

Guidelines on
GIFTS AND HOSPITALITY

PUBLIC PRIVATE PLATFORM
AGAINST
CORRUPTION
(PPPAC)

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1.0 INTRODUCTION

At its meeting of 28 January 2019, the Public Private Platform Against Corruption (PPPAC) considered the issue of acceptance and offer of gifts and hospitality, both in the public sector and private sector as an area which should be studied and appropriate recommendations made to all parties.

In this context, a subcommittee was set up. **Annex I** refers to the list of members. The subcommittee has come up with this report and recommendations contained therein.

1.1 Definition

Gift is defined as *'a thing given willingly to someone without payment; a present'*. In the context of this report, gifts are identified as pens, hats, t-shirts, mugs, bags, key chains, portfolios, planners, stationeries and other peripherals or other things of value and any business courtesy offered such as a product discount or any other benefit if the benefit is not extended to all employees of an organisation.

Similarly, hospitality is defined as *'the friendly and generous reception and entertainment of guests, visitors, or strangers'* and identified in terms of food, beverages, spirits, meals, free entry tickets or entertainment such as sporting events, free accommodation, and travelling facilities.

1.2 Perception on the issue of gift and hospitality

The perception of the public is that the offer and acceptance of gifts and hospitality is still a common practice in certain public bodies, especially following:

- (i) media reports in December 2018 where it was reported and alleged that public officers were being offered gifts; and
- (ii) complaints made to the ICAC.

The subcommittee took note that the offer and acceptance of gifts and hospitality was a common practice in Mauritius, prior to 2002. With the advent of the Prevention of Corruption Act (PoCA) 2002, which at 'Section 15- Receiving gift for a corrupt purpose' makes it an offence for any public official as defined below, to solicit, accept or obtain a gratification for a corrupt purpose. It became clear that the acceptance of gifts by public officials for a corrupt purpose as defined in the PoCA (see below) is tantamount to a corrupt offence.

"public official" - means a Minister, a member of the National Assembly, a public officer, a local government officer, an employee or member of a local authority, a member of a Commission set up under the Constitution, an employee or member of a statutory corporation, or an employee or director of any Government company; includes a Judge, an arbitrator, an assessor or a member of a jury; includes an official of the International Criminal Court referred to in the International Criminal Court Act 2011.

In the corporate sector, the New Code of Corporate Governance for Mauritius 2016 provides amongst others, for risk management including corruption in public interest entities. Public interest entities are:

- All companies listed on the Stock Exchange of Mauritius.
- All banks and nonbanking financial institutions.
- Any Company which has, during 2 consecutive preceding years, at least one of the following: an annual turnover exceeding 500 million rupees; or total assets exceeding 500 million rupees.
- Any group Company which has, during 2 consecutive preceding years, at least one of the following: an annual turnover exceeding 1 billion rupees; or total assets exceeding 1 billion rupees.

Accordingly, several large companies in Mauritius came up with their code of ethics and specific gift and hospitality policies. Most Small and Medium Size Enterprises (SMEs) do not have code of ethics or anti-corruption policies. It is also noted that the offer of promotional items, as a marketing tool is a common practice in the private sector.

2.0 STATUS PERTAINING TO GIFTS AND HOSPITALITY IN THE PUBLIC SECTOR

To address the issue of gifts and hospitality in the public sector, a number of publications have been proposed by the ICAC and the Civil Service. The following publications refer to the issue of gifts and hospitality in the public sector.

- (i) Code of Ethics for Public Officers 2016
- (ii) ICAC Guidelines on Gifts and Gratifications for Public Officials
- (iii) Code of Conduct for Councillors
- (iv) Code of Conduct for Public Officials involved in Procurement (ICAC)
- (v) Model Code of Conduct for Employees of Parastatal Bodies (ICAC)
- (vi) Integrity Management Toolkit (ICAC)

2.1 Code of Ethics for Public Officers 2016

The **Code of Ethics for Public Officers 2016** states that Public officers shall adhere to the revised Code of Ethics for Public Officers 2016 published by the Ministry of Public Service, Administrative and Institutional Reforms. Section 13 of the Code of Ethics for Public Officers 2016 on the Acceptance of Gifts and Other Benefits reads as follows:

Section 13. Acceptance of Gifts and Other Benefits

Public Officers shall not abuse their official position for personal gain. They shall not solicit or accept gifts, rewards or benefits, which might compromise their integrity and that of their organisation and the Civil Service. Gifts or benefits include, but are not restricted to, free or less than market value accommodation, entertainment, hospitality and travel.

A Public Officer shall not demand or accept gifts, favours, hospitality or any other benefit for himself or his family, close relatives and friends, or persons or organisations with whom he has or has had business or political relations, which may influence or appear to influence the impartiality with which he carries out his duties or may be or appear to be a reward relating to his duties.

A Public Officer shall not offer or give any advantage in any way connected with his position, unless lawfully authorised to do so. A Public Officer shall not seek to influence for private purposes any person or body, including other Public Officers, by misusing his official position or by offering with personal advantages. A Public Officer shall not allow himself to be put, or appear to be put, in a position of obligation to return a favour to any person or body, nor should his conduct in his official capacity or in his private life make him susceptible to the improper influence of others.

It is noted that the Code of Ethics does not cover all Public Officials. For example: Ministers and other members of the National Assembly are not covered. A Code of Conduct for Members of the National Assembly has been developed and is under consideration by the relevant authorities.

2.2 ICAC Guidelines on Gifts and Gratifications for Public Officials

Further to the Code of Ethics for Public Officers, ICAC published the 'Guidelines on Gifts and Gratifications for Public Officials' to provide clear and detailed guidance to public officials regarding gifts and hospitality and highlight their obligations in situations where they are offered gifts and hospitality. The guideline refers, amongst others, to:

- legal provisions pertaining to gifts and hospitality
- risks pertaining to gifts and hospitality

- key principles to be adopted
- zero influence test (See below)
- gifts from prohibited sources
- exceptions: Conferences and other events, discounts, rebates and other gifts such as hotel accommodation, gifts between employees, gifts from friends and family members
- frequent flyers and loyalty schemes
- disposal of gifts- Model disclosure form and gift register
- practical measures for managing the receipt, acceptance and offer of gifts

The Zero Influence Test

The “**Zero Influence Test**” is an important condition to be upheld by the public official in accepting any gift or hospitality. All gifts or hospitality accepted should satisfy the “**Zero Influence Test**”. In deciding whether the items offered satisfy the “**Zero Influence Test**”, public officials should ensure that the following two conditions are met:

- The offeror giving the gift or hospitality has no intent to influence a decision or start a “sweetening process” with the ultimate aim of influencing a decision making process. The gift should be solely offered out of mere appreciation; and
- The gift or hospitality offered should be available to others such as other public officials or members of the public. The more widely it is available to others, the safer it is.

If the above two conditions are not met, the “**Zero Influence Test**” will not be satisfied. The golden rule of wisdom is: “when in doubt, abstain”. In any event, the public official **must always report to his/her immediate Supervisor or Senior Officers, any offer of gratification whether accepted or not**. Most importantly, the no gift policy principle should prevail.

2.3 Current Common Practices Pertaining to Gifts and Hospitality in Ministries, Departments, Local Authorities, the Rodrigues Regional Assembly (RRA) and the National Assembly

These are as follows:

- (i) Sometimes gifts are offered to public officers but as a general rule, these are not accepted. However, there has been situations where gifts have been accepted by public officers and subsequently, these alleged cases have been reported to the ICAC.
- (ii) There are situations where Ministers, members of the National Assembly and the RRA, Mayors/Presidents and Councillors of Local Authorities, Chairpersons and members of Boards of parastatal bodies have to offer and accept gifts. An example of such a situation is in the case of foreigners/diplomats on official visits, where gifts and hospitality are offered and accepted as a sign of courtesy. Such gifts are exchanged as a matter of courtesy and is a means of consolidating the relationship between the parties involved. Yet, in a spirit for transparency and accountability, there is a need to enforce some form of policy regarding such scenarios. Unfortunately, as at date, there is no policy or guideline governing the offer or acceptance of gifts and hospitality by Ministers, members of the RRA and members of the National Assembly, Chairpersons and members of Boards of parastatal bodies.

However, the ICAC has worked on a Code of Conduct for Members of the National Assembly in collaboration with representatives of the Prime Minister’s Office which addresses the offer or acceptance of gifts and hospitality.

2.4 Current Common Practices Pertaining to Gifts and Hospitality in Parastatal Bodies

The same practices adopted in Ministries are applicable for parastatal bodies, which have adopted the Code of Ethics for Public Officers. However, some parastatal bodies have their own customised code of ethics. Specific 'gifts and hospitality' policy is not common but do exist in some organisations such as at the Human Resource Development Council (HRDC). However, in most parastatal bodies, there is no well-defined and clear procedures to adopt upon reception of a gift. There is no code/guidelines that spells out whether gifts/hospitality received by Chairpersons and Board members should be declared or not. Board Charters are not explicit on the issue of gifts and hospitality.

2.5 State Owned Enterprises (SOEs)

Some State Owned Enterprises (SOEs) have their own customised Code of Ethics. There is no code/guidelines that spells out whether gifts/hospitality received by Chairpersons and Board members should be declared or not.

3.0 STATUS PERTAINING TO GIFTS AND HOSPITALITY IN THE CORPORATE SECTOR

Indeed, there is a perception that the offer and acceptance of gifts and hospitality in the corporate sector is a common and accepted practice. It is also important to note that the offer of a gift or hospitality in the private sector is often used for marketing purposes, but when these are 'excessive', they can be perceived as bribes.

In spite of this perception, public interest entities including large private companies do have well-defined gift policies and there is a general understanding that gifts or hospitality cannot and should not be offered to public officials.

Private companies not covered by the New Code of Corporate Governance 2016 do not have gift policies or even a code of conduct.

The perception prevailing is that the practice of offering gifts continue to exist in certain quarters where these are offered in recognition of good services provided. Thus, there is low level of enforcement of codes and policies by businesses.

4.0 ANALYSIS

As mentioned before in this report, there is a perception that the offer and acceptance of gifts and hospitality is of common practice between officials of certain public bodies and private companies.

Considering the various existing codes and guidelines on the issue of gifts and hospitality for the public sector, it is noted that:

- (i) Some public officers are still not adhering to these and that the practice is ongoing, although on a lesser scale;
- (ii) There is no monitoring on the implementation of the different codes and guidelines;
- (iii) There are no clear and detailed 'gifts and hospitality' policy in public bodies;
- (iv) Anti-Corruption Committees/Integrity officers are not addressing the issue;
- (v) Although large private companies do adopt the National Code of Corporate Governance and have gift policies, there is a perception that the policies are not enforced; and
- (vi) The issue of 'gifts and hospitality' is not covered by Board Charters.

In light of the above, recommendations have been made accordingly to the different entities concerned.

5.0 RECOMMENDATIONS

5.1 Public Sector

Heads of public bodies should urge public officers to fully adhere to their Code of Ethics. The following are proposed:

(i) Ministries, Departments, RRA, Parastatal bodies, Local Authorities, State Owned Enterprises should come up with their own detailed 'gifts and hospitality' policy, along with the procedures to adopt following the receipt of a gift. The policy should also include Chairpersons and members of Boards.

(ii) For the time being, public officials, particularly Ministers and members of the RRA and the National Assembly, Chairpersons and members of Boards of parastatal bodies should adhere to the 'Guidelines on Gifts and Gratifications for Public Officials'. Once the Code of Conduct for Members of the Legislative Assembly, which caters for this aspect for Ministers and members of the RRA and the National Assembly, will be enforced, they will have to abide by the new code.

(iii) Policies should be explicit on both aspects of acceptance and offer of gifts and hospitality. A model policy is provided at **Annex II**.

(iv) The ICAC has to initiate actions to encourage ministries, parastatal bodies, and state owned enterprises to develop their own 'gifts and hospitality' policy and procedures.

(v) Anti-corruption committees set up under the Public Sector Anti-Corruption Framework should be encouraged to initiate actions pertaining to 'gifts and hospitality' policy with the support of Integrity Officers in Ministries and Parastatal bodies.

(vi) Enforcement of gift policies should be ensured by public bodies.

5.2 Private Sector

Entities adhering to the National Code of Corporate Governance 2016 should be more forceful in the application of their gift policy. If they do not have a gift policy, these should equally, come up with their own detailed 'gift and hospitality' guidelines, along with the procedures to be adopted following the receipt of a gift. Policies should be explicit on both aspects of acceptance and offer of gifts and hospitality. The ICAC may consider to initiate actions to encourage these companies, through their Ethics and Compliance Officers to develop their own 'gift and hospitality' policies.

Other private companies which not covered by the New Code of Corporate Governance 2016 need to be encouraged to voluntarily participate in the national fight against corruption and adopt a code of conduct and a gift policy to avoid reputational damage and other unnecessary hassles.

Almost all major companies worldwide and large companies in Mauritius have their gift policies as depicted below. **Para 5.2.1** refers to model guidelines relative to rules on gifts and hospitality with a checklist and **Para 5.2.2** refers to model gift and hospitality policies. Given the diverse nature of gift and hospitality policies in different companies, each company is called upon to develop its policies and procedures accordingly. Two additional models of 'gift and hospitality' policies of **local companies** are provided at **Annex III and IV**.

5.2.1 Anti-Bribery Policy and Compliance Guidance for African Companies, OECD and African Development Bank

The Anti-Bribery Policy and Compliance Guidance for African Companies is a practical, concise guide to help companies set up measures to stop the supply side of bribes to public officials in business transactions and support both the public and private sectors in their efforts to prevent bribery and improve the quality of corporate compliance

and bribery prevention measures. The Guidance helps to draw up a corporate anti-bribery policy and related compliance measures. It also provides insights and ideas on how to put them into practice. The guidelines relative to rules on gifts and hospitality are provided below.

Guidelines on Rules on gifts and hospitality

The giving of gifts and hospitality can play an important role in building and facilitating business relationships. However, the giving of some gifts and hospitality can create improper influence and in some instances be viewed as bribes. This can damage your company's reputation and potentially break the law. Because of this, some companies have chosen to adopt a complete ban on the provision of gifts and hospitality.

If your company chooses to give gifts and hospitality, then it is important that the anti-bribery policy sets out clear rules to prevent bribery risks. Distinguishing between a genuine gift and a bribe can be difficult and employees need to exercise care when offering gifts and entertainment. In developing rules, your company may wish to include the points and principles set out in the checklist below. Once again, it should be made clear that your company's rules on gifts and hospitality extend to third parties or any persons performing services on behalf of your company.

CHECKLIST

1. *Employees should first think about the motivation behind the offering of the gift or hospitality. Is it to help build a business relationship or an expression of business courtesy? Or is it intended to influence the recipient's objectivity in making a decision to favour your company? If this is the case, then, the act is inappropriate as it can be construed as a bribe.*
2. *Be aware of the geographical location in which your company is operating. The practice of giving gifts and hospitality can vary greatly between countries and often depends on local laws and customs.*
3. *Set a reasonable monetary limit on gifts and hospitality that employees can offer. Values exceeding the limit should be subject to management approval.*
4. *Be aware that some cultural and religious practices encourage gifts. This differs according to the local context and is a challenge for companies that are operating in multiple jurisdictions. In this regard, gift policies need to be context-specific and it is important to have thresholds for different staff.*
5. *Do not use cash as a form of gift or hospitality, as it greatly increases the risk of it being viewed as bribery and not a legitimate and fair business practice.*
6. *For transparency, ensure that all gifts and hospitality expenses are accurately recorded in your company's books and records. In this regard, your company could set up a central gifts and hospitality register.*
7. *Bear in mind the timing of when gifts or hospitality are offered. This should not be done at the time when business decisions concerning your company are being made, such as during a tendering process, a licensing award or a contract renewal.*
8. *Be alert to the nature of the recipients, especially if they are public officials. Most countries set strict limits on gifts and hospitality that public officials may receive. As such, your company may choose to prohibit any kind of gift to public officials, as it can lead to improper influence or the appearance of improper influence and can be viewed as bribes. Alternatively, your company could choose to offer gifts of modest value to public officials, where it is legal and considered respectful of local customs. Most importantly, ensure that it is legal in both your country and that of the recipient's country.*

9. *With regard to hospitality and entertaining public officials, your company's policy should apply a sign-off mechanism, asking employees to seek management approval for such expenses.*
10. *More generally, a useful question your company could encourage employees to ask themselves in determining whether the giving of gifts and hospitality is reasonable and legitimate is "how would it look if these details were on the front page of a newspaper?" If you wouldn't want such details publicised, then there is probably something wrong.*
11. *Attention of organisations/ employees is drawn to the definition of 'gratification' as per the Prevention of Corruption Act 2002. **Annex V** refers.*

5.2.2 Models of Gifts Policy

Fortune Global: Anti-corruption policies and measures of the Fortune Global 500, UNODC in cooperation with PricewaterhouseCoopers'

The 'Anti-corruption policies and measures of the Fortune Global 500, UNODC in cooperation with Price Waterhouse Coopers' compendium looks at what companies in the Fortune 500 Global Index (2008) are doing to fight corruption. It highlights a range of measures, and different approaches. While there is no one-size-fits-all, businesses should not go below international standards contained in the United Nations Convention against Corruption. Different types of gift policies are spelled out in the compendium. Model gift policies are provided below for three companies which are on the list of Fortune Global.

- (i) *Wal-Mart Stores*
- (ii) *Exxon Mobil Corporation*
- (iii) *Royal Dutch Shell*

(i) Wal-Mart Stores

Gifts and entertainment

Accepting gifts and entertainment can cause a conflict of interest, or the appearance of a conflict between personal interests and professional responsibility. The Wal-Mart culture is to never accept gifts or entertainment from any supplier, potential supplier, government, or any person the associate has reason to believe may be seeking to influence business decisions or transactions. Associates also may not accept a gift or gratuity from a customer for work performed by the associate in a store or club, except as required by local or national policy.

We may not accept items donated to Wal-Mart by suppliers for the purpose of raising funds for charities or non-profit organizations. Also, we should not accept or approve of them making donations on behalf of Wal-Mart.

(ii) Exxon Mobil Corporation

Standards of Business Conduct: Gifts and entertainment policy

It is the policy of Exxon Mobil Corporation to base commercial decisions on commercial criteria. That policy serves the Corporation's business interests and fosters constructive relationships with organizations and individuals doing business, or seeking to do business, with the Corporation. In many cultures, those constructive relationships may include incidental business gifts and entertainment. Directors, officers, and employees providing or receiving third party gifts and entertainment in their corporate capacities are expected to exercise good judgment in each case,

taking into account pertinent circumstances, including the character of the gift or entertainment; its purpose; its appearance; the positions of the persons providing and receiving the gift or entertainment; the business context; reciprocity, and applicable laws and social norms. All expenditures for gifts and entertainment provided by the Corporation must be accurately recorded in the books and records of the Corporation.

(iii) Royal Dutch Shell

Gifts and Hospitality

It is important that gifts or hospitality never influence imminent business decision making processes, or cause others to perceive an influence. Shell strictly forbids employees to solicit gifts or hospitality. As a general principle, we discourage employees from accepting gifts or hospitality from a business partner. Notwithstanding this, Shell recognises that the occasional acceptance or offer of modest gifts and hospitality may be a legitimate contribution to good business relationships. However, it is important that gifts or hospitality never influence business decision-making processes, or cause others to perceive an influence. The requirements of other Shell policies in this Code of Conduct – especially the prohibitions against accepting or paying bribes and the avoidance of conflicts of interest – should also be taken into consideration. Shell requires employees to abide by these rules of behaviour not only to protect our reputation, but also to protect themselves against unfounded allegations of improper behaviour.

5.3 Board Charters (Parastatal bodies, SOEs and Private Businesses)

A board charter is a policy document that clearly defines the respective roles, responsibilities and authorities of the board of directors (both individually and collectively) and management in setting the direction, the management and the control of the organisation.

It is recommended that Board charters comprise a section on the offer and acceptance of gifts.

6.0 IMPLEMENTATION OF RECOMMENDATIONS

It is proposed that the:

- (i) Ministry of Public Service, Administrative and Institutional Reforms ensures implementation of recommendations in the public sector (Ministries, Departments, RRA, Parastatal bodies and State Owned Enterprises through their parent Ministries); and
- (ii) Business Mauritius and the Mauritius Institute of Directors liaise with private businesses for the implementation of recommendations as well as their enforcement and monitoring.

7.0 REFERENCES

- (i) Guidelines on Gifts and Gratifications for Public Officials
- (ii) Prevention of Corruption Act 2002
- (iii) Code of Ethics for Public Officers
- (iv) IBL Sustainability Report 2018-Preventing Corruption.
- (v) Mauritius Revenue Authority Gift Policy
- (vi) TERRA Gift Policy
- (vii) World Bank Group Policy
- (viii) Human Resource Development Council (HRDC) Gift Policy
- (ix) Anti-Bribery Policy-La Sentinelle
- (x) Code of Ethics –United Basalt Product
- (xi) Mauritius Institute of Directors-Board Charter
- (xii) Anti-bribery Policy and Compliance Guidance for African Companies, OECD and African Development Bank
- (xiii) Anti-corruption policies and measures of the Fortune Global 500, UNODC in cooperation with Price Waterhouse Coopers.

Composition of the subcommittee

- (i) *Mr A. Bachun, Team Leader, Mauritius Revenue Authority (MRA), Chairperson*
- (ii) *Mr P. Mattan, Manager, Corporate Services, Human Resource Development Council (HRDC)*
- (iii) *Mrs N. Mulung, Advocacy and International Relations Executive, Mauritius Institute of Directors (MlOD)*
- (iv) *Mr B. Rambhursy, Chief Inspector, Traffic Branch, Mauritius Police Force (MPF)*
- (v) *Ms D. Kowal, Project Officer, Transparency Mauritius (TM)*
- (vi) *Mr E. Michaud, Personnel & Health and Safety Manager, United Basalt Product (UBP)*
- (vii) *Mr P. Nastili, Chief Corruption Prevention Officer, ICAC - Secretariat*
- (viii) *Mrs D. Ramsohok, Corruption Prevention Officer, ICAC - Secretariat*

Public Sector: Sample Content of ‘gift and hospitality’ policy

Organisation.....

Gift Policy

Introduction

The objective of this gift policy is to establish a uniform policy regarding receipt of gifts by xxxxxxxx employees and guide employees about what is and isn't appropriate to accept as a gift, present, offering, award, or token of appreciation from an employer, a customer, vendor, supplier, potential employee, or potential vendor or supplier or any other individual or organisation, under any circumstances. The policy requires employees to demonstrate the highest standards of ethics and conduct in relationship to employers, potential vendors, suppliers, and customers. Employees should practice equal treatment, unbiased professionalism, and non-discriminatory actions in relation to all employers, vendors, suppliers, customers, employees, potential employees, potential vendors or suppliers, and any other individual or organization.

This policy also aims to prevent real or perceived conflicts and protecting employees against any criminal offence within the Prevention of Corruption Act by ensuring that employees do not accept any gift that may be considered as ‘gratification’ under the Prevention of Corruption Act.

No-Gift Policy Standards and Requirements

The xxxxxxxx is a ‘no-gift policy’ organisation. A staff member shall not accept any Gifts, regardless of value, that could reasonably be perceived to be intended to improperly influence the staff member's work decisions or could be reasonably expected to cause reputational harm to the xxxxx.

All employees must abide by the following no-gift policies and procedures:

- No gifts of any kind, that are offered by employers, vendors, suppliers, customers, potential employees, potential vendors and suppliers, or any other individual or organisation, no matter the value, should be accepted by any employee, at any time, on or off the work premises. As per this policy, “gift” means money or any item including pens, hats, t-shirts, mugs, bags, key chains, portfolios, planners, stationeries and other peripherals or other thing of value that would not be provided if he or she was not a xxxxxxxx Employee.
- This “no-gift” policy includes any customer or organization or vendor or potential vendor or supplier-provided food, beverages, spirits, meals, free entry tickets or entertainment such as sporting events.
- This "no-gift" policy includes any business courtesy offered such as a product discount or any other benefit if the benefit is not extended to all employees or the organisation.
- No matter how well-meaning or well-intentioned a gift may be, accepting gifts is not allowed.

Gift Policy Exceptions:

- Exempted from this policy are gifts and 'give-aways' such as key chains, note pads, t-shirts, pens, trade show bags and all other items that employees obtain, as members of the public or participants, at events such as conferences, training events, seminars, and trade shows, that are offered equally to all members of the public attending the event. This includes food, beverages, and tokens provided at events, exhibitor trade show floor locations, press events, and parties funded by conference or event sponsors.
- Exempted are items received by employees from the employee's union.
- Exempted are cards, thank you notes, certificates, or other written forms of thanks and recognition.
- Exempted are food, beverages and moderately priced meals that are supplied by and also attended by current customers, partners, and vendors or suppliers in the interest of building positive business relationships. This moderately priced entertainment is provided as part of a "working" meeting or session to benefit and advance positive working relationships and organisation interests. These activities are expected to be reciprocated by our organisation in turn.

Gift Policy Procedures:

- Employees are required to professionally inform employers, vendors, potential vendors and others of this no-gift policy, and the reasons we have adopted the policy. Employees should request that counterparts in respect our organisation's policy and not purchase and deliver any gift for our employees, a department or the xxxxxx, at any time, for any reason.
- If an employee or department receives a gift:
 - ✓ If feasible, the gift should be returned to the person or the organisation that has offered it and also explaining to him/her the xxxxxx gift policy. The employee may arrange with the xxxxxxxx to have the gift returned;
 - ✓ If not feasible to return it, e.g Christmas/New Year's pastries, etc the gift must be handed to the stores Unit and raffled off to all employees or placed out to be shared by all staff of the office. If employees are uninterested in the raffled item, the gift can be donated to a charity. If the gift cannot be returned or raffled to employees in whatever circumstances, the gift should be kept in stores for future use by the organization or scrapped as may be appropriate.
 - ✓ Under no circumstances may an employee take a gift home.
- Calendars, diaries, books, reports, pamphlets, etc. with company advertising which are appropriate for use in the workplace by xxxxx if received by employees personally must be handed to the stores Unit and shall either be returned to the dispatcher or allocated to employees by management based on workplace requirements.
- If any employee has questions about and/or needs clarification of any aspect of this policy, the employee should check with his/her immediate supervisor. If the supervisor is uncertain, the CEO of the xxxxxx is the arbitrator of the gift policy to ensure consistent employee treatment. Any exceptions to the gift policy may be made only with the permission of the Director.

- All employees should at all times demonstrate the organisation's commitment to treating all people and organisations, with whom they come into contact or conduct business, impartially. Employees should demonstrate the highest standards of ethics and conduct, equal treatment, unbiased professionalism, and non-discriminatory actions in relation to all vendors, suppliers, customers, employees, potential employees, potential vendors or suppliers, and any other individual or organization. Management relies on the assistance and efforts of employees in implementing this policy to promote public trust and confidence in our actions.
- All employees must acknowledge that they have **received and understood** the xxxxx's gift policy. Please be aware that violation of this policy may subject an employee to disciplinary action.

Private sector: Sample 1. Content of 'Gift and Hospitality' policy**ORGANISATION.....****PREAMBLE**

This gift policy provides guidance to the directors and employees of xxxxxxxxx (the Company) or its subsidiaries, about what is and what is not appropriate to accept as a gift, offering, award, favour, benefit or token of appreciation from a customer, vendor, supplier, or any third party which might have an influence on our way of carrying out our duties.

We must not offer or grant any gift or favour to anybody with the aim of influencing her/his way of carrying out her/his duties.

No matter how well-meaning or well-intentioned a gift is, the potential exists for impropriety or the appearance of impropriety to be present because of the existence and acceptance of the gift.

This gift policy is aimed to ensure that directors and employees adhere to the Company's Code of Ethics.

GIFTS VALUE ALLOWED

Any gift estimated to a maximum value of Rs. xxxxx is allowed. This is the aggregate annual value authorized per gift, per person, per third party. To be clearer:

- Gifts less than Rs. xxxxxx no declaration needed;
- Gifts more than Rs. Xxxxxx but less than Rs. xxxxxxx must be declared;
- Gifts more than Rs. Xxxxxxx SHALL NOT BE ACCEPTED (to be returned to donor).

Any gift received with a value of more than Rs xxxx must be declared to and receives the approval of the Compliance Officer / HR Manager/CEO by filling the appropriate form annexed. *This value* may be reviewed from time to time by the .xxxxxxxxxx.

ATTITUDE TO ADOPT

Directors and employees are required to professionally inform suppliers, potential suppliers and others of this gift policy, and the reasons why the Company has adopted the policy.

Employees will request suppliers to respect this Company policy. The only place acceptable for gifts deliveries is the reception desk of any cluster, so that the gifts received be declared and then evaluated. If a director or employee receives a gift and:

- It is estimated above the authorized value, the gift should be returned to the sender.
- Has questions about and/or needs clarification on any aspect of this policy, the director or employee should first direct their query to the HR department for employees and to the CEO for directors.

ORGANISATION.....

Acceptance adherence sheet

I, Director/Employee of, hereby confirm to have read and understood the contents of the Company's Gift Policy, and accept to adhere to same and to strictly abide to it.

NAME:

SIGNATURE:

DATE:

ORGANISATION.....

GIFT DECLARATION FORM

I hereby declare having received the following gift/s:

I confirm that I have delivered the above mentioned gift/s at the on/...../201.... at hrs and declare that the details mentioned above are true and correct.

Name of employee:.....
Job title:.....
Signature:.....
Date:.....

FOR OFFICE USE ONLY

Gift/s declared above has/have been checked by the Compliance Officer /HR Manager and is estimated to a total value of Rs

We therefore conclude that it/they is/are allowed/not allowed, according to our Gift Policy.

Compliance Officer:.....
Signature:.....

HR Manager :.....
Signature:

Date:.....

Private sector: Sample 2. Local Company Ltd

Extract from the Company's anti-bribery policy.

The giving of business gifts to clients, customers, contractors and suppliers is not prohibited provided the following requirements are met:

- The gift is not made with the intention of influencing a third party to obtain or retain business or a business advantage, or to reward the provision or retention of business or a business advantage.
- It complies with local laws.
- It is given in the Company's name, not in the giver's personal name.
- It does not include cash or a cash equivalent (such as gift vouchers)
- It is of an appropriate and reasonable type and value and given at an appropriate time.
- It is given openly, not secretly.
- It is approved in advance by a director of the Company.

In summary, it is not acceptable to give, promise to give, or offer, a payment, gift or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given, or to accept a payment, gift or hospitality from a third party that you know or suspect is offered or provided with the expectation that it will obtain a business advantage for them.

Any payment or gift to a public official or other person to secure or accelerate the prompt or proper performance of a routine government procedure or process, otherwise known as a "facilitation payment", is also strictly prohibited.

Definition of 'Gratification' as per the Prevention of Corruption Act 2002

“gratification”

- (a) means a gift, reward, discount, premium or other advantage, other than lawful remuneration; and
- (b) includes –
 - (i) a loan, fee or commission consisting of money or any valuable security or of other property or interest in property of any description;
 - (ii) the offer of an office, employment or other contract;
 - (iii) the payment, release or discharge of a loan, obligation or other liability; and
 - (iv) the payment of inadequate consideration for goods and services;
 - (v) the offer or promise, whether conditional or unconditional, of a gratification;