

GIFT-WRAPPING BRIBERY: LAW ENFORCEMENT AGENCIES FOCUS ON CORPORATE PERKS IN ASIA PACIFIC

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News

In a region with strong cultural traditions of gift giving and relationship building, companies need to pay heed to a renewed focus by anti-bribery enforcement agencies on the use of gifts and hospitality in Asia Pacific.

Herbert Smith Freehills' latest guide, *Gifts, entertainment, travel and training: Compliance with anti-bribery regulation in Asia Pacific*, navigates the underlying law and practice in this complex area across 15 Asia Pacific jurisdictions.

The guide also explains the position of gifts and hospitality under the US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act. These long-arm statutes have been used to investigate non-monetary benefits, with major FCPA fines levelled against companies in recent years over lavish gifts, hospitality and tours in Asia.

"It can be hard to decide where acceptable relationship building stops and the crime of bribery starts, but companies can no longer ignore this area of corporate compliance," said Kyle Wombolt, Global Head of Corporate Crime and Investigations at Herbert Smith Freehills.

"We are seeing law enforcement agencies, both international and domestic, focusing on gifts, hospitality, donations, travel perks, conferences and tours in their investigations. And new legislation in the region supports this broader scope."

Kyle emphasised that this is no longer just a concern for those working in or with the public sector, as the focus on private sector bribery increases across the region. "There is definitely an increased appetite to prosecute pure private sector bribery. South Korea and Vietnam are two jurisdictions where new legislation covers the acts of private sector individuals."

From a practical perspective, Kyle said: "*Companies need risk-based controls that take on board not only the law but the market, relationship and culture. Transparency is key and our guide looks in particular at the impact of internal authorisation on liability.*"

Learn more about guide [here](#).

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