POHLMANN & COMPANY

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Our "International Compliance Update" portrays current developments and trends in international compliance legislation, jurisdiction and practice with a focus on their relevance for Germany.

Germany

Federal Bill for Stricter Anti-Corruption Provisions in the Criminal Code

- The centerpiece of the new legislative initiative of the federal government to combat corruption is the expansion of section 299 of the German Criminal Code – *Taking and giving bribes in commercial practice*.[1] The newly proposed statutory amendment is supposed to also penalize the *violation of company duties* in future.
- In addition, the *offences committed in public office* are to be strengthened.
- It is also proposed to include the corruption offences of sections 299 and 335a of the Criminal Code in the *list of predicate offences for money laundering*.
- Further legislative initiatives of the federal government and the free state of Bavaria propose a new statutory provision of *Taking and giving bribes in health care* to be introduced by a new section 299a of the German Criminal Code.

[1] This article follows the official translation of the existing German Criminal Code provided by Prof. Dr. Michael Bohlander, available at http://www.gesetze-iminternet.de/englisch_stgb/englisch_stgb.html#p2412. However, there is no official translation available yet on the proposed legislative initiatives described here.

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The first weeks of the new calendar year 2015 have clearly shown that the Federal Minister of Justice Heiko Maas is quite obviously putting the fight against corruption on top of the federal government's legislative agenda.

On January 21 the federal government issued a bill for a proposed *Law to combat corruption*.[2] This federal government bill (*Regierungsentwurf*) is based largely on a first government draft (*Referentenentwurf*) dating back to June 13, 2014[3] which in turn refers to a *EU Council Framework Decision on combating corruption in the private sector* of July 22, 2003.[4] This EU decision was supposed to be incorporated into national law much earlier. In 2007 the incorporation failed presumably due to the parallel effort to change the existing statutory provisions on bribing elected officials at the time.[5]

Expansion of Section 299 Criminal Code – Violation of Company Duties

The core of the federal legislative initiative is the proposed amendment of section 299 Criminal Code. This statutory provision incorporated in 1997[6] penalizes taking and giving bribes in commercial practice. Following the existing wording of the law it is required that corruption is deemed as consideration for according an unfair preference in the competitive purchase of goods or commercial services.

Henceforth the violation of company duties (*Pflichten gegenüber dem Unternehmen*) is supposed to complement the distortion of completion as requirement for criminal liability.

The federal legislative initiative describes the proposed amendment as appropriate since section 299 in the existing version of the Criminal Code would be limited to unfair preferences in competitive situations. However, also cases ought to be punishable where violations of company duties committed by employees or representatives are gained by bribes beyond actual distortions of a fair competition. No longer should fair competition remain the sole protected legal interest, but in addition the reliance of principals in loyal employees free from undue influence, too.

With the proposed amendment the question arises which kind of company duties are to be violated for triggering criminal liability. According to the federal bill such duties must be fulfilled for the principal. The mere acceptance of an advantage or concealment of a contribution towards the principal in violation of internal compliance policies for instance should however not be sufficient. Not all company duties should be in this criminal scope but only those referring to the purchase of goods or commercial service. In consequence, the violation of mere "in-house" policies should not trigger criminal liability.

At present it appears to be difficult drawing the line between critical company duties in this regard and non-critical ones in daily business practice. This might also infringe the constitutional rule on certainty of law (*Bestimmtheitsgebot*). Moreover, it is unclear whether the consent of a principal to a violation of company duties would dispense from criminal liability.[7] Finally it must be critically considered how voluntary intra-company lawmaking – in this regard *civil*-law – would trigger a far reaching liability under *criminal* law.

Strengthening of Offences committed in Public Office

The federal bill proposes to amend the existing sections 331 to 334 Criminal Code dealing with offences committed in public office (*Straftaten im Amt*). European public officials

[2] http://www.bmjv.de/SharedDocs/Downloads/DE/pdfs/Gesetze/GE-Korruptionsbekaempfung.pdf?__blob=publicationFile

[3] http://www.bmjv.de/SharedDocs/Downloads/DE/pdfs/Gesetze/RefE_KorrBekG.pdf?__blob=publicationFile

[4] Council Framework Decision 2003/568/JHA, Official Journal of the European Union, L192, 54 EN http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32003F0568&qid=1424269627171&from=EN

[5] see Pohlmann & Company International Compliance Update 2/2014 – Reform of the German law governing the bribery of members of parliament

[6] by the Korruptionsbekämpfungsgesetz - KorrbekG vom 13. August 1997, BGBl. I 2038

[7] Within the European context some neighbouring countries such as France or the UK are already using the abuse of trust as protected legal interest.

as well as members of EU courts are also to be included as potential offenders in future.

A new section 335a Criminal Code is supposed to expand criminal liability in aggravated cases of corruption also to foreign public officials, judges and representatives of international organizations strengthening in essence the German statutory criminal law even in comparison with the current EU-Anti-Corruption Act.[8]

Concrete Definition of Anti-Money Laundering Offences

The proposed new sections 299 and 335a Criminal Code are to be supplemented in the list of predicate offences for money laundering. Henceforth the hiding of unlawfully obtained financial benefits is also to comprise bribe payments under section 261 Criminal Code. Dividend payments from dubious affiliated companies or joint ventures can thus carry increased criminal liability risks in future according to prospective German statutory law.

Looking forward companies must adapt their anti-money laundering processes accordingly and focus stronger on compliance implementation in affiliated companies in consequence to avoid criminal liability.

New Section 299a Criminal Code – Taking and Giving Bribes in Health Care

Irrespective from the above mentioned federal government bill from January 21, 2015 a further legislative initiative was launched by the Federal Ministry of Justice on February 4, 2015 with the first government draft for a *Law to combat corruption in health care*.[9] One week earlier the free state of Bavaria submitted its own draft bill to the Federal Council (*Bundesrat*) on January 15, 2015.[10]

The starting point of both initiatives was a widely reported decision of the Federal Court of Justice (*Bundesgerichtshof / "BGH"*) from March 29, 2012.[11]

According to this judgment of the Federal Court's Great Criminal Senate the current section 299 Criminal Code was not deemed applicable for private medical practitioners (*niedergelassene Vertragsärzte*) since these doctors would not qualify as representatives of public health insurance funds (*gesetzliche Krankenkassen*). And medical practitioners in private practice are clearly not public officials in the sense of sections 331, 333 Criminal Code.[12]

The Federal Court's resentment about this unjustifiable gap in criminal liability was obviously read loud and clear by the federal government - according to Federal Minister of Justice Maas a clear appeal for the legislator to remediate this issue in light of the existing corruption risks and high social relevance of the health care sector.

Following closely the model of the existing section 299 the newly proposed section 299a Criminal Code is also structured as an offence penalizing abstract endangerment. It is not required that a concrete preference has materialized. The existence of an unlawful agreement aimed at giving a preferential treatment as consideration for a bribe is sufficient. Both (active) bribery as well as (passive) corruption keep being penalized. And like before there is no explicit minimum threshold regarding monetary values of advantages. Therefore, the principle of social adequacy will have to be applied again.

As a novelty, the proposed section is targeting two protected legal interests: On the one hand side, fair and transparent competition should be protected in the health care sector. On the other hand side, the reliance of patients in the integrity of medical decisions should be protected, too.

According to the legislator's rationale the new statutory section against corruption in health

[8] Incorporated in national law as "Gesetz zu dem Protokoll vom 27. September 1996 zum Übereinkommen über den Schutz der finanziellen Interessen der Europäischen Gemeinschaften – EU Bestechungsgesetz – EUBestG"; http://www.gesetze-im-internet.de/bundesrecht/eubestg/gesamt.pdf

[9] http://www.bmjv.de/SharedDocs/Downloads/DE/pdfs/Gesetze/RefE_Bekaempfung_Korruption_Gesundheitswesen.pdf?__blob=publicationFile

[10] Bundesrat Drucksache 16/15

[11] NJW 2012, 2530

care is supposed to secure that medical decisions can be taken free from undue influence. Therefore, not only medical practitioners are to be held criminally liable in future, but also all medical professionals who have successfully completed occupational training regulated by the state in order to be entitled to practice their profession and to carry specific occupational titles. Following the applicability scope of section 203 subsection 1 Criminal Code - *Violation of private secrets* – all health care professions requiring academic training are going to be included as potential offenders, i.e. medical practitioners, dentists, veterinary surgeons, psychotherapists or pharmacists. In addition, the so called health care professionals[13] such as nurses, occupational therapists, speech therapists or physical therapists are to be included as well in the list of potential offenders.

Unlike the first federal government draft the Bavarian draft bill – which is otherwise using the very same wording – is defining potential offenders more narrowly. According to the free state's proposal for a new section 299a Criminal Code only medical professionals are to be criminally liable who belong to professional associations or "chambers" (*Berufskammern*)[14] that have been established in Germany. The Bavarian counter-proposal argues that only the "chambered" professions or academically trained medical practitioners would be enjoying genuinely leading positions and decision-making roles in the health care sector.

The other health care professions like nurses or therapists would be mainly depending from prescriptions, transferals, recommendations or other prior medical decisions taken by medical doctors.

The federal government's draft mentions explicitly as examples for criminal behavior bonus payments of pharma companies for the prescription of specific medication, participation in medical research projects financially supported by pharma companies, invitations to medical congresses or sponsored trainings and granting equity shares or dividends to medical practitioners.

However, the mere participation in paid-for medication test surveys should not trigger criminal liability under a new section 299a Criminal Code. Also sector-typical rebates and discounts which are offered anyone are not to be punished.

Outlook

At present there seems to be consensus across all parliamentary parties that corruption in health care should be made a new statutory criminal law. Therefore it should be assumed that a new section 299a Criminal Code will eventually pass all legislative hurdles in both Federal Parliament (*Bundestag*) and Federal Council. Yet the question arises whether the more narrowly formulated Bavarian draft will prevail at the end of the day. It should be well noted that proper alignment of many legislative initiatives against corruption is not always observable. Still well memorable is the unfinished push of North-Rhine-Westphalia`s Minister of Justice Thomas Kuschaty for a specific criminal code for corporations on November 14, 2013.[15] And then there is still the unsolved issue of legislative fragmentation concerning differing Corruption Register Acts in eight federal countries. Now, it remains to be seen how the next legislative initiatives of the federal government and Bavaria will develop.

[12] compare section 11 I. Nr. 2c. Criminal Code

[13] The *World Health Organization* (WHO) estimates that there are at present roughly 39,5 million health care professionals ("HCP"; also known as "*Health Service Providers*"); Counting health workers: definitions, data, methods and global results; http://www.who.int/hrh/documents/counting_health_workers.pdf (01/2007). Yet it has to be considered that outside Germany many more medical professions require university graduation such as for instance nurses in Australia or the U.S.

[14] Historically, "free" professions in private practice (*Freiberufe*) in Germany such as lawyers, notaries, medical practitioners or architects are self-organized in so called "Chambers" governing autonomously the relevant professional practice and setting-up dedicated pension schemes for their members. Membership is obligatory in order to be entitled carrying the respective professional titles. For admission, members not only have to graduate from university but also to successfully complete specific occupational training such as articles or pupillage.

[15] compare Pohlmann & Company International Compliance Update 1/2014 - Corporate criminal law in Germany

In any case both companies and medical practitioners must prepare for change. Some federal countries – as already established in Bavaria end of 2014 – will set up specific public prosecution offices focusing on corruption in health care. The current practices for incentivizing medical practitioners as well as for gifts and hospitality must be reviewed carefully. Medical practitioners are well advised to thoroughly analyze their personal portfolios of equity stakes, dividend rights and all other economic interests in pharma companies. Last, but by no means the least the hope for practicability should not go unnoticed by the legislator – particularly in light of "shoreless" legal terms like company duties.

Germany

German Parliament Adopts Law on Quotas for Women on Company Boards

The newly adopted law of equal participation of women and men in executive positions in the private and public sectors ("*Gesetz über die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst*") determines the following:

- From January 2016 **listed companies** subject to **full co-determination** must allot at least 30 percent of their supervisory board seats to women from January 2016. In addition, these companies have to **determine gender-equality targets** for their executive board and the next two management levels.
- Some 3.500 companies that are **either listed or subject to a form of co-determination** have to **determine gender-equality targets** for their executive board and the following two management levels by September 30, 2015.
- Quota targets, implementation schedules and actual target achievements have to be disclosed in the **management report**.

The German Corporate Governance Code addressed to listed companies recommends stipulating an appropriate degree of female representation on management and supervisory boards (Sec. 5.1.2 para. 1 and 5.4.1 para. 2 of the Code).

Said legislation, passed by Germany's federal parliament on March 6, goes beyond that recommendation. It affects more than 100 listed companies with full employee representation on their supervisory boards and approximately 3,500 companies, which are either listed or subject to co-determination. The law aims to establish equal participation of women and men in executive positions.

Rigid quota regulations for listed and fully co-determined companies - 30% women on supervisory boards from 2016

Under said legislation, listed companies that are subject to full co-determination are required to allot 30% of seats on their supervisory boards to women. In addition, these companies have to determine gender-equality targets for their executive board and the next two management levels.

From January 1, 2016, said companies must allot at least 30% of vacant supervisory board positions to women (cf. Art 25 (2) Introductory Act to the German Stock Corporation Act as amended by the Law on Equal Participation). In that context, the shareholder and employee representatives will be taken into account as a whole unless either of the two groups opts for separate counting. Any supervisory board election that does not comply with said requirement will be deemed null and void and, consequently, the respective board seats will remain vacant (so called "empty chair sanction"). In addition, non-compliance triggers

disclosure and reporting obligations under Sec. 289a para. 2 of the commercial code (HGB). In particular, reasons for non-compliance have to be given.

Companies that are either listed or subject to co-determination are required to set binding targets for the quota of women and disclose respective achievements

Currently some 3.500 companies that are either listed on a stock exchange or subject to co-determination have to determine gender-equality targets for their supervisory board and executive board and the two management levels below the executive board. For these companies, **the law does not determine fixed minimum levels.** However, the targets adopted by the company have to equal at least the **current status**. The first implementation schedule must not end later than June 30, 2017. The following timelines must not exceed a period of five years.

Said companies are required to disclose their respective quota targets, implementation schedules and actual target achievements as part of their management report. Where applicable, reasons for non-achievement within the defined timelines have to be stated. Apart from that, non-achievement of the company's quota targets does currently not trigger any consequences.

Implementation required by September 30, 2015

Affected companies are required to adopt targets and respective timelines for the quota of women on their executive and supervisory board, respectively, and the two management levels below the executive board no later than on September 30, 2015.

World

Higher Compliance Risks in M&A Transactions? New International Guidance for Compliance Due Diligences

- A recent Opinion Procedure Release of the U.S. Department of Justice strongly suggests that prospective buyers carry out a distinctive five-step program in order to avoid successor liability for historic compliance risks.
- Compliance risks in M&A transactions must also be dealt with under the UK Bribery Act.
- It is also highly recommendable to analyze compliance risks in target companies in the context of a M&A due diligence according to German law.

U.S. DoJ Opinion Release 14-02

On November 7, 2014[1] the U.S. Department of Justice („DoJ") published for the first time since the so called *Halliburton Opinion Procedure Release*[2] dating back to the year 2008 further legal guidance for performing compliance due diligence in international M&A projects.[3]

The DoJ responded to the following request: a multinational corporation headquartered in the U.S. planned in May 2014 to fully acquire a consumer products company incorporated and operating outside the U.S. During pre-closing due diligence the prospective buyer identified a number of probably improper payments by the target company to foreign public officials – whereas none of those carried an apparent nexus to U.S. jurisdiction. In addition, the due diligence exercise also revealed substantial weaknesses in accounting and record keeping.

In this context the prospective buyer requested an opinion from the DoJ if enforcement

[1] http://www.justice.gov/criminal/fraud/fcpa/opinion/2014/14-02.pdf
[2] http://www.justice.gov/criminal/fraud/fcpa/opinion/2008/0802.pdf
[3] see also Pohlmann & Company International Compliance Update 03/2014: Let the buyer beware – Compliance Due Diligences in M&A Transactions

action were intended against the buyer on the grounds of potential historic violations of the *U.S. Foreign Corrupt Practices Act* ("FCPA")[4] in the target company prior to an acquisition.

The DoJ encourages in its response prospective buyers another time, to conduct specific pre-acquisition compliance due diligence to prevent enforcement action after closing. The following five steps have to be carried out according to the DoJ:

(1) Performance of thorough risk-based FCPA and anti-corruption due diligence
(2) Implementation of the buyer's code of conduct and anti-corruption policies as quickly as practicable
(3) Compliance training for the acquired company's directors, employees as well as third-party agents and business partners
(4) FCPA-specific audit[5] of the acquired company as quickly as practicable
(5) Disclosure to the DoJ of any corrupt payments identified during due diligence

With this stringent guidance the DoJ updates-the position towards compliance obligations of companies engaging in M&A consistent with the Halliburton Opinion Procedure Release six years ago. Once again the important correlation between performing pre-closing compliance due diligence and subsequent post-closing integration is strongly underscored.

UK Bribery Act

The importance of the FCPA for non-U.S.-based corporations results i. a. from the far-reaching extraterritorial applicability also beyond U.S. borders. The UK Bribery Act[6] - coming into effect on July 1, 2011 – disposes of a similar far reach across this globe. Yet there is no direct parallel in the UK to the U.S. DoJ opinion procedure release practice. The *UK Serious Fraud Office* („SFO"), the enforcement authority for the UK Bribery Act, hasn't published detailed guidance like the *U.S. FCPA Ressource Guide*[7] either. However, the UK enforcement practice is following very similar legal principles regarding successor liability.

At first, acquirers can become targets of scrutiny of the extensive anti-money-laundering enforcement action in the UK when illegal proceeds of "historic" bribery are still being available in the new business combination – no matter whether in the form of cash or business licenses. Also dividends flowing back to the acquirer can be critical in this context if the buyer had knowledge about the circumstances.

Secondly, buyers must secure that an appropriate compliance program is established in the acquired company. If this is not the case, this must be remediated without undue delay. Otherwise the buyer and his directors could end up finding themselves responsible for continued misconduct by failing to prevent bribery with adequate procedures in place in the acquired company – i.e. an effective, preventive compliance programme.[8]

The recent U.S. DoJ opinion and the UK enforcement practice emphasize the necessity of performing thorough compliance due diligence in M&A transactions. Moreover, specific steps have to be taken right after closing to analyze compliance risks revealed in due diligence in depth and to remediate apparent weaknesses. Particularly the U.S. DoJ Opinion Procedure Release 14-02 is providing valuable guidance for this purpose.

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[4] The Foreign Corrupt Practices Act of 1977 (15 U.S.C. §§ 78dd-1, et seq.), available in 50 languages at: http://www.justice.gov/criminal/fraud/fcpa/statutes/regulations.html

[5] Notice the necessity of a *„post-closing due diligence"* (sic!) according to the Halliburton Opinion Procedure Release wording

[6] UK Bribery Act of April 8, 2010, Chapter 23

[7] compare with the rather "short" Guidance of the UK Ministry of Justice ("MoJ") on the UK Bribery Act 2010: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/181762/bribery-act-2010-guidance.pdf sowie U.S. DoJ & SEC FCPA Resource Guide, http://www.justice.gov/criminal/fraud/fcpa/guidance/guide.pdf

[8] vgl. Section 7 UK Bribery Act, *Failure of commercial organisations to prevent bribery*

World

Current trends in the international perception of corruption

- China and Turkey fell behind in Transparency International's Corruption Perceptions Index 2014.
- New TRACE Matrix 2014 for the assessment of public-sector bribery and associated business risk.
- New OECD Foreign Bribery Report 2014 highlights compliance risk exposure regarding intermediaries and industries close to public sector.

In December 2014, the German non-governmental organization *Transparency International* ("**TI**") published the 20th edition of its *Corruption Perceptions Index* ("**CPI**")[1] The new TI CPI measures and ranks the perceived levels of public sector corruption in 175 countries. The CPI has evolved into an international de facto compliance standard in assessing risks from business operations in different countries since its first appearance in 1993.

Similar to the CPI 2013, the top five countries with the lowest level of perceived corruption in CPI 2014 were Denmark, New Zeeland, Finland, Sweden, and Norway in descending order. At the low end, the CPI 2014 indicates little movement. Except for Afghanistan, which no longer occupies the last rank, the highest level of perceived corruption is now reported in Somalia, North Korea, Sudan, and South Sudan.

China and Turkey show the highest deviation in 2014. In the new ranking, China fell behind twenty places and Turkey nine places compared to the CPI 2013. Both countries were hit by major corruption scandals in 2014.

Among the European Union the member states Italy, Greece, and Romania scored the worst. Still within the continental European perspective, Ukraine was measured with the highest perceived level of corruption.

The obvious interdependence between corruption and poor public governance and weak economies is clearly evidenced by a significant correlation between the TI CPI and the *Failed States Index*[2] (FSI) of the US research organization Fund for Peace. A similar correlation can be observed with the new *Global Terrorism Index* (GTI) of the Australian Institute for Economics and Peace.[3]

For businesses worldwide, the CPI 2014 keeps indicating relevant country risks regarding locations of registered offices and/or the place of performance or country where services are rendered or products sold.

Comparable to the TI CPI, the Canadian non-profit-organization and business advisory firm *TRACE* published its "**TRACE Matrix**" as "the first ever global business bribery risk index for the compliance community" in November 2014.[4] This index was co-developed with the US think-tank *RAND Corporation*.

The new Trace Matrix assessed countries across four dimensions: (1) business interactions with government, (2) anti-bribery laws and enforcement, (3) government and civil service transparency, and (4) capacity for civil society oversight.

The index covered 197 countries, but not Taiwan, Somalia, North Korea, Western Sahara or Myanmar. Furthermore the TRACE Matrix top-ten list correlates at 50% with the TI CPI 2014. At the flop-ten, the correlation amounts

[1] Transparency International, Corruption Perceptions Index 2014, http://www.transparency.org/cpi2014

[2] Fund for Peace, Failed States Index 2013, http://library.fundforpeace.org/library/cfsir1306-failedstatesindex2013-06l.pdf

[3] Australian Institute for Economics and Peace, Global Terrorism Index 2014, http://economicsandpeace.org/research/iep-indices-data/global-terrorism-index

[4] TRACE, Matrix 2014, http://www.traceinternational.org/trace-matrix/

to a mere 20%. Ireland is indicated as the country with the lowest business bribery risk and Nigeria displays the highest risk. Also the comparison of BRIC countries shows significant divergence against the TI CPI 2014.

According to TRACE, their index is supposed to support companies in the assessment of public-sector bribery and associated business risk. However, its data sources are limited to samples from stakeholder interviews which appear as hardly representative. The development of this index in the next years will show the usability for a company's compliance processes.

Another new analysis regarding international corruption was released by the Organisation for Economic Co-operation and Development ("**OECD**") in December 2014. Their *Foreign Bribery Report 2014*[5] analyzed a total of 427 cases concluded between the entry into force of the OECD Anti-Bribery Convention in February 1999 and June 2014.

Among the key findings of the OECD analysis was the risk exposure of intermediaries. They were involved in three out of four foreign bribery cases. Thereof, in more than 45% of the cases agents were used to actually make the bribe payment. The majority of cases was triggered by internal audits and M&A due diligence procedures. One in three cases came to the attention of authorities through self-reporting.

Another key finding was the correlation between an industry's proximity to the public sector and the probability to commit bribery. The closer an industry sector interacted with public clients, the higher was the probability of bribery. Almost half of all reported cases occurred in the top three industry sectors (1) extractive, (2) construction, and (3) transportation and storage. The majority of all reported cases involved bribes to obtain public procurement contracts. Almost all bribes paid (80%) were promised, offered or given to state-owned enterprise representatives, i.e. public officials.

In comparison to the OECD analysis, the *TRACE Global Enforcement Report 2013*[6] (TRACE GER) underpinned an analogous industry trend. Here, the extractive industry as well as the engineering and construction industry was among the sectors with the highest amount of law enforcement on the grounds of corruption and bribery.

In consequence of the OECD results, businesses operating with public sector clients are well advised to keep a particularly close eye on the actual business conduct of their contractors, requiring state-of-the-art compliance processes to review business partners' compliance for instance.

The high amount of very recent activity in reporting and indexing corruption by several organizations clearly underscores the continued importance and growing maturity of the fight against worldwide corruption at the analytical front. In that respect, companies are well advised to carefully monitor these analytical trends. Yet a truly effective Compliance Management System ("**CMS**") must reach deeper. Therefore companies must take conscious decisions on what and how to implement in their preventive compliance processes. While it could be considered for very advanced CMS variations to integrate the new TRACE Matrix in addition to the "traditional" TI CPI there seems to be no compelling reason to replace the well established TI CPI in its yearly recurring new version by the "newcomer" TRACE Matrix.

[5] OECD, Foreign Bribery Report 2014, http://www.oecd.org/corruption/oecd-foreign-bribery-report-9789264226616-en.htm

[6] TRACE, Global Enforcement Report 2013, http://www.traceinternational.org/about-trace/publications/

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