

ANTI-CORRUPTION GUIDELINES ON COMPLIANCE, INTERNAL CONTROLS AND ETHICS FOR COMPANIES IN GREECE



Anti-Corruption Guidelines on Compliance, Internal Controls and Ethics for Companies in Greece



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About the Greece-OECD Project

The Greek government is prioritising the fight against corruption and bribery and, with the assistance of the European institutions, is committed to taking immediate action. Under the responsibility of the General Secretariat against Corruption, Greece's National Anti-Corruption Action Plan (NACAP) identifies key areas of reform and provides for a detailed action plan towards strengthening integrity and fighting corruption and bribery. The OECD, together with Greece and the European Commission, has developed support activities for implementing the NACAP. This project is funded by the European Union and Greece.

www.oecd.org/corruption/greece-oecd-anti-corruption.htm



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Introduction

Corruption undoubtedly raises serious moral and political concerns, undermines good governance and damages a country's economic, political and social development. Nobody remains untouched by corruption, including the private sector, from the smallest entrepreneur to the largest multinational enterprise. Corruption weakens business relations, limits productivity and prevents progress towards a healthy business environment for domestic and foreign investment to flourish.

Unfortunately, in addition to being a victim of corruption, the private sector can also perpetuate this scourge. Some businesses and their employees engage in corrupt transactions, thereby undermining the public sector and development. Such behaviour also distorts competitive conditions in the market, resulting in an uneven playing field. Firms win business by paying bigger bribes, not by being more efficient or innovative. This ultimately results in a less productive and competitive economy, which is particularly damaging as Greece attempts to pull itself out of an economic crisis.

It is therefore vital that the Greek private sector takes measures to prevent companies from engaging in corrupt behaviour and to promote integrity and trust in the national business sphere. Corruption cannot be defeated without the active contribution of the private sector. Furthermore, profoundly affected by the financial crisis, Greek companies have seen their profits and employee numbers shrink over the past years. Hence, it is vital that they take the necessary measures to protect themselves from further waste, fraud and abuse that can be created by participating in and not resisting corrupt business practices. Anti-corruption measures may also be vital to winning business. Foreign business partners increasingly evaluate a company's anti-corruption measures when choosing their business partnerships.

The purpose of this best-practices paper and guidelines is to help Greek companies achieve the goal of implementing effective anti-corruption compliance measures. Under the responsibility of the General Secretariat against Corruption, Greece's National Anti-Corruption Action Plan (NACAP) identifies key areas of reform and provides for a detailed action plan towards strengthening integrity and fighting corruption and bribery. The OECD has committed to supporting the Greek authorities and to provide technical guidance to implement the reform agenda in a series of pre-identified areas. In the area concerning the private sector, the first part of the project is to produce this best-practices paper and guidelines on promoting compliance, effective internal controls and ethics in Greek companies to tackle bribery. This document is complemented by two additional outputs, namely guidance to Greek companies on analysing corruption risks that they face (May 2017), and guidance on facilitating and protecting whistleblowers (October 2017).

This best-practices paper and guidelines was prepared by adapting international experience in other OECD countries to the Greek context. As a starting point, the paper refers to anti-corruption guidance to business that has been produced by the OECD as well as other national and international bodies.¹ Information from these sources is then adapted with the Greek business reality in mind, having regard that small and-medium sized enterprises (SMEs) make up 99.9% of the Greek enterprises and employ 87.3% of employment.²

Further information about the Greek private sector was obtained through a Survey of Greek Stakeholders (companies, government, civil society organisations, business organisations, and professional associations). The Stakeholder Survey was conducted in December 2016 to February 2017 to identify corruption risks facing the private sector, and existing incentives and mechanisms to address

¹ See Annex II for a list of sources.

² European Commission (2016), [SBA Fact Sheet: Greece](#). For the purposes of this paper, SMEs are defined as enterprises with not more than 250 employees, an annual turnover of not greater than EUR 50 million, and a balance sheet of not exceeding than EUR 43 million.

corruption risks. As of 2 February 2016, 516 stakeholders replied to the Stakeholder Survey. This was followed by Consultation Meetings in Athens and Thessaloniki in February 2017 with all relevant stakeholders to further discuss the Stakeholder Survey's findings and collect additional qualitative information about the Greek business environment.

This best-practices paper and guidelines contain some examples of language drawn from Greek and foreign companies' existing anti-corruption compliance programmes. Reference to these examples should in no way be interpreted as an endorsement of these companies' anti-corruption compliance programmes by the OECD. The consent of these companies to use their material will be sought before the draft is finalised.

Finally, a sustainable fight against corruption requires more than just individual companies implementing their own compliance programmes. The last section of this document therefore contains recommendations on how the public and private sectors can act together to ensure the fight against corruption is sustainable.

I. Business Case for Compliance

Greek companies (including SMEs) should be incentivised to invest in the implementation of anti-corruption programs for the following reasons:

Creating greater business opportunities: An effective anti-corruption programme creates a competitive advantage and business opportunities, protects the company's reputation, increases partners' and consumers' trust, avoids a loss of stock value, and reduces insurance costs.

The right controls and measures can place the company at a competitive advantage for securing business and investment. Many non-Greek companies fear being prosecuted and punished for the corrupt acts of their business partners. To minimise this risk, they will do business only with Greek companies that have effective and tailored compliance programmes. Investment and pension funds also increasingly consider a company's corporate social responsibility efforts before deciding to invest in the company.³

OECD countries, including Greece, may also have rules that require companies to have strong anti-corruption programmes as a precondition to receiving certain benefits.⁴ The OECD has recommended that public procurement contracts should contain "no corruption" warranties and that suppliers should be required to develop internal controls, compliance measures and anti-corruption programmes.⁵ The OECD has also recommended that the exporters

³ The OECD Anti-Bribery Convention: Ushering in a New Era of Compliance, Moulette P., Uriarte C. in Compliance, Management, and Business Culture, FGV Projetos, Nov. 2016, n°28.

⁴ The OECD Anti-Bribery Convention: Ushering in a New Era of Compliance, Moulette P., Uriarte C. in Compliance, Management, and Business Culture, FGV Projetos, Nov. 2016, n°28.

⁵ [OECD Recommendation of the Council on Public Procurement \(2015\)](#). While this requirement has not yet been implemented in Greece (Law 4412/2016), such a requirement may apply to Greek companies seeking public procurement contracts in other countries.

seeking officially supported export credits should undertake in writing that they would not engage in bribery.⁶ Major international multilateral development banks deny contracts to individuals and companies that infringe their anti-corruption policies.⁷ The World Bank imposed this very sanction against three Greek companies in February 2017.⁸

Protecting your company from fraud and abuse: One of the greatest potential benefits of an effective compliance programme is to protect the company from fraud and abuse. The anti-corruption controls and internal processes in place help to prevent misbehaviours targeting the company's assets.

Attracting the most talented employees and board members: A recent survey found that 80% of employees declared that they were not willing to work in companies involved in bribery.⁹ From this perspective, the implementation of an effective compliance programme is a strong argument not only to attract the most talented employees but also to maintain the employee's motivation and productivity. It also helps in recruiting board members.

Mitigating corporate liability: In Greece, under Article 51(2) of the Law 3691/2008 (AML Law), corporate liability can arise if the "lack of supervision or control" by a person who has a management position enables money laundering related to passive bribery;¹⁰ active bribery;¹¹ bribery and corruption of politicians and judges¹² offences to be committed. In practice, the presence of an effective

⁶ [OECD Recommendation of the Council on Bribery and Officially Supported Export Credits \(2006\)](#).

⁷ [Debarment lists of the major international financial institutions](#).

⁸ [World Bank Procurement Guidelines](#).

⁹ Ernst and Young (2015), [Asia-Pacific Fraud Survey 2015: A life sciences perspective](#)

¹⁰ Article 235 of the Penal Code

¹¹ Article 236 of the Penal Code

¹² Articles 159, 159A and 237 of the Penal Code

compliance programme will generally mean that the offence was not committed due to a lack of supervision or control. Having an effective anti-corruption programme can also be a full defence to corporate liability for corruption offences in the UK and other countries. Under the US Foreign Corrupt Practices Act of 1977 (“FCPA”), whether a company has an effective anti-corruption compliance programme can affect whether a prosecution is taken and whether a sentence should be reduced.

II. Developing an Anti-Corruption Programme

1. Developing Your Company’s Corruption Risk Assessment

A detailed discussion on how to conduct a corporate corruption risk assessment will be published in May 2017 as part of this project. What follows in these guidelines is intended only as a brief overview.

A corruption risk assessment refers to the different mechanisms that a company uses to assess the likelihood of specific forms of corruption within the company and in external interactions, and the potential consequences on the company’s activities.

Conducting a corruption risk assessment on a regular basis is now well recognised as a key element of an effective compliance programme.¹³ Corruption covers many types of business practices and situations, such as gifts, facilitation payments and foreign bribery. Companies that have most of their operation outside Greece have a different risk profile than those that are doing business at a local level. Those specialised in selling financial services may not face the same corruption risks as the ones producing olive oil, or as those specialised in maritime transport. Understanding where and how your company may be subject to corruption risks and schemes will help your company’s management make informed decisions when developing a tailored and effective internal controls, ethics, and compliance programmes or measures

¹³ US Department of Justice (2017) Criminal Division Fraud Section, [Evaluation of Corporate Compliance Programmes](#).

for preventing and detecting corruption. The more comprehensive your risk assessment is, the better your company will be protected against corruption.

Additionally, a tailored corruption risk assessment sends a strong message to third parties such as business partners and regulators. Specifically it demonstrates that your company takes corruption seriously and is committed to preventing its occurrence at all levels. Taking such a stance on corruption can play a crucial role in convincing investors concerned about anti-corruption regulation and can in fact create an attractive business environment.

At an international level, the OECD Good Practice Guidance on Internal Controls, Ethics, and Compliance,¹⁴ adopted in 2010, recommends that effective internal controls, ethics and compliance measures to prevent and detect foreign bribery be developed on the basis of a risk assessment addressing the individual circumstances of an enterprise. The Guidance further provides that risk assessment should be regularly monitored, re-assessed, and adapted as necessary.

At a domestic level, the Guidance relating to both the US FCPA and the UK Bribery Act of 2010¹⁵ similarly state that risk assessments are fundamental to all compliance programmes. Relevant enforcement authorities such as the US Securities and Exchange Commission and the US Department of Justice evaluate the risk assessment undertaken by companies in order to assess their compliance programmes.¹⁶

¹⁴ Adopted as part of the OECD Recommendation of the Council for Further Combating Bribery of Foreign Public Officials in International Business Transactions, www.oecd.org/dataoecd/5/51/44884389.pdf.

¹⁵ US Department of Justice (2012), [Resource Guide to the Foreign Corrupt Practices Act](#); UK Ministry of Justice (2011), [Guidance to the Bribery Act 2010](#).

¹⁶ US Department of Justice Criminal Division Fraud Section, Evaluation of Corporate Compliance Programmes, 7 February 2017.

Corruption risks assessment in Greek SMEs

Data drawn from the Stakeholder Survey indicate that only a third of Greek SMEs actually conduct regular corruption assessments and that only a small number of companies do so using an established set of risk factors. During the Consultation Meetings held in Greece in February 2017, some companies stated that they do not follow a formalised risk assessment process but nevertheless seek to identify where and how their companies are exposed to corruption and to take relevant steps to counter those risks.¹⁷

Undertaking corruption risk assessments

A corruption risk assessment addressing the individual circumstances of a company should be required in order to make well-informed risk management decisions in developing a tailored effective anti-corruption policy.

i. Each company's corruption risks are unique, and vary from one project to another.

Your company should define a methodology to identify, analyse, and address the particular risks it faces.

The gathering and analysis of information in an in-depth manner¹⁸ is fundamental to the risk assessment process. Without understanding why and how your company should allocate its resources (in accordance with the risks it faces in different types of activities and operations), your company runs the risk of having a disorganised and ineffective anti-corruption programme. Special attention should be given to the identification of the internal and external

¹⁷ According to the Stakeholder Survey, 40% of 194 companies stated that they conduct corruption risks assessment on a regular basis, 25% use an established set of factors to calculate the risks, 80% do not publish their risk assessments. For SMEs, 33% of 124 regularly conduct risks assessment, 16% use an established set of factors to calculate the risks, and 3% declared to publicly report on the corruption risk assessment.

¹⁸ US Department of Justice Criminal Division Fraud Section, Evaluation of Corporate Compliance Programmes, 7 February 2017.

information sources that will enable risk to be assessed and reviewed.¹⁹

Your company should consider using internal documents such as audit reports on compliance risks and prior examples of non-compliance. It should further look into external sources such as reports dealing with corruption risks in its sector of activity and its geographical location. Carrying out interviews of the most informed people in the company regarding the issue of the corruption risks, such as the legal and compliance officers, the internal audit committee, senior management at a local level, is a good way to gather and synthesize information.

By analysing this information, your company should determine which internal and external factors may have an impact on their exposure to corruption. These factors may include, *inter alia*:

1. Size and structure of the company
2. Industry sector
3. Location of the activity and local conditions of the export countries destination
4. Interactions of the company with highly exposed entities and persons (including public officials, politics and business partners)
5. Nature and volume of transactions

Once your company has identified specific risk factors, it should gauge the likelihood of occurrence of the each risk and its consequences on the company's activities on a scale.

ii. The corruption risk assessment should then be used to implement targeted measures to efficiently manage and minimise relevant corruption risks. Adequate types and levels of preventive and detective controls should be imposed on each corruption risk. The remaining risk after this process is designated as the residual risk.

iii. Such circumstances and risks should be regularly monitored, re-assessed, and adapted as necessary to ensure the continued

¹⁹ Guidance – UK Bribery Act 2010

effectiveness of the company's internal controls, ethics, and compliance programme or measures. As such, your company should carry out a risk assessment review periodically (at least once per year). As a standard rule, your company should also update its programme after any significant changes in the company's operations, such as a change in corporate structure or after a merger with another business entity.

iv. Importantly, all activities large and small that relate to risk assessment that your company carries out should be recorded in risk registers or matrices to reflect the steps (i.e. before and after) taken by your company. Having a picture of how your company's anti-corruption programme has changed over time will prove to be useful to understanding the evolution of your business practices and the success of your risk assessment in general.

2. Devising an Explicit Anti-Corruption Message

An effective company anti-corruption policy should include an explicit and powerful message that articulates zero-tolerance of corruption. This message should be air-tight, leaving no doubts or misunderstandings by your company's employees or by third party business partners. Negligent messaging that allows for unfavourable interpretation could be used against your company in a court case if your employees are caught for paying bribes or engaging in similar misconduct. Your explicit anti-corruption message should leave no room for traditional excuses for bribery such as "nothing gets done in this country without bribery", "everybody does it", or "our agent paid the bribe, not us".²⁰

It is also important that your company communicates to its employees, particularly those who are particularly exposed to bribery solicitations, that the ramifications of giving in to bribery will prove to be far more serious than refusing such offers and taking the necessary steps to report the act. When asked, 85% of the OECD Survey respondents, including 83% of SMEs, claimed that the

²⁰ Transparency International UK (2013), "PowerPoint Slides", in *Doing Business without Bribery: Anti-Bribery Training*, London.

reputational consequences of a company being exposed as corrupt were serious or very serious in Greece. It is therefore vital that your company protects itself from any exposure to corruption. The first step is to ensure that your anti-corruption message is communicated clearly to all relevant parties.

Support and Commitment from Your Company's Leadership

Ongoing support and commitment from your company's highest leadership is absolutely essential to ensuring the successful implementation of and adherence to your corporate anti-corruption policy. This endorsement must be communicated from the highest levels of management (i.e. owners, CEO, Board of Directors etc.) to all the employees of the company.

Your company's leadership and management must:

- Emphasise the explicit anti-corruption statement of zero-tolerance both internally (i.e. employee recruitment, trainings, shareholder meetings, middle management meetings etc.) and externally (conferences, business partner meetings etc.).
- Express support for employees who have faced bribery solicitations and praise those who took the necessary steps to report misconduct to management or other authorized personnel (i.e. compliance officer).
- Publish public reports on their anti-corruption efforts regardless of their size. A copy of your anti-corruption zero-tolerance policy, procedures and collaborative actions (with NGOs, business organisations, collective action initiatives, etc.) can be made publicly available on the company website or newsletter.

For larger companies, senior management usually do not have the opportunity to interact with every employee on a regular basis. In this case, it is crucial that the message is communicated to middle-management who can effectively relay the commitment and support of senior management to employees under their jurisdiction.

For smaller companies, senior management may be represented by a single family or person. This can prove to be extremely beneficial as it allows for more direct and personal communication to employees and business partners. The possibility of more frequent interaction between employees and senior management also means, however, that senior management is more visible. Employees may scrutinise your decision-making process in compromising situations which could negatively affect the overall culture of integrity in your company, thus leading to the ineffective implementation of your anti-corruption programme. In these cases, senior management should act as a strong and noticeable role model in order to set the example for ethical corporate behaviour.

**Example of an explicit anti-corruption message:
WIND Hellas**

The company is strongly opposed to all forms of corruption. We do not offer nor do we receive anything that might be considered corruption. We must never accept or offer any form of bribery, facilitation payment (i.e. a payment to a public official to expedite a procedure), or any other improper transaction. In addition to violating our company's Code of Ethics, accepting or offering a bribe constitutes a legal offense which can lead to serious punishment and even imprisonment.

Wind Hellas, [Code of Conduct](#), 2012

3. Scope of Your Anti-Corruption Programme: Clarifying Corruption and Addressing Particular Areas of Risk

There is no definite consensus about the specific acts that should be covered by the notion of corruption, which varies accordingly to its multiple forms. One common definition is the “abuse of public or private office for personal gain”.²¹

When deciding the specific scope and types of corrupt behaviour that your company’s anti-corruption compliance programme should address, your company should build on its own corruption risk assessment, the existing Greek legislative framework and all international guidance and best practices (See Annexes I and II). If your company has limited resources, it should prioritise and address the most prevalent forms of corruption it faces.²²

First, your company should be aware of all relevant Greek anti-corruption laws and take specific actions to ensure full compliance with such laws by prohibiting any form of **active, passive and foreign bribery** as well as **trading in influence** (See Annex I). Your company should have measures in place to be constantly aware of any anti-corruption legislative changes. These procedures may seem demanding at first, but non-compliance with anti-corruption laws exposes your company to even costlier reputational and legal consequences. Methods to keep abreast of developments including monitoring information sources on the internet and participating in

²¹ For example, international conventions establish offences for a range of corrupt behaviour such as bribing domestic and foreign public officials and trading in influence (Council of Europe Convention), bribery of foreign public officials (OECD Convention), embezzlement, misappropriation, obstruction of justice (UN Convention). See also OECD (2008), [Corruption: a glossary of international standards in criminal law](#), p. 22.

²² UN Convention against Corruption; International Chamber of Commerce Rules of Conduct, the World Economic Forum/Partnering Against Corruption Initiative and the Business Principles for Countering Bribery, and the Wolfsberg AML Principles.

events organised by business organisations, professional associations, and government regulators.

Greek Law

In Greek law, the notion of **bribery** refers to the situation where an undue advantage of any nature is promised, offered, requested or received, directly or through a third party, in exchange for an act for himself/herself or for a third party, or omission, in relation or in contravention (future or already executed) to the duties of person A. In this situation, person A can be a domestic public official or a foreign public official^[1], a judge, a juror, an arbitrator^[2], a political functionary^[3] or anyone in the private sector^[4].

Active bribery corresponds to a situation where an individual approaches person A with the objective of initiating an act of bribery; while passive bribery refers to the situation where person A solicits or accepts the act.

The notion of **trading in influence** refers to a situation where an advantage of any nature is promised, offered, requested or received, in exchange for a person B (directly or through a third person, for himself/herself or for a third person) to exercise an undue influence on a person C for the latter to proceed to an act or omission related to its duties^[5]. In this situation, person C can be a political functionary^[6], domestic public official^[7], judge, juror or arbitrator^[8].

^[1] Articles 235 and 236 of the Criminal Code.

^[2] Article 237 of the Criminal Code.

^[3] Articles 159 and 159A of the Criminal Code. The notion of "Political functionaries" refers to the Prime Minister, the members of government, the deputy ministers, the prefects, the deputy prefects, the mayors, the members of Parliament, the local government councils and their committees, the members of the European Commission or the European Parliament.

^[4] Article 237B of the Criminal Code.

^[5] Article 237B of the Criminal Code.

^[6] Article 159 of the Criminal Code. The notion of "Political functionaries" refers to the Prime Minister, the members of government, the deputy ministers, the prefects, the deputy prefects, the mayors, the members of Parliament, the local government councils and their committees, the members of the European Commission or the European Parliament.

^[7] Articles 235(1) of the Criminal Code.

^[8] Article 237(1) of the Criminal Code.

Active trading in influence corresponds to a situation where an individual approaches person B with the objective of initiating an act of trading in influence; while **passive** trading in influence refers to the situation where person B solicits or accepts the act.

These schemes can involve an intermediary. The Greek legislation refers to the notion of “advantage of any nature”.^[9] The advantage can therefore be pecuniary and non-pecuniary in nature. Examples include cash payments, jewellery, leisure travel, sharing of confidential information, position in a company or even admission to a University.

For the relevant articles of the Greek Criminal Code, please refer to Annex 1.

This best-practices paper and guidelines similarly focuses on bribery of public officials, but many of the measures described therein also apply to private-to-private bribery.

4. Detailed Policies for Particular Areas of Risk

Establishing detailed policies addressing specific forms of corruption to which your company is particularly exposed is crucial in order to guide your employees and sending a strong message to third parties.

In response to the Stakeholder Survey, 67% of small and medium-size enterprises (“SMEs”) stated that corruption was either a significant or very significant problem for them when doing business in Greece.

Taking into account the Stakeholder Survey replies and the Consultation Meetings, Greek SMEs find that the most prevalent forms of corruption include: rent seeking by public officials and other similar claims by officials for economic benefits produced by companies; active and passive bribery of public officials; political corruption and lobbying. Financing of political parties by companies,

^[9] Articles 236 and 159A PC.

political donations and contributions, foreign bribery and business capture by State²³ were also cited as common forms of corruption.

Despite this backdrop, many SMEs acknowledged that they do not have measures in place to combat corruption. While 31% of the SMEs have adopted codes of ethics prohibiting corruption, only 23% have compliance programmes that expressly and specifically prohibit corruption. Additionally, 36% have detailed rules on conflicts of interest and 34% of companies have special rules on specific types of expenditures (including gifts, hospitality, entertainment customer travel; political contributions; charitable donations and sponsorships). Finally, only 16% of SMEs have adopted detailed rules for facilitation payments, while the number is 15% for rules governing solicitation and extortion.

Given the Greek context and international best practices, your anti-corruption programme should at a minimum provide detailed policies on these risks.

Additionally, your company's corruption risk assessment may suggest a need to address additional areas²⁴ such as kickbacks,²⁵ lobbying, joint ventures, money laundering, embezzlement, and issues that arise during mergers and acquisitions.

Facilitation payments

Facilitation payments are small payments made to public officials, usually low-level and low-income officials, to secure or expedite the

²³ A type of political corruption when state officials interfere with business to ensure general control over the markets assigned to their competence, thereby creating possibilities for the representatives of the agency to obtain rent in accordance with their ranks in the institutional hierarchy.

²⁴ UN Convention against Corruption and on various voluntary instruments; International Chamber of Commerce Rules of Conduct, the World Economic Forum/Partnering Against Corruption Initiative and the Business Principles for Countering Bribery, and the Wolfsberg AML Principles.

²⁵ Kickbacks are bribes provided by the supplier to the buyer, corresponding to a part of the awarded contract fee. It is paid after the contract has been awarded to the customer.

performance of a routine or necessary action to which the payer is entitled. Such payment are also commonly referred to as “facilitating”, “speed” or “grease” payments.²⁶ The Greek authorities take the position that such payments are illegal.²⁷ Nevertheless, several participants in the Consultation Meetings confirmed that this type of bribery is common in Greece and shared concrete examples of small facilitation payments solicited by customs when crossing borders, or when expediting the issuing of licenses or permits. The fact that only 16% of the Greek SMEs have adopted detailed rules for addressing facilitation payments is a cause for concern.

Greek companies should take a zero-tolerance approach to facilitation payments. They should identify its business interactions and processes in which they are involved and which may give rise to facilitation payments as part of its risk assessment. Companies must then implement appropriate controls and procedures to eliminate these types of payments.²⁸

Example of a foreign bribery policy- Cablel

Corruption is prohibited by international treaties, national legislation and our Internal Policies. In compliance with the laws against bribery and corruption in the countries in which we operate, we do not allow any form of bribery between employees, business partners or other professional practices, which could allow for improper influence.

Cablel, [Code of Conduct](#), 2015

²⁶ Facilitation payments do not include cases where a public official threatens an individual’s health or physical safety unless payment is made. Such payments are not made with corrupt intent. In many instances such payments are also not payments made to secure “routine governmental action”.

²⁷ Greece Phase 3bis Report paras. 48-49

²⁸ OECD, UNODC, World Bank (2013), [Anti-Corruption Ethics and Compliance Handbook for Companies](#).

Example of a lobbying policy- Coca Cola Hellas

You must secure prior written approval by the Competent Counsel before entering into an agreement for the promotion of the Company's positions on issues affecting it. All such agreements must be fully documented carefully and should include clear and detailed service contracts, invoices from the Company or the person exercising such activity for the Company and a document of the work product. Do not hire advisors to showcase the company positions on issues of concern prior to completing the required testing as specified in Section V of this Policy. Periodic and detailed audits of all such agreements must be carried out. An active state official should never be hired to perform promotional services for the Company's positions on issues of concern or policy, promoting them on behalf of the Company.

Coca-Cola Hellenic Bottling Company A.G., [Anti-Bribery Policy](#), 2012-2015

Special expenditures such as gifts, hospitality, donations and sponsorship

Gifts, hospitality, sponsorship, donations and special expenditure involving third parties in general can play an important role in building and facilitating business relationships. However, strict procedures should be implemented to avoid situations where such benefits improperly influence an official's acts or decisions, or result in an unfair advantage to the payer.

Gifts and hospitality

The custom of gift and hospitality is well-developed and plays a role in Greek business culture. Nonetheless, regulation in this area is deficient.²⁹ As such, your company should draw a clear line between acceptable and illegal behaviour.

²⁹ GRECO 4th Round Evaluation Report (2015), p.15.

Taking into consideration the you specific business environment, your company should develop a gift and hospitality policy, controls and procedures to ensure that gifts and hospitality are reasonable and made in good faith. Your policy should provide clear guidance to your employees that enables them to differentiate between what constitutes lawful courtesy gifts and hospitality offers and what qualifies as bribery.

- Under all circumstances, your company's anti-corruption programme should require that gifts never be made in cash and require that all gifts be registered in a central database that tracks such activity, ideally operating under the umbrella of your company's accounting framework and procedures.
- Your programme should clarify which types of gifts and hospitality are acceptable and which are not.³⁰
- Policies may introduce a modest monetary limit, beyond which gifts and hospitality are prohibited or subject to approval of the management. The aggregated value of gifts by an employee over a period of time should also be limited to ensure compliance with anti-corruption laws and practices.
- Your company's policy should discourage a public official from bringing a spouse or guest, or request that the public official cover the additional costs.
- A centralised procedure of approval can ensure consistency.
- More stringent rules should apply to employees that are particularly exposed to corruption risks.
- If your company operates abroad, your gift and hospitality policy needs to be adapted to the country of operation.

³⁰ Society of Corporate Compliance and Ethics, The Complete Compliance and Ethics Manual 2014, p. 5.112; GRECO 4th Evaluation Report (2015), p. 15.

Examples of a gift policy

Vianex: Gifts and entertainment, even when they are offered with unconditional motives of personal or professional nature, could be misinterpreted and cause unlawful influence. We must not accept gifts or entertainment offers that could influence our personal integrity or the independence of Vianex and Vian. (Vianex and Vian A.E., Code of Conduct)

Loulis Mills: Business gifts must be lawful, authorised and appropriate. The provision, offer or acceptance of any gift that serves inappropriately any business decision and affects business judgment is not permitted. However, in some cases you can exchange business gifts to promote good faith, provided that: the gift has symbolic value (up € 10) and the gift has been approved by the management of the company. In no case is it acceptable to gift in cash or gift form as part of an agreement to do something in return. (Loulis Mills, [Code of Conduct](#))

The following considerations can be relevant to considering whether a specific gift or hospitality is appropriate:

1. What is the reason for and expected effect of offering the gift or hospitality?

Is it a simple expression of business courtesy, or is it intended to influence the recipient's objectivity or independence in making a decision to favour your company? Could the gift or hospitality be reasonably perceived to have such an influence?

Could this gift or hospitality influence or reasonably be perceived to influence the outcome of business transactions or a procurement process, or result in an improper advantage?

2. When is the gift or hospitality offered? The timing may be inappropriate when business decisions concerning your company are being made, such as during a tendering process or the renewal of a contract.

3. What is the value and frequency of the gift or hospitality? Gifts should in all circumstances be small in value and of minor importance to the recipient. Successive small gifts can result in considerable total benefits over time.

4. Is the gift or hospitality appropriate given the capacity of the recipient, especially when it involves public officials?
5. If the gift or hospitality involves foreign third parties or takes place abroad, what is permissible under local legislation?

Political donations, charitable donations and sponsorship

A company's financial support of political parties, party officials, candidates, organisations or individuals engaged in politics, with a view to contributing to the political development of the entity or the individual are common activities and are not illegal *per se*. However, these activities can be used to influence political decision-making in favour of private interests and as such be abused as a subterfuge for political corruption. Concerns about this form of corruption in Greece seem realistic. Of the SMEs that responded to the Stakeholder Survey, 42% declared that financing of political parties by companies, political donations and contributions created a significant or very significant corruption risk.

Companies make donations to not-for-profit organisations to gain legitimate outreach. However, it is well-known that charities can be used to facilitate bribes to third parties, especially public officials. In donating to third parties, companies should pay specific attention to who is the actual beneficiary of the donation. This issue raises particular concern when the organisation involves politically-exposed persons.

- As a consequence, your anti-corruption compliance programme should develop a policy, controls and procedures to supervise political and charitable donations.
- Concerning political donations, under all circumstances, your company should comply with Law No. 4340/2014 including the provisions dealing with the limits of political donations by private parties, and procedures and restrictions on private funding of political parties (See Annex I).
- Under all circumstances, your company should comply with the Greek legal requirements regulating charitable donations.
- Your company's anti-corruption programme should require that political and charitable donations are never made in cash

and should always be registered in your companies' and books and records.

- Your company could opt for a fully transparent and public disclosure of political and charitable donations, such as on your website or in your annual report.³¹
- Your company could seek prior approval of the board or an equivalent entity for any political or charitable donation.
- Additional scrutiny should apply to contributions to political or charitable organisations in which prominent political figures, or their close relatives, friends and business partners are involved.³²
- Concerning charitable donations, visits to the charity could be made to ensure the donation is used as intended.

The following considerations may help your company draw the line between legitimate political and charitable donations and corruption:

1. Your company should consider the reason for the donation and the expected effect.

Is the donation a simple expression of financial support? Or is the contribution intended to influence or could reasonably be perceived to influence the recipient's objectivity or independence in making a decision to favour your company?

Could this donation influence or reasonably be perceived to influence the outcome of business transactions or result in an improper advantage?

³¹ Business Principles for Countering Bribery: "5.3.2 The enterprise should publicly disclose all of its political contributions". World Bank Group Integrity Compliance Guidelines, 4.4 "take appropriate steps to publicly disclose all political contributions (unless secrecy or confidentiality is legally required)". 5.4.2 The enterprise should publicly disclose all its charitable contributions and sponsorships.

³² International Chamber of Commerce (2011), [Rules on Combating Corruption](#), Article 4.

2. Your company should question the timing of the donation. A donation may be inappropriate when political decisions concerning your company are being made by relevant public actors. Is the donation connected with a potential business transaction?
3. Your company should question whether the donation is appropriate given the capacity of the actual recipient in the political or charitable organisation, especially when it involves public officials. In this respect the company can also refer to its conflict of interest policy (see below).
4. Your company should examine the value and the frequency of the donation and comply with the allowable limit under Greek law.
5. If the donation involves foreign third parties or takes place abroad, consideration must be given to the local legislation.

**Examples of a political contribution policy -
AV Jennings (Australia)**

No donations should be made to any public official or political party as they will cause the Company to breach the law. In the case of political donations, this includes the making of loans. Penalties include substantial fines. The prohibition extends to Directors and Officers of the Company, significant shareholders and soliciting another to donate. (AV Jennings, Code of Conduct, 2010)

Examples of a charitable donation policy

OTE Group: We do not make donations to gain advantages. All donations must comply with the respective legal system and internal policies. Furthermore, all donations are recorded with the recipient's name and purpose for which they were made. Donations are not granted to persons or personal accounts, etc. as well as individuals or organisations which could damage the interests or image of OTE Group. (OTE, [Code of Conduct](#), 2012)

Bukkehave (Nigeria): Community support and donations are acceptable, such as services, knowledge, services exchange, or direct financial contributions. However, managers and employees must be careful to ensure that charitable contributions and sponsorships are not used as a subterfuge for and do not constitute bribery. (Bukkehave, [Code of Conduct](#))

Conflicts of interest

Conflicts of interest may arise where the private interests of an individual or his/her close relatives, friends or business contacts diverge from those of the company to which the individual belongs.³³ The risk in such a situation is that the judgement of the individual is inappropriately influenced when making decisions in his or her professional capacity. The impact on such an individual's ability to decide what is best for the company can be significant. If not properly addressed or managed, the conflicts of interest between the private interests and professional duties of an individual may result in corruption.

From this perspective, the objective of your anti-corruption policy should not necessarily be to prohibit an employee from being influenced by his or her private interests, but to maintain the integrity of individual decisions and management generally.³⁴

³³ International Chamber of Commerce (2011), [Rules on Combating Corruption](#), Article 7 (Conflicts of interests).

³⁴ <http://www.oecd.org/governance/ethics/2957360.pdf>, p.2.

As a consequence, your company should identify where conflicts of interest may be present and develop policies, controls and procedures to address those risks. These measures should be sufficiently specific to guide your employees in the most common situations of potential conflicts of interest. In this respect, concrete examples can be very useful. Your policy should at least provide that:

- Employees disclose in writing any potential conflicts of interest to their manager, compliance officer, audit committee or equivalent body.
- Because conflicts might not always be obvious to employees, your company could actively raise awareness and prevent possible conflicts of interests by periodically requiring its employees to respond to a questionnaire that is specifically designed to identify existing or potential conflicts of interest.³⁵
- Your conflicts of interest policy should apply to your directors, officers, employees and to contractual parties such as agents, lobbyists and other intermediaries.
- Your company should not hire or engage a public official in any capacity before a reasonable period after he or she has left office if the contemplated activity or employment directly relates to the functions held or supervised during their tenure.³⁶

Conflicts of interest situations include, but are not limited to:

- Employee serving on the board of, having a substantial interest in or having a simultaneous employment with a competitor.
- Employee acting as an officer, employee, partner in a company that is a supplier of his company.

³⁵ Compliance and Ethics Manual 2014, p. 5.95.

³⁶ International Chamber of Commerce (2011), [Rules on Combating Corruption](#).

- Employee engaged in a charitable or political organisation receiving a donation from his company.

The following considerations can be relevant for determining whether a conflict of interest exists:

- Employees should consider whether they have a personal interest (such as financial interests in another company or relationship with someone) that could affect their impartiality or ability to make the best decision for the company.
- Employees should be aware of how they factor in their personal feelings and convictions when making decisions in the framework of his/her professional capacity.

**Examples of conflict of interest policy
Vestas (Denmark)**

It is crucial for Vestas to conduct business activities in the best interests of the company. Vestas' business partners need to know that Vestas employees' conduct is oriented toward the company's interests and not their own private interests. Vestas therefore strives to avoid even the appearance of conflicts of interest. Whenever a Vestas employee faces a potential conflict of interest, he or she should always discuss it with his or her manager before taking any further action. (Vestas, [Business Partners Code of Conduct](#))

5. Protecting whistleblowers³⁷

A detailed discussion on how to facilitate and protect whistleblowers will be published in October 2017 as part of this project. What follows in these guidelines is intended only as a brief overview.

Whistleblower protection is essential to encouraging the reporting of all kinds of business integrity breaches including corruption. A recent report by the OECD cited whistleblower reports as one of the top three ways through which companies learn of wrongdoing in their business operations. From this perspective, whistleblowing can be an immensely efficient tool for companies to detect and sanction corruption-related acts and misconduct and establish a culture of accountability and zero tolerance for corruption. Additionally, whistleblowing also helps companies learn about operational and structural gaps and deficiencies and reform their practices, often resulting in more efficient and cost-effective operations.

In Greece, there is currently no dedicated and comprehensive legislation that provides protection to private sector whistleblowers. Despite such a reality, one-third of Greek SMEs that responded to the Stakeholder Survey stated that they provide confidential channels and whistleblower protection to employees reporting instances of non-compliance with anti-corruption laws. However, very few of the SMEs have provided whistleblower protection in the past. The February 2017 Consultation Meetings provided a unique opportunity to discuss the reality of such programmes in practice

³⁷ The institution of the «whistleblower» has been incorporated into the Greek legal order by the term «witness of public interest» in article 45B of the Code of Criminal Procedure, as introduced by subparagraph IE.15 of Law 4254/2014. The aforementioned provision defines the witness of public interest as any person who «without being involved in any way in the acts [which are punishable under the pertinent articles of the Criminal Code] and without seeking his/her own benefit, he/she contributes materially to their disclosure and prosecution through the information he/she provides to the prosecution authorities». The term is used in the Guidelines' text under reservation of the OECD proposal of amending the relevant provision.

with Greek companies, business organisations and other private sectors actors. Some companies confirmed that they had implemented relevant channels and effective protections and confirmed that some whistleblower reports resulted in prosecutions and sanctions. Many others said that they had no formal procedures in place but that their employees trust management and are free to report any suspected corruption behaviour.

Examples of whistleblower protection policies

Hellenic Recovery Recycling Corporation, HERRCO: Employees who wish to make a complaint about any issue they consider that may constitute a violation of the Code may consult their supervisor, the management or the Ethics Committee. The Hellenic Recovery Recycling Corporation will not tolerate any act of retaliation or other action against any employee as a result of a complaint. (HERRCO, [Code of Conduct](#), 2016)

United Technologies (USA): UTC's non-retaliation policy reinforces our long-standing commitment to a safe reporting environment that is free of fear, bullying and other negative consequences. UTC has zero tolerance for retaliation and activities that impact good-faith reporting – and anyone engaging in retaliatory behaviour is subject to disciplinary action, up to possible termination. (United Technologies, [Code of Ethics: Trust. Respect. Integrity](#), 2015)

In order to strengthen your approach towards business integrity and demonstrate its dedication to fighting corruption, your company should voluntarily implement formal channels for reporting and provide whistleblowers with effective protections against retribution. Such a mechanism should not follow a one-size fits all approach, but should be unique to your company's structure, needs and culture.³⁸ For example, whether a company should set up an internal or external system to handle whistleblowing complaints

³⁸ For example, devising specific ways to ensure confidentiality in a small enterprise where potential whistleblowers may be hesitant to come forward (in such cases, perhaps an oral complaint procedure would be optimal to reassure the complainant of his or her anonymity and would involve no paper trail).

may well depend on many factors such as the availability of resources and the nature of the company's operations.

6. Handling Solicitations of Bribes and Influence Trafficking

In Greece, the risk of bribery solicitation from public officials is widespread. However, despite the prevalence of this risk, only 19% of the same respondents said their company provided detailed rules for solicitation and extortion.

Being pressured to pay a bribe is a very distressing situation for any employee. About 12% of Greek company respondents said that they would pay the bribe if asked to do so, whereas almost 30% would try to reduce the amount of the requested payment. It is therefore very important that, in addition to its anti-corruption policy, a company provide detailed guidance to its employees and third party partners on how to react when faced with demands for corruption payments.

Below are some actions that an employee may take in a compromising situation:

Confront

Refuse to pay the bribe and explain to the person requesting the bribe that the requested act is a criminal offence that could result in criminal prosecution of both parties. It could be further beneficial if the employee is aware of the domestic laws (or foreign laws, depending on where the solicitation takes place) regarding bribery and is able cite them to the person requesting the bribe. A copy of your company's strict anti-corruption policy can also be shown to the person requesting the bribe in order to demonstrate that the employee will receive the necessary support if he or she reports the incident, and will take the necessary steps to inform the authorities of the bribery solicitation.

Internal Actions

An employee should report any solicitations of bribes or other corruption payments to his or her company's management (i.e. legal department, manager, compliance officer, etc.) which shall then keep a record of the incident.

If the employee is hesitant to report the incident in-person, he or she can make use of internal reporting channels (i.e. hotline, online reporting, etc.) whose confidential nature should be reinforced and supported by your company.

External Actions

Your company can report the solicitation incident to the public service for which the public official works, the anti-corruption directorate or law enforcement authorities (i.e. public prosecutor, Internal Affairs Directorate of the Hellenic Police, Financial and Economic Crime Unit (SDOE) and others)

If the solicitation takes place in a foreign market where your company conducts business, you should report the incident to your local Embassy which can provide guidance regarding the appropriate actions to take. Embassy officials should also be able to act as credible mediators.

Example of handling bribe solicitation policy: Coca Cola Hellas

During inspection, you should treat the government official politely, but should not offer anything of value or any advantage prior to, during or after the inspection. Such an offer, even if very small, may be interpreted as an attempt to influence the conclusions of the official in connection with the inspection.

To avoid such situations, you need to:

- prepare for the inspection in advance so the state official cannot make unfounded complaints about the facilities or the products of the Company;
- to know the local rules and regulations;
- to know the employees of the relevant government agency;
- if you suspect that an inspector may ask you to bribe him, you should ask other persons to accompany you during the inspection, because the presence of other persons may deter the request for a bribe.

Coca-Cola Hellenic Bottling Company A.G., [Anti Bribery Policy](#), 2012-2015

Other

If your company is not already a member of a collective action, it can initiate one with other enterprises in its sector to address certain corruption risks that are exclusive to that sector or industry. Engaging in such action could be useful in exposing, in a subtle manner, certain public services whose officials often solicit bribes in exchange for financial rewards.

7. Addressing Violations of Anti-Corruption Laws and the Company's Anti-Corruption Programme

Disciplinary measures deter individuals from engaging in unethical conduct and from failing to prevent such conduct. They are therefore crucial to an effective anti-corruption programme.

In practice, Greece companies may not be taking sufficient measures in this respect. Data from the Stakeholder Survey shows that 33% of SMEs stated that their code or programme provided sanctions for violating anti-corruption laws and/or their company's code of ethics and compliance programme. The most common sanctions available were oral warning, written warning, termination and denial of benefits. Only a few of the Survey respondents, however, investigated integrity breaches relating to corruption over the past 2 years.

To ensure an appropriate enforcement regime, your anti-corruption programme should:

- Specify that all violations of anti-corruption laws and the company's anti-corruption programme as well as all failure to report such violations will be punished.
- Describe precisely the disciplinary procedures and persons or body in charge of appropriate action should be provided. The disciplinary procedure should include an internal investigation, including the suspected misconduct, the origin of the report, the relevant documents and testimonies, the recommended sanctions and remedial actions. Keeping track of the internal investigation can be of great importance to make the process easier.

When misconduct is identified, your company should promptly take reasonable steps to respond appropriately.³⁹

Disciplinary measures should be proportionate with the level and intention of the offense. The available sanctions should include oral warning, written warning, temporary suspension, indefinite suspension, revocation, fine, and termination. Your company could opt for a public disclosure of the enforcement of its policy.⁴⁰

Finally, your company should report to the judicial authorities within a reasonable period of time and ensure full co-operation for the purpose of the investigation or prosecution of the offence.⁴¹

III. Supporting the Successful Implementation of Your Company's Anti-Corruption Programme

1. Application of the Anti-Corruption Programme to Business Partners

Companies both large and small are in constant search of new opportunities for growth and expansion. The desire of companies to flourish as a business necessarily entails hiring specialised experts and actors to perform essential tasks relevant to their existing work and devising innovative solutions to the unique challenges such as gaining access to highly competitive markets, sectors and industries.

Due to this reality, companies operating in both the domestic and foreign domain often partner with external parties and actors such as consultants, sales agents, distributors, middlemen and other intermediaries for the purpose of furthering their business goals and profitability. The practice is common among multinational enterprises ("MNEs") in Greece, given the nature of their work and the need for specific skillsets that may be better executed by

³⁹ World Bank Group Integrity Compliance Guidelines, p. 8.

⁴⁰ ICC Rules on Combating Corruption, Part. III, Art. 10.

⁴¹ UN Convention against Corruption (UNCAC), Art. 37.1 and 37.2 and Art. 39. 1.

individuals and entities outside the company. For example, a company may hire a consultant with knowledge of local business customs and practices, cultural norms, and other specialised knowledge that a foreign company may not possess and would otherwise be unable to obtain. In the domestic context, such intermediaries and third parties can also prove invaluable due to their subject-matter expertise or their political and social networks. Agents and contractors can also fill temporary staffing shortages. However, while resorting to third parties and intermediaries allows companies to overcome barriers to business and trade opportunities, their inadequate vetting, training, or oversight may also expose the company to significant legal and ethical risks.

Mitigating risks created by business partners should therefore form an essential component of Greek companies' anti-corruption programmes:

- Companies should consider ethics and compliance programmes and/or measures designed to prevent and detect corruption applicable to third parties, including properly documented risk-based due diligence, regular oversight of business partners (including audits), informing business partners of the company's commitment to abiding by anti-corruption laws, and seeking a reciprocal commitment from business partners.⁴²
- All agreements with agents, advisors and other intermediaries should require prior approval of senior management and that the third party should also contractually agree in writing to comply with the company's anti-corruption programme. These measures should be complemented by other essential components such as providing training for third parties on the company's anti-corruption programme, regularly reviewing the business need for the services of the third party, and conducting a

⁴² OECD (2010), [Good Practice Guidance on Internal Controls, Ethics, and Compliance](#), A.6; International Chamber of Commerce Rules on Combating Bribery, Articles 2-3.

regular assessment of the risk associated with working with each specific third party.⁴³

- SMEs with limited financial and human resources should consider more selective and targeted procedures regarding oversight of third parties, such as subjecting the activities of third parties who interact frequently with public officials to a more rigorous and scrutinised approval process.

2. Internal Controls and Record Keeping

It is not enough for a company to have an anti-corruption programme in place that simply prohibits corrupt behaviour and questionable business practices. A company must also implement internal controls and procedures to limit exposure to legal sanctions and improve the efficiency and transparency of their corporate structure and operations. Designing such controls increases efficiency by ensuring good management and the protection of assets, deters corrupt behaviour and, most importantly, creates a culture of transparency and oversight.

Greek legislation establishes general principles regarding internal audits and accounting procedures applicable to specific entities such as public interest companies. Law 3016/2002 requires companies listed on the Athens Stock Exchange to establish an internal audit department for the purposes of regulating corporate management and administration generally, including rules governing financial transactions. Moreover, Law 4449/2017 calls upon companies to establish a system of internal controls to monitor financial activity. Concerning public interest entities in particular, the law provides for monitoring of the effectiveness of the company's risk management systems.⁴⁴ However, the legislation fails to address factors unique to corruption.

⁴³ Partnering against Corruption Initiative ("PACI"), [Principles for Countering Bribery](#), Section 5.2.

⁴⁴ Article 44 Law 4449/2017.

Leaving aside the current Greek legislation, as a best practice companies should implement a system of internal regulation and control to detect and prevent hidden, doctored and illicit corporate expenditures relating to domestic and foreign corruption. Such measures should include detailed procedures governing financial transactions and accounting practices, and be reasonably designed to ensure the maintenance of fair and accurate books, records, and accounts, in order to prevent them from being used for the purpose of bribery or hiding such bribery.

The internal controls programme implemented by companies, whether large or small, will vary according to the company's size and structure, as well as the way in which its financial accounting structure is managed and overseen. Generally, all internal controls programmes should consider, and when possible, implement the following aspects to ensure adequate prevention and detection of corruption and bribery:

- All transactions are identified and recorded in books and accounting records
- Establish a system of control requiring authorisation and oversight of financial transactions and record-keeping, and regularly communicate programme to employees
- Enable auditors to verify the accuracy of all transactions and require documentation for all financial transactions to avoid off-the-books accounts, the making of off-the-books or inadequately identified transactions, and the recording of non-existent expenditures
- Conduct regular audits and reviews of accounting and record-keeping practices in order to ensure full and accurate recording and to identify any gaps in design
- Maintain a secure system for safekeeping of all relevant documents and records
- Regularly review internal controls programme to adequately address specific areas of risk, review existing practices for efficiency, and identify new objectives

- Appoint a committee to monitor the effectiveness of the internal controls, which also acts as the central source of information and reporting relating to the programme

SMEs face particularly unique challenges given the undeveloped nature of the Greek legislative framework regarding internal controls and corporate compliance generally and their limited resources. Many SMEs do not have sufficient resources to establish robust internal audit functions or advanced accounting procedures, but are still able to implement some form of internal control. In doing so, SMEs should focus on the prioritising measures according to the risks they most commonly face. This could include measures such as requiring particularly risky transactions (bids for public works projects, contracts with new customers or business partners, contracts paid in cash, etc.) to be subject to specific procedures, documented and approved by multiple managers and/or by a management committee.

3. Communication and Training

Clear unambiguous messaging

In order for a company's anti-corruption programme to be effective, it must be considered as a vital and inalienable component of the company's culture, practices, and operations. In essence, it must form a part of the company's identity. A company's programme must be communicated to all those concerned in an understandable and open manner, while also being specific enough to enable employees and third parties to correctly identify and report violations or possible violations.

Examples of anti-corruption messaging Cablel:

Corruption is prohibited by international treaties, national legislation and our Internal Policies. In compliance with the laws against bribery and corruption in the countries in which we operate, we do not allow any form of bribery between employees, business partners or other professional practices, which could allow for improper influence.

Cablel, [Code of Conduct](#), 2015

In Greece, data drawn from the Stakeholder Survey indicate that a majority of companies that purport to have a compliance programme or a code of ethics (either official or ad hoc), do not carry out or do not know if they carry out any activities geared towards disseminating or communicating the programme to its employees. This results in a major enforcement and compliance gap, given the essential nature of awareness of prohibited conduct and available reporting mechanisms.

Who should be trained?

All employees in your company should receive training. If your company is a large SME that partners with various third parties (i.e. agents, contractors and suppliers), it is important that they also receive the same training. If you are a smaller SME that serves or supplies larger companies that require such training from their business partners, having a robust anti-corruption programme can save your company time and resources and avoid duplicate training.

Example of Training: Coca Cola Hellas

The Company organises mandatory training programs annually to ensure that employees understand any applicable legislation to combat bribery and corruption and act in accordance with that legislation. These educational programs prepared by the Legal Department of the Company are designed to address specific risks faced by each region. It is absolutely necessary to participate in these training programs. In addition, the Company introduced a new online training which employees should complete periodically.

Coca-Cola Hellenic Bottling Company A.G., [Anti-Bribery Policy](#), 2012-2015

What should your training programme look like?

Training should focus on your company's anti-corruption policies and code of ethics that enable your employees and business partners to detect, assess and prevent corruption risks. The style of your training should reflect your company's culture, raise awareness of anti-corruption measures and implement sound business practices. Trainings should also ensure that all parties understand the legal consequences and disciplinary sanctions resulting from

non-compliance. The training should reinforce the desire of your employees to be active participants in furthering your company's programme and explain why following the programme is in the interest of both the company and its employees. The factors that management-level employees must consider when communicating the company's stance and policies on corruption include:

- The types of risk the company's employees face in their day-to-day functions
- The right tone (zero tolerance for corruption but sufficiently flexible to encourage feedback, insight, and an open dialogue with employees)
- Relevant laws and policies and the respective penalties and sanctions for misconduct
- A channel of communication between management and regular employees to discuss issues relating to anti-corruption (i.e. prohibited conduct, specific procedures to follow, reporting procedures, and company's future goals to root out corruption)

It is important to note that the content of your training programme should be reviewed to adapt to changing circumstances affecting your business. For instance, just as your compliance programme is adjusted when your company opens up to new foreign markets or a different sector, your training programme needs to be also updated to account for new, relevant corruption risks.

How should the training be delivered?

A variety of training formats exist which your company can apply to conform to its resources, capacity, geographic location and number of employees. The use of face-to-face training in one to two day workshops is widely considered to be the most effective method. Ideally, your training programme should be interactive, incorporating role play, practical examples and case studies that will enhance employee understanding of compromising situations and sharpen decision-making skills.

On-line training can be used instead by small companies whose employees are geographically spread out. The benefits of such a

method are that it can be accessed from any location at any given time. These types of training programmes can be either pre-recorded, live (i.e. webinars, live stream training), or simply fixed courses in the form of multiple response questionnaires that provide explanations after employees answer incorrectly.

To certify that an employee has a qualified comprehension of the material after the conclusion of either type of training, it is suggested that a test be administered. Employees who fail this test or perform below average should be required to retake it in order to ensure full understanding.

Finally, a hard copy of your company's policy that can remind one of its provisions should be available through your company's intranet or circulated periodically by your human resources department.

When training should take place?

Your employee and business partner training should be an ongoing practice. New hires and new partnerships should receive an introduction to your company's anti-corruption policy shortly after they are hired and mandatory training should be periodically administered throughout the term of their employment/contract.

Training in SMEs with limited resources

Many large companies already conduct such trainings. However, according to the OECD Survey results, 73% of Greek SMEs that responded to the Stakeholder Survey do not. The inability of smaller Greek companies to incorporate such anti-corruption training is due, in large part to their limited resources. Indeed, financial budgets often restrict the development of training material and the lack of time and human resources also hinder periodic and up-to-date training.

Keeping the reality of the Greek domestic market in mind, there are several other ways for SMEs in Greece to overcome such obstacles:

- Instead of providing uniform training to all of your employees, agents and contractors, you could consider tailoring the amount and content of training to the level and

nature of corruption risks to which each sub-group of employees is exposed.

- Consider routinely employing measures that are inexpensive yet effective. For example, upon signing contracts with your company, new employees or agents should be provided with your company's anti-corruption policy and code of conduct. After doing so, they should acknowledge in writing that they have read and agree to abide by your policy and code of ethics. Managers who conduct regular employee evaluations should also devote part of the meeting to discuss anti-corruption and integrity issues. Pamphlets or brochures, especially in electronic form, can also be relatively inexpensive to produce and disseminate.
- Unlike larger companies that have specialised individuals in their human resources department or compliance officers who handle such training programmes, smaller companies usually do not have such designated personnel. Therefore, an SME should actively seek to invite experts to provide training beyond the corporate structure, such as business school professors, business chamber representatives, or even the company's in house counsel if there is one, to explain the legal ramifications associated with non-compliance and preventive actions that can be implemented.
- Another effective method involves training senior or middle management (i.e. CEO, director, manager) who can then share their knowledge with their colleagues and the employees under their authority. To make sure that these individuals are aware of all the legal and regulatory changes in their sector, it is recommended that they attend conferences and workshops conducted by experts in order to keep abreast of developments or reforms. This system mitigates the high financial and time costs associated with regular training for a large number of individuals.

Additionally, your company should seek the support and advice of organisations that specialise in your area and sector, as said entities often have qualified experts on corporate governance who can provide specific fee-based or free consultations on domestic laws

and regulations, thus helping your company navigate compromising solicitations. Such organisations include but are not limited to civil society organisations, government directorates, business organisations, and professional chambers and associations. Furthermore, international civil society organisations and suppliers often provide online training tool-kits and platforms that are available free of charge or for purchase online.

4. Oversight, Monitoring and Review of the Programme

Once created, an anti-corruption compliance programme must be adequately implemented. Such implementation includes regular oversight, monitoring and revision of the programme in order to ensure that its content is up to date and relevant to the day-to-day operations of the company and that, as a standard practice, employees generally comply with rules and procedures. Approximately 63% of respondents to the Stakeholder Survey stated their company does not carry out periodic reviews of its code of ethics or compliance programme. Such numbers are in part due to the fact that many companies in Greece, in particular SMEs, do not have compliance or code of ethics frameworks in place. The lack of oversight and monitoring of already existing programmes is problematic as it is imperative that the first initiatives of Greek companies to root out corruption be successfully implemented.

The OECD Good Practice Guidance provides that companies should consider periodic reviews of the ethics and compliance programmes or measures, designed to evaluate and improve their effectiveness in preventing and detecting bribery, and in doing so, should focus on relevant developments in the field, and evolving international and industry standards. Additionally, a company's Board (or equivalent body) should ensure that the company's anti-corruption programme is reviewed for effectiveness, and that it also takes all appropriate corrective actions upon identifying any shortcomings.⁴⁵ Therefore, from a substantive perspective, effective oversight and

⁴⁵ Partnering against Corruption Initiative ("PACI"), [Principles for Countering Bribery](#), Section 5.

monitoring of a company's compliance programme consists not only of ensuring that a sound and comprehensive programme exists, but also regularly engages in multi-sector and inter-business collaboration, exchange of best practices, and considers implementing proven and successful measures in light of the company's own risks and practices. Oversight, monitoring and review of a company's programme should be collaborative process where a multi-member executive management panel makes decisions regarding its content and structure, based upon the experience and active involvement of mid- and lower-level employees. Forming working groups to implement a company's anti-corruption programme (whether large or small) that consist of members from all levels of company structure would allow for comprehensive and transparent programme monitoring and review. Such a working group would also encourage robust involvement of employees in the company zero tolerance policies.

Important factors to consider when monitoring the performance and adequacy of a company's anti-corruption programme include:

- Clear and organised authority structure to ensure full implementation of the programme
- Updating the compliance programme or code regularly to reflect legislative developments, meet regulatory requirements and incorporate best practices and modify and/or do away with outdated or inefficient components and procedures
- Conducting regular risk assessment to ensure that programme addresses specific issues
- Testing programme – periodic review of measures to ensure proper functioning

SMEs with limited resources or lack of specific expertise in the area of corporate compliance and best practices should seek to designate an individual or a group of individuals (depending on the size of the SME) in charge of developing and monitoring the company's policy or programme, under the direction of higher management. The objective would be for such a body to become

more specialised and institutionalised over time, thereby edifying its presence and purpose within the company.

5. Promoting Compliance

Greek companies should actively promote their anti-corruption programme by adopting appropriate incentives to encourage and provide positive support for observance of ethics and the programme at all level of the company.

Nearly all of the companies operating in Greece (approximately 86%) that responded to the Stakeholder Survey either do not offer or do not know if they offer incentives to their employees in order to encourage compliance with their code or programme. Therefore, in light of the foregoing issues, an approach seeking to strengthen compliance generally and provide support to compliant behaviour must include a structural component as well as a behavioural and cultural component.

With regard to the structural aspect, Greek companies should ensure that human resources practices, including recruitment, promotion, training, performance evaluation, remuneration, recognition should reflect the company's commitment to the Programme. In order to demonstrate a strong commitment to incentivise compliant behaviours, your company could introduce a compliance performance management objective measure to assess its employees' performance in ethics and compliance. In addition to formal processes, strong leadership support is above all necessary to encourage compliant behaviours.

6. Collective Actions

During the February 2017 Consultation Meetings, many private sector representatives highlighted that individual SMEs in Greece fear that they will face a competitive disadvantage if they decide to not engage in acts of corruption. The limited influence and financial resources of SMEs can often prevent them from refusing solicitations and taking a stand against corruption. Collective action initiatives by companies are a proven method of a long-term, viable response to addressing this fear and reducing corruption. They

allow vulnerable SMEs to leverage power in order to resist corruption. Engaging in such an alliance can supplement a company's anti-corruption programme by helping prevent the demand and supply of bribes across your sector and the business community in general.

Unfortunately, collective action initiatives are not prevalent among the Greek business community, according to participants at the Consultation Meetings. For Greek businesses that wish to address this gap, this section provides some ideas for collective actions ranging from project-based integrity pacts to longer term consensus- building codes of conduct.

Examples of industry collective action initiatives that operate internationally include the Extractive Industries Transparency Initiative (EITI), the Maritime Anti-Corruption Network (MACN) and the Construction Sector Transparency Initiative (CoST) whereas domestic initiatives such as Nigeria's Convention for Business Integrity and The African Lawyers Initiative on Compliance in Business Relations are examples of actions tailored to local business markets.

Identifying members and the role of business organisations

Certain forms of corruption are relevant to certain business sectors and can be addressed most effectively by the collective activity of companies that operate in them. These business organisations can further enhance the success of your projects by:

- Serving as platforms that can facilitate mutual agreements, raise awareness of the initiative, and form joint collaborations with other institutions that can offer further support to your efforts.
- Taking action at a higher level with more influential political impact than if your enterprise acted alone. In many cases, these organisations can speak on behalf of your initiatives in policy-making processes.
- Educating SME management and employees, who are constrained by financial and human resources, on how to assess the risks and ramifications of corrupt practices.

As you seek to establish your collective action initiative, your company should explore the network of business organisations whose members are companies that conduct business in the same sector in and outside your geographical region. In doing so, your company should seek to identify enterprises that will enhance your initiative's credibility. Once you have identified your potential members, meet with a business organisation that can act as your action's facilitator and provide information about your members' company profiles and the plan for your collective action initiative. Thereafter, you should frequently meet with your collective action members to discuss relevant issues and concerns, evaluate your sector risk of corruption, plan activities, share best practices, attend conferences/workshops and actively engage policymakers to advocate for change, improved regulations and accountability.

Developing a sector code of conduct

In collaboration with other member enterprises, your company can create a uniform code of conduct relevant to your sector. This will allow for a standardisation of corporate compliance across your sector and help create business norms that will, ideally, change behaviour and practices.

Issue joint anti-corruption declarations

Anti-Corruption Declarations are short-term, project- or transaction-specific statements of intent to ensure compliance with anti-corruption commitments and fair business conduct. Companies, governments and or sub-contractors can all be signatories of an Anti-Corruption Declaration such as the UN Global Compact. This type of public commitment can supplement your company's anti-corruption policy and be shared with public procurement bodies throughout public tender processes as a way to dissuade solicitations of corrupt payments.

Integrity pacts

Collective action initiatives can also prepare standard integrity pacts for its members. Integrity pacts are a type of formal agreement stating that your company agrees not to engage in bribery or collusion during a public procurement bidding process. Most often,

these written contracts are presented during the pre-tender phase between the public entity and all bidding companies. The ramifications of infringing the contract can result in expulsion from the collective action initiative or even block a company from being able to participate in future public bidding. Compliance of the integrity pact is overseen by an external monitor.

Long-term principle-focused initiatives

The long-term objectives of your collective action initiatives should be to endorse sound business conduct in your sector and across Greece. Such change can be promoted on a large scale by partnering and leveraging the influence of key, credible civil society organisations, trade unions, academia, industry associations and relevant public stakeholders. These collaborations will allow for the dissemination of research and stronger advocacy which can support the effectiveness of your initiative.

IV. Specific Bribery Risks for State-Owned Enterprises

Countries differ with respect to the range of entities that they consider as state-owned enterprises (SOEs)⁴⁶. A definition that has been used by the OECD is that “any corporate entity recognised by national law as an enterprise, and in which the state exercises ownership, should be considered as an SOE. This includes joint stock companies, limited liability companies and partnerships limited by shares. Moreover, statutory corporations, with their legal personality established through specific legislation, should be considered as SOEs if their purpose and activities, or parts of their activities, are of a largely economic nature.”⁴⁷

⁴⁶ Article 1 Law 3429/2005 (Greece)

⁴⁷ OECD (2015), Guidelines on Corporate Governance of State-Owned Enterprises, p. 15, www.oecd.org/corporate/guidelines-corporate-governance-soes.htm.

SOEs play an important role in the Greek economy. Although SOEs do not represent a very high proportion of economic activity in Greece, they are active in sectors on which large parts of the economy and the general public depend.⁴⁸ Data submitted by Greek authorities to the OECD identified some 55 SOEs with almost 60 000 employees in total.⁴⁹

SOEs, like private companies, face corruption risks. In Greece, the liability of legal persons for corruption applies to private corporations and SOEs alike.⁵⁰ SOEs should therefore also develop and implement effective anti-corruption compliance programmes to mitigate their exposure to prosecution and reputational damage. However, many Greek SOEs have at best a partial compliance programme. For example, data drawn from the Stakeholder Survey indicate that only some SOEs have a Corporate Code of Ethics in place. Many do not conduct regular corruption assessments or do so using an established set of risk factors.

For SOEs that wish to establish an anti-corruption compliance programme or to improve an existing one, all of the best practices described in the previous chapters of these guidelines apply equally to SOEs. However, particular regard should be had to the following features of SOEs.

1. Risk Sectors and Activities

Some Greek SOEs operate in the extractive industries, transportation, public utilities, power generation and telecommunications.⁵¹ These sectors tend to be heavily regulated by the state. To obtain licenses, concessions, or certificates to operate, companies in these sectors must deal with public officials who have

⁴⁸ OECD (March 2016), [Greece Policy Brief - Corporate Governance](#).

⁴⁹ OECD (2014), [The Size and Sectoral Distribution of SOEs in OECD and Partner Countries](#).

⁵⁰ Law 3691/2008, Article 51; OECD (2015), [Phase 3bis Report on Greece](#), para. 51.

⁵¹ OECD (March 2016), [Greece Policy Brief - Corporate Governance](#).

extensive discretionary powers. Many SOE respondents to the Stakeholder Survey assessed the risk of interacting with such entities as very significant. These interactions provide opportunities for corruption, especially if the public officials concerned operate with little oversight. To address these concerns, SOEs must pay particular attention to the assessment of corruption risks. SOEs operating in risk sectors must be cognisant of their exposure, and adopt more stringent compliance measures if necessary.

2. Status of Employees as Public Officials

In Greece, public officials are sometimes seconded to an SOE, often holding senior management positions in the enterprise. Such individuals may therefore have dual status as SOE employees and public officials simultaneously.

International legal conventions may also confer public official status on SOE employees. Under the OECD Anti-Bribery Convention, a “foreign public official” includes any person exercising a public function for a “public enterprise”. A “public enterprise” is any enterprise, regardless of its legal form, over which a government, or governments, may, directly or indirectly, exercise a dominant influence. This is deemed to be the case when one or more governments hold the majority of the enterprise’s subscribed capital, control the majority of votes attaching to shares issued by the enterprise, or can appoint a majority of the members of the enterprise’s administrative or managerial body or supervisory board. An official of a public enterprise is deemed to perform a public function - and is therefore a foreign public official - unless the enterprise operates on a normal commercial basis in the relevant market, i.e., on a basis which is substantially equivalent to that of a private enterprise, without preferential subsidies or other privileges.⁵² This definition may well encompass the employees of many Greek SOEs.

That SOE employees may be public officials has at least two ramifications. First, these employees may be subject not only to

⁵² OECD Anti-Bribery Convention, Article 1(4)(a) and Commentaries 12-15.

laws and regulations that apply to private sector employees, but also to those that apply to public officials. They may, for instance, be under a duty to report crime like all Greek public officials,⁵³ or be subject to rules on accepting gifts and hospitality that apply to Greek civil servants. SOEs and companies that deal with them may therefore need to ensure that their compliance programmes are compatible with these rules that apply to public officials.

Second, corruption involving public officials usually attracts greater public attention than that involving only private companies (e.g. private-to-private bribery). The resulting reputational damage will also be greater correspondingly. Not surprisingly, 41% of Greek companies stated in the Stakeholder Survey that the risk of corruption when interacting with SOEs is “significant” or “very significant”. This calls for a need to establish a more robust anti-corruption compliance programme, not only in Greek SOEs but also in private companies that interact or do business with them.

3. Internal Control and Audit

The dual nature of SOEs also has ramifications at the company level. Law 3429/2005 sets out internal audit requirements that apply specifically to SOEs. As such, SOEs may have to take these additional requirements into account when considering their rules on internal control and audit.

4. Weakened Corporate Governance

The status of SOE employees as public officials may also have consequences for policymakers. International experience shows that in many SOEs, inadequate reporting and monitoring systems as well as complexity in the accountability chain facilitate the misuse of public money and corruption. Many of the SOE respondents to the Stakeholder Survey claimed that political influence and illegal political lobbying is a very significant corruption risk that challenges their companies. Therefore, in addition to adopting and

⁵³ Criminal Procedure Code, Article 37(2) and Civil Service Code. See also OECD (2015), [Phase 3bis Report on Greece](#), paragraphs 191-192.

implementing an effective anti-corruption compliance programme, Greek policymakers should ensure that SOE boards of directors are sufficiently independent and assigned ultimate responsibility for the company's acts and overall performance.⁵⁴ As in other countries, internal codes of ethics for SOEs may be useful. The [OECD Guidelines on Corporate Governance of State-Owned Enterprises](#) provide additional assistance.

V. Recommendations for Sustaining Private Sector Efforts to Fight Corruption

This document has set out in detail what companies can do to implement an effective compliance programme to prevent and detect corruption. However, addressing corruption requires more than efforts by individual companies. The last section of this document therefore contains recommendations on how the Greek public and private sectors can act together in the future to further strengthen private sector efforts to fight corruption.

1. Follow-up on Implementing Anti-Corruption Compliance Programme: Companies should strive for effective enforcement of compliance measures and internal controls. To complement the general Compliance Workshop and the dissemination of these OECD “Best Practices and Corporate Compliance Guidelines”, specialised follow-up workshop sessions should be organised to help companies to implement specific aspects of compliance programmes and help them maximise the application of anti-corruption mechanisms and internal controls.

For instance, these specific workshop sessions could address in further detail how to conduct anti-corruption trainings for employees and third party business partners, address political contributions that further private interests, the importance of the tone at the top to help structure ethical corporate behaviour etc.

⁵⁴ Sultan Balbuena, Sara (2014), “[State-owned Enterprises in Southern Africa: A Stocktaking of Reforms and Challenges](#)”, *OECD Corporate Governance Working Papers* No. 13, OECD Publishing, Paris, p. 7.

2. **SMEs:** Building upon the findings of this project, additional specific Workshop sessions should be organised to address the challenges faced by small and medium-sized enterprises in order to ensure their capacity to implement anti-corruption compliance measures and uphold business integrity. The sessions will address tailored solutions for SMEs to overcome these challenges.

3. **SOEs:** Due to their dual nature as public and private enterprises, corruption risks faced by state-owned enterprises should be given special attention. In the framework of this project, several SOEs declared not to have anti-corruption measures currently in place. This should be an area of concern and it should call for follow-up targeted action.

4. **Public-Private partnership:** Regular communication should be maintained between the Greek authorities and the Greek private sector. Informative sessions of a technical nature should be organised to educate companies about the applicable national and international legal frameworks relating to anti-corruption that will contribute to a fair and predictable legal and business environment. These informative sessions should be used to provide guidance for business integrity incentives and standards and implement the OECD “Best Practices and Corporate Compliance Guidelines”.

5. **Collective Action:** The Greek government, business organisations and companies should explore successful examples of collective actions such as business certification or labelling initiatives and integrity pacts. These initiatives should focus on sectors or specific processes that are highly exposed to corruption in order to create an open discussion in the quest for common solutions. Good practices found in some OECD countries should be considered for adaptation in Greece.

6. **Collective Actions for SMEs:** Collective actions have proven to be a very supportive mechanism for SME that feel overpowered by corrupt practices and interests in their business environment. Creating a collective action initiative for SMEs can be a very positive step forward towards adopting uniform compliance practices within the Greek private sector. Good practices found in some OECD countries should be considered for adaptation in Greece.

7. MNE-SME mentorship program: The possibility to organise a company-to-company mentorship program should be explored. Larger companies with adequate personnel and resources can assist smaller companies in strengthening their compliance functions, establish the training of their employees, introduce effective book and record-keeping policies, guidance on how to write codes of conduct etc. This could be incorporated in larger MNE corporate social responsibility strategies and can prove to be an invaluable opportunity for numerous Greek SMEs who are challenged by the prospect of adopting their own corporate compliance measures. This program has been tested and has successfully worked before in numerous other countries.

8. Business Organisations and their role against corruption: Business organisations and professional associations have the advantage of formulating the bridge between the Greek private sector and government. Their vast member networks and practical knowledge about the Greek business environment can shape them into ideal conductors for shaping business integrity measures in the Greek private sector. They should therefore strengthen and expand activities to link the business sector and the Greek government in efforts to tackle corruption and address business concerns in consultations with governments. For instance, their involvement should extend to conducting trainings for their members and provide them with informative tools that they can disseminate and replicate in their trainings.

In that respect, it would be relevant to make an in-depth study of the current role and action of business organisation and professional associations to raise public awareness on the anti-corruption compliance issues and practically assist companies through training and guidance.

The result of that study would allow the creation of tailored specific trainings, drawing from international best practices, on how to strengthen the role of these organisations to form the basis for sustainable long-term anti-corruption awareness.

Annex 1. Greek Law

Article 159 Passive bribery of political functionaries

[As amended by Law No 4254/7.4.2014 and modified by Law No 4258/14.4.2014.]

1. The Prime Minister, members of government, deputy ministers, prefects, deputy prefects and mayors shall, if they request or receive, directly or through a third party, for themselves or for another person, an undue advantage of any nature, or accept the promise to provide such an advantage for an action or omission on their part, future or already completed, related to the performance of their duties, shall be punished by incarceration and a fine of EUR 15 000 to 150 000.
2. The same penalty shall apply to punish members of Parliament, local government councils and their committees if in relation to any election or vote carried out by the above bodies or committees they accept the offer or promise of any nature of an undue advantage for themselves or for a third party, or request such an undue advantage to refrain from taking part in such election or vote, to support a specific issue subject to vote or to vote in a certain way.
3. Paragraphs 1 and 2 shall apply accordingly also when the act is committed by members of the European Commission or the European Parliament.
4. The provisions of Articles 238, 263(1) and 263B(2-5) shall apply also to the crimes referred to in the previous paragraphs.

Article 159A Active Bribery of political functionaries

[As amended by Law No 4254/7.4.2014 and modified by Law No 4258/14.4.2014.]

1. Whosoever promises or offers an undue advantage of any nature, directly or through a third party, to the persons mentioned in Article 159, for or through a third party, to the persons mentioned in Article 159, for themselves or for another person, for the purposes referred to respectively therein, shall be punished by incarceration and a fine of EUR 15 000 to 150 000.

2. A head of business or any person who are vested with a decision-making or control power in a business shall also be punished by imprisonment, if the act is not punished more severely under another criminal provision, if by negligence they failed to prevent a person under their command or subject to their control from committing, to the benefit of the business, the act under paragraph 1.

3. The provisions of Articles 238, 263(1) and 263B shall apply also to the crime referred to in paragraph 1.

Article 235 Passive bribery of an official

[As amended by Law No 4254/7.4.2014 and modified by Law No 4258/14.4.2014]

1. An official who requests or receives, directly or through a third party, for himself/herself or for another person, an undue advantage of any nature, or accepts the promise to be provided with such an advantage, for any action or omission on his/her part, future or already completed, related to the performance of his/her duties, shall be punished by at least one year of imprisonment and a fine of EUR 5 000 to 50 000.

If the offender commits the act of the previous section in a professional or a habitual way or if the undue advantage is of a significantly high value, he shall be punished by incarceration of up to ten years and a fine of EUR 10 000 to 100 000.

2. If the aforementioned action or omission of the offender contravenes his/her duties, it shall be punished by up to ten years' incarceration and a fine of EUR 15 000 to 150 000.

If the offender commits the act of the previous section in a professional or a habitual way or if the undue advantage is of a significantly high value, he shall be punished by incarceration of up to fifteen years and a fine of EUR 15 000 to 150 000.

3. An official who requests or receives, directly or through a third person, for himself/herself or for another person, any undue provision of a financial nature by taking advantage of his/her status, shall be punished by imprisonment if the action is not punished more severely by another criminal provision.

4. A head of a public service or an inspector or any person who is vested with a decision-making or control power in government services, local government authorities and legal entities referred to in Article 263A, shall be punished by imprisonment, if the act is not punished more severely by another criminal provision, if he/she, by negligence, in breach of a certain official duty, failed to prevent a person under his/her command or subject to his/her control from committing any act of the preceding paragraphs.

Article 236 Active Bribery of an official

[As amended by Law No 4254/7.4.2014 and modified by Law No 4258/14.4.2014.]

1. Whosoever offers, promises or gives to an official, directly or through a third party, an undue advantage of any nature, for himself/herself or for another person, for an action or omission on his/her part, future or already completed, related to the performance of his/her duties, shall be punished by at least one year imprisonment (φυλάκιση) and a fine of EUR 5 000 to 50 000.

2. If the aforementioned action or omission contravenes the duties of the official, the offender shall be punished by up to ten years incarceration (κάθειρξη) and a fine of EUR 15 000 to 150 000.

3. A head of business or any other person who is vested with a decision-making or a control power in business shall be punished by imprisonment, if the act is not punished more severely by another criminal provision, if he/she by negligence failed to prevent a person under his/hers command or subject to his/hers control from committing, to the benefit of the business, any act of the preceding sections.

4. With regard to the applicability of this Article to acts committed abroad by a Greek national, it is not necessary that the conditions under Article 6 are satisfied.

Article 237 Active and passive bribery of judges

[As amended by Law No 4254/7.4.2014 and modified by Law No 4258/14.4.2014.]

1. Whosoever invited under the law to perform judicial duties or an arbitrator who requests or receives, directly or through a third

party, for himself/herself or for another person, an undue advantage of any nature, or accepts the promise to provide such an advantage for an action or omission on his/her part, future or already completed, related to the performance of his/her duties in the administration of justice or in the resolution of a dispute, shall be punished by incarceration and a fine of EUR 15 000 to 150 000.

2. The same penalties shall apply to punish any person who for the above purpose promises or provides such advantages, directly or through a third party, to the persons in the previous paragraph, for themselves or for another person.

3. A head of business or any other person who is vested with a decision-making or control power in a business shall be punished by imprisonment, if the act is not punished more severely under another criminal provision, if he/she by negligence failed to prevent a person under his/hers command or subject to their control from committing, to the benefit of the business, the act under the paragraph 1.”

Article 237A, Marketing influence - Intermediaries

1. Whosoever requests or receives, directly or through a third party, for himself/herself or for another person, an undue advantage of any nature, or accepts the promise to be provided with such an advantage, in return for undue influence that he/she claims or confirms, falsely or truthfully, that he/she may exercise on any of the persons referred to in Articles 159, 235§1 and 237§1, so that they proceed to an act or omission which pertains to his/her duties, shall be punished with imprisonment of at least one year and a fine of 5,000 to EUR 50,000.

2. The same penalties shall apply to punish any person who offers, promises or provides, directly or through a third party, a benefit of any nature, for himself/herself or for another person, to a person who claims or confirms, falsely or truthfully, that he/she can exercise undue influence on one of the persons mentioned in Articles 159, 235§1 and 237§1, so that they proceed to an act or omission which pertains to his/her duties.

Article 237B, Passive Bribery and Active bribery in the private sector

1. Whosoever is employed or provides services under any capacity or relation in the private sector and, in the course of business, requests or receives, directly or indirectly, "an undue benefit of any nature" for himself/herself or for another person, or accepts a promise of such benefit in exchange for an act or omission in breach of his/her duties, as described by the law, the employment contract, internal regulations, orders or instructions of his superiors or resulting from the nature of his/her appointment or office, shall be punished by imprisonment of at least one year.

2. The same penalty shall to any person who, in the course of business, promises, offers or provides, directly or indirectly, "an undue benefit of any nature" to a person who is employed or provides services in any capacity in the private sector, for himself/herself or for another person, for an act or omission in contravention of his/her duties. "

Annex 2. International Instruments and Guidance

Guidance Instruments

Anti-Corruption Ethics and Compliance Handbook for Companies, OECD, UNODC, World Bank, www.oecd.org/corruption/anti-corruption-ethics-and-compliance-handbook-for-business.htm

APEC Anti-Corruption Code of Conduct for Business (2007), www.apec.org/Groups/SOM-Steering-Committee-on-Economic-and-Technical-Cooperation/Task-Groups/~media/Files/Groups/ACT/07_act_codebrochure.ashx

Business Principles for Countering Bribery (2009), Transparency International, www.transparency.org/global_priorities/private_sector/business_principles

G20 Study on Whistleblower Protection Frameworks: Compendium of Best Practices and Guiding Principles for Legislation, *OECD*, www.oecd.org/corruption/48972967.pdf

Guide for Anti-Corruption Risk Assessment, UN Global Compact, www.unglobalcompact.org/library/411

International Chamber of Commerce (2005), Rules of Conduct to Combat Extortion and Bribery, www.iccwbo.org/publication/icc-rules-of-conduct-and-recommendations-to-combat-extortion-and-bribery-2005-edition/.

International Chamber of Commerce Rules on Combating Corruption (2011), www.iccwbo.org/advocacy-codes-and-rules/document-centre/2011/icc-rules-on-combating-corruption/

International Organization for Standardization (2016), ISO/DIS 37001 Anti-bribery management systems - Requirements with guidance for use www.iso.org/iso/home/store/catalogue_tc/catalogue_detail.htm?csnumber=65034.

OECD Guidelines on Corporate Governance of State-owned Enterprises, www.oecd.org/corporate/guidelines-corporate-governance-soes.htm

OECD Good Practice Guidance on Internal Controls, Ethics and Compliance (2010), www.oecd.org/dataoecd/5/51/44884389.pdf

OECD Guidelines for Multinational Enterprises (2011),
<https://mneguidelines.oecd.org/guidelines/>

G20/OECD Principles of Corporate Governance,
www.oecd.org/corporate/principles-corporate-governance.htm

United Nations Global Compact (2011), Collective Action,
www.unglobalcompact.org/Issues/transparency_anticorruption/collective_action.html

World Bank Group Integrity Compliance Guidelines (2010),
http://siteresources.worldbank.org/INTDOII/Resources/Integrity_Compliance_Guidelines.pdf

Partnering against Corruption Initiative Principles for Countering Bribery (2005),
https://members.weforum.org/pdf/paci/principles_short.pdf

World Bank Group Integrity Compliance Guidelines (2010)

International Instruments

OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions (1997)

UN Convention against Corruption (UNCAC) (2003)

The Criminal Law Convention on Corruption by the Council of Europe (1999)

The Civil Law Convention on Corruption by the Council of Europe (1999)

Annex 3. OECD Private Sector Stakeholder Survey 2017 Results

This Annex presents data from the OECD Private Sector Stakeholder Survey that was conducted between the 23 December 2016 and the 20 February 2017. A total of 359 stakeholders responded to the Company survey, though not all stakeholders responded to all questions in the survey questionnaire. For instance, 195 companies, including 123 SMEs, responded to the Section III: Measures taken by your company to protect itself from corruption risks of the Stakeholder Survey. The tables below include a subset of the data representing responses from SMEs.⁵⁵

⁵⁵ SMEs are defined in the EU recommendation 2003/361 <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32003H0361&locale=en>. The main factors determining whether an enterprise is an SME are staff headcount and turnover. A company that has a turnover equal or inferior to 50 million euros and less than 250 staff headcount is a medium-sized company. A company that has a turnover equal or inferior to 10 million euros and less than 50 staff headcount is a small-sized company. A company that has a turnover equal or inferior to 2 million euros and less than 10 staff headcount is a micro-sized company.

1. What would your company do if asked for a bribe or another corruption-related illegal action?

	All companies			SMEs		
	Yes	No	Don't know	Yes	No	Don't know
Pay the bribe or perform another requested illegal action	12%	80%	8%	12%	78%	10%
Try to reduce the payment/risk	28%	60%	12%	33%	54%	13%
Seek advice of a lawyer	83%	12%	5%	83%	14%	3%
Seek support of a business association	45%	36%	19%	47%	37%	16%
Report to a hotline or another anonymous reporting mechanism	42%	33%	25%	44%	36%	20%
Report to law-enforcement authorities	59%	21%	20%	54%	27%	19%
Refuse to pay or act illegally	70%	18%	12%	65%	23%	13%

2. Internal anti-corruption compliance programme

	All companies			SMEs		
	Yes	No	Don't know	Yes	No	Don't know
Has your company adopted a code of ethics that expressly and specifically prohibit bribery and corruption?	50%	42%	8%	31%	60%	9%
Has your company adopted an anticorruption compliance programme expressly and specifically prohibit bribery and corruption?	38%	53%	9%	23%	67%	10%
Does your company provide detailed rules for facilitation payments?	26%	68%	6%	16%	80%	4%
Does your company provide detailed rules for solicitation and extortion?	19%	72%	9%	15%	81%	4%
Does your company provide detailed rules for special types of expenditures (including: gifts, hospitality, entertainment and expenses; customer travel; political contributions; charitable donations and sponsorships)?	50%	44%	6%	34%	59%	7%
Does your company provide detailed rules for conflicts of interest?	49%	45%	6%	36%	58%	6%
Does your company internally and externally disseminate the corruption compliance programme?	38%	53%	9%	28%	64%	7%
Does your company organise training on the code and/or corporate compliance programme for its: (a) Directors (b) Managers (c) Employees and (d) suppliers, distributors, intermediaries and other third parties about the code and the programme?	37%	57%	6%	21%	73%	6%
Does your company provide incentives to encourage the abovementioned individuals to comply with the code or programme?	14%	75%	11%	9%	83%	7%
Does your company carry out periodic reviews of the code or compliance programme?	37%	52%	11%	22%	68%	10%

3. Addressing violations

	All companies			SMEs		
	Yes	No	Don't know	Yes	No	Don't know
Does your code or programme provide sanctions for violating anti-corruption laws and/or the company's code of ethics and compliance programme?	43%	35%	22%	33%	43%	24%

	All companies					SMEs				
	0	1 to 5	6 to 21	21+	n.a	0	1 to 5	6 to 21	21+	n.a
How many investigations into integrity breaches relating to corruption has your company conducted during the past two years?	47%	21%	0%	1%	31%	55%	14%	0%	0%	31%

n.a = Not applicable

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