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U.S. CONGRESS SHOULD MOVE QUICKLY TO PASS THE FOREIGN EXTORTION PREVENTION ACT

Washington, D.C. – The U.S. Congress should pass the [Foreign Extortion Prevention Act \(FEPA\)](#), introduced in the House of Representatives last August, Transparency International said today.

The bill would expand current federal bribery law to cover any foreign official who “corruptly demands, seeks, receives, accepts, or agrees to receive or accept anything of value” to influence an official act.

“This short, simple and commonsense change to existing law would update federal anti-bribery law for the 21st century,” said Scott Greytak, Advocacy Director for the U.S. office of Transparency International. “If passed, the FEPA would strengthen U.S. anti-corruption efforts and help deter cross-border bribery schemes by addressing the ‘demand side’ of these corrupt deals.”

Since its adoption in 1977, the Foreign Corrupt Practices Act (FCPA) has served as an effective measure for regulating the ‘supply side’ of bribery by prohibiting U.S. companies and individuals from offering or paying bribes to foreign officials. But foreign public officials demanding bribes from U.S. companies have so far often enjoyed impunity, even as bribe-giving companies have been prosecuted by U.S. law enforcement over the same scheme.

“While the laws of many leading countries – and of nearly every state in the U.S. – criminalize the equally pernicious demand side of bribery, U.S. foreign bribery law is silent on the subject,” added Greytak.

This incomplete legal framework means that U.S. law enforcement can tackle only part of foreign bribery schemes in which companies are entangled around the world. When there is no enforcement on the demand side, foreign officials are often free to extort bribes from U.S. companies. It also means the people of the countries whose officials extort bribes continue to pay the price of corruption.

The U.S. Department of Justice had tried previously, without success, to read the FCPA more broadly in order to prosecute the demand side of foreign bribes.

"It's now clear that Congress, and Congress alone, is capable of providing law enforcement with the tools they need," argued Greytak. "We urge the U.S. Congress to fill the void left by the FCPA by approving the FEPA with expediency."

France, Switzerland, the United Kingdom and many other major economies have all passed anti-bribery laws that criminalize the solicitation or receipt of bribes by foreign officials. Concerns about the failure of 'demand-side' countries to prosecute their public officials have also been recently raised by the Organisation for Economic Co-operation and Development.

Foreign bribery undermines public health and safety, threatens national security and diverts scarce taxpayer money. The FEPA would strengthen the ability of U.S. law enforcement to combat the harmful and disruptive impacts of cross-border corruption.

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