SURVEY ON MEASURES TAKEN TO COMBAT BRIBERY IN OFFICIALLY SUPPORTED EXPORT CREDITS – CANADA (EDC) 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
- [X] 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
- [X] information posted on the organisation's web site
- [X] 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:

Corruption and bribery are crimes. Effective since 1999, the Corruption of Foreign Public Officials Act makes it a criminal offence under Canadian law to bribe a foreign public official in the course of business. Businesses convicted under the Act face heavy fines, and individuals can be sentenced to a maximum of 14 years in jail.

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

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

EDC has communicated information regarding the consequences of bribery to its customers using various methods. We have communicated our commitment to the OECD Recommendation and our own national law via our web-page dedicated to the issue. Semi-annually, EDC's President and CEO writes to all its new customers informing them of CSR-related issues which include bribery, and provides them with a copy of our Anti-Corruption brochure. More details can be found at the following link: http://www.edc.ca/english/social_9559.htm

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
- [X] customer publications (e.g. brochures, handbooks)
- [X] other (please elaborate):

President's letter to new customers

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:

How to Protect Your Business: Take proactive steps to minimize your risk:
• Determine if your markets present a high risk of corruption;
• Familiarize all employees with the Corruption of Foreign Public Officials Act;
• Establish an anti-corruption policy that applies and documents appropriate management control systems that combat bribery;
• Require employees and agents to periodically sign an agreement to comply with this anti-corruption policy;
• Educate and train employees and agents on a regular basis about their responsibilities and appropriate actions to take if they encounter corruption;
• Verify the credentials of agents and partners representing your company and monitor their efforts on your behalf;
• Establish a reporting system for suspicious behaviour.

A copy of EDC's brochure that we send to all customers is available at http://www.edc.ca/english/docs/anticorrupbrochure_june17_e.pdf

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:

President's letter sent to new customers provides references to resources, notably the OECD Guidance and Transparency International Canada's Self-Assessment Checklist

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
- [X] 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
- [X] customer publications (e.g. brochures, handbooks)
- [ ] other (please elaborate):

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

- [X] the application form
- [X] a stand-alone document submitted by the exporter/applicant [ ] *at the time of application* [X] *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) We, have not been and will not knowingly be party to any action which is prohibited by Canada's Corruption of Foreign Public Officials Act which makes it illegal for persons to, directly or indirectly, give, offer, or agree to offer a loan, reward, advantage or benefit of any kind to a foreign public official in order to obtain or retain an advantage in the course of business;

b) Neither we, nor to the best of our knowledge, anyone acting on our behalf, are currently under charge, or within the last five years, have been convicted in a court for violation of laws against bribery of foreign public officials of any country;

c) We agree to disclose to EDC, upon demand, the identity of persons acting on our behalf and the amount and purpose of commissions and fees paid, or agreed to be paid, to such persons.

In addition to receiving declarations from exporters/applicants, we also require (in bilateral credit agreements) representations and covenants from borrowers that they are in compliance with all applicable laws, regulations and requirements of Governmental Authorities, and specifically including those related to corruption and bribery.

EDC's program provides that a declaration from the exporter is required for all export support transactions except where EDC is supporting an export transaction by way of a participation in a syndicated facility where the importing country is an advanced economy (as defined by the IMF) and the parties to the contract are commercial entities, that is, where there is no involvement of foreign public officials and where anti-corruption legislation is well established. Notwithstanding this exception for requirement of a declaration from the exporter, underwriters continue to perform the requisite "know-your-customer" type due diligence on the parties involved, as do other syndicate partners.

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

"other" means counterparties to the transaction in question.

b) Please indicate how the verification is achieved:

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

"other" means counterparties to the transaction in question.

At any time a transaction is entered into the system with a counterparty that has been debarred, a flag will appear warning the underwriter to undertake enhanced due diligence. EDC uses a third party supplier to electronically scan its database of counterparties and provide alerts where counterparty appears on an IFI debarment list.

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

[X] a stand-alone document requiring such disclosures must be provided by the exporter/applicant [ ] *at the time of application* [X] *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 refer to comments in Q3 – we obtain this where our program requires us to obtain such.

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

Question 6

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

[X] 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)* [X] 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:

There is no fixed policy at EDC.

Agents' commissions could be part of an exporter's contract and these details are not always provided to EDC.

EDC does recognize that the commission can vary based on the type and amount of the contract, the market, and the services provided by the agent. Enhanced due diligence would be applied should commissions seem excessively high, or if there is any reason to suspect impropriety.

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

Question 7

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

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

If yes:

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

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

If yes, the amounts of commissions must be disclosed:

[ ] at the time of application

[X] before the final decision to provide support is made

[X] before a claim will be indemnified

[ ] other (please elaborate):

Details would be required if there are risk indicators present. Exporters/ applicants, through the declaration, agree to disclose details upon EDC's request for such.
Where the level of commission is inconsistent with industry/business practice and the scope of the agents' responsibilities/role, EDC will not provide support unless further information/details are provided and it is otherwise satisfied.

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

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

If yes, the assessment is made:

[ ] at the time of application

[X] before the final decision to provide support is made

[X] before a claim will be indemnified

[ ] other (please elaborate):

Refer to comment in Q7 a).

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

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

If yes, the purpose is identified:

[ ] at the time of application

[X] before the final decision to provide support is made

[X] before a claim will be indemnified

[ ] other (please elaborate):

Refer to comment in Q7 a).

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

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

If yes, the details must be provided:

[ ] at the time of application

[X] before the final decision to provide support is made

[X] before a claim will be indemnified

[ ] other (please elaborate):

Refer to comment in Q7 a).

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?

[X] Yes [ ] No

If Yes:

Please provide a short description of your policies and procedures:

EDC will, in accordance with its Anti-Corruption Disclosure Procedures, notify Canadian law enforcement authorities if in the context of transacting business with a company or individual EDC receives credible evidence (whether during its due diligence process or after support has been provided) that there has been a violation of the CFPOA.

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:

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.	[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:

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. [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:

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.	[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:

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)*
[ ] Enhanced due diligence is undertaken.	[ ] *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?

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

b) How is the application treated?

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

If investigative authorities are informed:

c) How is the application treated?

[X] The approval of the application is suspended pending the outcome of the review by law enforcement authorities.	[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:

SECTION III – ACTIONS TAKEN IN RELATION TO A SPECIFIC TRANSACTION AFTER CREDIT, COVER OR OTHER SUPPORT HAS BEEN APPROVED

Question 14

If, **after** credit, cover or other support has been approved, you have reason to believe that **bribery may be involved in the transaction** (*e.g.* press reports from a reputable source, information provided by participants in the transaction) related to the award of the export contract, what action(s) are taken?

☐	Law enforcement authorities are informed.	☐ *always*	☐ *sometimes (please provide details below)*
☒	Enhanced due diligence is undertaken.	☒ *always*	☐ *sometimes (please provide details below)*
☐	Other (please elaborate):	☐ *always*	☐ *sometimes (please provide details below)*

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

In addition to undertaking enhanced due diligence, no further support will be provided to the relevant party, whether in a related transaction or otherwise, until such time as EDC is satisfied there was no bribery involved in the transaction or that satisfactory systems have been implemented to deter further bribery.

Question 15

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

☒	Law enforcement authorities are informed.	☒ *always*	☐ *sometimes (please provide details below)*
☐	Other (please elaborate):	☐ *always*	☐ *sometimes (please provide details below)*

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

In addition to undertaking enhanced due diligence, no further support will be provided to the relevant party, whether in a related transaction or otherwise, until such time as EDC is satisfied there was no bribery involved in the transaction or that satisfactory systems have been implemented to deter further bribery.

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?

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

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.	☐	X	X	☐	☐
…you suspended approval of the application pending the outcome of the enhanced due diligence process.	X	X	X	X	X
…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.	X	X	☐	X	X
... [other]. "Other" means "... you started an enhanced due diligence"	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.

It is EDC's procedure to deny access to official support until such time as EDC is satisfied that systems

[4] See footnote 3.

have been implemented to detect and deter further bribery and that corrective measures have been taken by the relevant company.

SECTION V – PRACTICAL APPLICATION OF KEY TERMS

Question 19

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

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

If one or more 'red flags' are identified in a transaction, enhanced due diligence is triggered. Examples of "red flags" are as follows: media reports, indications or references to bribery in discussions or supporting documentation, whistle-blowing, complaints, refusal to provide an anti-corruption declaration, debarment by an IFI, previous convictions of bribery, unreasonably high agent's fees, etc. Enhanced due diligence includes a reputational risk assessment in respect of the relevant company. This assessment involves a search of a media database to uncover any reported or alleged involvement by the relevant company in instances of corruption as well as an assessment of the company's CSR reputation. When publicly available information is insufficient to mitigate the risks identified, EDC communicates directly with the relevant company, obtaining information about systems implemented to deter bribery (i.e. Code of Conduct), the implementation of such systems (i.e. training) and corrective measures taken to deal with reported or alleged instances of bribery. In addition, EDC has developed a country corruption classification list, using data from the World Bank Governance Indicators and other sources; any potential transaction involving a sovereign or PEP in those countries automatically triggers enhanced due diligence. If at any time EDC has reason to believe that a transaction may involve bribery, senior management and Legal Services are alerted and an investigation is triggered.

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.

We use the definition as provided in footnote 5 of the Recommendation. In-house lawyers undertake the assessment and may consult experts such as criminal lawyers or the Department of Justice depending on the circumstances.

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).

Any court of any jurisdiction.

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?

[X] Yes [ ] No

Comments on measures and/or actions under consideration:

As part of EDC's Enterprise Risk Management Program, EDC is reviewing policies, practices and measures that may warrant changes to further deter bribery. These may become integrated into a broader financial crimes program.

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?

[X] Yes [ ] No

Comments:

We would be prepared to share details of proven instances, provided these are matters of public record.

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).

http://www.edc.ca/english/docs/acpg_e.pdf
A copy of EDC's Anti-Corruption Policy Guidelines can be accessed through the above link.

Responses as at end-June 2017
(The last response on: 30 June 2017)