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Working Party on Export Credits and Credit Guarantees

EXPORT CREDITS AND BRIBERY: 2009 REVIEW OF MEMBERS' RESPONSES TO THE 2006 SURVEY ON MEASURES TAKEN TO COMBAT BRIBERY IN OFFICIALLY SUPPORTED EXPORT CREDITS

This document comprises the 2009 Review of Members' Responses to the 2006 Survey on Measures Taken to Combat Bribery in Officially Supported Export Credits concerning their implementation of the 2006 OECD Recommendation on Bribery and Officially Supported Export Credits [TD/ECG(2006)24]. Members' responses are available on the OECD website.

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EXECUTIVE SUMMARY

This document comprises the 2009 Review of Members' responses to the 2006 *Survey on Measures Taken to Combat Bribery in Officially Supported Export Credits* [TD/ECG(2006)17/FINAL] in respect of the 2006 *OECD Recommendation on Bribery and Officially Supported Export Credits* [TD/ECG(2006)24].

Members' responses to the 2006 Survey, which reflect the undertakings in the Recommendation, are available on the OECD website¹. The Survey is maintained on an on-going basis and, accordingly, Members are requested to provide to the Secretariat updates of their responses to the Survey, at a minimum on an annual basis, to reflect any changes in their policies and practices. In this context, 2009 updates and comments were received from eleven countries (Australia, Belgium, France, Germany, Italy, Japan, Mexico, Portugal, Slovak Republic, Turkey, and the United Kingdom), which are included in this Review.

The analysis in this Review aims to illustrate how well Members adhere to the undertakings in the Recommendation and to inform their further work in this area. In this context, the majority of Members appear to fulfil their obligations under the Recommendation [*c.f.* Chart 2]. In particular, updated responses in 2009 show a slight but still further improvement in the level of Members' adherence to the undertakings in the Recommendation, with Mexico now being in compliance with its provisions in relation to Question 13 and Question 15.

A provisional version of this Review was examined and discussed by Members at the 120th Meeting of the OECD Working Party on Export Credits and Credit Guarantees (ECG) held in November 2009, following which Members were invited to provide comments by end-December 2009.

A revised version of the Review was then prepared for presentation to Members at their 122nd Meeting, to be held in April 2010; however, this Meeting was cancelled due to the closure of European airspace. This final version was agreed *via* written procedure; it is issued as an unclassified document and will be made publicly available on the OECD website

¹ http://www.oecd.org/topic/0,3373,en_2649_34177_1_1_1_1_37431,00.html.

**EXPORT CREDITS AND BRIBERY: 2009 REVIEW OF MEMBERS' RESPONSES TO THE
2006 SURVEY ON MEASURES TAKEN TO COMBAT BRIBERY IN
OFFICIALLY SUPPORTED EXPORT CREDITS**

I. Introduction

1. This paper provides a third comprehensive Review of Members' responses to the *2006 Survey on Measures Taken to Combat Bribery in Officially Supported Export Credits* (the "Survey") [TD/ECG(2006)17/FINAL] that reflects the *2006 OECD Recommendation on Bribery and Officially Supported Export Credits* (the "Recommendation") [TD/ECG(2006)24] adopted by OECD Council in December 2006. The last comprehensive review [TAD/ECG(2008)20/FINAL] was issued on 16 January 2009.

2. The responses to the Survey cover the 28 Members of the OECD Working Party on Export Credits and Credit Guarantees (ECG) that have official export credit programmes²: 23 Members in respect of their official export credit system as a whole (*i.e.* one response *per* country) and ten responses from five countries (the Czech Republic, Hungary, Japan, Korea and the United States) that each provide officially supported export credits through two export credit agencies (ECAs)³. In total, therefore, responses have been received from 33 Members/ECAs. Any questions concerning Members' responses should be directed to the Members concerned.

3. Members' responses to the Survey, as of 31 July 2009, were made publicly available on the OECD website and, as agreed under the provisions of the enhanced peer review process⁴, the OECD Secretariat wrote on 6 August 2009 to the Business and Industry Advisory Committee to the OECD (BIAC), the ECA Watch network of Non-Governmental Organisations (NGOs), the European Banking Federation (EBF), the Trade Union Advisory Committee to the OECD (TUAC) and Transparency International (TI) inviting them to comment on those responses for inclusion in this Review: no comments were received.

4. A provisional version of this Review, based on Members' responses to the Survey as of 31 July 2009, was subsequently presented for examination and discussion at the 120th ECG Meeting held in November 2009, following which Members were invited to provide comments by end-December 2009. A revised version of this Review was then prepared for presentation at the 122nd ECG Meeting in April 2010, taking into account those comments and clarifications received; however, this Meeting was cancelled due to the closure of European Airspace. This final version of the Review was agreed *via* written procedure and reflects Members' requests for certain changes in their responses and clarification concerning their practices.

² Of the 30 Members of the OECD, all but Iceland are ECG Members; of the 29 ECG Members, Ireland is not included in the data as it has no official export credit programme.

³ The United States provided responses from its ECA, US Exim Bank, and from the United States Department of Agriculture ("USDA"), which also provides official export credit support for agricultural products.

⁴ [http://webdomino1.oecd.org/olis/2008doc.nsf/Linkto/tad-ecg\(2008\)23](http://webdomino1.oecd.org/olis/2008doc.nsf/Linkto/tad-ecg(2008)23).

II. Situation for 2009 Review

5. Since the last review in 2008, eleven countries (Australia, Belgium, France, Germany, Italy, Japan (JBIC and NEXI), Mexico, Portugal, Slovak Republic, Turkey, and the United Kingdom) have submitted revised responses and/or additional comments to the Survey. In particular, Mexico amended its response by choosing “*Always, informing law enforcement authorities*” in relation to Question 13, thereby now satisfying the related requirement set out in the Recommendation (Article 1 i) and 1 j)), and also revised its answer to Question 15 by stating again “*Always, informing law enforcement authorities*” thereby also meeting the required standard under Article 1 i) of the Recommendation.

6. With respect to other notable changes, Belgium and France revised their responses to Question 13 in view of clarifying their internal procedures to flag “*Credible Evidence*” that bribery was involved; Germany provided a clarified answer to Question 21 in connection with a broader interpretation of “national court” in the Recommendation; Italy responded to Question 12 (b) with “*Yes, always*” and updated its last response to Question 22 by reporting the result of recent rearrangements to strengthening controls over its policies; and the United Kingdom clarified its responses to Questions 12 (a) and 13 (a) by replacing “*Yes, sometimes*” with “*Yes, always*” to reflect a broader interpretation of the questions.

7. In addition to those changes, other revised answers from Members include “changes in their internal administrative process”, “additional details to last answers in 2008”, and “some correction of typographical errors”.

8. All Members’ responses to the Survey for this 2009 Review, are available on the OECD website and any questions concerning these responses should be directed to the Members concerned. As before, the results of this Survey will also inform the work of the OECD Working Group on Bribery in International Business Transactions in connection with their ongoing review of the implementation of the *OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions*.

III. The 2006 Survey

9. Questions 1-16 cover each obligation itemised in the Recommendation, as well as additional information on the policies and practices of Members/ECAs, and Questions 17-23 seek information on past experiences, on application of the terms used in the Recommendation, and on any further measures that are being contemplated. Many of the questions in the Survey have detailed sub-questions with multiple options to facilitate the provision of unambiguous answers.

(a) *Methodology Used to Assess Members’ Responses*

10. In this Review, summaries of Members’ responses have been provided in respect of each Survey question. In addition, the Secretariat has attempted, where appropriate, to assess Members’ responses against the undertakings of the Recommendation in terms of whether each Member’s policies and practices meet, exceed or do not meet each obligation.

(b) *Summary and Assessment of Members’ Responses*

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? If yes:

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

(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.

11. As required under Article 1 a) of the Recommendation, all 33 Members/ECAs, who responded to the Survey, answered that they always inform exporters and, where appropriate, applicants requesting official export credit support about the legal consequences of bribery.

12. With respect to whether and how well Members/ECAs meet the first obligation in Article 1 a) of the Recommendation, the method and timing of providing the information need to be considered. To meet the basic obligation, it is necessary **to ensure** that exporters and, where appropriate, applicants are **always** informed about the consequences of bribery. In this context, the five options to answer Question 1 (a) in the Survey range from “*text in the application form*” to “*text in the credit agreement*”, of which the first three methods⁵ of communication are considered as being at the earliest stage possible in the life of a potential officially supported export credit, as these relate to the application process (this principle also applies to the analysis of Questions 2 and 3).

13. In this context, 32 Members/ECAs meet the first obligation in Article 1 a), of which 28 exceed the minimum obligation by informing the exporters and/or applicants of the legal consequences of bribery through multiple channels⁶. With respect to timing, all 32 Members/ECAs that meet the first obligation also accomplish the communication at the earliest stage possible. Mexico does not appear to meet the minimum obligation because it provides the information through its website, which exporters and/or applicants may not necessarily visit, or through personal contacts.

14. The texts used by Members/ECAs (including updated provisions from Italy this year) to inform exporters and, where appropriate, applicants are available on the OECD website.

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? If yes:

(a) Please indicate how this is accomplished.

(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.

15. In respect of the second obligation in Article 1 a) of the Recommendation, *i.e.* encouraging exporters and, where appropriate, applicants, to develop, apply and document appropriate management control systems that combat bribery, Members/ECAs appear to be less active than in respect of the first obligation. The most common methods used to encourage exporters and/or applicants are websites and customer publications rather than any communications through, or in concert with, the application or the insurance, guarantee or loan documentation.

16. In answer to Question 2, all 33 Members/ECAs answered “*Yes, always*”; however, of these, only 20 Members/ECAs⁷ appear to meet the second obligation of Article 1 a) as they always encourage exporters and/or applicants to develop management control systems by way of a ‘sure’ method of

⁵ These are: text in the application form; a stand-alone document provided to applicants; and text included in a stand-alone document submitted by applicants.

⁶ In judging whether multiple channels are used for communication, whilst “other” measures provided under Question 1(a) are counted as one of the channels, separate “additional measures” are not in order to avoid discretionary judgement of the contents of the additional measures, some of which appear to be no different from the answers already provided under Question 1 (a). The same approach has been taken to Questions 2 and 3.

⁷ Finland and Turkey are counted with those Members/ECAs that meet the second obligation of Article 1 a) because their additional comments on the “other” measures are described as effective ways of communication (at the earliest stage).

communication. Furthermore, of these 20 Members/ECAs, 16 exceed the standard expectation by using at least two methods and 19⁷ (including Slovak Republic this year) appear to encourage the exporters and, where appropriate, applicants at the earliest stage possible.

17. The texts used by Members/ECAs to encourage exporter and/or applicants to develop management systems are available on the OECD website.

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? If yes:

(a) The requirement is communicated to exporters/applicants via.

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

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

18. With respect to Question 3, all 33 Members/ECAs always require the exporters and/or applicants 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.

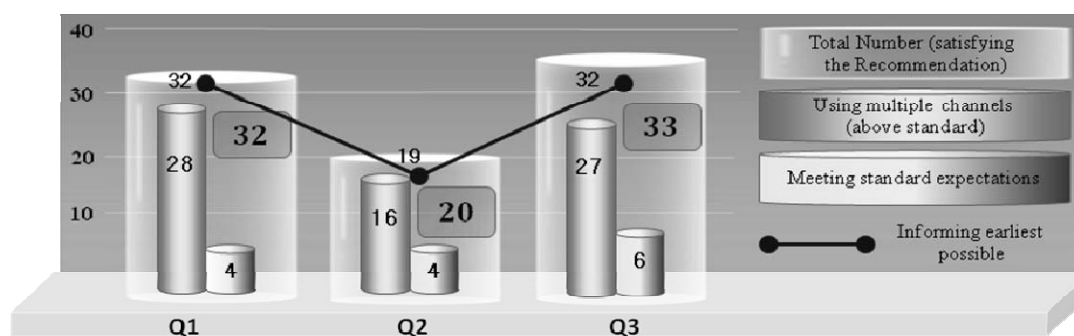
19. In their answers to Question 3 (a), all 33 Members/ECAs meet the requirement of Article 1 b) of the Recommendation as they communicate effectively to the exporters and/or applicants the requirement for an anti-bribery undertaking/declaration. Moreover, 27 Members/ECAs (including Mexico this year) exceed the standard expectation by using multiple channels of communication. Members/ECAs use a variety of methods to communicate with exporters and/or applicants, not all of which are mutually exclusive: text in the application form (25 Members/ECAs), a stand-alone document provided to applicants (14 Members/ECAs), and websites (21 Members/ECAs). With regard to timing, 32 Members/ECAs meet the expected standard at the earliest possible stage.

20. In relation to how the undertaking/declaration is obtained from exporters and/or applicants, 23 Members/ECAs reported obtaining this through the application form and 19 through a stand-alone document submitted by the exporters and/or applicants, *i.e.* 10 Members/ECAs obtain the undertaking/declaration through both documents. In addition, three Members/ECAs obtain the undertaking/declaration both at the time of application and before support is provided; this could be a useful practice for projects where there is a significant time gap between when the application is submitted and when the support is provided.

21. In 2009, Germany provided additional text that exporters should submit as an attachment to their application forms when a Finance Credit Guarantee is applied for by a bank. Italy and the United Kingdom also provided revised text under Question 3 (c) with additional details of their requirements. The full text of each Member's/ECA's undertaking/declaration is available on the OECD website.

22. The Chart 1 below illustrates the summary results of Questions 1-3:

Chart 1 – Summary results of Questions 1-3



Question 4 - Do you verify and note 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? If yes:

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

(b) Please indicate how the verification is achieved.

23. Pursuant to Article 1 c) of the Recommendation, the standard expectation with regard to Question 4 is that Members/ECAs will always verify and note whether, at a minimum, **exporters** are listed on the publicly available debarment lists.

24. Almost all Members/ECAs always verify and note whether exporters and/or applicants are listed on the publicly available debarment lists of IFIs: only Mexico and the United States/USDA responded that they do not always do so. Mexico commented that it checks IFIs debarment list only when loans are funded by a multilateral organisation, and the United States/USDA explained that it implements a verification procedure against the US Government's debarment list⁸. Therefore, 31 Members/ECAs meet the requirement of Article 1 c) of the Recommendation by consulting the IFIs' debarment lists: of these, all 31 Members/ECAs verify and note whether exporters are listed on the debarment lists and 29 Members/ECAs verify and note whether applicants are listed on the debarment lists.

25. With regard to the timing of verifying the IFIs' debarment lists for exporters, 16 Members/ECAs undertake the verification at the time of application, six Members/ECAs undertake the verification before support is provided and nine Members/ECAs undertake two verifications, *i.e.* both at the time of application and before support is provided. The same pattern can be also seen in respect of the timing of verifying the IFIs' debarment lists for applicants: 17 Members/ECAs undertake the verification at the time of application, five Members/ECAs undertake the verification before support is provided, and eight Members/ECAs undertake the verification twice.

26. With regard to how to undertake the verification as set in Question 4 (b), footnote 3 of the Recommendation states that implementation may take the form of a self-declaration from exporters and/or applicants: in this context, eight Members/ECAs rely on self-declaration submitted by the exporter and/or applicant; seven Members/ECAs rely on checks carried out by their staff; and 15 Members/ECAs require both self declarations by exporters and/or applicants and staff checks.

27. In July 2009, the United Kingdom raised a question in relation to Article 1 c) of the Recommendation, as to whether the reference to the Asian Development Bank (ADB) should be retained in that Article as its debarment list does appear to contain published names, as these are only available on a need-to-know basis. Then, in November 2009, the United Kingdom updated the related information on this issue to the Secretariat by quoting "disclosure" in ADB's website⁹:

The list of parties ADB debars is not published, in accordance with ADB's Public Communications Policy... OAI (the Office of Anticorruption and Integrity) will inform parties that ADB declares ineligible that ADB currently does not make public their names and that an attempt to participate in ADB-financed activities while ineligible will result in an extension of the sanction period and a notice on ADB's website, including that party's name. Also, if OAI finds it impossible to communicate with the subject of a decision (e.g., if the subject refuses to accept

⁸ As Mexico and the United States/USDA replied that they do not implement a verification procedure against the IFI debarment lists, their answers for the sub-questions are not included in the statistics and analysis for the sub-questions under Question 4.

⁹ <http://www.adb.org/integrity/sanctions.asp>.

correspondence, or has moved and cannot be located), the Integrity Oversight Committee may approve posting the information on ADB's website.

28. Given this updated information concerning its debarment list, the reference to ADB is retained in Article 1 c) of the Recommendation.

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? If yes:

(a) Please indicate how requirement is met.

29. Question 5 relates to Article 1 d) of the Recommendation, whereby Members/ECAs are expected to require exporters and/or applicants to disclose their current or past experiences (within a five-year period preceding the application) with bribery of foreign public official of any country.

30. Almost all Members/ECAs meet their obligation in this area: Japan/NEXI responded that such disclosure is only sometimes required (although this current procedure will be reviewed to ensure more consistency with the requirement of the Recommendation), and Mexico and the United States/USDA indicated that they do not require such disclosure.

31. Among the 30 Members/ECAs that fulfil this obligation, 13 Members/ECAs use the application form, 13 Members/ECAs use a stand-alone document and four Members/ECAs use both methods for obtaining information on exporters and/or applicants experiences with bribery. Irrespective of the methods used, 11 Members/ECAs require disclosure at the time of application.

Question 6 - Are agents' commissions (included in the export contract) eligible for official support? If yes:

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

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

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

32. Question 6 is not directly related to obligations under the Recommendation: it concerns Members'/ECAs' policies and practices in supporting agents' commissions in general. In response to the Question, 20 Members/ECAs always allow for official support to be provided for agents' commissions (included in the export contract), another eight Members/ECAs¹⁰ sometimes provide support, and five Members/ECAs¹¹ do not provide support for agents' commissions. For 2009, Mexico revised its answer from "provide no support" to "sometimes provide support".

33. With respect to whether a ceiling is applied to agents' commissions for which official support is provided, 18 Members/ECAs reported that there was no fixed ceiling, seven Members/ECAs¹² always apply a ceiling, and two Members/ECAs¹³ sometimes set a ceiling.

¹⁰ Denmark, Germany, Luxembourg, Mexico, the Netherlands, Norway, Poland and the United States/EXIM.

¹¹ Belgium, France, Greece, Turkey and the Unites States/USDA.

¹² Denmark, Italy, the Netherlands, Norway, Portugal, the Slovak Republic and Spain.

¹³ Luxembourg and the United States/EXIM.

34. In the cases where a ceiling is not applied to agents' commissions, some Members/ECAs reported that they review the level or amount of agents' commissions on a case-by-case basis, in accordance with common business standards; some Members/ECAs that apply a ceiling also reported the same practice. In circumstances where market practices for agents' commissions vary by transaction and industry, a pragmatic approach to examining agents' commissions may be the most effective anti-bribery measure.

35. Some Members/ECAs provided numerical details in their responses to Question 6 (a): the Netherlands applies a ceiling of 5% of the contract amount or EUR 4.5 million (whichever is the lowest) and Spain maintains a limit of 5% of the total value of exported goods and services.

Question 7 - Do you require that details be provided in respect of agents' commissions associated with the transaction? If yes:

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

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

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

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

Table 1 – Requirement/Assessment of the Details in Respect of Agents' Commissions

	Yes, always	Yes, sometimes	No
Do you require that details be provided in respect of agents' commissions associated with the transaction?	15	15	3
(a) Do you require the amounts of commissions to be disclosed?	18	12	0
(b) Do you assess whether the level of commissions is consistent with standard business practice?	10	17	3
(c) Do you require the purpose of commissions to be clearly identified?	11	18	1
(d) Do you require that details (e.g. name, company, address) be provided in respect of the agent(s) to whom commissions are paid?	12	18	0

Note: Where Members/ECAs answered "no" to Question 7, their other answers provided for sub-questions 7 (a) through 7 (d) are not counted in this Table 1.

36. Question 7 is related to Article 1 e) of the Recommendation, whereby Members should require exporters and/or applicants to disclose upon demand the details of agents and agents' commissions. In this context, those Members/ECAs that answered "Yes, always" or "Yes, sometimes" are deemed to meet the requirement of Article 1 e).

37. In this context, 30 Members/ECAs reported that they require the details in respect of agents' commissions associated with transactions either "always" (15 Members/ECAs) or "sometimes" (15 Members/ECAs); the remaining three Members/ECAs, *i.e.* Belgium, Mexico and United States/USDA, do not provide official support for agents' commissions and, accordingly do not review details of agents' commissions. However, in 2009, Belgium indicated its intention of considering "the possible impact of examining commission details on the obligation to cover".

38. As shown in Table 1 above, among those Members/ECAs that may require exporters and/or applicants to disclose the details of agents and agents' commissions:

- 30 Members/ECAs may also require the amount of commissions to be disclosed.
- 27 Members/ECAs may assess whether the level of commissions is consistent with standard business practice (except for Greece, Japan/JBIC and Japan/NEXI).
- 29 Members/ECAs may require the purpose of commissions to be clearly identified (except for Greece).
- 30 Members/ECAs may require that details be provided in respect of the agent(s) to whom commissions are paid.

39. According to the answers, all but six¹⁴ Members/ECAs appear to have adopted all practices that are in line with the expectation of obtaining information regarding the amount and purpose of agents' commissions, the identity of the agent(s) and to assessing the level of commissions if the need were to arise.

40. Table 2 below shows the overall pattern of when information on agent's commissions is collected: whilst practices vary, the majority of Members/ECAs collect such information before the final decision is made rather than before a claim is indemnified.

Table 2 – Time When Details in Respect of Agent's Commissions is Required/Assessed

	At the time of application	Before the final decision to provide support is made	Before a claim is indemnified	Other
Require the amounts of commissions to be disclosed	13	12	5	8
Assess whether the level of commissions is consistent with standard business practice	9	14	4	7
Require the purpose of commissions to be clearly identified?	9	12	6	9
Require that details be provided in respect of the agent(s) to whom commissions are paid	10	12	6	7

Question 8 - Have you developed and implemented procedures to disclose to your law enforcement authorities instances of credible evidence¹⁵ of bribery? If yes, please provide a short description of your policies and procedures.

41. Question 8 relates to Article 1 h) of the Recommendation. With the exception of Mexico, all other 32 Members/ECAs have developed and implemented procedures to disclose instances of credible evidence of bribery to law enforcement authorities. No substantial updates were made under Question 8 for 2009; except France which reported some changes to its procedures.

42. Some Members/ECAs provided a comprehensive description of their policies and procedures, while others mentioned that they would inform their relevant authorities of credible evidence. Notably this

¹⁴ Belgium, Greece, Japan/JBIC, Japan/NEXI, Mexico and United States/USDA.

¹⁵ As defined in the OECD Council Recommendation on Bribery and Officially Supported Export Credits.

year, Germany provided further elaboration to its past answer on its internal disclosure procedures. The detailed procedure of each Member/ECA is available on the OECD website.

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? 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?

(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?

(c) How is the application treated?

43. In accordance with Article 1 f) of the Recommendation, Members/ECAs are always expected to undertake enhanced due diligence under the circumstances described in Questions 9-12 and 14 and also, in respect of the situation described in Question 13 with reference to Article 1 j) of the Recommendation.

44. As to what should be included in the enhanced due diligence process, the Recommendation provides no specific guidance. However, Questions 9 (a) and 9 (b) address aspects that could be expected to be part of a Member's enhanced due diligence procedures, given that these are specifically mentioned in the Recommendation.

45. Almost all Members/ECAs reported that they always undertake enhanced due diligence if, before the credit, cover or other support has been approved, they become aware that an exporter and/or applicant (or anyone acting on their behalf in connection with the transaction) are listed on any debarment lists: the only exception was Mexico, which did not answer this question.

46. In undertaking due diligence, all but three Members/ECAs (France, Greece and Mexico), always verify that the exporter and/or applicant has in place appropriate management control systems and has taken appropriate internal corrective and preventative measures after having been debarred.

47. With regard to how the application is treated, the majority of Members/ECAs reported that they would suspend the approval of the application pending the outcome of the enhanced due diligence process; Mexico did not provide any information on this question.

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? 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?

(b) How is the application treated?

48. Almost all Members/ECAs always undertake enhanced due diligence when the exporter and/or applicant are currently under charge in a national court for violation of laws against bribery of foreign public officials of any country before the credit, cover or other support has been approved; however, two Members/ECAs (Greece and Mexico) reported that they do not undertake enhanced due diligence in such a situation. In the case of Greece, the final decision to provide support is withheld pending the outcome of any legal process; Mexico applies a more stringent policy if it becomes aware of such charge in any national court whereby the application for credit or support is null and void. Among the 31 Members/ECAs that undertake enhanced due diligence, 28 Members/ECAs always verify that the

exporter and/or applicant has in place appropriate management control systems that combat bribery; Austria, France and the United States/USDA reported that they “sometimes” do this.

49. With regard to how the application for cover is treated, 31 Members/ECAs always suspend the approval of the application pending the outcome of the enhanced due diligence process: Greece does not undertake enhanced due diligence and Mexico did not provide any information on this question.

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? 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?

(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?

(c) How is the application treated?

50. Pursuant to Articles 1 f) and 1 g) of the Recommendation, Members/ECAs are expected to undertake enhanced due diligence and to verify that appropriate internal corrective and preventative measures have been taken by an exporter after having been convicted. These obligations directly relate to Questions 11 and 11 (b).

51. Under Question 11, almost all Members/ECAs reported that they always undertake enhanced due diligence in the case where an exporter and/or 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. The exception is Mexico, which considers the application cancelled if it becomes aware that an exporter and/or applicant has been convicted in a national court, without undertaking enhanced due diligence.

52. With regard to enhanced due diligence under Question 11 (b), out of the 32 Members/ECAs that always undertake this process, 31 Members/ECAs include verification that the exporter and/or applicant has taken appropriate internal corrective and preventative measures after having been convicted; the United States/USDA sometimes carries out such verification. In summary, 31 Members/ECAs report that they always undertake enhanced due diligence and always verify that appropriate internal corrective and preventative measures have been taken thereby fulfilling their obligations.

53. In respect of Question 11 (a), 32 Members/ECAs indicated that they always verify whether the exporter and/or applicant has in place appropriate management control systems that combat bribery. In relation to how the application is treated under Question 11 (c), 32 Members/ECAs always suspend the approval of the application pending the outcome of the enhanced due diligence process.

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? 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?

(b) How is the application treated?

54. Question 12 seeks to ascertain what actions are taken when there is a suspicion of bribery in a specific transaction. In line with Article 1 f) of the Recommendation, 31 Members/ECAs always undertake enhanced due diligence when they have reason to believe that bribery may be involved in the transaction related to the award of the export contract.

55. In the case of Mexico, the same approach reported in relation to Questions 10 and 11 is applied. Australia does not appear to undertake *always* enhanced due diligence as it has policies and procedures by which any actions taken are determined by its own management or the relevant body depending on the seriousness of the incidences, the results of which may or may not trigger the enhanced due diligence. However, as newly commented this year in its answer to Question 12, Australia is presently reviewing its enhanced due diligence process and will update its response to this Question should the review lead to any change on its policies.

56. In respect of Question 12 (a), 27 Members/ECAs, including the United Kingdom this year, responded that they always verify whether the exporter and, where appropriate, applicant has in place appropriate management control systems that combat bribery. Concerning Question 12 (b), 31 Members/ECAs, including Italy which clarified its answer on this question this year, always suspend the approval of the application pending the outcome of the enhanced due diligence process.

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? 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?

(b) How is the application treated? If investigative authorities are informed:

(c) How is the application treated?

57. Question 13 relates to the circumstances where credible evidence of bribery has been found but before bribery has been proven. Taken together, Articles 1 i) and 1 j) of the Recommendation require, when there is credible evidence that bribery was involved in the award of the export contract for the transaction before the cover or other support has been approved, that Members/ECAs inform law enforcement authorities and either suspend the approval of the application pending the outcome of the enhanced due diligence process or refuse altogether to provide cover or other support for the transaction. In addition, Members could not provide cover or other support for the transaction if the result of any enhanced due diligence process undertaken concluded that bribery was involved in the transaction.

58. Accordingly, Members/ECAs whose responses indicate that law enforcement authorities are always informed and that approval of the application is always suspended (either temporarily pending the outcome of enhanced due diligence or the review of law enforcement authorities or both) are taken as meeting the requirements of the Recommendation. In addition, Members/ECAs that always inform law enforcement authorities and then always refuse providing official support are also considered to fulfil the obligations.

59. As shown in the Table 3, 32 Members/ECAs meet the requirements set out in Articles 1 i) and 1 j). In connection with informing law enforcement authorities, Mexico, this year, chose “*always*” and, therefore, meets the expected standard; Belgium and France also adjusted their responses to this question with clarification on their internal procedures to flag “*Credible Evidence*” that bribery was involved. The United Kingdom revised its response under Question 13 (a) to indicate that its enhanced due diligence process “*always*” includes, *inter alia*, verification of the exporters’ and/or applicants’ appropriate management control systems against bribery. The United States/USDA does not meet the requirements since it indicated that it does not always inform law enforcement authorities.

Table 3 – Actions when there is Credible Evidence of Bribery before the Decision to Provide Support Has Been Made

Member/ECA	Always informs LEA?	Approval of application suspended?		Support not provided at all	Meets Requirement?
		Approval always withheld pending outcome of EDD	Approval always withheld pending clearance by LEA		
Australia	Yes	X	X		Yes
Austria	Yes		X	X	Yes
Belgium	Yes	X	X		Yes
Canada	Yes		X	X	Yes
Czech Republic/EGAP	Yes	X	X		Yes
Czech Republic/CEB	Yes	X	X		Yes
Denmark	Yes	X	X	X	Yes
Finland	Yes	X	X		Yes
France	Yes	X	X		Yes
Germany	Yes		X	X	Yes
Greece	Yes	X	X		Yes
Hungary/Mehib	Yes	X	X		Yes
Hungary/Eximbank	Yes	X	X		Yes
Italy	Yes		X		Yes
Japan/JBIC	Yes	X	X		Yes
Japan/NEXI	Yes	X	X		Yes
Korea/Eximbank	Yes	X	X		Yes
Korea(KEIC)	Yes	X	X		Yes
Luxembourg	Yes		X	X	Yes
Mexico	Yes			X	Yes
Netherlands	Yes			X	Yes
New Zealand	Yes	X	X		Yes
Norway	Yes	X	X		Yes
Poland	Yes	X	X		Yes
Portugal	Yes	X	X		Yes
Slovak Republic	Yes	X	X	X	Yes
Spain	Yes		X		Yes
Sweden	Yes	X	X		Yes
Switzerland	Yes	X	X		Yes
Turkey	Yes	X	X		Yes
United Kingdom	Yes	X	X		Yes
United States/Eximbank	Yes	X	X	X	Yes
United States/USDA	No	X	X		No

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?

60. Question 14 sets out the same situation as under Question 12, *i.e.* there is reason to believe that bribery may be involved in the transaction related to the award of the export contract, except that the timing is **after the credit, cover or other support has been approved**. In accordance with Article 1 f) of the Recommendation, Members/ECAs are required to undertake enhanced due diligence; undertaking enhanced due diligence after approval of official support should normally be the case for insurance providers and, therefore, may not be relevant to providers for other officially supported products.

61. In 2009, the United Kingdom provided an updated response to Question 14 to clarify that it “*always*” undertakes enhanced due diligence in the circumstances envisaged in Question 14. As a result, 23 Members/ECAs reported that enhanced due diligence would always be undertaken in such cases, thereby, meeting standard expectations; the remaining 10 Members/ECAs reported that they would inform law enforcement authorities or would make some other action(s). In total, therefore, 22 Members/ECAs noted that law enforcement authorities would be informed (some also mentioned that this could be an outcome of the due diligence process), and six Members/ECAs indicated that other action would be taken (*e.g.* review of the situation by the board of directors).

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?

62. In relation to Article 1 i) of the Recommendation, Members/ECAs are expected to inform law enforcement authorities if there is credible evidence at any time that bribery was involved in the award or execution of the export contract. There was one revision to Members’/ECA’s responses this year, by Mexico. As a result, all 33 Members/ECAs report to law enforcement authorities when they are aware of credible evidence of bribery after the official support has been approved and, of these, 31 Members/ECAs, including Mexico, reported that they take “*always*” this action, thereby meeting the requirement of the Recommendation.

63. Belgium and Portugal advised that their decisions to inform investigative authorities depend on the decisions made by their management or on the evaluation of the case. These answers seem to reserve the possibility that their internal decisions do not necessarily lead to informing law enforcement authorities. Should these decisions be related to whether the evidence is “credible”, as defined in the Recommendation, then this response could be interpreted to be the same as those from the 31 Members/ECAs that indicated that they always inform law enforcement authorities.

64. In summary, according to the answers provided, 31 Members/ECAs meet the requirement of the Recommendation and two may meet the requirement (pending further clarification of their practices).

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?

Table 4 – Measures Taken When Bribery Involvement is Proven

	Law enforcement authorities are informed (only in relation to a conviction outside the Member's country).		Loan disbursements are interrupted.		Cover is invalidated (for export credit insurance and guarantees).		Claims are not indemnified (for export credit insurance and guarantees).		Recourse is sought for amounts disbursed.		Recourse is sought for claims that have already been paid (for export credit insurance and guarantees).		Access to official support is denied for a specified period of time.		Other	
	always	sometimes	always	sometimes	always	sometimes	always	sometimes	always	sometimes	always	sometimes	always	sometimes	always	sometimes
Australia	X			X		X		X				X		X		X
Austria	X				X		X				X					
Belgium	not specified				X		X				X		X			
Canada	X			X		X		X		X		X		X		
Czech Republic (EGAP)	X							X			X					
Czech Republic (CEB)	X		X						X							
Denmark	X			X		X		X			X					
Finland	X		X					X		X		X				
France		X	X		X		X				X					
Germany	X		X					X			X			X		
Greece	X				X		X				X		X			
Hungary (MEHIB)	X				X		X				X			X		
Hungary (Eximbank)	X		X		X		X		X		X			X		
Italy	X				X		X				X					
Japan (JBIC)	X		X							X						
Japan (NEXI)	X				X		X				X					
Korea (Eximbank)	X		X		X		X		X							
Korea (KEIC)	X				X		X									
Luxembourg	X				X		X				X					
Mexico	X		X						X				X		X	
Netherlands	X		X		X		X		X		X					
New Zealand	X			X		X		X		X		X		X		
Norway	X					X		X				X				
Poland	X							X				X				
Portugal	X				X		X				X		X			
Slovak Republic	X		X					X			X					
Spain	X				X		X				X					
Sweden	X			X		X		X		X		X		X		
Switzerland	X				X		X				X			X		
Turkey	X		X		X		X		X		X		X			
United Kingdom	X					X		X				X		X		
United States (EXIM)	X									X		X		X		
United States (USDA)	X					X		X		X		X		X		

65. Question 16 seeks information on Members'/ECAs' policies and practices if it is proven that bribery was involved in a transaction after the support has been approved. As stated in Article 1 i) of the Recommendation, Members are required to inform law enforcement authorities at any time (*i.e.* before or after support is provided) if there is credible evidence of bribery, so it is reasonable to expect that this

action is “*always*” undertaken when bribery has been proven outside the Member’s country. As shown in Table 4, France reported that they sometimes inform law enforcement authorities and Belgium answered that law enforcement authorities were informed but did not specify whether they were “*always*” or “*sometimes*”. However, in 2009, Belgium also indicated that it is “currently examining the possibility to include in its standard procedure the automatic warning of the law enforcement authorities in case bribery has occurred in the award of an export contract”. The remaining 31 Members/ECAs always inform law enforcement authorities in such situations, thereby fulfilling their obligations under Article 1 i).

66. Apart from the notification of law enforcement authorities, Members/ECAs are also expected to take “*appropriate actions*” pursuant to Article 1 k) of the Recommendation, which may differ in relation to the type of support that has been provided (*i.e.* direct credits, insurance or guarantees). The measures taken by Members/ECAs are shown in Table 4, including those of the United Kingdom which provided an amended response to Question 16 this year. As shown in the table above, all Members/ECAs undertake “*appropriate actions*” in such situations; however, since these measures are not fully prescribed by Article 1 k) of the Recommendation, it is not possible to assess policies in this area, other than to confirm that some action is taken.

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.

Table 5 – Past Experience before the Approval of Official Support

	You became aware that an exporter/ applicant was on one of the debarment lists that you verify, and...	You became aware that an exporter/ applicant was under charge in a national court for bribery, and...	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...	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...	You became aware of credible evidence that bribery was involved in the award of the export contract for a transaction, and...
You notified law enforcement authorities.				Netherlands, UK	
You undertook enhanced due diligence.	Canada, USEXIM, USDA	Canada, Denmark, Germany	Canada, Germany	Belgium, Canada, Germany, Switzerland, UK	Canada
You decided not to provide support for the transaction.	USEXIM, USDA				
You suspended approval of the application pending the outcome of the enhanced due diligence process.	Canada, USEXIM, USDA	Canada, Germany	Canada, Germany	Canada, Germany, Switzerland, UK	Canada
You suspended approval of the application pending the outcome of the legal process.					
[Other]					

Note: Shaded boxes are the expected measures under the scenario in accordance with the Recommendation.

67. Questions 17 and 18 seek information on Members’/ECAs’ past experiences with bribery scenarios and the measures taken in response to such scenarios. In respect of Question 17, Table 5 shows that, as of 31 March 2010, nine Members/ECAs (Belgium, Canada, Denmark, Germany, Netherlands, Switzerland, the United Kingdom, the United States (Exim Bank and USDA)) had experiences with the given bribery scenarios before the approval of official support.

68. In summary, except for the Netherlands, which only notified law enforcement authorities, eight Members/ECAs undertook enhanced due diligence for the bribery scenarios indicated, six of which also suspended approval of the application pending the outcome of the enhanced due diligence process; these practices are in line with the standard expectations under the Recommendation.

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.

Table 6 – Past Experience after the Approval of Official Support

	You became aware that an exporter/ applicant was under charge in a national court for bribery, and....	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...	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...	You became aware of credible evidence that bribery was involved in the award of the export contract for a transaction, and...	It was proven that bribery was involved in the award of the export contract for a transaction, and...
You notified law enforcement authorities.			Finland, UK, US EXIM	UK, US EXIM	
You interrupted loan disbursements.					
You invalidated export credit cover.					
You did not indemnify a claim.					
You sought recourse for disbursed loan amounts.			US EXIM	US EXIM	
You sought recourse for claims that had already been paid.			US EXIM	USEXIM	
Denied access to official support for a specified period of time.	Canada	Canada		Canada	Canada, US EXIM
[Other] undertook due diligence with exporter			Finland, Switzerland		

Note: Shaded boxes are the expected measures under the scenario in accordance with the Recommendation. For the proven case of bribery, informing law enforcement authorities is an expected measure only in relation to a conviction outside the Member's country.

69. With regard to the bribery scenarios after the credit, cover or other support has been approved, Canada, Finland, Switzerland, the United Kingdom and the United States/Eximbank reported on past experiences. The measures taken by these Members/ECAs in the given scenarios are shown in Table 6 above.

70. Where there was credible evidence of bribery having been involved in the award of the export contract, the United Kingdom and the United States/Exim Bank notified law enforcement authorities and, where bribery had been proved, Canada and the United States/Exim Bank also denied access to official support for a specified period of time in conformity with expectations under the Recommendation. Switzerland advised that in respect of the alleged bribery case, no claim had been indemnified and that an investigation was underway by the law enforcement authorities; in these circumstances, enhanced due diligence would be the only possible action to take. Under other bribery scenarios, Members/ECAs also appear to have taken appropriate measures.

71. Taking the outcome of Questions 17 and 18 together, those Members/ECA's that reported experience with possible bribery already appear to have had in place appropriate policies and practices to combat bribery and to have taken the necessary steps that are compliant with the obligations of the Recommendation.

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.

Table 7 – Content of Enhanced Due Diligence

	Verification that appropriate management control systems that combat bribery are in place	Verification that appropriate internal corrective and preventative measures have been taken	Treatment of agents' commission	Meets standard expectation?
Australia	X	X	X	Meet
Austria	X	X	X	Meet
Belgium	???	X	-	-
Canada	X	X	X	Meet
Czech Republic (EGAP)	X	X	X	Meet
Czech Republic (CEB)	X	X	X	Meet
Denmark	X	X	X	Meet
Finland	X	X	X	Meet
France	X	X	X	Meet
Germany	X	X	X	Meet
Greece	X	X	X	Meet
Hungary (MEHIB)	X	X	X	Meet
Hungary (Eximbank)	X	X	X	Meet
Italy	X	X	X	Meet
Japan (JBIC)	X	X	X	Meet
Japan (NEXI)	X	X	???	-
Korea (Eximbank)	X	X	X	Meet
Korea (KEIC)	X	X	X	Meet
Luxembourg	X	X	X	Meet
Mexico	-	-	-	-
Netherlands	X	X	X	Meet
New Zealand	X	X	X	Meet
Norway	X	X	X	Meet
Poland	X	X	X	Meet
Portugal	X	X	X	Meet
Slovak Republic	X	X	X	Meet
Spain	X	X	X	Meet
Sweden	X	X	X	Meet
Switzerland	X	X	X	Meet
Turkey	X	X	X	Meet
United Kingdom	X	X	X	Meet
United States (EXIM)	X	X	X	Meet
United States (USDA)	X	X	X	Meet

72. The Recommendation does not provide specific requirements in respect of enhanced due diligence; however, it would seem reasonable to assume that the three items mentioned in Question 19 would be included in Members/ECAs enhanced due diligence processes. In this connection, Table 7 was compiled by interpreting the detailed descriptions of enhanced due diligence provided by Members/ECAs.

73. On the basis of the Secretariat's interpretation of responses, 30 Members/ECAs include all three items mentioned in Question 19 in their enhanced due diligence process, including Norway, which provided a more detailed description of its enhanced due diligence in respect of the three components. Of the remaining three Members/ECAs, Mexico deleted its previous response to this question, and Belgium and Japan/NEXI did not clearly mention whether they verify that management control systems are in place and/or how they treats the agents' commissions under the procedures; however, both Belgium and Japan/NEXI indicated their intention to review their procedures.

74. The detailed enhanced due diligence procedures of respective Members/ECAs and additional comments are available on the OECD website.

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.

75. Except for some changes in wording from Mexico, no updates were received in respect of Question 20. The responses to Question 20 previously provided by Members/ECAs show that the assessment of whether evidence of bribery is credible is mostly made by their management, e.g. board of directors, which is considered an appropriate level to make such decisions. Some Members/ECAs consult higher levels within government, such as Ministry of Finance or Department of Justice, while Australia and New Zealand are likely to seek external legal advice. Some Members/ECAs assess the credibility of the evidence only at the level of their internal legal or underwriting department.

76. Sixteen Members/ECAs made reference to the definition of "credible evidence" provided in footnote 5 of the Recommendation; no Members/ECA mentioned explicitly that they apply a broader definition.

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 the national courts of the buyer/borrower country)

77. There are different interpretations of the term of "national courts" among Member countries. A majority of Members/ECAs apply a broad interpretation of the term, i.e. any national court in any country. This year, Germany clarified its answer by adding "any country" to the previous "any national court". It was, however, emphasised by some Members/ECAs that any country should mean a country with a legal system that is generally and legally acceptable. Five Members/ECAs noted that national courts are only those of their own country and of the buyer/borrower country, while another five Members/ECAs apply a more limited interpretation of the term, i.e. the courts in their own country.

Question 22 - Are you considering any further general measures to deter bribery and/or changes to your policies and practices described in the survey?

78. Fourteen Members/ECAs are considering further general measures to deter bribery and/or changes to their policies and practices described in the Survey. Italy updated its previous responses relating to strengthening its control systems and advised that the Code of Ethics and the Organisation Model have now been introduced. Belgium, Luxembourg, the Netherlands, Portugal, and the United Kingdom

(2009 update) are considering the regular training of their employees in respect of awareness of deterring bribery and six other Members/ECAs¹⁶ commented that they would make use of publication of information, e.g. websites, in order to facilitate anti-bribery measures. The remaining 19 Members/ECAs do not appear to be planning the introduction of new measures. In this context, Japan/JBIC stated that it first needed to gain experience of its newly implemented policies and practices before developing any further measures.

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?

79. Almost all Members/ECAs responded positively about exchanging of information with other ECG Members in respect of suspected and/or proven instances of bribery; of which five Members/ECAs (Belgium, Denmark, Switzerland, the United Kingdom, and, this year, Australia) indicated that they would exchange information only for proven instances of bribery. In contrast, Canada and the Czech Republic/EGAP reported that they are not able to exchange such information due to their legal obligations regarding confidentiality. In a similar vein, some other Members/ECAs commented that the disclosure of information would be subject to their respective bank secrecy rules and that such exchanges should be confidential and reciprocal.

(c) Section VII - Additional Comments

80. There were no specific comments since the last Review.

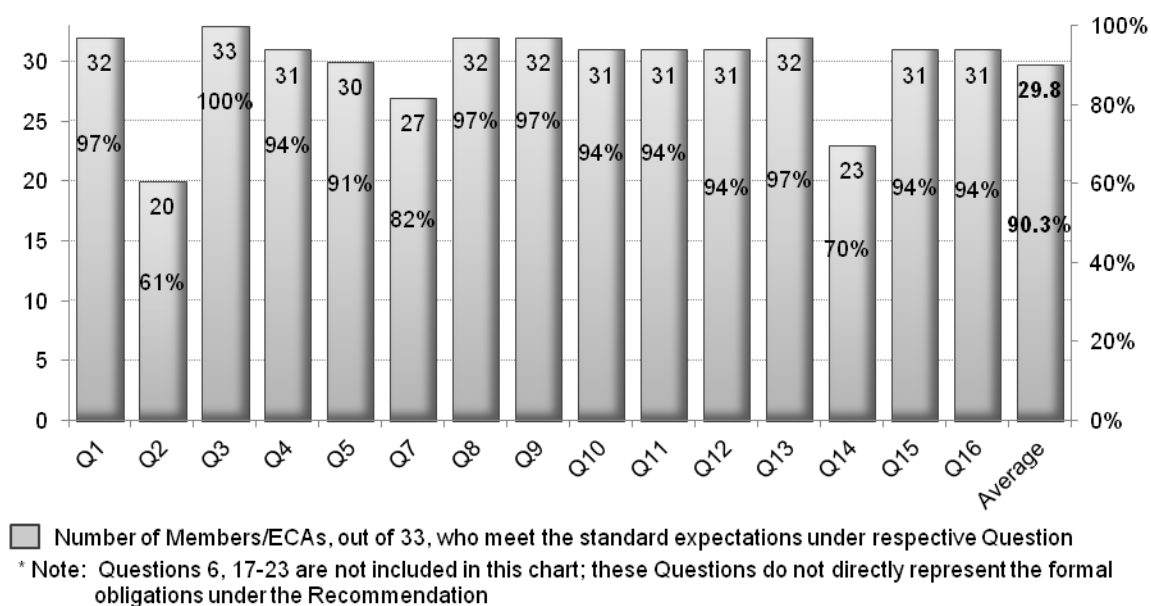
IV. Conclusions

81. Previous Reviews of Members' responses to the 2006 Survey appear to have helped Members in providing more accurate and complete responses, particularly insofar as how their policies and practices should be interpreted against the obligations under the Recommendation.

82. Chart 2 provides the latest overall assessment of the extent to which Members are meeting the core obligations of the Recommendation. With few exceptions, Members have put in place most of the necessary procedures, policies and systems in order to meet their obligations in respect of the Recommendation. In comparison with the outcome of last Review, out of a total of 33 Members/ECAs, the average number whose policies and practices are compliant with the Recommendation has grown from 29.3 (88.7%) to 29.8 (90.3%).

¹⁶ Those Members/ECAs are Germany, New Zealand, Sweden, Switzerland and the United States (Exim Bank/USDA).

Chart 2 – Overview of Implementation of the Recommendation



83. It should be noted that the overall level of compliance with the Recommendation should be higher than is shown in Chart 2. This is because some of the obligations detailed in Question 14 might only be available to providers of insurance.

V. Next Steps

84. This 2009 Review has now been finalised and issued as an unclassified document; it will be made publicly available on the OECD website.

85. Members are reminded that they should provide updates to their Survey responses on an on-going basis and, at a minimum, on an annual basis. The Secretariat will undertake another annual Review in 2010 based on Members' responses as of 31 July 2010.