



## English Summary of decision 2014:4 by the IMM Ethics Committee

Stockholm 2014-10-09

### The matter

A trade organization will organize a mass where 500 municipal employees will be invited. The municipalities that choose to send their employees to the mass will pay for the employee's participation. Costs of lunch, coffee and dinner are included in the registration fee.

Many of the exhibitors are suppliers, which the invited municipal employees are working towards. A large part of the mass is a product exhibition, where existing and potential suppliers to the various municipalities are providing information on their products.

The trade association which organizes the mass is planning to provide all participants with a surprise before the dinner that ends the mass. The surprise consists of a drink and few canapés.

The trade organization has no budget to pay for the surprise, and therefore intends to offer some of the exhibitors to sponsor the surprise. The participants at the mass will be provided information on the sponsors of the drink.

It may be assumed that among the participants will be both those who have jobs involving public authority or public procurement and participants with other duties; therefore both Section B 4 and section B 5 of the Code of Business Conduct will be actualized.

The question to the Ethics Committee is whether it is in line with the Code of Business Conduct to offer the drink for the municipal employees and if the answer is affected by the knowledge of the sponsors of the surprise.

The Ethics Committee bases its assessment on the description provided by the trade organization.

### Considerations

The question in the matter is whether it is compatible with the Code of Business Conduct to offer municipal employees a drink and canapés and if the information on sponsors would affect the outcome of the decision by the Ethics Committee.

What the Ethics Committee has to decide is first whether it is a question of inappropriate benefits pursuant to section B 5 of the code.

### The value of the benefit

According to the Code of Business Conduct the risk of effects on a behavior increases with the value of the benefit (economical and personal value). In assessing if the value of the benefit is behavior-affecting the value must be viewed from the recipient's point of view.



### **The position of the recipient**

The participants consist of those that could be working directly with authority or public procurement as well as persons who could be ordering from existing agreements with suppliers.

### **The nature of the benefit**

The risk that a benefit is to be seen as effecting ones behavior increases the weaker the link is to the receiver's duties. The surprise in the form of canapés and a drink, is in this case, is to be seen as non-deviating from accepted forms of interaction.

### **Receiver circuit and forms of offer**

Invitations, as described in this case, should be sent directly to municipalities, which will consider whether the employees should participate.

In relation to section B 4 the same assessment as in relation to section B 5 is made, though more precaution should be held in relation to benefits in connection to public authority or public procurement. In the situation where a drink would be offered or given directly to a certain employee it could hardly be acceptable.

The judgment will though be the opposite in the current case when the drink is offered to a wide circuit in accordance with common ways of interaction.

### **THE DECISION BY THE ETHICS COMMITTEE**

The surprise in the form of canapés and a drink, which is sponsored by selected exhibitors, is - as it has been described to the Ethic committee in this specific case- in line with the Code of Business Conduct.



### **The question**

the recipient has the authority to make purchases in the department store and non-permitted.

### **The nature of the Benefit**

The lunch offer has no natural connection to and do not form a natural and useful part of the work carried out by the recipient. The offer cannot be seen as in line with ordinary forms of interaction between the private and public sector. Therefore it cannot be seen as acceptable even in relation to the employees of the municipality where it isn't behavior affecting.

### **The group of recipients and the forms for offering the Benefit**

**According to the Business Code of Conduct a benefit should be directed at a broad group of people rather than to specific individuals.**

In the present case, the benefit is

### **THE DECISION BY THE ETHICS COMMITTEE**

The offer of lunch is, as has been described for the Ethics Committee, is not in line with the Code of Business Conduct.