



Due Diligence Services Provided by Selected Governments

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Question

What due diligence services do governments in the USA, Netherlands, Switzerland and Germany offer to companies? How do they work? What is the impact on enhancing business integrity?

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1. Overview

This report explores the due diligence services provided to companies by governments in Germany, the Netherlands, Switzerland and the US. Of these countries, only the US government provides due diligence services. The US Department of Commerce, through its network of export advice centres, provides due diligence services in the form of international company profiles for some countries for a fee. The Netherlands and Germany provide online self-service tools to help businesses undertake due diligence risk assessments. The Swiss government provides general advice to businesses but this assessment was unable to find any evidence of services or online tools to help Swiss firms to undertake due diligence.

All members of the Organisation of Economic Co-operation and Development (OECD) (including Germany, the Netherlands, Switzerland and the US) signed the OECD Anti-bribery Convention and are obliged to report on the progress that they have made in terms of implementing the OECD guidelines on bribery and corruption (Bühr & Seitz, 2015). The content of these reports indicates that implementation is gauged in terms of the number of prosecutions as well as legislative amendments which facilitate the enforcement of the laws which prohibit bribery. Although the reports include a description of government efforts to raise awareness of the perils of bribery and corruption among the business sector, it is evident that helping firms undertake due diligence is not a priority for implementation.

Key findings:

- The US and Germany are seen as leaders in anti-corruption because they have the highest and second-highest number of prosecutions in the world, respectively (Funk, 2014).
- The US has made the most progress in terms of assisting its businesses with attaining compliance. The State Department, Department of Commerce and USAID provide extensive information and reports which can help firms understand the risks of operating in foreign markets. The export advice centres provide **international company profiles** for a fee for some countries. A sliding scale is used so that smaller companies pay less for the service.
- The Dutch and German governments provide extensive information on legislation and compliance requirements through government and industry websites. They have also provided **online due diligence tools**, hosted by the Netherlands Enterprise Agency and the GAN Business Anti-Corruption Portal, to enable small and medium businesses to perform due diligence exercises at low cost.
- The Swiss government provides information and advice to businesses through the State Secretariat for Economic Affairs, Swiss Business Hubs and embassies. However, there is no evidence that the Swiss government provides any due diligence services or online tools.
- In the US, Netherlands, Germany and Switzerland the scope of due diligence has been broadened to include human rights and conflict prevention (specifically for the extractive industry). These governments are making information on these issues more accessible and the Netherlands and Germany have enhanced their online tools to incorporate these additional risks into due diligence assessments.

There is no available information on the usefulness or impact of state funded due diligence services or online tools. However, the limited information on the impact of anti-bribery laws and

policies in the US indicates that enforcement through the legal system has encouraged compliance and reduced corruption to some extent (OECD Working Group on Bribery, 2012). Furthermore, American businesses feel that their competitiveness has been undermined as they lose large contracts to firms from countries which tolerate bribery and corruption (OECD Working Group on Bribery, 2012). Survey research in Switzerland found that businesses have limited interest in corruption and some firms overlook compliance when entering into foreign markets (Isenring, Mugellini, & Killias, 2016).

2. Implementation of the OECD Convention on Bribery

Corruption has a negative impact on economic growth, investment and trade (Arbatskaya & Mialon, 2017). The OECD has been the driving force behind anti-bribery enforcement (Funk, 2014). However, the implementation of the OECD guidelines for preventing bribery and corruption, as determined from the progress reports that members submit to the OECD, concentrates on upgrading the legislation which criminalises foreign bribery as well as providing protection for whistle-blowers. There is a strong emphasis on **investigating and prosecuting** companies which transgress the law and penalising those who help to enable corruption, such as auditing firms, in both policy documents and academic literature relating to corruption. Although most of the documentation makes reference to educating the private sector about the risks associated with bribery, there is much more emphasis on enforcement through the legal system rather than on communication or advocacy.

This section of the report examines the progress that governments in the US, the Netherlands, Germany and Switzerland have made with regard to helping companies, especially small and medium sized firms, to undertake due diligence. Such due diligence enables firms to ascertain the risks of doing business in developing countries as well as avoid bribery and corruption.

US

The Foreign Corrupt Practices Act (FCPA) of 1977 criminalises the payment of bribes by US citizens and corporations to government officials anywhere in the world (Arbatskaya & Mialon, 2017). In the 1980s the US urged the OECD states to outlaw bribery as this was perceived to distort competition at the expense of American business interests (Bühr & Seitz, 2015). The **State Department** serves as the National Contact Point in the US for implementing the OECD guidelines for responsible business (US State Department, 2017).

The US is regarded as having made greater strides in terms of implementing anti-bribery and anti-corruption legislation than any other country because it has the highest number of anti-corruption prosecutions in the world (Funk, 2017). The Department of Justice (DOJ) prefers to resolve FCPA cases through settlements such as plea deals, deferred prosecution agreements and non-prosecution agreements (OECD Working Group on Bribery, 2012). The DOJ strongly believes that these methods provide appropriate punishment and flexibility to reward voluntary disclosure. Companies listed on stock exchanges in the US must inform the Securities & Exchange Commission (SEC) about whether they have published a code of ethics for the main managers in the finance and bookkeeping departments (Bühr & Seitz, 2015). The US government encourages voluntary disclosure of corruption but civil society organisations feel that the incentives for doing so are insufficient (OECD Working Group on Bribery, 2012). In addition, there has been extensive engagement with the private sector to encourage compliance. The

DOJ, SEC, Department of Commerce and the State Department conduct outreach with the business community with regard to anti-corruption issues (US State Department, 2016).

Due diligence services

The US government recognises that many businesses do not have the resources to undertake effective due diligence (US State Department, 2016). However, as the government itself collects a vast amount of information which covers human rights, labour rights, commercial conditions and investment climates across the world they are able to produce international company profiles at low cost. The **Department of Commerce** runs the website (<https://.export.gov>) which assists businesses by providing **International Company Profiles (ICP)** for a fee. Payments are required in advance and reports take three weeks to produce.

ICPs are background checks and due diligence reports on local partner companies in foreign countries that US based companies want to work with. The ICPs are not available for all countries and the prices vary depending on the country. For example, a full background check for firms in India provides the following information about foreign partners:

- Company size, sales data, corporate structure.
- Shareholders and a listing of the company's senior management.
- Main business activities and product/service lines.
- Banking and financial information.
- Site visit and interviews with principals and customers.
- Market outlook, trading experience, market coverage, stature, business connections in the country.

The **pricing** of full ICP reports for India is as follows: US\$700 for small businesses, US\$1,200 for medium businesses and US\$2,000 for large firms.¹ The costs in Ghana are cheaper ranging from US\$350 to US\$900.

A partial ICP for Indian firms provides the following information:

- Company size, sales data, corporate structure.
- Shareholders and a listing of the company's senior management.
- Main business activities and product/service lines.
- Banking and financial information.
- References of principals and customers.

The pricing of a partial ICP report for India is as follows: US\$350 for small businesses, US\$850 for medium businesses and US\$1,100 for large firms. Partial reports are not available for Ghana.

¹ A business is considered small if it meets the criteria specified by the U.S Small Business Administration (<https://www.sba.gov/document/support-table-size-standards>). A medium sized business has revenue under US\$1 billion per annum. Large businesses have annual revenue over US\$1 billion.

Information, reports and advice

The US government also funds the production of **third party reports** which contain useful information and data on foreign markets and companies. The State Department anticipates creating a repository of government reports sorted by country and subject. USAID has produced 15 country level land governance profiles which explain land use, land laws and land use patterns (US State Department, 2016). These reports are available to the public. USAID has developed a Massive Open Online Course (MOOC) on land tenure and property rights. In addition, the US government provides the following information and services to businesses (US State Department, 2016):

- Country commercial guides are produced by the US and Foreign Commercial Service.
- Anti-corruption information is provided by the FCPA Resource guide (<https://www.documentcloud.org/documents/515229-a-resource-guide-to-the-u-s-foreign-corrupt.html>).
- The State Department hosts the Business Information Database System (BIDS) which provides up to the minute information on business conditions in several countries.
- Direct line for American Business helps US businesses to connect with US foreign missions and obtain up-to-date information.
- The Overseas Security Advisory Council works with the private sector to anticipate and counter security threats.
- The DOJ provides FCPA opinion release procedures which are legal opinions regarding whether particular incidents are viewed as illegal.
- US embassies receive specialised training in responsible business conduct so that they can advise American firms.

Netherlands

In Dutch law, criminal offences can be committed by natural and legal persons² (Lewisch, 2018). Companies are responsible for wrongful acts committed by their employees, undertaken in the normal course of business, resulting in profit or considered acceptable by the company in retrospect (Lewisch, 2018). The Dutch legal framework on anti-corruption is laid down in the Dutch Criminal Code which criminalised the bribing of public officials (Geertsma, 2015). Section 178a of the Dutch Criminal Code extends the definition of public officials to include those who are in the service of foreign governments. Section 328 makes commercial bribery illegal (Geertsma, 2015).

The approach to implementing the OECD convention on bribery in the Netherlands has centred on enforcement of the legislation through the prosecution of offenders (OECD Working Group on Bribery, 2015). In 2015 the legislation was revised to enhance the penalties for bribery in order to comply with the OECD convention on bribery (Geertsma, 2015). Companies which receive funds from the Dutch government are required to comply with the OECD guidelines (Ministry of Foreign Affairs, 2017).

In 2016 the Whistle-blower Centre Act rendered it mandatory for all companies which employ over 50 people to have a whistle-blowing procedure in place (Ministry of Foreign Affairs, 2017). The Fiscal Intelligence and Investigation Service can assist businesses to determine if an action constitutes bribery.

² Natural persons are human beings while legal persons are business or non-governmental entities.

Public officials have a duty to report bribery and corruption and offenders will be prosecuted in the Netherlands for offences committed outside the country (Ministry of Foreign Affairs, 2017). The enforcement of the legislation is undertaken by the Dutch police, a special prosecutor for corruption, the tax authorities³ and the Netherlands Central Bank (OECD Working Group on Bribery, 2015). It is anticipated that this integrated approach will be effective in deterring foreign bribery (OECD Working Group on Bribery, 2015). However, prosecutors in the Netherlands increasingly prefer to settle corruption cases out of court, prompting some experts to fear that the country's commitment to anti-corruption may decline (Van de Plaas, 2016).

A **communications strategy** has been implemented to raise awareness of the risks and consequences of bribery and corruption within the public and private sectors. In addition, the Netherlands branch of the International Chamber of Commerce (ICC) held a conference on 9 April 2014 to make business aware of the implementation of anti-bribery laws (Ministry of Foreign Affairs, 2017).

The Netherlands government expects its business sector to undertake corporate social responsibility due diligence which includes the prevention of bribery (Ministry of Foreign Affairs, 2017). The main organisations which are responsible for engaging with the private sector and making Dutch businesses aware of corruption risks are the Netherlands Enterprise Agency, the ICC and the Netherlands branch of the ICC (OECD Working Group on Bribery, 2015).⁴

The **Netherlands Enterprise Agency** states that they have around 8,000 unique users (Stolwijk, 2018). They provide extensive information on corporate social responsibility which includes information which sensitises businesses to risks and penalties of engaging in bribery or corruption. This includes a factsheet on due diligence and the OECD guidelines. The Netherlands Enterprise Agency has links to the World Bank guidelines for due diligence as well as a list of organisations which have been blacklisted by the World Bank (Netherlands Enterprise Agency, 2015). The Netherlands Enterprise Agency provides country specific information for particular countries.

The ICC provides information to assist businesses including a **due diligence guide** for small and medium sized enterprises (SMEs) (<https://cdn.iccwbo.org/content/uploads/sites/3/2015/07/ICC-Anti-corruption-Third-Party-Due-Diligence-A-Guide-for-Small-and-Medium-sized-Enterprises.pdf>). Trade associations also provide advice to their members regarding due diligence.

Online due diligence tool

The Ministry of Foreign Affairs provides funding to the Netherlands Enterprise Agency to host an online risk assessment tool (<http://www.mvorisicochecker.nl/en>) which companies are expected to use to assess their risks in foreign markets. The tool is publicly available and the Netherlands Enterprise Agency states that it is also used by firms outside the Netherlands (Stolwijk, 2018).

Embassies

The Netherlands Enterprise Agency provides compliance training for embassy staff (OECD Working Group on Bribery, 2015). The staff in Dutch embassies are well informed regarding

³ A specialised unit, the Fiscale Inlichtingen- en Opsporingsdienst, undertakes investigations.

⁴ In 1997 the ICC published the ICC Rules of Conduct to combat Extortion and Bribery and later the ICC Rules on Combating Corruption.

corruption issues and can advise businesses on the best way to approach developing country local government departments or other entities where corruption is a common practice (Ministry of Foreign Affairs, 2017). In addition, embassies provide **advice** on the legislation concerning corruption and are able to connect Dutch businesses facing similar problems as well as assist these businesses with developing a strategy to overcome corruption (Ministry of Foreign Affairs, 2017). However, embassy staff have an obligation to report corruption involving Dutch citizens or companies if they are aware of it to the Integrity Reporting Office (Meldpunt Integriteit) of the Ministry of Foreign Affairs (Ministry of Foreign Affairs, 2017).

Germany

Corruption is a criminal offense in Germany and public officials are not permitted to accept gifts or rewards (Funk, 2014). Germany ratified the United Nations Convention against Corruption in 2014 and in 2015 a new Anti-Corruption Act came into force. The Act broadens the offence of bribery in the private sector and criminalises both passive and active bribery on the part of foreign and international public officials (OECD Working Group on Bribery, 2013). Germany had the second highest number of bribery prosecutions in the world, at 88 cases from 1999 to 2014, (Funk, 2014) and is regarded as second only to the US in terms of promoting anti-corruption in developing countries (OECD Working Group on Bribery, 2013). Since Germany is a federation, the prosecution of corruption is handled by the Land departments of justice (OECD Working Group on Bribery, 2013). The Land departments report on foreign bribery investigations once a year to the Ministry of Justice. Germany cooperates with partner countries to enforce its anti-corruption policies through the Federal Ministry of Economic Co-operation and Development.

In Germany it is an offense to bribe foreign public officials. Bribes cannot be claimed as deductions for taxation purposes (OECD Working Group on Bribery, 2013). Corporate criminal liability does not exist in German law but companies can be liable for acts of corruption committed by persons with managerial responsibility (Funk, 2014). Companies can also be held liable for failing to prevent bribery (OECD Working Group on Bribery, 2013). Corrupt bidders are excluded from public procurement tenders and there is a database of offenders (OECD Working Group on Bribery, 2013).

The German government is committed to working with the business sector to prevent corruption and promote business integrity (OECD Working Group on Bribery, 2013). Germany has expanded public awareness of corruption in response to a recommendation from the OECD Working Group to increase the sensitivity of the public to the illegality of bribery and corruption. These efforts include the following activities (OECD Working Group on Bribery, 2013):

Initiatives of the German government

- The German Federal Government has produced reports on the results of the evaluation and recommendations of the OECD Anti-Corruption Convention in specialist publications targeting German businesses.
- The Federal Ministry of Transport, Building and Urban Development organised a conference in 2012 to raise awareness on preventing corruption. Around 200 delegates from the public and private sectors attended the conference.
- The Federal Ministry of Economics and Technology and the Federation of German Industry and Commerce hosted a conference in Berlin on bribery and compliance to raise awareness among the SME sector.

- The Federal Ministry for Economic Co-operation and Development launched its new anti-corruption policy at a conference in 2012. The aim of the policy was to integrate anti-bribery measures into German development policy.
- In 2011 there were several events and conferences on compliance and anti-corruption.
- The Federal Ministry of Home Affairs joined with other ministries and business representatives to publish a brochure relating to accepting gifts, hospitality or other benefits. In addition, a best practice guide for internal control programmes for businesses, especially SMEs, was developed.

Anti-Corruption Portal

The Federal Ministry of Cooperation and Development introduced an **internet portal** (GAN Business Anti-Corruption Portal) to guide businesses, especially SMEs, in dealing with the risk of corruption (<https://www.business-anti-corruption.com>). This website (<https://www.business-anti-corruption.com/tools/due-diligence-tools/>) provides reports and resources for businesses wishing to undertake due diligence including:

- Country profiles for over 100 countries.
- A compliance programme guide (<https://www.business-anti-corruption.com/compliance-quick-guides/germany/>)
- German compliance guide (<https://www.business-anti-corruption.com/compliance-quick-guides/germany/>).
- **Due diligence tools** for public procurement which helps companies to assess and avoid corruption risks in the public procurement process. The following interactive tools are provided.
 - Procurement document (https://www.business-anti-corruption.com/wp-content/uploads/2018/04/Procedure_document.pdf).
 - Risk assessment document (https://www.business-anti-corruption.com/wp-content/uploads/2018/04/Risk_Assessment_document.pdf).
 - Flowcharts for screening partners, agents, contractors and consultants.
 - A procurement tool which is an Excel document that enables companies to make assessments that assist with the due diligence process (<https://www.business-anti-corruption.com/tools/due-diligence-tools/public-procurement-due-diligence-tool>).

German embassies

German embassies receive training on due diligence and sensitise German businesses on the risks of bribing public officials. The German Foreign Office issues a memorandum on foreign bribery which guides the embassies with regard to compliance (OECD Working Group on Bribery, 2013). German embassies support German companies with regard to compliance issues relating to German law as well as the laws of the host country (OECD Working Group on Bribery, 2013).

The embassies are required to make SMEs aware that bribing foreign public officials is a crime under German law. Embassies are encouraged to help SMEs to become compliant (OECD Working Group on Bribery, 2013). However, the companies are responsible for obtaining their own legal advice. For example, the German embassy in Benin assists German companies

wishing to do business in Benin with risk assessments.⁵ The embassy will only support lawful commercial activities (OECD Working Group on Bribery, 2013). German embassies are expected to report suspected incidences of corruption to the German Foreign Office in Berlin.

Private sector

Business associations in Germany promote corporate social responsibility which includes anti-bribery messages (OECD Working Group on Bribery, 2013). The German Industry Federation and the Association of German Chambers of Industry produce brochures which target SMEs to make them aware that corruption is illegal. In addition, in 2012 and 2013 there were roadshows dealing with entrepreneurial risk sponsored by a daily newspaper, Handelsblad (OECD Working Group on Bribery, 2013). The Sixth European Forum held in 2013 in Frankfurt included the C5 European Forum on Anti-Corruption (OECD Working Group on Bribery, 2013). Other conferences on anti-corruption were organised by the University of Bremen, German Institute for Internal Auditing and Steinbeis University in Berlin (OECD Working Group on Bribery, 2013).

Switzerland

Swiss law makes provision for limited corporate liability in that the company can only be liable for an illegal act if a person cannot be found or held responsible (Lewisch, 2018). In the case of money laundering a corporation can be liable if a natural person has failed to take reasonable and necessary measures to prevent it from occurring (Lewisch, 2018).

The **federal government** has organised several events to make businesses aware of their compliance obligations. In 2012 the Interdepartmental Working Group on Combating Corruption held a special conference on bribery for federal employees. The State Secretariat for Economic Affairs (SECO) works with large multinational businesses and SMEs to help them develop internal control and compliance mechanisms (OECD Working Group on Bribery, 2014). According to the OECD implementation report: "Federal actors such as the OAG, the GTID, SECO110 and the FDFA have taken part and put in place a substantial number of initiatives (training, conferences, presentations, round tables, brochures, articles, information online) in order to raise awareness among companies, including SMEs, of the risks of foreign bribery and encourage them to set up and develop internal measures to prevent and detect it." (OECD Working Group on Bribery, 2018, p. 66).

SECO and the Swiss Foreign Ministry (EDA) have focused on informing SMEs operating abroad about the risks of corruption and measures to prevent it in recent years. In 2013 bimonthly 'compliance' roundtables were held with the Interdepartmental Working Group on Combating Corruption, representatives of Swiss firms, Chur University of Applied Sciences (HTW Chur) and Transparency International. The purpose of the roundtables was to exchange information, develop good practices, support SMEs on issues of compliance, and develop and carry out 'collective action'. In addition, the SECO brochure 'Preventing corruption - advice for Swiss

⁵ Examples of advice can be found at the following links: http://www.cotonou.diplo.de/Vertretung/cotonou/de/05-Wirtschaft/Aussenwirtschaftsfoerderung/seite__merkblatt__gesch_C3_A4ftsbez.html.
<https://bangkok.diplo.de/th-de>

companies operating abroad' provides guidelines for companies (Tätigkeitsbericht der Interdepartementalen Arbeitsgruppe zur Korruptionsbekämpfung (2011–2013), 2014, p. 26⁶).

Swiss **embassies** and the Swiss Business Hubs provide advice to Swiss firms which trade in foreign markets. The Swiss Business Hubs help Swiss businesses to identify and profile local partners.⁷ The Federal Department of Foreign Affairs provides training on corruption and bribery to diplomats and staff at Swiss Business Hubs so that they can advise Swiss companies about the risks of operating in foreign markets (OECD Working Group on Bribery, 2014).

Handel Schweiz (Swiss Trade) provides free legal compliance advice to member companies, (<https://www.handel-schweiz.com/de/Dienstleistungen/Rechtsberatung>). However, no information is provided on the depth of such advice.

This assessment was unable to find any evidence that the Swiss government provides due diligence services or online tools (such as those available in the Netherlands or Germany) to assist businesses in carrying out due diligence assessments.

3. Impact of anti-bribery initiatives

The OECD reports on the implementation of the Convention on Anti-bribery appear to judge progress in terms of the number of investigations, number of prosecutions and value of fines imposed (OECD Working Group on Bribery, 2015). Progress is assessed further in terms of refinements to the legislation, which enhance the scope for prosecuting corruption, such as protection for whistle-blowers and the inclusion of facilitation payments. Moreover, the involvement of the tax authorities in enforcing the law is seen as taking implementation further (OECD Working Group on Bribery, 2015).

No useful documentary evidence on the effectiveness of due diligence services, tools and advice provided by governments or embassies in the Netherlands or Germany was available. However the following information from American companies was obtained by the OECD (OECD Working Group on Bribery, 2012):

- Interviews with private sector firms ascertained that active **enforcement** of the legislation by the DOJ and SEC was the primary motivator of compliance. The imposition of large fines deterred businesses from contravening the regulations.
- A series of 'sting operations' which targeted small and medium sized American firms had a significant impact on promoting compliance within this sector.
- The opinion procedure of the DOJ is under-utilised. The private sector considers the opinions procedure of the DOJ as useful in limited instances only. Moreover, the time frame of 30 days takes too long.

⁶ See https://www.eda.admin.ch/dam/eda/de/documents/aussenpolitik/finanzplatz-wirtschaft/Taetigkeitsbericht-Interdepartementale-Arbeitsgruppe_DE.pdf

⁷ The Swiss Business Hub does not provide detailed information regarding the depth of the partner profiling service which it offers. There is also some indication that they may provide bespoke advice which is specific to the needs of a particular Swiss SME.

- Businesses maintain that an internal audit is critical for preventing and detecting the bribery of foreign public officials. Foreign subsidiaries must be included in the internal audit.
- There must be visible commitment from senior management against corruption as well as training. There should be hotlines that enable whistle-blowers to make anonymous reports of alleged transgressions. The compliance process must include third parties such as local agents or partners, facilitation payments and travel, gifts and hospitality.
- American businesses were frustrated because compliance resulted in them losing contracts to **competitors** from countries which do not have laws against bribery or do not enforce such laws. Moreover, in some markets corruption is endemic and American firms contend with repeated requests for bribes. Arbatskaya & Mialon (2017) suggest that the competitiveness of US firms can be enhanced if other countries implement anti-bribery policies and laws.
- One positive finding was that companies in the aerospace, defence and extractive industry stated that the tender processes have become cleaner, especially for larger contracts. However, corruption was still a major problem when dealing with customs officials in some markets.
- There was some concern that the DOJ was inconsistent in terms of how cases were settled, that is through plea deals, deferred prosecutions or non-prosecution agreements.

Compliance information provided on the SECO website in Switzerland received over 16,000 views from 2012 to 2013 (OECD Working Group on Bribery, 2014). The Swiss international corruption survey found that overall Swiss firms were not keen to invest in anti-corruption programmes (Isenring et al., 2016). Only 39% of the firms stated that they had invested in an anti-corruption initiative, such as codes of conduct and auditing systems between 2013 and 2015 (Isenring et al, 2016). Swiss firms do not perceive corruption as a problem and only 12% conduct risk assessments before starting business in a foreign country (Isenring et al, 2016).

4. Beyond bribery and corruption

Due diligence is expanding beyond bribery and corruption to include human rights. There is currently more literature on human rights than anti-corruption compliance for countries covered in this report.

In the US, due diligence for anti-bribery and anti-corruption expanded to include risk assessments relating to **human rights** violations and preventing **conflict** in mineral rich countries (US State Department, 2016). There is a push in the Netherlands, Germany and Switzerland to incorporate human rights into corporate social responsibility (OECD Working Group on Bribery, 2018). The enforcement of guidelines for protecting human rights entails the following initiatives (US State Department, 2016; Business and Human Rights Portal, 2018):

- Encouraging businesses to have an internal code of conduct which includes a commitment to ensuring that human rights are not violated by suppliers.
- A debate regarding whether the legislation in these countries should be updated so that companies which violate the OECD guidelines on human rights can be held criminally responsible.

- Establishing national contact points to promote human rights as part of responsible business or business integrity.
- Including human rights in due diligence or compliance assessments.
- Developing tools for assessing the risks relating to human rights.

The Federal Ministry of for Economic Cooperation and Development provides information for German enterprises with regard to human rights and labour standards (The Federal Government, 2017). Since 2012 the Federal Government has supported the Business and Human Rights Resource Centre information platform. The Agency for Business and Economic Development was expanded in 2015 and provides advice to businesses operating in developing countries. It is anticipated that the Agency for Business and Economic Development will offer a **helpdesk** service for business and human rights (The Federal Government, 2017, p. 23).

The Netherlands has developed a national action plan and **portal** for business and human rights. Chambers of commerce are promoting corporate social responsibility with a heavy focus on protecting human rights. Similarly, in Switzerland the emphasis on corporate social responsibility has expanded. A coalition of Swiss civil society organisations proposed a Responsible Business Initiative which would make Swiss companies legally responsible for human rights violations committed abroad in connection with their business operations (Hughes-Jennet, Hood, & Davoise, 2017). In 2017, the Federal Council narrowly rejected legislation which would have made it compulsory for Swiss companies to carry out human rights due diligence and become culpable for human rights violations which occur in their business operations in the developing world (Hughes-Jennet, Hood, & Davoise, 2017).

The European Commission has proposed setting up a centralised system for supply chain due diligence self-certification of responsibly sourced minerals which do not contribute to conflict or violations of human rights (The Federal Government, 2017).

In the US, the Department of Labour publishes reports on child labour and forced labour. The State Department publishes human rights reports and reports on trafficking. In addition, section 1502 of the Dodd Frank Act is geared towards breaking the link between natural resources and conflict by preventing armed groups from exploiting natural resources (US State Department, 2016). There are specialised due diligence requirements for firms in the **extractive** industry (US State Department, 2016). The Public-Private Alliance for Responsible Minerals Trade permits USAID to work in partnership with American companies and civil society to ensure that minerals are sourced without exacerbating conflict (US State Department, 2016).

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Key websites

US

- International company profile service <https://2016.export.gov/india/servicesforu.s.companies/internationalcompanyprofile/index.asp>
- Market research and due diligence service https://2016.export.gov/salesandmarketing/eg_main_018204.asp
- Land profiles produced by USAID. <https://land-links.org/country-profiles>
- Human trafficking in supply chains. <https://www.responsiblesourcingtool.org/>
- Business information database <https://bids.state.gov/>

Netherlands

- Netherlands Enterprise Agency <https://english.rvo.nl/>
- Risk management training tool (Netherlands) https://english.rvo.nl/sites/default/files/2015/11/Training%20tool%20-%20How%20to%20prevent%20corruption_0.pdf
- Risk assessment tool (Netherlands) www.mvoriskchecker.nl/en or www.csrriskcheck.com
- CSR passport (Netherlands) www.government.nl/ministries/ministry-of-foreign-affairs/documents/publications/2014/12/08/corporate-social-responsibility-passport
- Netherlands business and human rights portal. <https://www.business-humanrights.org/regions-countries/europe-central-asia/netherlands>

Germany

- German due diligence website <https://www.ganintegrity.com/due-diligence>
- Corporate social responsibility in German
[http://www.csrgermany.de/www/csr/cms_relaunch.nsf/res/csrgermany_english_overview.pdf/\\$file/csrgermany_english_overview.pdf](http://www.csrgermany.de/www/csr/cms_relaunch.nsf/res/csrgermany_english_overview.pdf/$file/csrgermany_english_overview.pdf)
- Business integrity
<https://english.bdi.eu/search/?q=corruption&id=1485&L=0#/article/news/compliance-is-becoming-a-factor-for-success/>
- Alliance for Integrity <https://www.allianceforintegrity.org/en/regions/germany/>
- Due diligence tool for public procurement.
<https://www.business-anti-corruption.com/tools/due-diligence-tools/public-procurement-due-diligence-tool/>
- National Contact Point (Germany)
<https://www.bmwi.de/Redaktion/DE/Textsammlungen/Aussenwirtschaft/nationale-kontaktstelle-nks.html>

Switzerland

- Interdepartmental Working Group on Combating Corruption.
<https://www.eda.admin.ch/eda/en/home/foreign-policy/financial-centre-economy/corruption/working-group-combating-corruption.html>
- State Secretariat for Economic Affairs
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- Swiss business chambers <https://www.aihk.ch/>
- Swiss industry. <https://www.handel-schweiz.com/de/>
- Swiss Exports. <http://www.swissexport.ch/>
- Swiss Business Hub (in India).
<https://www.eda.admin.ch/countries/india/en/home/switzerland-and/export-promotion/swiss-business-hub.html>

General

- OECD Anti-Bribery Convention <http://www.oecd.org/daf/anti-bribery/data-on-enforcement-of-the-anti-bribery-convention.htm>
- ICC due diligence guide <https://cdn.iccwbo.org/content/uploads/sites/3/2015/07/ICC-Anti-corruption-Third-Party-Due-Diligence-A-Guide-for-Small-and-Medium-sized-Enterprises.pdf>
- ICC business integrity guide <https://iccwbo.org/publication/icc-business-integrity-compendium-2017>
- Transparency International due diligence guide
<http://www.transparency.org.uk/publications/anti-bribery-due-diligence-for-transactions/#.WuDGT-SWxPY>
- World Bank due diligence guide. <http://ppp.worldbank.org/public-private-partnership/ppp-overview/practical-tools/checklists-and-risk-matrices/due-diligence-checklist>

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