

Steps taken to implement and enforce the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions

ISRAEL

(Information as of 20 February 2011)

Date of deposit of instrument

The instrument of ratification was deposited with the OECD Secretary-General on 11 March 2009.

Implementing legislation

- The amendment to the **Penal Law, 1977** (Article 291A) establishing the criminal offence of bribery of a foreign public official came into force on 21 July 2008.
- An amendment to the **Penal Law, 1977** increasing the maximum sanctions for active bribery, both foreign and domestic came into force on 4 February 2010. The amendment sets the sanctions at the following level:
 1. Maximum prison sentence of seven years;
 2. The maximum fine for the domestic and foreign bribery offences for natural persons is now 1,100,000 ILS. The maximum fine against a legal person now stands at 2,200,000 ILS. Alternatively, the court can now impose a fine of up to four times the benefit obtained by the offence or intended to be obtained by the offence.
- An amendment to the **Penal Law, 1977** (Article 291A) which expands the definition of a "Foreign Country" and stipulates that a foreign country also includes "a political entity that is not a state, including the Palestinian Council", came into force on 25 February, 2010. The amendment also cancels the dual criminality requirement for nationality jurisdiction over the offence of foreign bribery. The amendment modifies Article 15(b) of the **Penal Law** to the effect that nationality jurisdiction for the foreign bribery offence would be applicable even in cases where the offence is committed in a country where the act is not considered an offence according to its law.

Other relevant laws, regulations or decrees that have an impact on a country's implementation of the OECD Convention or the Recommendations

- Israel Tax Authority's Income Tax Circular 2/2011 "The prohibition of bribery of Foreign Public Officials", binding on all staff of the Israel Tax Authority, referring to the amendment to Article 32 of the Income Tax Ordinance and clarifying explicitly that the amendment applies also to payments of bribes to a foreign public official, issued on 23 January 2011.
- State Attorney's Guideline No. 9.15 "Aggravation of Sanctions and Sanctioning Policy for Bribery Offences", the Guideline instructs prosecutors to implement the policy set forth by the legislator in raising the sanctions for bribery offences, issued on 11 March 2010.
- Amendment to Article 32 to the Income Tax Ordinance establishing the non-deductibility of payments made "in violation of any law" enacted on 16 November 2009.

- Attorney General's Guideline No. 4.1110 "*Attorney General Guideline – the Prohibition of Bribery of Foreign Public Officials- Article 291A of the Penal Law, 1977*", established to clarify policy in regards to the investigation and prosecution of the foreign bribery offence, issued on 2 November 2009.
- Civil Service Commission Circular, issued on 19 October 2009 - The circular informs public officials of the offence, the Convention and reporting duties on that regard.

Other information

Relevant authorities

- Israel Police
- Office of the State Attorney, Israel Ministry of Justice
- See also Israel's notification on Responsible Authorities under Article 11 to the Convention.

Relevant internet links

www.corruption.justice.gov.il

Ratification of other relevant international instruments

- The United Nations Convention Against Corruption
- The United Nations Convention Against Transnational Organized Crime

Working Group on Bribery Monitoring Reports

Phase 1: Review of Implementation of the Convention and 1997 Recommendation (March 2009)

<http://www.oecd.org/dataoecd/39/49/42394878.pdf>

Phase 2: Report on the Application of the Convention and the 1997 Recommendation (December 2009)

<http://www.oecd.org/dataoecd/60/10/44253914.pdf>