

Case study – Sponsor an educational event

A Chinese subsidiary of a US-headquartered pharma company intends to sponsor a third-party educational event in China. The event is hosted by a Chinese hospital and is intended to train doctors from other hospitals in China. The host hospital is one of the Chinese subsidiary's existing customers. The sponsorship is offered in exchange for an exhibition booth and speaker slots at the educational event.

How can compliance risks be mitigated under the FCPA as well as under PRC anti-bribery laws and rules (e.g., rules issued by the National Health and Family Planning Commission)?

Risk assessment



Compliance with FCPA does not guarantee compliance with local rules

Will compliance risks be different if...

- Hospitals charge a registration fee that is much higher than the actual cost of the event?
- A potential customer is sponsored instead of an existing customer?
- The Chinese subsidiary self-organizes the educational event in the training centre of the US pharma company's headquarters and invites its existing and potential customers to attend the event?