case but always taking into account recommendations by competent authorities, such as The Corruption Prevention and Combating Bureau.

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**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)

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*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)

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*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)

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

There is no fixed policy by Latvian Guarantee agency; further steps are taken considering circumstances of each case but always taking into account recommendations by competent authorities, such as The Corruption Prevention and Combating Bureau.

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### 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)*

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

When signing an application exporter declares that no bribery activities have been involved in transaction, thereby taking full responsibility for the consequences that may arise for false information such as obligations by guarantor can be eliminated.

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#### 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)*

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

When signing an application exporter declares that no bribery activities have been involved in transaction, thereby taking full responsibility for the consequences that may arise for false information such as obligations by guarantor can be eliminated.

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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. ☐ ☐

☒ 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)

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

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## 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> |
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| ... 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 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.<sup>3</sup> 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).

[illegible]

<sup>3</sup> 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"/>   |
| <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.<sup>4</sup> Please also provide information on any actions that were taken as a result of situations not listed in the table.

[illegible]

<sup>4</sup> 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.

In situations where export agreement is signed as a result of public procurement and Latvian Guarantee agency has received information about possible involvement of bribery, Latvian Guarantee agency has the right to ask for clarifying information which includes (but not only):

- What were the main conditions set by procurement?
- What restrictions were set by procurement?
- Is there information that adjudicated how the winners will be determined?
- Is there information available on how many applicants were evaluated?
- How an exporter received information about advertised procurement?

If the export contract was not signed on the basis of public tender Latvian Guarantee agency has the right to ask for clarifying information which includes (but not only):

- What are the key terms of cooperation?
- What were the main conditions that led to the signing of the contract?
- Short description of what were the main conditions by the result of which an exporter was chosen for cooperation?
- Whether by the signing of export agreement there were other parties involved that represented the interests of the exporter?

The required information should be provided in a detailed outline form, this could also include direct interview.

[illegible]

**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.

|  |
|--|
| All information provided by the exporter (see comments for Question 19) with the decision by the Board of Latvian Guarantee agency can be transferred to the authorities for evaluation and/or recommendations for further possible actions by obtaining additional information. |
|--|

**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).

|  |
|--|
| Term “national court” is applied to all levels of national State courts, however, if information is available, also legal proceedings in other countries are taken into account and may have same guarantee liability consequences as national courts. |
|--|

**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:

|   |
|---|
| Continuing work on development of export credit insurance activity Latvian Guarantee agency plans to improve Methodology for assessing bribery by introducing recommended criteria for exporters to assess whether they have in place appropriate management control systems that combat bribery. |
|   |
|   |
|   |

**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:

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## 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).

[illegible]

Responses as at end-June 2015  
(The last update to responses: April 2014)