

Bribery Risk

In February 2024, a former Vitol oil and gas trader was found guilty of paying more than \$1 million in bribes. The individual bribed officials at state-owned oil companies in Ecuador and Mexico to win lucrative contracts for Vitol. To conceal the scheme, he used a series of fake contracts, sham invoices and shell entities. He also used alias email accounts to communicate with co-conspirators. The evidence at the trial included testimony from officials who had received bribes, consultants who facilitated the payments and an intermediary who laundered the money.

#1

Bribery is a crime

If you **offer, give, solicit or accept a bribe**, you could face criminal penalties, including **fines and imprisonment**.

Bribes come in many shapes and sizes including money, gifts, rewards, favours, services or other advantages.

#2

Understand the risks

Bribery risks associated with business relationships and transactions must be considered both **individually and holistically**.

This should include scrutiny and challenge by senior individuals and control functions.

#3

Report red flags

Everyone has a responsibility to **escalate red flags** or concerns in accordance with the firm's procedures.

Remember, you don't need direct evidence of bribery to make a report.

REMEMBER

Bribery and corruption can have a devastating impact on a country's economy and society, resulting in significant social consequences.

In the above example, the press release from the US Department of Justice stated, "Foreign bribery erodes the rule of law, disadvantages honest companies, and emboldens corrupt government officials."

