



Economic crime and misconduct

Tackling economic crime

Misconduct and economic crime such as fraud, bribery and corruption, money laundering and sanction breaches can manifest in a number of adverse ways which have devastating consequences on society.

Such behaviour or activity can have a considerable impact on an organisation and its executives, including damage to reputation, loss of shareholder value, penalties and corporate or even personal liability.

Protect

Organisations are operating within an increasingly complex legislative and regulatory environment. Faced with a number of external and internal obligations and pressures, it is critical that the identification and management of risk is optimised in order to protect brand and reputation, and create and maintain value for all stakeholders. Furthermore, as organisations focus more on what it means to be a responsible business, momentum is building behind the importance of ethics and how building an “ethical organisation” can create and increase value.

Building a comprehensive understanding of the legislative and regulatory risk landscape continues to be a challenge for organisations. The sheer pace and volume of regulatory change, operating across multi-jurisdictional landscapes and poor line of sight over business activities are all contributing factors. Areas such as corruption, fraud, money laundering, sanctions, data protection, anti-trust and tax evasion are just some of the risk areas that continue to be a challenge to manage, monitor and report as to the effectiveness and efficiency with which they are being controlled.

Poor line of sight over the management of legal, regulatory and ethical risk is a complex challenge faced by leaders of all organisations.

Ethics and compliance are two critical parts of the organisational machinery that are coming increasingly under the spotlight, not just from regulators but also from society as a whole. In order to respond to this shift, the historical ways of dealing with these areas are no longer fit for purpose. Businesses need to be able to identify their ethics and compliance risk in a dynamic manner, respond to this risk with a fit for purpose operating model and provide insight over the effectiveness of the framework, all whilst ensuring that the ethical compass of the entire business is aligned to the organisational values.



Protect

We help build resilience and protect the value of an organisation by enabling organisations to operate with integrity.



Monitor

We help monitor across economic crime domains through the use of technology and data analytics.



Respond

We help our clients respond to business as usual or event driven economic crime issues.

Is your Ethics & Compliance function fit for the future?

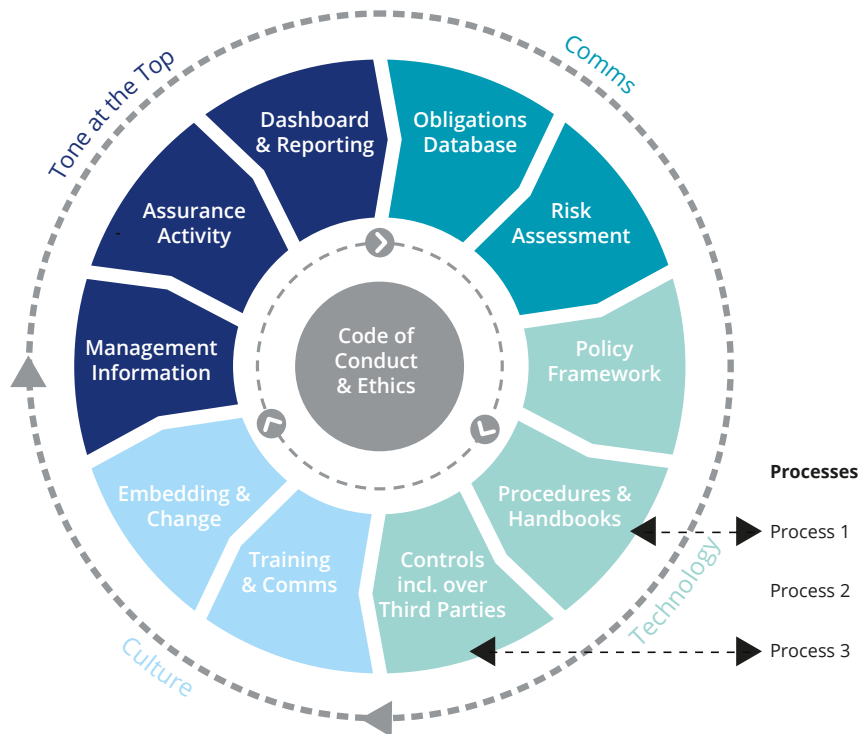
A clearly articulated and fit for purpose framework is critical to ensure that all obligations are understood and met in an efficient manner, whilst also improving the line of sight of how regulatory and integrity risks are being managed. Establishing a framework for embedding, measuring and continuously improving ethics remains a conundrum. However, technology can play a part in solving this problem. More intuitive and malleable technology enables functions to more efficiently conduct organisational-wide risk assessments which drive compliance in to the business to reduce the burden on the front line, without creating a huge second line function. Importantly, all of this needs to be underpinned by the ethical compass of the organisation.

Ongoing assurance

We help our clients ensure they have an appropriate monitoring and assurance capabilities in place aligned to the key risk faced and that management are getting the information they need to ensure mitigation of Economic Crime risk in line with risk .

Risk Assessment

We support our clients in identifying, assessing and mitigating the major Economic Crime risks to their business



Training and culture

We help our clients design and deliver tailored training and communications packages that puts their workforces in the best possible position to identify Economic Crime risk and respond appropriately.

Policy, procedure and controls review

We conduct reviews against regulation and industry best practice and make recommendations that enhance our clients' policies, procedures and controls ensuring alignment with and building upon the ethics and values of the organisation

How we are strengthening our clients' resilience to **protect** against economic crime

Review and integrity due diligence on third party relationships

The Client challenge

Our European multinational chemicals client needed to protect their organisation against economic crime risks associated with their global third party relationships.

How we added value

Our work has included: an anti-bribery compliance review of over 1,000 of the client's third parties – customers, agents, distributors and vendors – across 60 jurisdictions, including China, Japan, Indonesia, Brazil, Chile and Saudi Arabia. We conducted in-depth due diligence on third parties, and bespoke enquiries to support investigations; including most recently, identifying the ultimate beneficial owner of a Russian based third party, where concerns had been raised regarding a lack of ownership transparency.

Impact

We provided our client with an understanding of the potential areas of economic crime risk within their supply chain, and armed them with the knowledge needed to take necessary action to prevent further breaches of their anti-bribery and corruption policy.



Identification and protection against economic crime risks



The Client challenge

Our client, a global drinks manufacturer, was looking to make a significant acquisition of a company based in a country in which the payment of bribes and facilitation payments was believed to be common practice. Our client wanted to understand whether acquisition of the target would expose it to global anti-bribery legislation due to the practices being adopted by its large workforce. In the event that there had been a history of making bribes or facilitation payments, our client wanted to be on the front foot in terms of being able to adapt practices in order to bring them into line with global anti-bribery legislation.

How we added value

Our team of forensic accountants and anti-bribery experts, with a depth of experience in FCPA investigations, performed a large desk based review of relevant policies, procedures, contracts and other documentation to assess the anti-bribery framework and controls in place. It followed this up with a comprehensive transaction testing exercise which focused on higher risk accounting ledgers and involved vouching to physical documentation at the client's premises and making enquiries. We also worked closely with the client's internal and external counsel and jointly undertook more than 50 interviews of staff at all levels of the organisation to better understand sales and other practices and assess the bribery risk.

Impact

Our detailed report findings and recommendations provided the client with the necessary detail they needed to make an informed decision on the acquisition and also put it in the best possible position to implement any necessary remedial measures post acquisition.

Embedding an economic crime compliance programme globally

The Client challenge

We were engaged by our global steel manufacturing client to develop a testing methodology and deliver a joint sanctions, export controls and anti-bribery and corruption programme globally.

How we added value

We developed a programme that covered multiple different business units over 24 countries, examining compliance with both local, US and UK extra-territorial legislation in these domains, which required interactions with various government officials across several jurisdictions.

We deployed multiple teams to conduct this work concurrently, and also identified potentially suspicious transactions for review, which required data collection (electronic and hard copy), accounting analysis, electronic data review, hardcopy documentation review and interviews with relevant individuals.

The delivery of this work involved updates to key stakeholders at regular intervals and interactions with various government officials across several jurisdictions. We worked together with the Internal Audit and Legal teams to deliver this service, ensuring knowledge transfer and upskilling of in-house resource throughout the project.

Impact

Our work provided our client with critical insight into key risks and exposure the business faced around anti-bribery and corruption and sanctions compliance. We developed a prioritised roadmap of recommended actions to address gaps identified.



Legal and regulatory Compliance Risk Assessment

The Client challenge

Our client, an international Bank with a client base located in higher risk jurisdictions, needed to an independent opinion as to the effectiveness of its OFAC sanctions compliance programme (SCP), in light of commitments made to its regulators and the sanctions risks it faces day to day.

How we added value

Our team of sanctions experts, with a depth of experience in conducting OFAC investigations and building sustainable risk management frameworks, conducted a robust assessment of our client's SCP against OFAC guidance on SCPs. The review looked at how well the SCP was designed to mitigate sanctions risks faced and assessed whether controls were operating effectively and consistently in practice. Through this assessment, we identified gaps against OFAC guidance and identified steps to address these gaps.

Impact

Our detailed report findings and recommendation provided an independent and robust view to the Board of client as to the adequacy of its SCP, enabling our client to meet its commitment to its regulators, whilst providing a detailed set of practical recommendations to further enhance and embed its SCP.



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