

Functional Group: Legal and Compliance  
 Procedure Name: Facilitation payments policy  
 Effective date: November 2016

SOP GRP-LC6-022  
 Revision No: Rev 003  
 Applicable Regions: Global

## Facilitation Payments (small bribes to secure prompt completion of routine administrative tasks)

### 1.1 Policy Statement

IMI does not make Facilitation Payments (often known as grease payments) of any kind and do not allow any external parties to do so on our behalf. Facilitation Payments may be permissible in exceptional circumstances where threats to an individual's health, safety or liberty exist (see section 1.6 below).

### 1.2 Document Purpose

This document provides instruction on what to do if you are approached to make a Facilitation Payment.

To the extent that this Standard Operating Procedure conflicts with local legal requirements, you should contact your Divisional Legal and Compliance team for guidance. Divisions and business units may, with the approval of your Divisional Legal and Compliance team, adopt their own policies and procedures relating to facilitation payments, but the policy must contain requirements that are equivalent to, or stricter than, the requirements set out in this Standard Operating Procedure (i.e. they cannot be less restrictive). Please contact your Divisional Legal and Compliance team to check whether another, more restrictive, policy applies to your division or business unit.

### 1.3 Document Definitions

Term	Definition
<b>Facilitation Payment</b>	A facilitation payment (or grease payment) is a payment or a gift, usually of a small value, most often made to a Public Official to speed up, or secure the performance of a routine, governmental action which the Public Official has to perform in any event. A list of examples can be found in the table at the end of this document.
<b>Public Body</b>	Any of the following: <ul style="list-style-type: none"> <li>➤ A government or governmental department, agency or enterprise;</li> <li>➤ A legislative, administrative or judicial body;</li> <li>➤ An organisation or enterprise owned or controlled by a government (whether directly or indirectly);</li> <li>➤ A public international organisation;</li> <li>➤ A political party; or</li> <li>➤ Any other body or state-owned enterprise with the power to issue licences, permits or perform functions on behalf of the public.</li> </ul>
<b>Public Official</b>	Any employee, official or individual:

	<ul style="list-style-type: none"> <li>➤ <i>Of a Public Body;</i></li> <li>➤ <i>Who exercises a public function on behalf of a Public Body;</i></li> <li>➤ <i>Who is a political candidate; or</i></li> <li>➤ <i>Who is a member of a royal or ruling family</i></li> </ul>
<b>Red Flag</b>	Adverse information or indicators of a particular risk of a Facilitation Payment.

## 1.4 What to do if you are requested to make a facilitation payment

Those requesting Facilitation Payments often claim they are legally required and payable due to a change in local laws or regulations. They are often seen as “normal” but they can indicate wider issues of bribery and corruption and are illegal in many jurisdictions. Facilitation payments are illegal under the UK Bribery Act, which is a law that applies to all IMI businesses and employees globally, regardless of the fact that it is a UK law. When faced with such a request you should:

- *Make it clear that your company does not allow you to make such payments;*
- *Ask to see written confirmation of the legal requirement to make the payment and/or to speak to a more senior official who can provide confirmation of the requirement;*
- *Make it clear that you will need an official receipt for the payment; and*
- *If you do not receive information that convinces you that the Facilitation Payment is a legal or regulatory requirement, you should refuse to pay and seek advice from your line manager or Divisional Legal and Compliance on what you should do next.*

If you are a line manager approached by a member of your team for advice you should, as soon as you can, inform your Divisional Legal and Compliance team of the circumstances and follow any advice provided.

## 1.5 Legal and published quicker processing services

If you have a genuine business need for a process to be performed more quickly by a Public Official or Public Body and there is a legally authorised and published mechanism for doing this for a specified and published fee, you can make use of such a service. You must retain sufficient information to confirm that this is what you have done and this should also be properly recorded in your company’s accounting books and records using the relevant accounting policies and procedures.

## 1.6 Threats to Personal wellbeing

It should be a rare occurrence, but situations can arise in which a Facilitation Payment may be demanded from you with an implicit or explicit threat to the health, safety or liberty of you or others. In these circumstances, you should use your judgement to decide whether a payment is necessary to safeguard your own welfare (or the welfare of others). If you are in doubt as to how genuine a threat may be, you should put personal health, safety and liberty first.

If the opportunity is available to request advice then you should contact your line manager or your Divisional Legal and Compliance team or, if you are unable to reach any of them, another senior manager in your business.

If you need to make the payment immediately to preserve health, safety or liberty, you should do so. You must report any such payment to your line manager and your Divisional Legal and Compliance team, as soon as practicable, and record it through the normal expenses reporting process for your business. If you have to make a payment in the circumstances described in this section and comply with its requirements, you will not be subject to sanctions by IMI. It should be described as a “Facilitation Payment” in your company books and records.

## 1.6 Pre-empting potential facilitation payments

Particular business interactions and travel destinations are more susceptible to Facilitation Payments. When facing a new interaction with a Public Official or travelling to a new destination you should do sufficient research to ensure that you are prepared for potential Facilitation Payment demands. Preparation may include talking to colleagues, internet research or checking the guidance available through IMI’s subscription to International SOS. This research may also help you to identify any legitimate payment demands you are likely to encounter (for example, in some countries a small payment is required on arrival to secure a visa).

## 1.6 Spotting facilitation payments

Set out below are a number of potential Red Flags which may indicate that employees or external parties are paying Facilitation Payments on behalf of IMI. This list is not exhaustive and the presence of one of these Red Flags does not automatically mean that Facilitation Payments are being made.

### Transactions

- *A pattern of small payments in repeated situations such as customs, tax and per diem allowances;*
- *Expense claims which have no supporting documentation and a lack of explanation of their purpose;*
- *Cash advances made to employees for no clear, valid purpose;*
- *Round sum expense payments;*
- *Unspecified sums included in invoices;*
- *Expenses which appear excessive for the apparent purpose for which they were incurred;*
- *Evidence of payments that have not been properly recorded; and*
- *Excessive use of petty cash.*

### Evidence from outcomes

- *Undue favourable treatment by Public Officials or private companies providing public services (such as security or utilities);*
- *Faster entry into a country despite known demands and delays at border control;*
- *Company goods moving through customs more quickly than those of competitors; and*

- *Differing expense patterns for employees in similar circumstances or conducting similar activities.*

**Absence of action or reporting**

- *No reports are made to management about Facilitation Payment demands despite operating in an environment where they are known to be common; and*
- *The external party does not want our employees to be present at negotiations or interactions with Public Officials.*

## Examples where facilitation payments may arise

Activity	Public Function	Routine Governmental Action (Public Officials may demand Facilitation Payments to perform/provide these)
Transport and logistics	Customs	Inspections, release of goods, temporary import permits and classification of a product.
	Maritime	Vessel clearance, loading and unloading cargo and canal transits.
	Post and parcels	Mail and parcel services.
	Transport	Passage on toll bridges and roads.
Services	Utilities	Supply of telecommunications, power and water.
	Any	Visiting facilities, inspections associated with contract performance or transit of goods across the country.
Licences and approvals	Government: national, federal and local	Granting of vehicle licences, planning approvals, permits, licences, certification, health and safety and fire regulation inspections.
Security, policing and military	Police or Military	Protection and security services waiving fines or required fees.
Immigration	Interior Ministry, Border Control or Immigration Service	Border control, visas, residency and work permits and medical certification.
Judicial	Courts	Giving access to or speeding up of court processes and documentation.
Taxation	Revenue and Customs	Release of tax or VAT refunds, approval of returns, books and documents.