

## All parties in the supply chain are compelled to adhere to Anti-Corruption Legislation

*No-one in the supply chain is allowed to offer, pay, request or receive bribes*

Most vendors require that anyone in the supply chain, including distributors, resellers and third parties, adhere to the following legislation (as a minimum):

1. **United States Foreign Corruption Practices Act (FCPA);**
2. **United Kingdom Anti-bribery Act;**
3. **South African Prevention and Combating of Corrupt Activities Act, 2003.**

### WHY?

1. Anti-corruption laws govern requirements for companies around bribery and corruption;
2. Vendors are compelled by law to comply with this legislation;
3. Vendors are obliged to ensure that everybody in the supply chain including distributors and resellers of their products adhere to these laws, irrespective of the territory in which their products are sold.

### WHAT IT IS?

1. Anti-corruption laws prohibit bribery by anyone in the supply chain in order to solicit a sale;
2. Bribery and payments include cash, travel expenses, entertainment, additional side agreements, commissions or even sponsorships or contributions to organizations etc.;
3. Anti-bribery regulations permit reasonable promotional, entertainment, and travel expenses for government officials. There is no set amount when a gift becomes a bribe. Violations are determined by intent and purpose of the gift, not its cash value;
4. You cannot ignore what is done by third parties in the supply chain as you are also liable;
5. "I did not know" is not an excuse; and
6. Laws prohibit distributors, resellers and third parties or their agents are to sell goods to countries on banned countries list.

### WHAT CAN HAPPEN?

1. Loss of distributor agreement;
2. Imprisonment; and
3. Hefty penalties or fines imposed on all parties in the supply chain

### NEXT STEPS

1. The onus is on all staff to ensure that customers are appropriately informed and trained on anti-bribery legislation;
2. Please familiarize yourself with the requirements of anti-corruption legislation;
3. Vendors' websites carry information or even training programmes;
4. Understand the parties that you are involved with;
5. Do proper due diligence on third parties before dealing with them;
6. Be aware of possible red flags and trust your instincts; and
7. You are required to ensure that your customers/resellers and agents are familiar with the requirements covering anti-corruption, and are properly trained on the topic.

