Carlsberg is investigating suspected bribery

Danish companies should in no way rely on the use of bribes in other countries, emphasizes K and SF. Carlsberg bullet digger charges of bribery in his Indian subsidiary.

The Carlsberg brewery group has initiated a comprehensive audit study in India.

This is according to Carlsberg's information manager, Kasper Elbjørn. The decision comes after Berlingske, in connection with a history of bribery in Carlsberg's Indian subsidiary, submitted a number of documents on the case to the Carlsberg management in Copenhagen.

Since Berlingske contacted Carlsberg about two weeks ago, Carlsberg "has decided to initiate a comprehensive review of all relevant processes regarding applications for permits, licenses and the like in India," Kasper Elbjørn writes to Berlingske.

Over the weekend, Berlingske has brought articles that top executives in Carlsberg India have for many months provided cash under the table to local officials.

Berlingske is in possession of material that mentions more than 200 separate payments to a number of Indian officials. The internal messages were exchanged over 18 months in 2015 and 2016. The messages refer to single payments ranging from 2,500 rupees (approximately DKK 240) to officers' drivers and up to 125,000 rupees (approximately 11,800 kroner) to high-ranking officials. The payments seem to have been carefully put into system, the documents show. In the same case, the same officials receive the same amount - month after month.

The money is, among other things, given to secure a Carlsberg brewery in India faster processing and easier production conditions. In a number of cases, the payments have been approved by a then Carlsberg India board member, the documents show.

Criticism from politicians

Berlingske has presented the material to several experts. They overall believe that it clearly resembles bribery. Professor of Criminal Justice at the University of Copenhagen Jørn Vestergaard refers in particular to the system and states that it appears that the Danish Criminal Code has been violated.

From Christiansborg there are also critical comments.

Business spokesman Lisbeth Bech Poulsen (SF) believes it is serious if key people in Carlsberg India have been bribing Indian officials to get the business running.

“We know that bribery takes place in many countries, but Danish companies should not be able to support it. Corruption is devastating for the countries and citizens living in those countries, ”says Lisbeth Bech Poulsen.

The former business minister and member of the business committee of the Conservative Rasmus Jarlov also looks seriously at the matter. He emphasizes that the debate is important because it is difficult for Danish companies to navigate in countries where money is under the table everyday. But Rasmus Jarlov points out:

"It is clearly questionable if Carlsberg has been involved in bribery. I really think a lot of it is happening in many business environments around the world. It doesn't get any better, but I don't think it's unusual, unfortunately, ”he says.

In fact, Carlsberg has previously investigated bribery suspicions in the Indian subsidiary, says Information Manager Kasper Elbjørn.

Employee pointed to bribery

In 2017, Carlsberg was presented with 'a smaller selection' of the material that Berlingske just submitted to Carlsberg.

At that time, according to Carlsberg's case, the case was about a disgruntled employee who was believed to have been wrongfully dismissed and at the same time claimed that an Indian Carlsberg brewery had been bribed in 2015 and 2016. He wanted Carlsberg to pay him two million dollars and threatened to go to the press otherwise, informs Kasper Elbjørn.

The allegations led Carlsberg to open an investigation. In Carlsberg's own words, it was conducted by a respected external law firm and involved a leading international law firm, while the material was collected and verified by a former judge.

"The investigation concluded that the alleged dismissal was a resignation that was strictly in accordance with the rules and that it was not possible to prove any of the allegations of lubrication or bribery," Kasper Elbjørn writes to Berlingske.

But Berlingske has now presented Carlsberg with "substantially more material" on the matter, and that is what prompted Carlsberg to open the comprehensive audit study.

According to Carlsberg's policy, no lubrication or bribery is allowed.