SURVEY ON MEASURES TAKEN TO COMBAT BRIBERY IN OFFICIALLY SUPPORTED EXPORT CREDITS – CZECH REPUBLIC (CEB) 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?

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

If yes:

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

- [X] 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):

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:

A part of the Supported Financing Application Form is following Exporter Declaration on Compliance with Legal Provisions against Bribery in International Trade:

Export credit risk insurance with state support and the provision of supported financing cannot be given to exports, whose conclusion occurred bribery in international trade within the meaning of § 331 et seq. Penal Code at.

To this end, I declare for our company and for the people representing it in negotiating an export contract and there was not and will not be any violation the laws against bribery in international trade and conduct that meets the definition of crimes of bribery under § 331 et seq. Penal Code. In this context further I declare that persons acting on behalf of our company and representing it not been accused of crimes of bribery under § 331 et seq. Penal Code nor in the previous five years were not convicted of such an offense, and that our company is not listed on a publicly accessible list of bribing persons maintained by the World Bank Group (http://web.worldbank.org/external/default/main?contentMDK=64069844&menuPK=116730&pagePK=64148989&piPK= QuerycontentMDK = 64148984 & 64069700 & theSitePK = 84,266).

I understand that Exportní garanční a pojišťovací společnost, a.s. and Česká exportní banka, a.s. have the right to verify the truthfulness of the above statement and undertake to provide all information and documents that Česká exportní banka, a.s. for that purpose requests.

I understand that in case if it is proven violation of the norms and practices of international law, which the Czech Republic is bound, for example. Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (MFA Notice no. 25/2000 Col. of Int. Agreements), especially if there is conduct that meets the definition of crimes of bribery under § 160 et seq. Penal Code by our company and any person who has acted for our company:

a) Exportní garanční a pojišťovací společnost, a.s. has the right, within the meaning of Article. XII, Sec. 3 point. c) General Insurance Conditions D invoked against exporters penalty,

b) Česká exportní banka, a.s. has the right to terminate, respectively not to provide further supported financing and to enforce the sanctions specified in the relevant loan agreement or the contract of issue of letter of guarantee.

Legal background:

Notice of Ministry of Foreign Affairs No. 25/2000 Col. of Int. Agreements on Admission of Convention on Combating Bribery of Foreign Public Officials in International Business Transactions

Act No. 40/2009 Col. Penal Code

Act No. 141/1961 Col. Penal Procedure Code

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

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

Question 2

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

[X] 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
- [X] information posted on the organisation's web site
- [ ] customer publications (e.g. brochures, handbooks)
- [X] other (please elaborate):

General Terms and Conditions

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:

General Terms and Conditions

7. The Rights and Obligations of the Debtor, Co-debtor, Investor and Exporter

7.1 Debtor and/or the Co-debtor is obliged, in particular:

…

7.1.6 to declare that he is aware of the provisions of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business, and commit to take all necessary measures to comply with them;

7.1.7 to demonstrate a manner acceptable by Česká exportní banka,a.s. he has developed and applies a management control systems that combat bribery in accordance with the Czech legal system;

7.1.8 to declare that neither he nor anyone acting on his behalf as an intermediary is not and will not be involved in bribery in respect of the respective transaction;

7.1.9 to declare that neither he nor anyone acting on his behalf in connection with the transaction is not currently arraigned in court or been judicially sentenced to 5 years preceding the submission of the supported financing was not subject to equivalent administrative measures for violation of laws against bribery of foreign public officials of any country;

7.1.10 to announce at the request of Česká exportní banka, a.s. the identity of persons acting on his behalf in connection with the transaction and the amount and purpose of commissions and fees paid to these persons or agreed to pay.

In the event that the debtor or co-debtor obligations referred to in paragraph 7.1.6 until 7.1.10 of the General Terms and Conditions is not met, supported funding will not be provided. In the event that the documented facts and declared claims pursuant to Sections 7.1.6 to 7.1.10 General business conditions show in the future after providing subsidized financing to be false, Česká exportní banka, a.s. may impose the penalties provided in the credit agreement, not to provide additional loan drawdown and implement measures to ensure return has drawn credit.

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

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

Question 3

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

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

If Yes:

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

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

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

- [X] 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*

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

A part of the Supported Financing Application Form is following Exporter Declaration on Compliance with Legal Provisions against Bribery in International Trade:

Export credit risk insurance with state support and the provision of supported financing cannot be given to exports, whose conclusion occurred bribery in international trade within the meaning of § 331 et seq. Penal Code at.

To this end, I declare for our company and for the people representing it in negotiating an export contract and there was not and will not be any violation the laws against bribery in international trade and conduct that meets the definition of crimes of bribery under § 331 et seq. Penal Code. In this context further I declare that persons acting on behalf of our company and representing it not been accused of crimes of bribery under § 331 et seq. Penal Code nor in the previous five years were not convicted of such an offense, and that our company is not listed on a publicly accessible list of bribing persons maintained by the World Bank Group (http://web.worldbank.org/external/default/main?contentMDK=64069844&menuPK=116730&pagePK=64148989&piPK= QuerycontentMDK = 64148984 & 64069700 & theSitePK = 84,266).

I understand that Exportní garanční a pojišťovací společnost, a.s. and Česká exportní banka, a.s. have the right to verify the truthfulness of the above statement and undertake to provide all information and documents that Česká exportní banka, a.s. for that purpose requests.

I understand that in case if it is proven violation of the norms and practices of international law, which the Czech Republic is bound, for example. Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (MFA Notice no. 25/2000 Col. of Int. Agreements), especially if there is conduct that meets the definition of crimes of bribery under § 160 et seq. Penal Code by our company and any person who has acted for our company:

a) Exportní garanční a pojišťovací společnost, a.s. has the right, within the meaning of Article. XII, Sec. 3 point. c) General Insurance Conditions D invoked against exporters penalty,

b) Česká exportní banka, a.s. has the right to terminate, respectively not to provide further supported financing and to enforce the sanctions specified in the relevant loan agreement or the contract of issue of letter of guarantee.

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

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

Question 4

Do you verify and note[1] 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?

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

If Yes:

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

[X]	the applicant	[X] *at the time of application*	[ ] *before support is provided*
[X]	the exporter(s)	[X] *at the time of application*	[ ] *before support is provided*
[ ]	other (*e.g.* agents – please elaborate)	[ ] *at the time of application*	[ ] *before support is provided*

b) Please indicate how the verification is achieved:

[X]	staff check the lists	[X] *at the time of application*	[ ] *before support is provided*
[X]	exporter/applicant self-declaration	[X] *at the time of application*	[ ] *before support is provided*
[ ]	other (please elaborate):	[ ] *at the time of application*	[ ] *before support is provided*

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

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

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

Question 5

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

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

If Yes:

a) Please indicate how requirement is met:

[X] 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*

[X] other (please elaborate): [ ] *at the time of application* [ ] *before support is provided*

General Terms and Conditions

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

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

Question 6 – N/A

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

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

If Yes:

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

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

If Yes:

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

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

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

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

Question 7 – N/A

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

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

If yes:

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

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

If yes, the amounts of commissions must be disclosed:

☐ at the time of application

☐ before the final decision to provide support is made

☐ before a claim will be indemnified

☐ other (please elaborate):

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

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

If yes, the assessment is made:

☐ at the time of application

☐ before the final decision to provide support is made

☐ before a claim will be indemnified

☐ other (please elaborate):

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

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

If yes, the purpose is identified:

☐ at the time of application

☐ before the final decision to provide support is made

☐ before a claim will be indemnified

☐ other (please elaborate):

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

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

If yes, the details must be provided:

☐ at the time of application

☐ before the final decision to provide support is made

☐ before a claim will be indemnified

☐ other (please elaborate):

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

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

Question 8

Have you developed and implemented procedures to disclose to your law enforcement authorities instances of credible evidence[2] of bribery?

☒ Yes ☐ No

If Yes:

Please provide a short description of your policies and procedures:

Majority of our obligations in the area of combating bribery in export credits providing is included in our internal policy **POK 82 Combating Bribery in Export Credits Provision** which describes legal background, process of application submission and rules for negotiation process and processes of enhanced due diligence in the case of suspicion of committing the crime of bribery in international business. Generally are also applied Compliance and AML internal procedures and internal procedures for decision and approval processes.

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

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

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

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

Question 9

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

[X] Enhanced due diligence is undertaken. [X] *always* [ ] *sometimes (please provide details below)*

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

If enhanced due diligence is undertaken:

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

[X] 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?

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

c) How is the application treated?

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

[ ] No fixed policy.

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

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

As stipulated in internal policy "POK 82 Combating Bribery in Export Credits Provision".

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?

[X] Enhanced due diligence is undertaken.	[X] *always*	[ ] *sometimes (please provide details below)*	
[ ] Other (please elaborate):	[ ] *always*	[ ] *sometimes (please provide details below)*	

If enhanced due diligence is undertaken:

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

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

b) How is the application treated?

[X] The approval of the application is suspended pending the outcome of the enhanced due diligence process.	[ ] *always*	[ ] *sometimes (please provide details below)*	
[ ] No fixed policy.			
[ ] Other (please elaborate):	[ ] *always*	[ ] *sometimes (please provide details below)*	

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

As stipulated in internal policy "POK 82 Combating Bribery in Export Credits Provision".

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?

[X] Enhanced due diligence is undertaken. [X] *always* [ ] *sometimes (please provide details below)*

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

If enhanced due diligence is undertaken:

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

[X] 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?

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

c) How is the application treated?

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

[ ] No fixed policy.

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

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

As stipulated in internal policy "POK 82 Combating Bribery in Export Credits Provision".

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?

[X] Enhanced due diligence is undertaken.	[X] *always*	[ ] *sometimes (please provide details below)*
[ ] Other (please elaborate):	[ ] *always*	[ ] *sometimes (please provide details below)*

If enhanced due diligence is undertaken:

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

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

b) How is the application treated?

[X] The approval of the application is suspended pending the outcome of the enhanced due diligence process.	[ ] *always*	[ ] *sometimes (please provide details below)*
[ ] No fixed policy.		
[ ] Other (please elaborate):	[ ] *always*	[ ] *sometimes (please provide details below)*

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

As stipulated in internal policy "POK 82 Combating Bribery in Export Credits Provision".

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?

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

If enhanced due diligence is undertaken:

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

[X] Yes, always [ ] Yes, sometimes (*please provide details below)* [ ] No

b) How is the application treated?

[X] The approval of the application is suspended pending the outcome of the enhanced due diligence process.	[ ] *always*	[ ] *sometimes (please provide details below)*
[ ] No fixed policy.		
[ ] Other (please elaborate):	[ ] *always*	[ ] *sometimes (please provide details below)*

If investigative authorities are informed:

c) How is the application treated?

[X] The approval of the application is suspended pending the outcome of the review by law enforcement authorities.	[ ] *always*	[ ] *sometimes (please provide details below)*
[ ] No fixed policy.		
[ ] Other (please elaborate):	[ ] *always*	[ ] *sometimes (please provide details below)*

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

The proper further action depends on due diligence results.

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

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

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

Enhanced due diligence is undertaken.

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

Question 16

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

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

The appropriate action is taken by the decision of Board of Directors as stipulated in internal policy "POK 82 Combating Bribery in Export Credits Provision".

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

SECTION IV – PAST EXPERIENCE

Question 17

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

	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.	☐	☐	☐	☐	☐
... you undertook enhanced due diligence.	X	x	X	X	X
…you decided not to provide support for the transaction.	☐	☐	☐	☐	☐
…you suspended approval of the application pending the outcome of the enhanced due diligence process.	☐	☐	☐	☐	☐
…you suspended approval of the application pending the outcome of the legal process.	☐	☐	☐	☐	☐
... [other].	☐	☐	☐	☐	☐
... [other].	☐	☐	☐	☐	☐

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

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

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:

	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.	☐	☐	☐	☐	☐
…you interrupted loan disbursements.	☐	☐	☐	☐	☐
…you invalidated export credit cover.	☐	☐	☐	☐	☐
…you did not indemnify a claim.	☐	☐	☐	☐	☐
…you sought recourse for disbursed loan amounts.	☐	☐	☐	☐	☐
…you sought recourse for claims that had already been paid.	☐	☐	☐	☐	☐
..denied access to official support for a specified period of time.	☐	☐	☐	☐	☐
... [other]. Enhanced due diligence is undertaken.	X	X	X	X	X
... [other].	☐	☐	☐	☐	☐

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

[4] See footnote 3.

SECTION V – PRACTICAL APPLICATION OF KEY TERMS

Question 19

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

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

Process is described in the internal procedure **POK 82 Combating Bribery in Export Credits Provision** in following:

4. Enhanced Due Diligence on Suspicion of Bribery in International Business

4.1 Managerial employee after receiving information about the circumstances under Article 3.5. orders enhanced due diligence of the respective business case and informs credit manager and respective board member. At the same time managerial employee orders the suspension of the negotiations in the respective case and all other business cases related to the respective exporter until it is obvious that the offense was not committed, even if the business case has been approved by the appropriate approval levels in accordance with the internal standards. Drawing on other credit agreements of the same exporter is not affected by the process of due diligence.

4.2 The purpose of this procedure is to examine whether there is a suspicion of the crime of bribery in financing the export of the case, it would be necessary to take notice of the offense of bribery to law enforcement authorities in criminal proceedings. The aim is to identify individuals who offer, promise or give any undue pecuniary or other advantage, whether directly or indirectly, by foreign public official, for that official or for a third party to the effect that the official act or refrain from acting in the context of performance of official duties, in order to obtain or retain business or other improper advantage in international trade.

4.3 Credit manager processes the due diligence of the respective business case based on the decision of the managerial employee in collaboration with other specialized units – Credit Risk Management (2020), Legal (0140), Compliance (0500) and Internal Audit (0400).

4.4 As part of the due diligence of the respective business case credit manager requests additional information from applicant related to the respective business case, especially

a) the names of persons who represent exporter in the business case,

b) the amount and purpose of remuneration and other payments that were received or exporter has committed to grant such persons,

c) the existence of and compliance with internal procedures and measures, internal audits, etc., which was accepted by the exporter that preceded the crime of bribery, respectively documents proving that they have taken axle and taken measures to prevent such acts such as the exchange of staff responsible for the offense and the regular implementation of

control activities,

d) other documents that could contribute to achieving the purpose of the inspection.

If the applicant does not supply the requested information by letters a) – d), the credit manager shall inform his manager (at least department director) who orders the suspension of negotiations in connection with the respective business case.

4.5 Credit manager hands over the report on the progress and outcome of the due diligence of the respective business case, together with a proposal for further proceedings to his manager (at least department director). This report and all documents for the preparation of this report are part of the respective business case file.

4.6 If after conducting enhanced due diligence of the respective business case credit manager finds no reasons for suspicion of committing the crime of bribery, he will propose to continue the negotiations on the respective business case. When his manager (at least department director) agrees with the conclusions of the report, he decides to proceed with the closing of the financing of the export case and informs in writing the respective Board Member about due diligence and its result.

4.7 If during the process of due diligence such information and evidence are collected that they can take reasonable suspicion of having committed an offense of bribery in the respective business case, credit manager suggests through his management to the Board of Directors following steps.

4.8 The Board of Directors, if it deems it appropriate, decides on filing a criminal complaint to the competent authority of law enforcement, decides about the suspension of negotiations on respective business case and all other business cases of the respective exporter and decides about procedure in all previously concluded agreements with the respective exporter.

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.

Term **Credible Evidence** is in our internal procedure **POK 82 Combating Bribery in Export Credits Provision** applied following way:

3. The Fnancing with State Support Negotiating Procedure

…

3.4 When credit manager finds that in connection with the respective business case there exists suspicion of committing the crime of bribery in international business, he notifies in writing his manager (at least department director), who orders the enhanced due diligence procedure under Sec. 4.

3.5 Credit Manager proceeds in accordance with Article 3.4., especially if he credibly finds or because

of their previous professional experience concluded that:

a) bribery, its instigation, aiding and abetting it were by closing business transaction

b) the exporter or persons acting on its behalf provided one of the participants in the business case and its employees benefits or rewards unusual for a range of business transactions, even after completion of the transaction,

c) amount of claims does not correspond to the usual price of the goods or services in the respective territory,

d) acting of the trade parties is for this type of trade uncommon

e) the applicant's declaration (declaration on compliance with legal provisions against bribery in international trade) was afterwards changed by applicant without approval of export bank,

f) within the business case have been kept unregistered trade accounts, executed transactions outside the books or inadequately identified transactions, non-existent expenditures were recorded, liabilities with incorrect identification of their object were entered also by the use of forged documents,

g) there is any other questionable issue in the business case, which raises the suspicion of committing the crime of bribery.

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).

This term is not used in our internal procedures. We accept decision of any court.

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:

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:

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).

Responses as at end-June 2017
(The last update to responses: 2 May 2017)