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INDEPENDENT NEWS FROM RUSSIA

Hewlett-Packard Fined in US for Bribing Russian Prosecutors

By The Moscow Times

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HP is the latest comany to be slapped on the wrist for bribery in Russia

The Russian subsidiary of U.S. information technology giant Hewlett-Packard, or HP, was fined $58 million after pleading guilty to bribing Russian officials in order to secure a lucrative contract, the U.S. Department of Justice said in a statement Thursday.

The Russian Prosecutor General's Office is the latest Russian state agency that multinational businesses have admitted to bribing, though none have yet faced any legal trouble in Russia so far.

HP's Russian subsidiary made illegal payments of at least 7 million euros ($9 million) in Russia, using slush funds, buyback schemes and shell companies win a contract worth 35 million euros ($42 million) to supply computers and other technological products to the prosecutors' office, the statement said.

Russian officials spent the money on, among other things, travel, luxury cars, jewelry, clothing and furniture.

The Department of Justice did not say when the incident took place.

The U.S. Foreign Corrupt Practices Act, or FCPA, makes companies that do business in the United States legally responsible for corruption abroad.

Since 2010, numerous multinational corporations have admitted to violating the FCPA in Russia.

Besides HP, whose combined fines total $108 million, the list includes German car maker Daimler, U.S. pharmaceuticals giant Pfizer and German tech firm Siemens.

Agencies implicated in accepting the bribes in Russia include, the customs authorities, the Interior Ministry, the Health Ministry and the Federal Guard Service, as well as the Prosecutor General's Office.

None of the Russian agencies have faced any criminal cases at home.

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