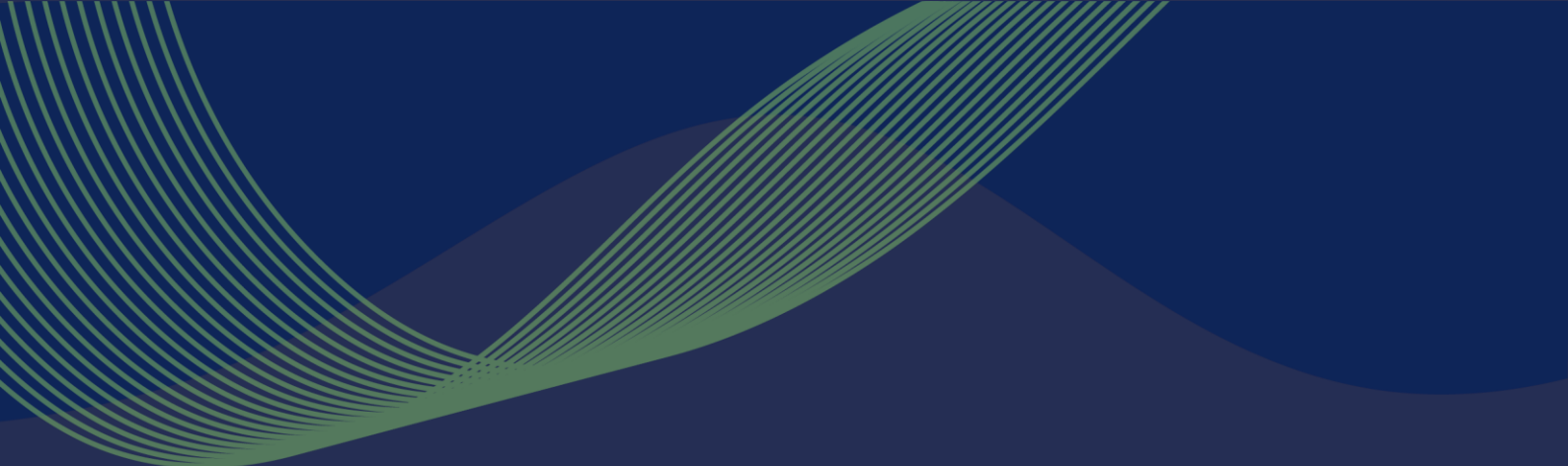




Why OECD work on anti-corruption matters to business

July 2022



The OECD with its various instruments, most notably the OECD Anti-Bribery Convention, is a leading institution in the international fight against corruption. The Anti-Bribery Convention is one of the most important international tools to combat international bribery. Since it entered into force in 1999, the Convention has helped governments to pass new laws, strengthen their existing regulations and foster effective enforcement.

Aside its monitoring activities in the context of the implementation of the Convention, the OECD also conducts research and analysis on a range of issues connected to the broader notion of integrity. This includes, among others, new studies on the demand side of bribery and the prevalence of corruption activities in state-owned enterprises (SOEs).

The Business at OECD (BIAC) Anti-Corruption Committee supports OECD efforts to fight bribery and corruption, to foster integrity and to ensure a global level playing field. It contributes the business voice to the OECD Working Group on Bribery, the OECD Anti-Corruption and Integrity Forum and other relevant OECD meetings which deal with the issues of bribery and corruption.

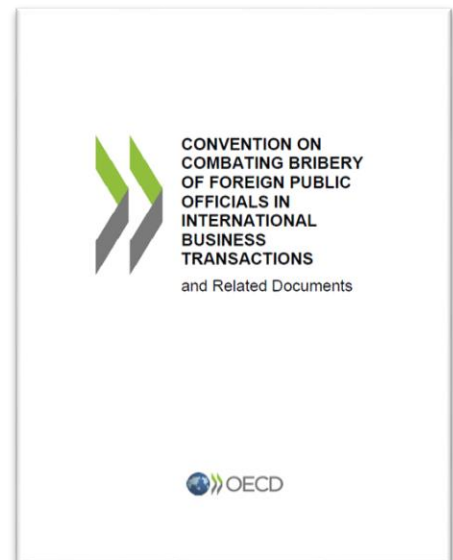
We also engage in a proactive dialogue with the OECD to encourage additional activities that create opportunities for responsible business and joint action by business and government in the fight against corruption. Business at OECD is also an active contributor to OECD work on 'Trust in Business' and B20 activities on compliance and integrity.

OECD INSTRUMENTS

[OECD Anti-Bribery Convention \(OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions\)](#)

The OECD Anti-Bribery Convention is a legally binding instrument, which entered into force in 1999. It focuses exclusively on the supply side of bribery. Parties to the Convention commit to criminalize the bribery of foreign public officials under their laws and to investigate, prosecute, and sanction this crime. The enforcement of the Convention is implemented and monitored by the OECD Working Group on Bribery through a peer-review monitoring system. The Convention has been adopted by 44 countries, including 7 non-OECD member countries:

- **Argentina**
- **Brazil**
- **Bulgaria**
- **Costa Rica**
- **Peru**
- **Russia**
- **South Africa**



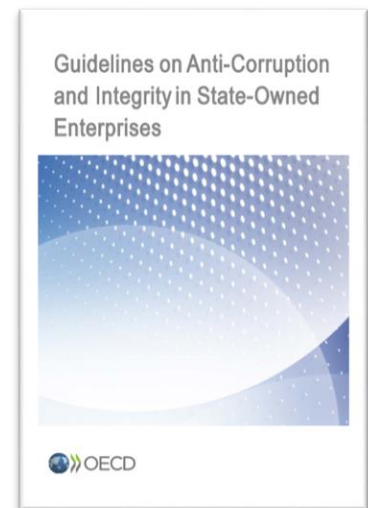
[OECD 2021 Anti-Bribery Recommendation](#)

The OECD's Anti-Bribery Recommendation extends the anti-bribery framework of the organization by putting in place new measures to prevent and combat bribery. It was reviewed between 2019 and 2021 to incorporate emerging challenges, best practices and cross-cutting issues. The Recommendation now addresses not only provisions for combating small facilitation payments, protecting whistle-blowers and improving communication between public officials and law enforcement authorities, but with the revision, also includes sections on key topics that have significantly evolved such as addressing the demand side of Foreign Bribery cases, incentives for corporate compliance, and non-trial resolutions. Annex II of the Recommendation features a Good Practice Guidance on Internal Controls, Ethics and Compliance.



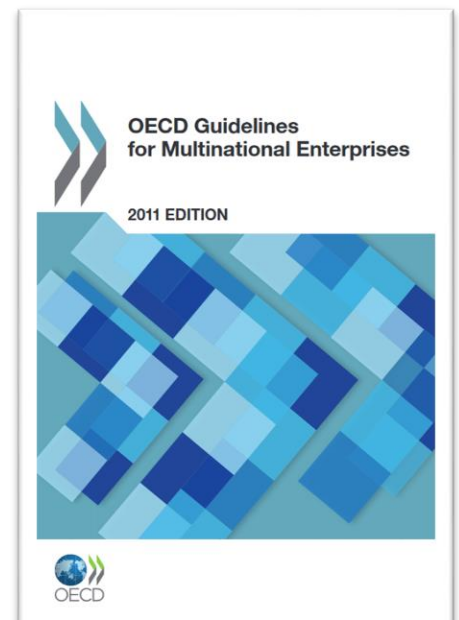
OECD Anti-Corruption and Integrity Guidelines for SOEs

The OECD's Recommendation of the Council on Guidelines on Anti-Corruption and Integrity in State-Owned Enterprises (SOEs) was adopted in May 2019. The recommendation is designed to provide states, as owners of enterprises, with practical guidance on how to fight corruption in SOEs given their increasing importance as competitors in the global economy. The Recommendation aims specifically at ensuring accountability as well as integrity in both the conduct and ownership structure of SOEs.



OECD Guidelines for Multinational Enterprises

The OECD Guidelines for Multinational Enterprises (MNE Guidelines) are part of the 1976 OECD Declaration on International Investment and Multinational Enterprises. 51 countries adhere to them, including all OECD member countries and 13 non-member economies. The MNE Guidelines are an international reference document providing recommendations on how MNEs can pursue responsible business conduct, operating in or from countries adhering to the Declaration. In addition to combatting bribery, bribe solicitation and extortion they cover all major areas of business ethics: human rights, information disclosure, employment and labor, environment, anti-corruption, consumer interests, science and technology, competition and taxation. They are implemented via a unique non-judicial grievance mechanism of National Contact Points (NCPs). The Guidelines were last revised in 2011, with a targeted update currently underway.



OECD Good Practice Guidance on Internal Controls, Ethics, and Compliance

The OECD Good Practice Guide on Internal Controls, Ethics and Compliance is contained in Annex II of the 2021 Recommendation. It is a non-legally binding guidance to companies in establishing effective internal controls, ethics, and compliance programs as measures for preventing and detecting foreign bribery. The Guide was designed to be flexible so that it can be adapted by all companies, in particular small and medium sized enterprises (“SMEs”), irrespective of their individual circumstances, such as size, type, legal structure and geographical and industrial sector. The Good Practice Guide also addresses business organizations and professional associations to assist companies by providing information and tools and by offering advice and support in carrying out the recommended good practices.

OECD Recommendation of the Council on Tax Measures for Further Combating Bribery of Foreign Public Officials in International Business Transactions (2009)

The Recommendation on Tax Measures for Further Combating Bribery of Foreign Public Officials

succeeds the 1997 Recommendation of the Council on the Tax Deductibility of Bribes to Foreign Public Officials. It calls for the adoption of explicit legislation denying the tax deductibility of bribes to foreign public officials in international transactions, and for an on-going self-review of the effectiveness of the frameworks as well as practices for disallowing such tax deductibility.

Revised OECD Recommendation of the Council on Bribery and Officially Supported Export Credits (2019)

The Revised OECD Recommendation of the Council on Bribery and Officially Supported Export Credits aims to reinforce action to deter and sanction bribery of foreign public officials in international business, with a focus on official export credit support and export credit agencies. Aside general measures to deter bribery, it comprises recommendations on the screening of applications for official export credit support, enhanced due diligence, the evaluation and decision to provide official export credit support, post-final commitment, and reporting and monitoring.

OECD Recommendation of the Council for Development Cooperation Actors on Managing Risks of Corruption (2016)

The OECD Recommendation of the Council for Development Co-operation Actors on Managing Risks of Corruption focuses on how international development agencies can work to address corruption, including the bribery of foreign public officials. It suggests measures to prevent and detect corruption in projects financed by official development assistance (ODA), details sanctions to be provided in ODA contracts and advises countries' international development agencies to work towards a comprehensive system for corruption risk management.

OECD Bodies

OECD Working Group on Bribery

The OECD Working Group on Bribery in International Business Transactions is responsible for monitoring the implementation and enforcement of the OECD Anti-Bribery Convention, the 2009 Anti-Bribery Recommendation and related instruments. The WGB maintains a rigorous [peer-review monitoring system](#), in which parties to the Convention are subject to review by their peers, with experts from different WGB countries serving as examiners of each evaluated country.

The process involves four successive phases:

- [Phase 1](#), which evaluates the adequacy of a country's legal framework to fight foreign bribery and implement the Convention.
- [Phase 2](#), which assesses whether a country is applying this legislation in practice.
- [Phase 3](#), which focuses on enforcement and cross-cutting issues, and unimplemented recommendations from Phase 2.
- [Phase 4](#), which focuses on enforcement and cross-cutting issues tailored to specific country needs, and unimplemented recommendations from Phase 3.

and is considered by Transparency International to be the 'gold standard' of monitoring.

Key Events

Consultation with the OECD Working Group on Bribery

The Working Group on Bribery (WGB) holds consultations with external stakeholders, including Business at OECD every year. These consultations typically take place in December. The topics are selected based on dialogue with stakeholders prior to the meeting and on the WGB's need to receive inputs from stakeholders on specific projects it is developing.

OECD Global Anti-Corruption and Integrity Forum



The annual OECD Anti-Corruption and Integrity Forum convenes leading actors from business, government and civil society to discuss challenges and advance innovative solutions on a range of issues related to integrity and anti-corruption. The forum is usually held in March as part of the OECD Integrity week at the OECD Headquarters in Paris and brings together more than 1000 participants from all around the world.

OTHER INITIATIVES

G20

The Group of Twenty (G20) is an international forum, made up of 19 major developed and emerging economies and the European Union, representing 85 % of global GDP, 75% of international trade and two-thirds of the world's population. The OECD participates in all G20 Working Group meetings and provides data, analytical reports and proposals on specific topics, often jointly with other relevant international organizations.

In this context the OECD is also an active partner of the G20 Anti-Corruption Working Group (ACWG) established in 2010, supporting ACWG commitments and providing the evidence base for ACWG efforts. Important objectives of the OECD's engagement include promoting G20 countries' adherence to and effective implementation of the OECD Convention on Bribery, encouraging efforts to strengthen regulatory frameworks, international cooperation, and law enforcement capacity and advancing integrity and transparency in the public and private sectors.



B20

Since 2010, the Business 20 (B20) has been informing the G20 as the voice of the private sector. The mission of the B20 is to support the G20 through consolidated representation of interests, expertise, and concrete policy proposals. Its summits are held annually, typically before the respective G20 summits. The B20 process thereby typically features a number of task forces or working groups focusing on various policy areas, mirroring the structure of the G20. Over the past few years, Business at OECD has been supporting the various B20 presidencies in several cases as an active participant and network partner and has actively contributed to the anti-corruption, compliance and integrity work streams informing the G20 ACWG with business positions and recommendations.

OECD Trust in Business - Compliance without Borders initiative

The Compliance without Borders initiative was launched with industry leaders under the B20 Argentina presidency and is being co-developed by the OECD's Trust in Business Initiative and the Basel Institute, with the support of Business at OECD. The aim of the project is to support cooperation between the private and public sectors and to promote anti-corruption efforts in SOEs, by bringing experienced compliance experts from the private sector via short-term secondments (3-6 months) to SOEs to help them build their compliance capacity and address corruption-related risks. The project draws on the OECD's Anti-Corruption and Integrity Guidelines for State-Owned Enterprises (ACI Guidelines). It is open to private-sector compliance experts, SOEs and ownership entities globally.

OECD Blue Dot Network

The Blue Dot Network is a multi-stakeholder initiative founded in 2019 by the United States, Australia and Japan. It aims to create a globally recognized certification to certify "quality infrastructure investments" by building on existing global infrastructure standards and attract private (ESG) finance.

The OECD has been engaged to provide technical support to the [Blue Dot Network](#), channelling inputs through the [OECD Trust in Business initiative](#) and its dedicated Blue Dot Network Executive Consultation Group. The Executive Consultation Group brings together over 180 global leaders from business, civil society and academia and is providing high-level guidance to ensure that the Blue Dot Network is globally impactful, efficient and takes into consideration the specific needs and concerns of different sectors and regions

Recent OECD Publications

[Corporate Anti-corruption Compliance Drivers, Mechanisms and Ideas for Change](#)

Study based on company surveys looking at the factors driving companies to adopt anti-corruption compliance mechanisms. It also explores challenges for implementing compliance programs and presents business recommendations on how governments can incentivize anti-corruption compliance.



[Tackling Bribe Solicitation Using the High-Level Reporting Mechanism for Preventing Bribery](#)

Study looking into the 'essential ingredients' for a successful High-Level Reporting Mechanism (HLRM). It also presents case studies from Colombia Argentina, Ukraine and Peru.



[Foreign Bribery Enforcement What Happens to the Public Officials on the Receiving End?](#)

Study exploring whether there is a "flip side" to enforcement actions that ended in sanctions for the supply-side of a foreign bribery transaction, i.e. whether public officials on the demand-side country were also sanctioned or otherwise disciplined.



[The Detection of Foreign Bribery](#)

Study analyzing the primary sources of detection for foreign bribery cases. It also examines best practices developed in different sectors and countries which have led to the successful detection of foreign bribery.





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