

Sample Benefits Policy

This document contains two samples of a Benefits Policy which an organisation can use with suitable modification to its own circumstances.

Sample Benefits Policy A is a short and simple policy which may be applicable to a small organisation, where the giving and receipt of all benefits is always subject to the approval of a top manager. This manager should then be responsible for approving and recording the benefits.

Sample Benefits Policy B is a more detailed policy which may be applicable to a larger organisation, where delegated authority is given in the case of gifts, hospitality and entertainment, but central control is maintained over all other benefits.

Note: An organisation may choose to prohibit some or all benefits, in which case this should be expressly stated in the policy.

Sample Benefits Policy A

1. [Organisation] does not permit the offering, giving, requesting or receiving of any benefit which could be corrupt, or could be perceived to be corrupt.
2. In order to ensure compliance with paragraph 1:
 - a) Personnel are not permitted to offer, give or receive any benefit in connection with [Organisation's] business without the prior approval of [Manager]. These benefits include:
 - gifts, hospitality and entertainment
 - political and charitable donations
 - client and public official travel
 - sponsorship and community benefits
 - employment opportunities

[If the organisation wishes to define these benefits, see Policy B below]

- b) Personnel are not permitted to request any benefit.
3. [Manager] will keep appropriate records of all benefits offered, given or received.

Sample Benefits Policy B

[Organisation] does not permit the offering, giving, requesting or receiving of any benefit which could be corrupt, or could be perceived to be corrupt.

In order to ensure compliance with this requirement, [Organisation] has implemented the following procedures.

1. **Definition of Benefits:** This policy covers the offering, giving, requesting or receiving by [Organisation]’s personnel of any of the following benefits in connection with [Organisation]’s business (“Benefits”):

- **Gift:** Something given voluntarily, without the expectation of anything in return (e.g. corporate souvenir, pen, bottle of alcohol).
- **Hospitality:** The provision of accommodation, meals or refreshments in connection with a business meeting (e.g. coffee, tea, sandwiches and other refreshments during a business meeting; a business lunch or dinner; necessary overnight accommodation).
- **Entertainment:** The provision of an event which can pleasurably occupy a person (e.g. sporting event, theatre).
- **Political donations:** The provision of cash, venues, equipment, personnel time or other benefit to a political party or to an individual or organisation nominated by or connected with a member of a political party.
- **Charitable donations:** The provision of cash, venues, equipment, personnel time or other benefit to a charity or to an individual or organisation nominated by or connected with a charity.
- **Client or public official travel:** The payment of the travel and related expenses of a client employee or of a public official.
- **Sponsorship:** The provision of cash or other benefit to an individual or organisation in return for or to assist that individual or organisation in performing an act (e.g. an individual running a race, or an organisation holding a sporting or cultural event or a conference).
- **Community benefits:** The provision of a benefit to a community (e.g. building a school, or providing sports clothing to a team, or books to a school).
- **Employment opportunities:** The provision of an internship or employment to a family member or close friend of a client employee or a public official.

2. **Prohibited Benefits:**

2.1 Personnel are not permitted to offer, give or receive any Benefit:

- a) which is in breach of any applicable law;
- b) which is offered, given, requested or received with the intention of influencing someone to act improperly, or of rewarding an improper act.

- 2.2 Personnel are not permitted to request any Benefit.
- 2.3 [The following categories of [Organisation]’s personnel are not permitted to receive any gifts, hospitality or entertainment in the following circumstances:
- a) [Any personnel working in [Organisation]’s [procurement] or [project management] functions from any organisation over which that personnel has or may shortly have a decision making function.] *[Suppliers and sub-contractors must be notified accordingly.]*
- 2.4 [Personnel are not permitted to offer or give any gifts, hospitality or entertainment to public officials, or to employees of public sector organisations, or to persons connected with such officials or public sector employees.]

3. **Permitted Benefits:**

- 3.1 [Subject to approval by their [line manager] under [Organisation]’s expenses policy], Personnel may offer or give the following Benefits in connection with [Organisation]’s business (provided that they are not prohibited under paragraph 2 above):
- A gift with a value of less than [] * per recipient per occasion, and not in aggregate exceeding \$ [] * per recipient per annum.
 - Any hospitality with a value of less than \$ [] * per recipient per occasion, and not in aggregate exceeding \$ [] * per recipient per annum.
 - Any permitted entertainment with a value of less than \$ [] * per recipient per occasion, and not in aggregate exceeding \$ [] * per recipient per annum. “Permitted entertainment” includes:
 - [Sporting events]
 - [Theatre, opera, art galleries]
- 3.2 [Subject to approval by their [line manager]], Personnel may receive (but not request) the following gifts, hospitality and entertainment in connection with [Organisation]’s business (provided that it is not prohibited under paragraph 2 above):
- A gift with a value of less than [] * per recipient per occasion, and not in aggregate exceeding \$ [] * per recipient from the same donor per annum.
 - Any hospitality with a value of less than \$ [] * per recipient per occasion, and not in aggregate exceeding \$ [] * per recipient from the same donor per annum.

- Any permitted entertainment with a value of less than \$ [] * per recipient per occasion, and not in aggregate exceeding \$ [] * per recipient from the same donor per annum. “Permitted entertainment” includes:
 - [Sporting events]
 - [Theatre, opera, art galleries]

* [Note: The value inserted should be one which would be highly unlikely to influence anyone to act corruptly. The organisation may insert different values for different countries].

4. **Benefits requiring [compliance manager] prior consent:** Except as permitted under paragraph 3, personnel may not offer, give or receive any Benefit in connection with [Organisation]’s business except with the prior consent of the compliance manager. The reasons for the request and the consent must be evidenced in writing.

5. **Recording of Benefits**

- 5.1 All Benefits given by personnel in connection with [Organisation]’s business will be recorded by the relevant personnel on their expense records which will be maintained as part of [Organisation]’s accounting records. The expense records will include details of the amount spent, the giver, the beneficiaries and the reason.
- 5.2 All Benefits received by personnel in connection with [Organisation]’s business will be recorded on [Organisation]’s **Benefits Register** as soon as possible after the offer is made. The following Benefits are exempt from the registration requirement:
- a) coffee, tea, sandwiches and other light refreshments during a business meeting (whether provided at the venue or at a nearby snack bar / coffee shop);
 - b) branded company gifts or mementos of negligible value (e.g. USB sticks, pens, calendars, meeting photographs).

6. **Guidelines**

Personnel should take account of the following guidelines when deciding whether it is appropriate to offer, give or receive Benefits:

- a) **Consider the intention behind the Benefit.** If it could be intended to influence someone to act improperly, or be a reward for acting improperly, it should not be offered, given or accepted.
- b) **Consider the perception.** Do not offer, give or accept the Benefit if it could reasonably be perceived to be corrupt. There are two common perception tests:

- Newspaper test”. Would a newspaper be likely to report the Benefit and, if a newspaper did report, what would the public perception be? For example, a bottle of whisky given at Christmas would be unlikely to be reported or to give rise to an adverse impression. On the other hand, an all-expenses paid golfing week-end prior to a tender evaluation would almost certainly give rise to an adverse impression if reported.
 - “Prosecutor test”. If the Benefit did lead to a corrupt outcome, with the result that a prosecution takes place, how would you explain the Benefit in court to a prosecutor? Would your explanation be plausible to the judge or jury?
- c) **Consider the legal and regulatory environment.** Before offering, giving or accepting any Benefit, ensure that the law of the territory, and the regulations of any other relevant organisation, allow such Benefit. Some countries for example prohibit any public officials from receiving any Benefit. Some organisations prohibit their personnel from receiving any Benefit.
- d) **Consider the appropriate value of Benefits.** The relative value will differ significantly according to the wealth of the recipient. The higher the relative value, the greater the danger of actual or perceived influence caused by the Benefit.
- e) **As far as possible avoid cash gifts.** While both cash and non-cash assets can be bribes, a cash gift is more likely to be regarded as an attempt to influence someone than a gift which cannot easily be converted into cash.
- f) **Be cautious about any Benefit given to a person in a position to award contracts or approve permits, certificates or payments.** A Benefit given to a person in such a position of influence is more likely to be regarded as a bribe than if it was given to a person with no relevant decision-making power.
- g) **Consider regional and cultural differences.** The practice of giving Benefits varies between countries and regions. What may be normal and acceptable in one country or region may not be in another. The test to be applied is whether in all the circumstances the Benefit is legal, reasonable and justifiable.
- h) **Be open about any Benefits given or received.** Do not attempt to conceal them.
- i) **Seek advice.** In case of doubt, personnel should ask the advice of the [Compliance Manager].
- j) **Politely decline unacceptable Benefits.** In the event that Personnel are requested to provide, or are offered, a Benefit which is not permitted within the above parameters, the request or offer should be politely declined on the basis that Personnel are not allowed by [Organisation]’s policy to offer or accept such Benefit.

7. **Private actions by personnel:** Nothing in this policy restricts the right of personnel, in their private capacity and in their own name and at their own cost, to offer, give or receive benefits as long as these:
- a) are not in any way connected with [Organisation]’s business and could not be perceived as such;
 - b) are not arranged or paid on the [Organisation]’s premises, while on [Organisation]’s business, or during [Organisation]’s working hours; and
 - c) are not paid for or refunded by [Organisation].