



Network Lebanon

# ANTI-CORRUPTION

## ELIMINATE CORRUPTION IN YOUR COMPANY WITH 6 STEPS

Corruption is bad for society and bad for business, posing severe financial, operational and reputational risks. Now more than ever, companies are taking actions to implement serious and effective anti-corruption measures and policies within their strategies and operations.

### HERE ARE SIX WAYS YOU CAN PROMOTE TRANSPARENCY AND ACCOUNTABILITY IN YOUR COMPANY:

- 1 • Commit:** Make anti-corruption part of your company culture and operations. Show your employees, customers and suppliers that your company has a zero-tolerance policy on bribery & corruption
- 2 • Assess:** Know your risks and prepare for them. Recognize opportunities to improve your business by improving compliance
- 3 • Define:** Define what success means for your company. Develop goals, strategies and policies and get buy-in from colleagues by clearly showing the importance of these policies
- 4 • Implement:** Make anti-corruption programmes and policies integral throughout your company, including your value chain
- 5 • Measure:** What gets measured gets done. Monitor and measure the impact of your anti-corruption policies to identify what's working and what still needs work
- 6 • Communicate:** Consistently communicate your progress to stakeholders, always striving for continuous improvement.



Corruption scandals involving international companies increasingly make headlines around the world. Fines, legal costs, and reputational damage diminish corporations' revenue streams as well as their appeal to consumers, business partners and prospective employees, causing significant losses for their stakeholders. These losses, which extend to society at large, underscore the shortcomings of existing anti-corruption systems and point out the need for governments, judicial systems, NGOs, academia and corporations to find ways to fight corruption more effectively.

The notion underlying Collective Action is straightforward: companies work with competitors and other stakeholders to create the necessary conditions to ensure fair competition in a market or, for example, in a specific procurement process. Collective Action rests on three pillars: Multiple parties enter into formal Collective Action agreements. Trusted third parties (often civil society organizations) act as facilitators. Public sector agencies participate as parties and/or promoters or initiators.

Engaging in Collective Action brings benefits to participants and their surrounding organizations. According to the Wallonie-Bruxelles International (WBI) Guide<sup>13</sup>, participation in Collective Action makes substantial social contributions to the surrounding business environment, including:

- Increasing the impact and credibility of individual actions.
- Protecting vulnerable individual players (e.g., SMEs) by bringing them into an alliance of like-minded organizations.
- Leveling the playing field among competitors.
- Complementing, temporarily substituting, and/or strengthening weak local laws and anti-corruption practices.

### ETHICAL COMMITMENT

#### Anti-Corruption Declaration

Principles bind signatories to not engage in corruption during project  
public commitment leads to enforcement 'by honor' and peer pressure

#### Principle-based Initiative

Principles bind signatories to not engage in corruption in their daily business  
Public commitment leads to enforcement 'by honor'  
Initiative can advocate anti-corruption with government

### EXTERNAL ENFORCEMENT

#### Integrity Pact

Formal, written contract between customer and bidding companies  
Bidding and implementation processes monitored by external monitor  
Sanctions apply where violations established

#### Certifying Business Coalition

Compliance-related prerequisites for membership  
Adoption of membership requirements checked by external audits  
Members get certified or will be excluded

COLLECTIVE ACTION

Short Term - Project Based Agreement

Long Term - Initiative



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# BEST PRACTICES BY **dar**

This is an excerpt from the Anti-Bribery and Anti-Corruption policy implemented by Dar Al-Handasah. This is NOT the original draft of the policy. This sample adjusted policy should NOT be used or implemented as a Corporate Compliance Anti-Bribery/Anti-Corruption Policy as is.

Bribery and corruption, regardless of where such bribery takes place in the world, can expose Dar Al-Handasah, its employees and its business partners to severe reputational harm as well as criminal prosecution. Adherence to this Anti-Bribery and Corruption Policy will ensure that we will remain true to the core principles guiding our business relationships.

## 1 • Policy

This Policy applies to all individuals, working for/on behalf of the company including senior management requiring them to comply with the Policy and anti-bribery and corruption laws, to certify their understanding of the policy annually and to report any suspicious behavior. Failure to comply will result in disciplinary action or termination.

## 2 • Prohibition of BRIBERY

You must not seek, solicit, offer, promise, give or demand, arrange or receive any Bribe to obtain or retain business or other improper advantage for Dar Al-Handasah or improperly influence a business decision or Public Official.

## 3 • Facilitation Payments

You must not make Facilitation Payments even if nominal in amount or use any Associated Person or other business partner to make such payments on behalf of Dar Al-Handasah.

## 4 • Gifts, Hospitality and Travel

The giving or receiving of nominal gifts, hospitality or travel which are bona fide, reasonable and proportionate, with a legitimate business justification, can be acceptable. Lavish gifts, hospitality or travel, however, can be inappropriate and may be used to improperly influence or manipulate, and can give rise to criminal liability regardless of local practice or custom.

## 5 • Charitable Contributions and Sponsorship

In determining whether to approve donations or sponsorships, consideration will be given to (1) the purpose of the payment; (2) whether the payment is consistent with Dar Al-Handasah's internal guidelines on charitable giving; (3) whether the payment is at the request of a Public Official; (4) whether a Public Official is associated with the charity and, if so, whether the Public Official can make decisions regarding Dar Al-Handasah's business in that country; and (5) whether the payment is conditional on receiving business or other benefits.

## 6 • Political Contributions

The making of any Political Contribution of any sort with any of Dar Al-Handasah's funds or assets, or on behalf of or as a representative of Dar Al-Handasah, is strictly prohibited.

## 7 • Hiring and Visas

Dar Al-Handasah has in place human resources policies that ensure all hiring decisions are made on the merits, and be based on the qualifications of the candidate for the position. Internships and employment are not to be provided to gain an improper business advantage. All hiring decisions, including of Public Officials, their family, or anyone recommended by a Public Official must be done strictly in accordance with Dar Al-Handasah's human resources policies. Dar Al-Handasah will only sponsor visas of persons who are not employees for a genuine business reason.

## 8 • Risk Assessment and Due Diligence

If an Associated Person working with or engaged by Dar Al-Handasah commits a Bribery offence anywhere in the world, their action could effectively cause Dar Al-Handasah to also have committed an offence. Dar Al-Handasah's ability to have oversight and control over Associated Persons is therefore very important. The Appointed Contact should submit the results of the risk assessment and due diligence as part of the request for approval by the Director who is ultimately responsible for approving the engagement. The outcome of the risk assessment and the due diligence will inform the final decision on whether to engage with each potential Associated Person identified and the terms that need to be put in place to mitigate any Bribery and corruption related risk identified in relation to the engagement.

## 9 • Payments

You must report suspicious payments. Unless specifically authorized by a Director no payment should be made or delivered: - in cash (other than documented petty cash disbursements) where there is reason to believe that any part of the payment to the third party may be passed on as a Bribe or other inducement.

## 10 • Accurate Books and Records

No false or misleading entries should be made in Dar Al-Handasah's books and records for any reason.

## 11 • Reporting Suspicious Activity

You can make a formal report orally or in writing - You should make a report to the Compliance Officer or your Head of Department or the Director to whom you report directly.

## 12 • Training

Training in relation to this Policy shall be provided to all Dar Al-Handasah Directors, employees and, where identified as required by this Policy, risk assessment and due diligence to Associated Parties.

## 13 • Seeking Guidance

You may encounter a difficult anti-bribery or corruption compliance situation while working for Dar Al-Handasah. If you require additional guidance on, or have any questions about, this Policy, a transaction you are entering into, or an Associated Person you are dealing with, then you should contact your Head of Department or the Director to whom you report directly or the Compliance Officer before proceeding with any transaction.

## 14 • Monitoring and Updates

The Compliance Officer shall, on an annual basis: review this Policy; certify to the Board of Dar Al-Handasah Consultants Shair and Partners Holdings Ltd (DIFC) that Dar Al-Handasah is in compliance with this Policy; and identify any exceptions and/or violations of this Policy.