

# CROSS-BORDER MINING SERVICES

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## Policy safeguards suppliers and service providers in mining industry

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### CORRUPTION-FREE MINES

An anticorruption framework will provide guidance to employers and employees with regard to preventing bribery

**T**he predominant policy that should be in place regarding the relationship between suppliers and service providers is an anti-bribery and corruption policy, says legal services company ProEthics founder Dr **Janette Minnaar-van Veijeren**.

An anti-bribery policy and framework demonstrate a company's commitment to preventing bribery and corrupt activities, and staff (and even third parties to the organisation) should be provided with training to become familiarised with the information it contains. The policy should also clearly define the ethical values that the company commits to and provide safe avenues for reporting transgressions. Any violation of the policy and ethical standards should be investigated, and if serious, the offender should be dismissed as the trust relationship will have been irreparably damaged as a result of the dishonest behaviour.

Having an anticorruption framework

in place, provides guidance to employers and employees with regard to preventing, detecting, reporting and investigating bribery. This minimises the risks of bribery and corruption occurring in the business and therefore will protect the company from facing negative repercussions with the law.

Minnaar-van Veijeren elaborates with the following example. "If a contractor invites a site manager on an expensive fishing trip and the manager accepts the invitation, the manager might become less objective towards the contractor because the relationship has extended beyond the professional boundaries. This could lead to the beginning of a corrupt relationship, because the manager might continue to approve the contractor's invoices despite the contractor neglecting the quality of his work. This could clearly have a detrimental impact on the outcome of that particular project."

She highlights that a mining company

may contractually bind all its service providers, subcontractors and consultants to its anticorruption policy and its ethical values to ensure that a high standard of ethical behaviour is followed by all. This will also protect its reputation for doing honest business and it will be regarded as a mitigating factor, should an employee or contractor be accused of bribery.

In instances where a mining company does business with a supplier or service provider in another African country and that supplier does not comply with the contractual agreement, the mine is at liberty to terminate the contract and inform the local authorities of any corruption that may be taking place.

There has been a positive change in many African countries, where local authorities are prepared to cooperate with some of the larger jurisdictions, such as the US, the UK and some European countries, to successfully prosecute companies and individuals