



13<sup>th</sup> International  
Anti-Corruption Conference  
**IACC**

Global Transparency:  
fighting corruption for a sustainable future.  
Athens, Greece | 30 October - 2 November 2008

### **WORKSHOP REPORT FORM**

Number and title of workshop: 2.7. Countering Bribery in the Supply Chain – the missing link?

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**Date and time** of workshop: 31 October, 11 am – 1 pm

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**Moderator** (Name and Institution) Elaine Burns, Transparency International

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**Rapporteur** (Name and Institution) Birgit Errath, Transparency International

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**Panellists** (Name, institution, title)

Ron Berenbeim, Principal Researcher, Conference Board  
Arvid Halvorsen, Board, TI Norway  
Mark Snyderman, Chief Compliance Officer, The Coca Cola Company  
Tara Norton, General Manager, Sedex

#### **Main Issues Covered**

Review of existing good practices in dealing with anti-bribery in the supply chain. This covered the three phases of procurement and contracting (pre-qualification, tender & award, production and delivery) from the perspective of supply chain operators and raised challenges of training, costs and adaptation to local content;

Presentation of an online database of ethical information on suppliers based in the UK (SEDEX) aimed at optimising of due diligence on and audit of ethical issues (human rights, labour, environment, business integrity) of suppliers, sharing of suppliers' information and audit costs between supply chain operators

Findings of a study of the Conference Board with Ethics and Compliance Officers Association on third party ethics programme requirement which showcased that many MNCs applied the same code of conducts that are used for employees also to suppliers, but only partially extended help (i.e. due diligence, monitoring, training) to them to implement those requirements. Challenge that imposture of codes might lead to legal implications for the MNC if the supplier fails to comply with it.

Presentation of the Global Compact sub-working group on corruption in the supply chain which is currently collecting good practices of engagement with suppliers and developing a framework of recommendations (code of conduct for suppliers, contract language, due diligence and qualification standards, audit & questionnaire material, training material).



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### **Main Outcomes**

Acknowledgement of:

- the need of more due diligence of anti-bribery practices of suppliers
- the need for more best practice sharing between companies and sectors
- importance of incentivizing ethical behaviour of supplier
- certification scheme for suppliers would help to standardize practices and give assurance to operators
- collective action between MNCs to support suppliers and raise business integrity in countries and regions
- some need of gender specific tools to address integrity differences between men and women in certain countries
- need for civil society and companies to report instances of bribery through facilities such as Bribeline or ALACs or other means of whistleblowing
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### **Main Outputs**

TI will continue to work on engaging supply chain operators on collecting best practices

TI and the Global Compact working together on developing framework for engagement with suppliers (contract clauses, due diligence, training etc.)

Potential undertaking of collective action with some interested companies

### **Recommendations, Follow-up Actions**

**s.o.**



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### **Workshop Highlights (including interesting quotes)**

“...man are smarter than women because they bribe and are therefore more successful in doing business...” ..... Women’s Business Association, Bangladesh

“... if we focus too much on requirements and assessments, they might get falsified at the speed of light, therefore we better start with making the business case for behaving ethically...” consultant on supply chain practices

**Signed**

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