



RJC Certification - (COP 9) Bribery and Facilitation Payments

Training Module – March 2014

RJC CODE OF PRACTICES



GENERAL
REQUIREMENTS



RESPONSIBLE
SUPPLY CHAINS
& HUMAN RIGHTS



LABOUR RIGHTS
& WORKING CONDITIONS



HEALTH, SAFETY
& ENVIRONMENT



DIAMONDS, GOLD
& PLATINUM GROUP
METAL PRODUCTS



RESPONSIBLE
MINING SECTOR

Key terms

Bribery: offering or giving, demanding or accepting of any undue advantage, to or from a government official, politician or private sector employee.

Facilitation payments: paid to receive preferential treatment for something that the payment receiver is otherwise still required to do.

Provision Summary – Bribery and Facilitation Payments (COP 9)

9.1 Establish policy/ies that:

- Prohibit Bribery in all practices and transactions by the Member and by agents acting on behalf of the Member
- Protect employees from penalty for identifying concerns
- Set criteria for acceptance of gifts to or from third parties

9.2 Systems in place to manage Bribery risk:

- Identify and monitor high risk parts of the business
- Training relevant employees
- Recording of relevant gifts
- Investigation of incidences of suspected Bribery
- Sanctions for any Bribery

Provision Summary – Bribery and Facilitation Payments (COP 9)

9.3 Where Facilitation Payments are permitted by Applicable Law:

- Undertake to eliminate, or reduce Facilitation Payments over time
- Limit the nature and scope of Facilitation Payments
- Implement controls to monitor and account for Facilitation Payments

Implementation Suggestions

- Ensure you are aware of the Applicable Law!
- Appoint a senior manager
- Establish a written policy
- Reference the policy in appropriate contracts
- Establish written procedures for monitoring high risk parts of the business
- Inform employees about relevant risks
- Ensure criteria for giving and accepting gifts and for any Facilitation Payments are clear and practical
- Establish a gift register
- Inform those who receive any facilitation payments about the Member's policy/ies that limit their nature and scope

Example 1

Minor Non-Conformance

Finding: The facility's procedures do not include communicating the company's RJC Policy on Gifts & Gratuity with their contractors and suppliers.

Recommendation: Member's Policy on Gifts & Gratuity be communicated to all contractors and suppliers. During the assessment, the change in the procedure has already been updated into the procedures of the facility. Management has already drafted the communication that will be sent out to their contractors and suppliers asking them to confirm with their understanding of the policy.

Example 2

Minor Non-Conformance

Finding: The Member has a global policy and procedure that is based on the provisions of the RJC Code of Practices and addresses the issues of bribery. Nevertheless, the review of the policy revealed the following gaps:

- The policy does not cover facilitation payments and employees do not have a good understanding of the difference between bribery and facilitation payments.
- The employee Code of Conduct only prohibits employees from receiving bribes and does not address employees offering bribes.
- Some employees have not received formal training on global company policies and procedures, including those related to bribery.

Recommended Steps for Improvement

It is recommended for the Member to revise the global policy and procedure to address the gaps identified.

Furthermore, it is recommended the company hold annual trainings covering all applicable policies and procedures for all employees.

Example 3

Major Non-Conformance

Finding: During the audit, it was found that the risk of bribery was not identified, assessed and documented and not communicated to relevant employees.

There is no system in place to prevent risks (e.g. double check/approval of orders with Production Manager) and no available system to record facilitation payment, bribery attempt and sanction applied.

Recommendation: Member has to identify, assess and document a Bribery policy. Training to relevant employees and communication to all workers about company commitments should be scheduled and ensure that is understood by personnel and others that conduct transactions on their behalf. Company should implement a system to record facilitation payment, bribery attempt and sanction applied.

Pre-audit Checklist

- ✓ Anti-bribery policy/ies in place covering all required content
- ✓ Policy communicated to employees and agents
- ✓ Documentation showing that systems are in place (eg., risk assessment, gift register)
- ✓ If facilitation payments are made, documentation of:
 - actions to reduce or eliminate,
 - controls to monitor and account for all payments

Questions?

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For a **recorded webinar**, please email:
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Thank you for your participation!

