



Gifts and Hospitality

Gifts, hospitality and promotional expenditure which seek to improve the 'brand' or public image of companies are an established and important part of doing business. However, these things can also be employed as bribes.

Companies should have in place clear written policies detailing the principles for giving and receiving of gifts, hospitality and promotional expenses. Policies and procedures should prohibit the offer, giving or receipt of gifts, hospitality or expenses where they could influence, or be reasonably perceived to influence, improper outcomes of business transactions.

Policies and Guidance

Internal policies and guidance on procedures that apply to the provision of gifts, hospitality or promotional expenses may provide:

- that any hospitality should reflect a desire to develop good relations and the recipient should not be given the impression that they are under an obligation to confer any business advantage or that the recipient's independence will be affected;
- that provision of hospitality for public officials be cleared with the relevant public body so it is clear who and what the hospitality is for ;
- for expenditure over certain limits, approval by an appropriately senior level of management may be required;
- criteria to be applied when deciding the appropriate levels of hospitality for both private and public business partners, clients, suppliers and foreign public officials and the type of hospitality that is appropriate in different circumstances;
- record keeping requirements;
- regular monitoring, review and evaluation of policies and procedures and compliance with them; and
- appropriate training be provided to staff.

Record Keeping

Maintaining adequate records of activity is key as it provides transparency and accountability. A gifts and hospitality log may include the following details:

- dates of offers made - including whether they were accepted;
- details of the employee/associate giving or receiving the gift, entertainment or hospitality – including name, employee number, business unit and role;
- details of the third-party individual / organisation giving or receiving the gift or hospitality - name, company name, role, relationship to employee/associate;
- risk assessment factors – e.g. include details of whether the timing coincides with contract negotiations or if there is exposure to public officials;
- details of the gift or hospitality – description, estimated value, other colleagues involved;



Australian Government

Australian Trade and Investment Commission

- rationale for accepting or declining the gift or hospitality; and
- written evidence of any approval or authorisation given.