



**Navigating with confidence**

Australia and New Zealand's  
Bribery & Corruption Report 2020

March 2020

# About this report

Every two years the Deloitte Australia and New Zealand Bribery and Corruption Report collects data from Australasian risk leaders on their perceptions and experiences of bribery and corruption.

The data in this report is informed by a survey conducted by Deloitte Australia and New Zealand between October and December 2019. The survey was completed anonymously by 159 senior leaders including CEOs, CFOs, CROs, General Counsel, risk and investigation managers from a cross section of industries. These included ASX200 and NZX50 companies, Australian and New Zealand subsidiaries of foreign companies, public sector organisations, not for profit organisations and other listed private companies.

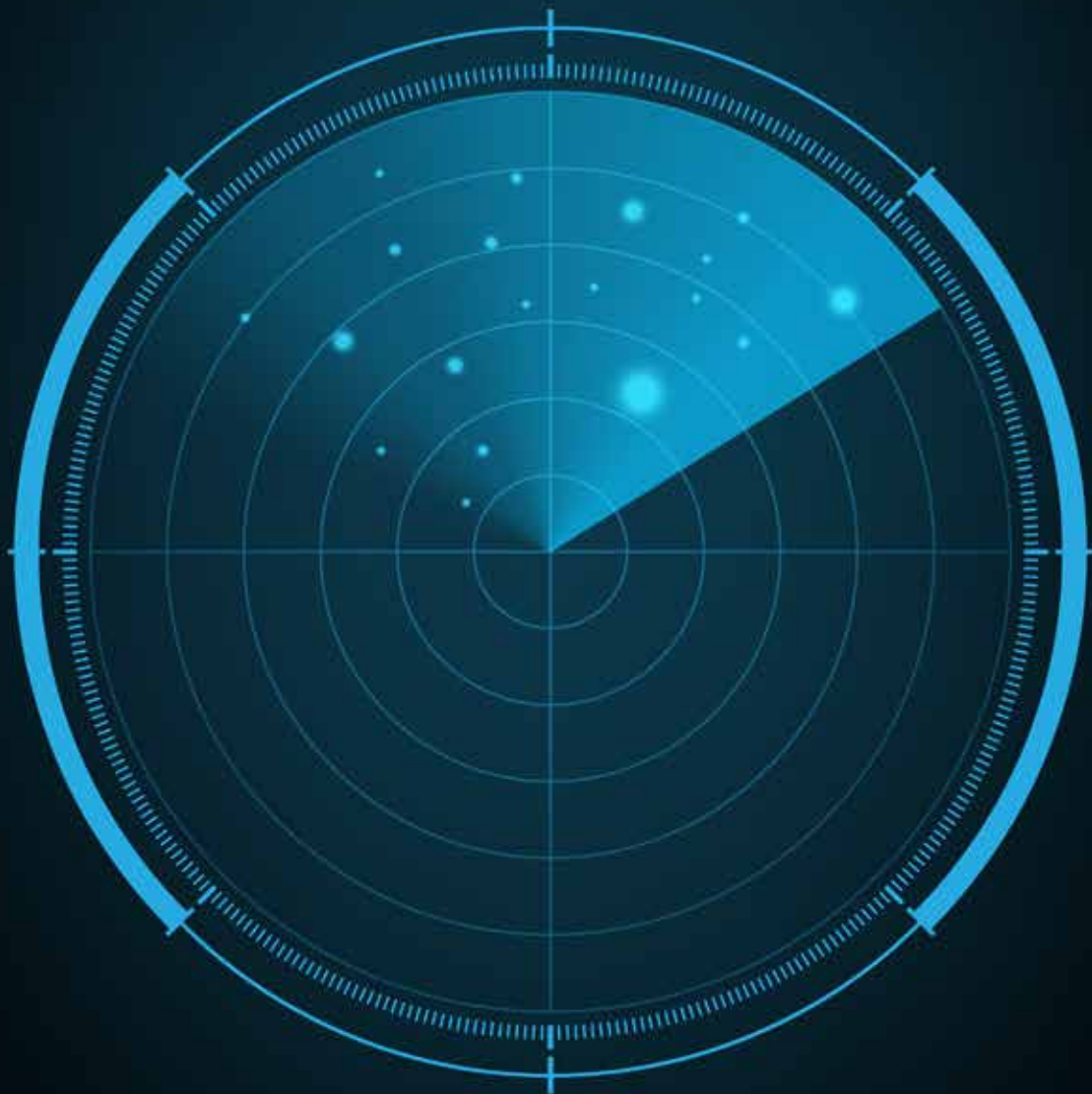
That data is complemented by interviews with other risk leaders across Australia and New Zealand, insights from Deloitte's own subject matter experts, and perspectives from Deloitte partners across Asia Pacific.

Unless otherwise stated, all percentages refer to the results from the survey responses. They are anonymous and confidential, with only aggregate responses reported. Deloitte compiled the information into a series of graphs with commentary based on the answers received in the survey.

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Bribery and corruption captures a range of forms of dishonesty, including conflicts of interest and nepotism.



# Introduction



**Chris Noble**  
**Managing Partner, Forensic,**  
**Australia and APAC**

**Australia:** This year's Australia and New Zealand bribery and corruption survey leaves no doubt that Australia's reputation has slipped over the last two years.

Surveyed risk leaders confirmed the criticality of the 'reputation economy' and the imperative that their organisations ensure their integrity balance sheet is healthy and they can defend it.

Australia's reputation has also dropped down the Transparency International's Corruption Perceptions index. And we have also seen an historic joint communiqué from Australia's anti-corruption commissioners, the changes to strengthen the whistleblower protection legislation, and a proposed 'failure to prevent foreign bribery' offence.

While some Australian companies are leading the anti-corruption way, others need to change. And although our respondents were based in Australia and New Zealand, many operate across the Asia Pacific region. Risks, obligations and operating contexts vary hugely throughout our diverse and dynamic part of the world. Australian organisations must understand and react to these local environments.

Even though corruption hides in the shadows, there is much we can do. This report considers ways to move organisations from making their 'best guess' towards reality. They can do this by leveraging better due diligence, new data analytics technologies, and begin to navigate with confidence.



**Lorinda Kelly**  
**Partner, Forensic,**  
**New Zealand**

**New Zealand:** Since the release of Deloitte's last bribery and corruption survey in 2017, the Serious Fraud Office in New Zealand has successfully secured prosecutions that placed Bribery and Corruption on our front pages.

Unfortunately, it is not surprising that 35% of the participants in this year's survey reported suffering a bribery or corruption incident in the past five years.

Of most concern is that 17% of these occurred in the past twelve months. As bribery and corruption is too often only considered when the damage is done, this edition of the survey focuses on planning and prevention.

An organisation's bribery and corruption risk assessment and internal integrity culture are central to these efforts. Leading organisations recognise this and are increasingly focussing on culture, technology and data to prevent them from suffering an incident and the negative impact of these events.

It is clear that there is still much work to do to continue to make New Zealand a safe place to operate for our local and overseas organisations.

# Executive summary

Australia has slipped downwards since the launch of Transparency International's Corruption Perceptions Index, which rates countries on the basis of the perceived corruption of their public sectors. New Zealand on the other hand has remained at, or close to, the top. Given recent developments, both countries should be asking what these perceptions are based on, and what is the truth?

Meanwhile, community expectations of all three sectors (public, private and not-for-profit) have changed and intensified. This has accelerated the emergence of a 'reputation economy' in which the ethics, professionalism and integrity of an organisation weighs heavily on its Profit and Loss statement. And as our world grows ever closer and more complex, Australasian organisations operating in the wider Asia-Pacific region must appreciate the huge diversity of operating environments, local law and regulatory expectations.

This rising scrutiny elevates the urgency of answering the question of the accuracy of any perceived bribery or corruption in our public sectors and beyond. But it is not easy. Bribery and corruption hide and masquerade. Understanding the risk and catching the incidents requires care and investment.

Our anonymous survey of Australasian risk leaders helps to shine some light on how Australia and New Zealand are doing. Seven key insights emerge.

1

## A handful of Australasian organisations are in real danger.

One in 20 respondents say their leadership does not endorse a no-tolerance approach. 11% noted their organisations did not convey their position on bribery and corruption to staff. These vulnerabilities expose these organisations to incidents, and could mean they will struggle to defend themselves in any prosecution or civil action.

2

## Australasian organisations are more worried about their people being corrupted, than doing the corrupting.

More respondents were concerned about the participation of their staff in the 'demand' side of a corrupt transaction, rather than the 'supply' side. But to create true resilience to bribery and corruption and develop effective controls, organisations must address the whole picture.

### 3 Risk assessments are still not adequately prioritised – but without one, how can you determine your priorities?

More than half of all respondents had not conducted a bribery and corruption risk assessment, giving competing priorities as a key reason. A thorough risk assessment will inform those priorities and provide a bedrock for effective and proportionate control. At the very least Australasian organisations must conduct an enterprise risk assessment this year.

### 4 Conflicts of interest are forefront of mind.

Over the years, undeclared conflicts of interest have steadily mounted as a concern for Australasian risk leaders. It is now the current dominant focus. The fact that many companies still rely on self-disclosure, attestation on employment, and incomplete policy processes, represents inadequate prevention or detection. For 2020 and beyond, organisations will need to use proactive detection through technology, multiple attestation points in the employee lifecycle, and robust conflict management processes after disclosure.

### 5 While most organisations are confident in the due diligence of their staff, their supply chains, especially their subcontractors and agents are at risk.

Third parties are the key source of bribery and corruption risk for all organisations. Australasian organisations need to know who they are dealing with and what is being done on their behalf. While nearly two-thirds of respondents were comfortable with their staff due diligence. However, only a quarter had the same confidence with agents.

### 6 Data analytics are still in the hands of early adopters.

Remarkably, given the breadth of available technology, only 9% of respondents with known incidents use detection data analytics. Australasian organisations need to seize the opportunity to gain early warning of incidents and better understand their increasing risk indicators.

### 7 Culture is king, but few organisations are adequately investing.

While most respondents see culture as their primary focus over the next two years, only 27% reported a clear investment in anti-bribery and corruption cultures. Corruption resilient and bribery aware cultures require investment. Australasian organisations need to understand their risks and invest in managing them accordingly.

# Perception of the risks

As bribery and corruption become risks wherever people, value and interests intersect, two thirds of the survey's respondents perceived their organisation to be at risk of bribery and corruption. Of those that did not, most were in the private sector, and their organisations had neither detected a known incident nor completed a risk assessment. This clearly indicates there is scope for improved visibility and awareness.

The public sector accepted their bribery and corruption risks most, reflecting its ongoing investment in anti-fraud and corruption capability development, while undisclosed conflicts of interest topped this year's list of concerns and has emerged as an area of increased focus over the last five years.

Overall respondents tended to be more concerned about their employees being on the 'demand' side of a corrupt transaction than on the 'supply' side. It is critical that all organisations ensure their people recognise both risks, and implement thorough assessments to determine the scale of the threat. Anti-Bribery and Corruption (ABC) programs need to consider all sides of a corrupt transaction and ensure that the awareness of both managers and employees matches the risk. Relying on self-disclosure of conflicts is insufficient.

## Augment your conflicts of interest policy with:

- Clear, risk-based processes for managing the perceived, possible or actual conflict transparently and accountably
- Internal and external data to proactively detect conflicts
- Embedding conflict attestations into promotions, job changes and project onboarding, not just yearly assessments or when first employed.

### Do you perceive bribery and/or corruption to be a risk to your organisation?

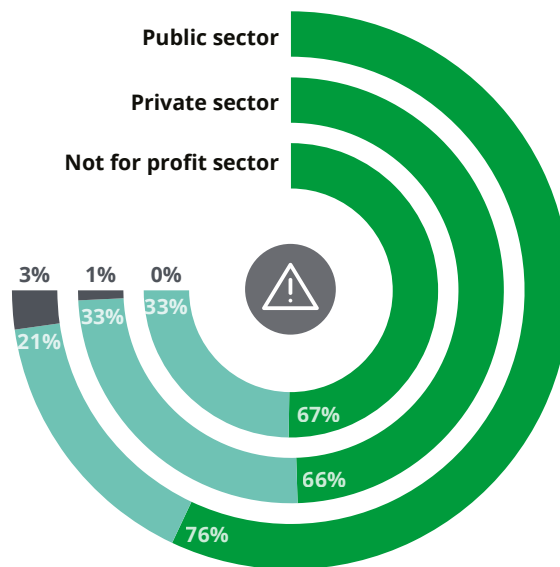
**69% Yes**

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**30% No**

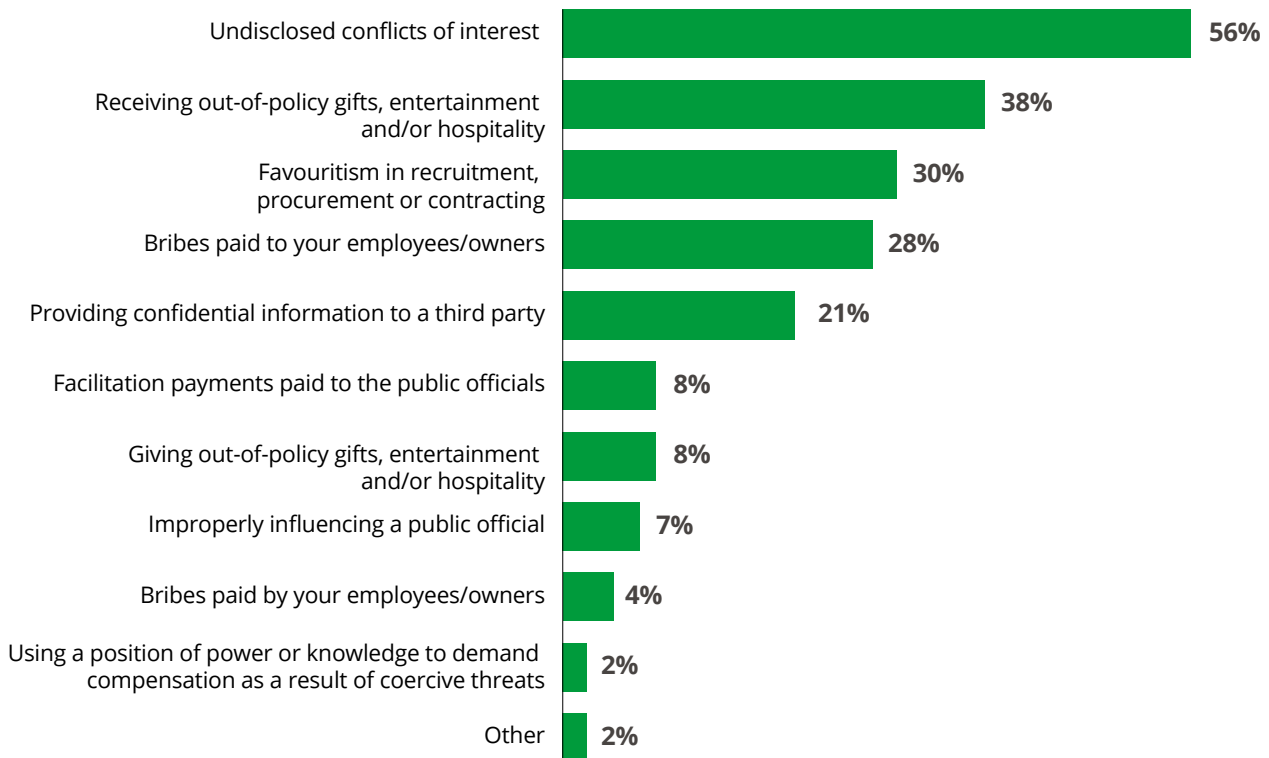
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**1% Don't know**





*What do you consider to be the top three bribery and corruption risks faced by your organisation?*



Each country's focus will increase as the awareness and understanding of ethics and compliance matters improves and matures.

**Manufacturing industry respondent | Australia**

**91%** of respondents perceive bribery and/or corruption to be a risk in large organisations



## Focus on...China



In its efforts to combat corruption, China has provided a comprehensive legal framework in the public and the private sector to criminalize corrupt actions with bribery of public officials as well as corruption of foreign public officials being regulated under the PRC Criminal Code (the Criminal Code) and private bribery being regulated by both the Criminal Code and the PRC Anti-Unfair Competition Law.

In addition, China has several institutions with mandates to address different aspects and levels of corruption. Institutions with the mandate to investigate criminal violations of laws related to anti-corruption are the Supreme People's Procuratorate (SPP) and the Ministry of Public Security.

The Administration for Industry and Commerce has the power to investigate and sanction companies for private bribery, while the National Audit Office inspects the accounts of state-owned enterprises and government entities.

In 2018, the National Supervision Commission was established as a newly consolidated anti-corruption watchdog to take over the functions of the Ministry of Supervision and the anti-corruption units of the SPP and the National Bureau of Corruption Prevention to implement a more preventive approach to corruption, which includes enforcing ethics guidelines, improving transparency in the government, and coordinating anti-corruption efforts among different institutions. Since 2012, the Communist Party of China (CPC) has also launched an anti-corruption campaign to fight against state bribery with the slogan that neither high-ranking "tigers" nor low-level "flies" can avoid punishment. The CPC has since investigated more than 240 senior officials and punished more than 1.14 million party members or government officials

**Chen Zhou**

**Partner, Financial Advisory/Forensic**

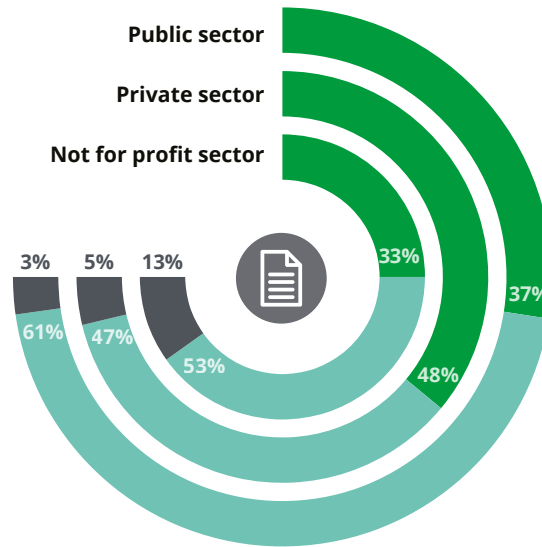
# Risk assessment

Does your organisation conduct a risk assessment?

**44%** Yes

**51%** No

**5%** Don't know



More than half the respondent organisations had not conducted a bribery and corruption risk assessment. This was almost two thirds in the public sector. In the private sector, of the 47% of respondents that had not conducted a risk assessment, a third had an annual revenue of \$500m or more.

Overall, a third of all respondents without a risk assessment had experienced a known incident of bribery or corruption. This had mostly occurred in the last 12 months. Even among respondents that did conduct a risk assessment, the results were not always used to inform the scope and resourcing of their ABC program.

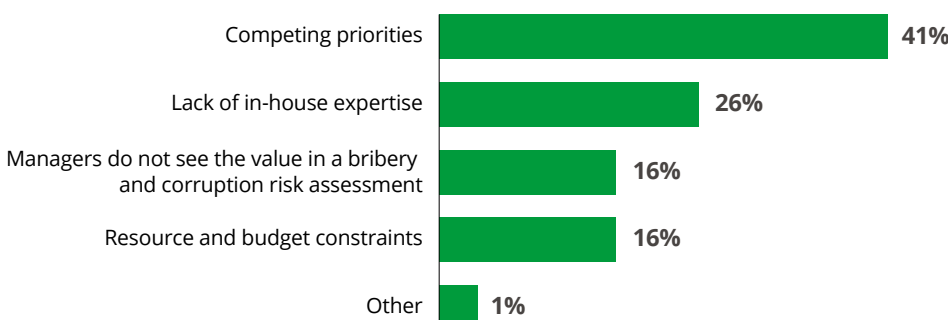
This picture is not dissimilar to our results in previous years. But when we asked why business managers do not carry out bribery and corruption risk assessments, competing priorities and access to expertise dominated the responses.

There is a tension here. Without risk assessment, we cannot be sure that bribery and corruption is correctly prioritised, or that resources are appropriately allocated, or controls proportionate and effective. We cannot even be sure we know what the risks are.

**This is a dangerous place to be. Instead:**

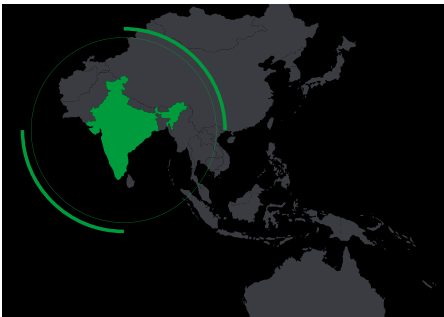
- Risk assessment must be the starting point to understand the risk profile of an organisation, and to stand up its ABC program.
- If organisations do not have in-house financial crime capability, they should seek external help.
- Every organisation should assess its risks of financial crime, including bribery and corruption, in order to prioritise preventative actions and be recognised as a good global citizen.

What is most likely to prevent your business managers from carrying out bribery and corruption risk assessments?





## Focus on...India



India remains a key investment destination for many foreign companies and overseas investors due to its vast, underserved, yet aspirational population. The Indian government has recognised this and undertaken several initiatives to improve the business climate in the country. These include regulatory and economic reforms, infrastructure development to aid connectivity and digitisation, and large scale reskilling and human development initiatives. All of these have contributed to improving India's ranking in the 'Ease-of-Doing-Business Index' – moving the subcontinent up from 134 in 2014, to 63 in 2019.

However, despite these successes, India continues to be affected by bribery and corruption, posing a serious threat

to economic progress. India has had many large scale fraud and corruption cases recently, forcing regulators and enforcement agencies to rethink how they address the root cause of these issues. With this backdrop, the Indian government has introduced various regulatory and legislative measures.

These include efforts by the Ministry of Corporate Affairs of India ('MCA') to strike off names of shell companies that have not been in business for two years and have not applied for dormant status. More than 100,000 companies were struck off by the MCA in 2018 as part of clamping down on illicit funds.

The Lokpal and Lokayuta Act was enacted in 2016 to establish anti-corruption ombudsmen to inquire into allegations of bribery and corruption against public functionaries. The Act also requires public servants to declare their assets and liabilities, as well as those of their spouses and dependent children. Meanwhile, the Whistleblower Protection (Amendment) Act 2015 was enacted to protect anyone disclosing corruption, wilful misuse of power or discretion by any public servant, from harassment. It was also about keeping the identity of whistleblowers secure.

India also demonetised the INR 500 and 1000 currency notes in November 2016. This was in order to curtail the shadow economy and reduce the use of illicit and counterfeit cash for illegal activity and terrorism.

Perhaps the most significant change was the Prevention of Corruption (Amendment) Act 2018 ('PCA 2018'). PCA 2018 directly brought bribe givers under its purview. It introduced the concept of 'corporate criminal liability', which brought both the officers of and the commercial organisation, whether public or private, incorporated in or outside India, but carrying out business in India, under its veil. This means that the number of prosecutions and convictions will increase. Businesses now need to watch out for a likely rise in the enforcement activity.

**Sumit Makhija**

**Partner, Financial Advisory, South Asia**

**Rajat Vig**

**Partner, Financial Advisory, South Asia**

**Aakash Sharma**

**Director, Financial Advisory**

# Prevention

Respondents were overwhelmingly confident in the effectiveness of their own organisations' preventative controls. While this is positive, the caveat may be that nearly a third of all respondents did not have a schedule of work to manage the risks of bribery and corruption. The critical question for executives, then, is are you confident that your controls match your organisation's specific risks?

And although almost two thirds of organisations were confident in their due diligence of staff, confidence dropped off in respect of third parties, and significantly for subcontractors and agents.

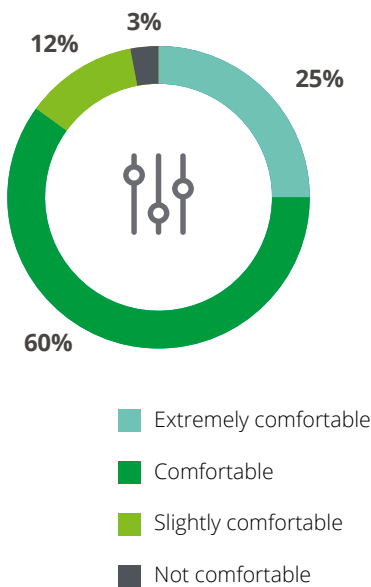
This is important, because many legislative instruments (such as the UK Bribery Act, or the US Foreign Corrupt Practices Act) consider an organisation liable for the behaviour of those acting in its name or interests. Australasian organisations need to know a lot more about who they are engaging.

Not everybody had full confidence in respect of their staff. Non-profit respondents were the least comfortable, perhaps reflecting greater focus on integrity and conduct in that space in recent years.

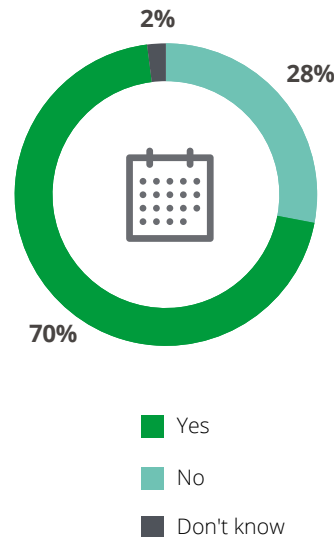
In the information age, a wide array of tools, techniques and technologies are available to help organisations understand who they are dealing with and the risks they present. Organisations need to:

- Take a risk-based approach, matching the proportionality of their due diligence to the risks of their products, services, sectors and jurisdictions.
- Be consistent, applying standardised and reliable approaches to evaluating the risks of second and third parties.
- Recognise that they work in a reputation economy in which the long-term benefit of being a good global citizen may outweigh shorter term gains.

**How comfortable are you that your organisation's key prevention controls are effective and proportionate to your bribery and corruption risk?**



**Do you have a schedule of work to manage risk of bribery and corruption, such as a strategy or program?**



**11%**

of respondents will make implementing or improving risk assessment their most relevant ABC focus area over the next two years

**28%**

of respondents stated that they do not have a schedule of work to manage the risk of bribery and corruption

*How confident are you in your organisation's ABC due diligence checks in respect of the following:*

Due diligence checks on staff

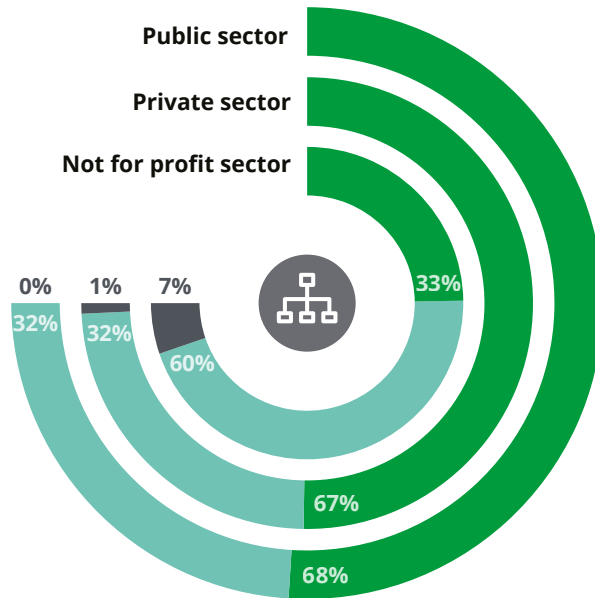
**64%** Confident or Extremely confident

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**35%** Not confident or Slightly confident

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**1%** Don't know / Not applicable



Due diligence checks on third parties

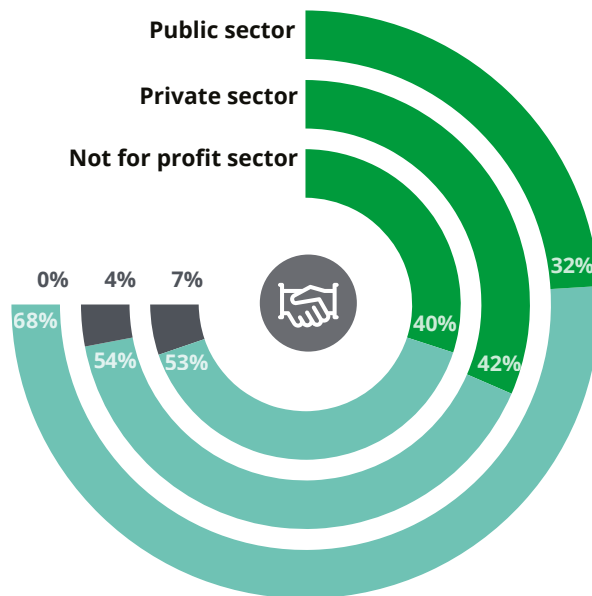
**40%** Confident or Extremely confident

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**57%** Not confident or Slightly confident

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**3%** Don't know / Not applicable

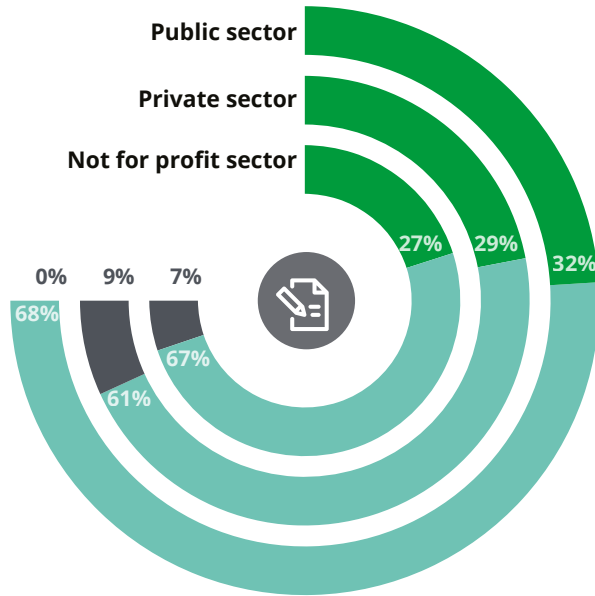


Due diligence checks on sub-contractors

**30%** Confident or Extremely confident

**64%** Not confident or Slightly confident

**7%** Don't know / Not applicable

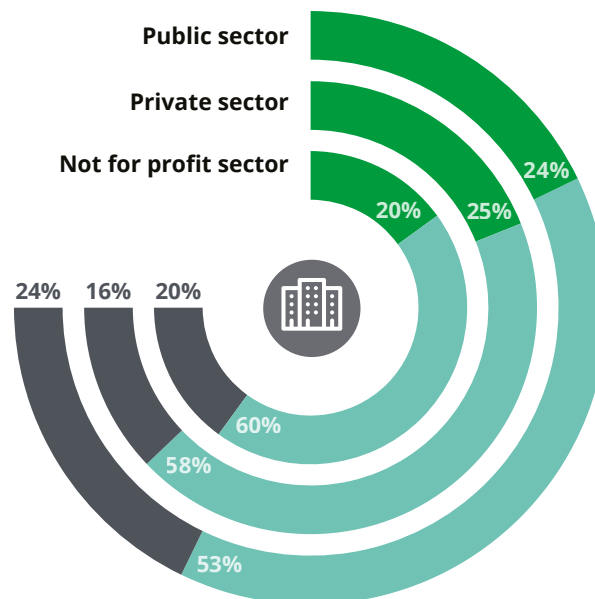


Due diligence checks on agents

**25%** Confident or Extremely confident

**57%** Not confident or Slightly confident

**18%** Don't know / Not applicable





**16%**

of respondents reported that development or uplift of ABC program would be the most relevant focus area for them in relation to ABC in the next 24 months

Resources and corruption seem to go hand in hand.

Public Sector respondent | New Zealand

There is a need to constantly review practices and processes – both internally and with an independent view.

Public Sector respondent | New Zealand



**48%**

of organisations believe that internal training courses are the most effective way to build the capabilities of employees to manage bribery and corruption risk





## Focus on...Indonesia



Indonesia's Anti-Bribery and Corruption is mainly based on:

- Law No. 31 of 1999 on Eradication of Corruption Crimes as amended by Law No. 20 of 2001
- Law No. 11 of 1980 on Bribery
- Law No. 7 of 2006 on Ratification of the United Nations Conventions against Corruption.

The laws govern the seven types of corruption crimes that cause loss to the state's finances. They are bribery, gratuity, malfeasance, extortion, fraud and conflict of interest in procurement. The laws only govern corruption within government sectors that involve state officials, i.e. judges, advocates and contractors that render services to public projects. Corruption in the private sector, where the

organisations do not deal with government entity or officials, is not subject to these laws.

The Indonesian Criminal Code covers corruption in the private sector and such cases would be reported under embezzlement or fraud activity. Furthermore, the Supreme Court of Republic of Indonesia issued Regulation No. 13 of 2016 on Procedures for Handling Criminal Acts by Corporation. Under the Regulation, a corporate is convicted of a crime by the judge, if the corporation:

- Can make a profit or benefit from a criminal act or it was carried out for the benefit of the Corporation.
- Allow a criminal act to occur.
- Does not take necessary steps to prevent and ensure compliance with applicable legal provisions in order to avoid a criminal act.

The Police, the Corruption Eradication Committee (Komisi Pemberantasan Korupsi / 'KPK') and the Attorney General's Office (the 'AGO') are the three law enforcement bodies involved in combating corruption in Indonesia. Each body is authorised to investigate with different levels of prosecution authority.

The KPK was established pursuant to Law No. 30 of 2002, which has recently been amended on Law No. 19 of 2019. Its main role is to investigate and prosecute corruption cases committed by public officials. In the past year, the KPK has led numerous enforcement activities across the country and has been working closely with law enforcers and international regulators in investigating a record number of bribery and corruption cases. However, the recently passed amendment was controversial nationally, particularly because it was viewed as stripping KPK of its authority and independence. Although this may not have direct implications on business operations, companies should nevertheless be aware of any future developments regarding this issue.

**Widiana Winawati**  
Partner, Deloitte Indonesia

# Detection and response

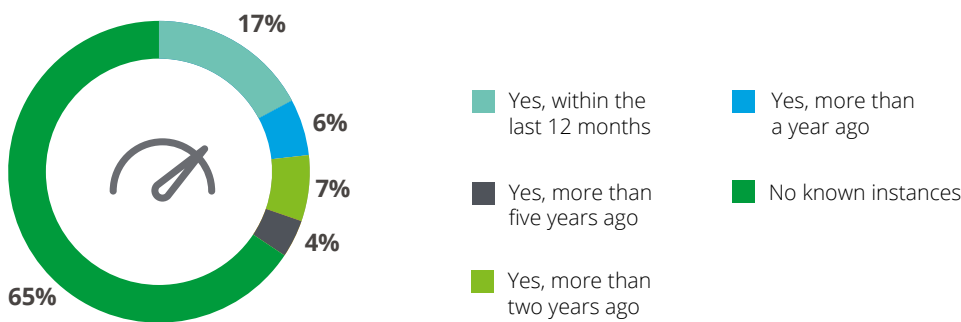
A significant 35% of respondents had experienced instances of bribery and corruption within their organisation, with 17% in the last 12 months.

Tip-offs continue to be the main way fraud and corruption is detected. But it was encouraging this year that when management review, financial review and direct reports to managers were put together, they outweighed tip-offs. This might infer greater vigilance and engagement, and even a greater willingness to challenge bribery and corruption.

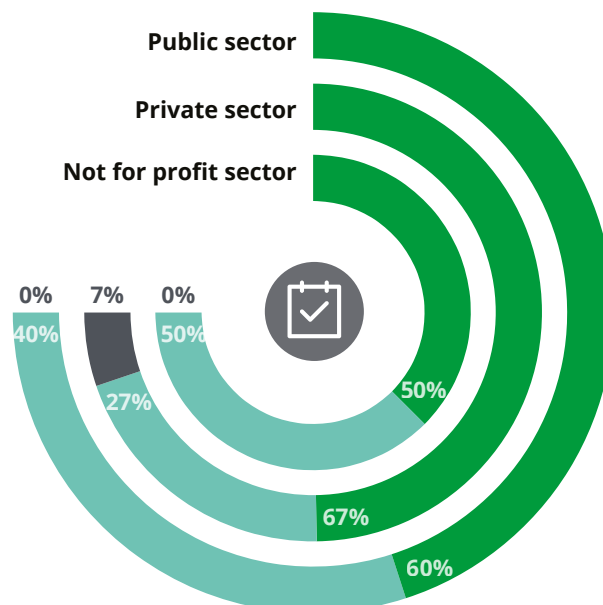
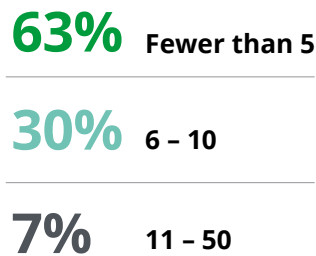
That said, while 65% of respondent organisations reported never having experienced a known incident of bribery or corruption, the majority also reported confidence in their detective controls. This might not be as positive as it may seem. As we know now, bribery and corruption is the form of financial crime that hides and masquerades, and absence of evidence, is not evidence of absence. Organisations should not fear detection. Detection is an indicator of increased diligence and commitment, not an increased problem.

Unfortunately, data analytics technologies still seem under-utilised, with only 9% of organisations detecting incidents this way. In our data-driven world, there are huge opportunities to be had by early warning of bribery and corruption through spotting the footprints. Organisations need to leverage this if they want to retain their confidence in their detective capabilities.

## Has your organisation experienced any known instances of bribery and/or corruption?



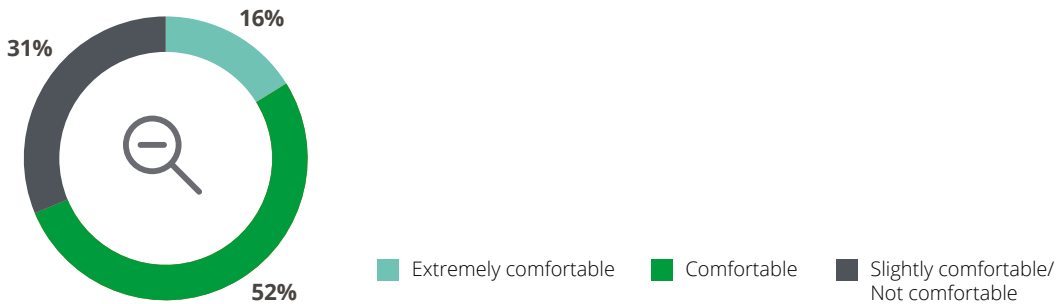
## How many instances of suspected bribery and/or corruption has your organisation experienced in the past twelve months?



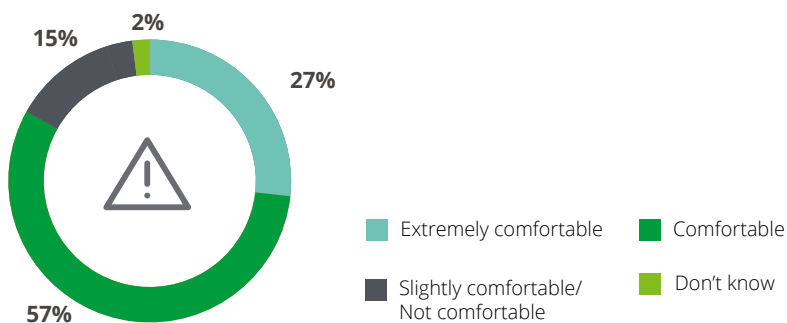
*Percentage of respondents that detected corruption through the following methods:*



*How comfortable are you that your organisation's key **detection** controls are effective and proportionate to your bribery and corruption risk?*



*How comfortable are you that your organisation's key **response** controls are effective and proportionate to your bribery and corruption risk?*





stated that implementing or improving detective data analytics will be the most relevant focus area in relation to anti-bribery and corruption in the next 24 months

Using a whistleblower service has resulted in an increased ability to improve reporting capability to detect fraud, bribery and corruption.

**Energy industry respondent | Australia**

There is a perception that the problem is getting worse, but I don't think so; it's that we are better at detecting incidents.

**Engineering industry respondent | Australia**



## Focus on...Malaysia



From 1 June 2020, Section 17(A) of the Malaysian Anti-Corruption Commission (Amended) Act 2018 will take effect. This introduces corporate liability for corruption offences. It means that a commercial organisation commits an offence if any person associated with that commercial organisation corruptly gives, agrees to give, promises, or offers any person any gratuity for the benefit of the commercial organisation. In these cases, the top management – including directors and/or their representatives – may be liable, regardless of whether they had knowledge of the corrupt acts committed by their employees or any associated persons.

The implication of this new amendment is wide reaching. It has an extra-territorial application given the broad definition of 'person associated with the commercial organisation,' which includes persons who perform services on behalf of the organisation, such as agents, sub-contractors and joint venture partners.

The offence carries a penalty of no less than 10 times the sum of gratification or MYR1 million (whichever is higher), and/or 20 years imprisonment or both.

If charged, the onus is on the organisation to demonstrate that it had 'adequate procedures' in place to prevent such corrupt acts from taking place. These adequate procedures should be aligned to guidelines issued by the Malaysian Prime Minister's office based on the five principles of 'TRUST':

1. Top Level Commitment
2. Risk Assessment
3. Undertake Control Measures
4. Systematic Review and Monitoring and Enforcement
5. Training and Communication.

In addition, in December 2019 Bursa Malaysia (Malaysia's listed stock exchange operator) introduced requirements for listed issuers to establish and implement policies and procedures on anti-corruption and whistleblowing.

These are to be reviewed at least once every three years to assess their effectiveness and be published on its website. They also require that corruption risk be included in the annual risk assessment of the issuer. The amended listing requirements will also take effect on 1 June 2020.

It is vital for Australasian companies and individuals with interests in Malaysian companies to understand whether these companies have in place or have started to take steps to develop and implement their anti-corruption policies and procedures, taking into account the five principles of TRUST.

**Oo Yang Ping**

**Director, Deloitte South East Asia**

# Culture

As in previous surveys, respondents once again saw internal culture as the key to tackling bribery and corruption. They reported strong leadership commitment, expressed primarily through training programs, corporate communications, contracts and policy.

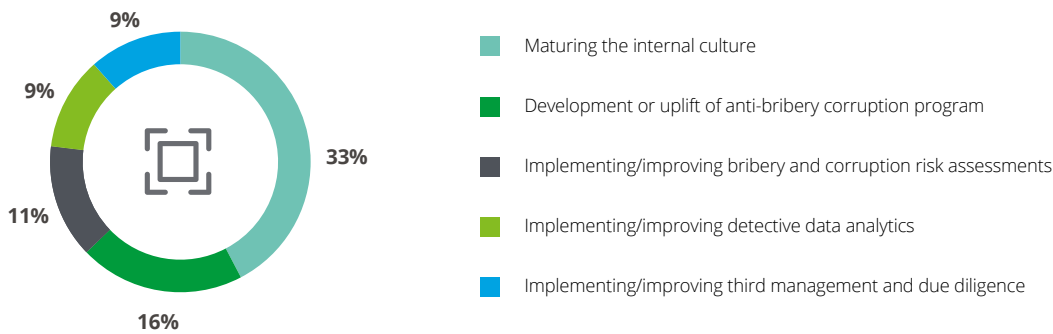
Notably, however, only 27% of respondents reported clear evidence of investment in anti-bribery and corruption. This is important, because perception of action is critical in driving desired behaviour.

To truly manage the risk, positive steps need to be both seen and taken to control it. While most respondents acknowledged the use of reviews and audits, leaders must break out of the cycle of review only, and establish meaningful overt anti-bribery programs.

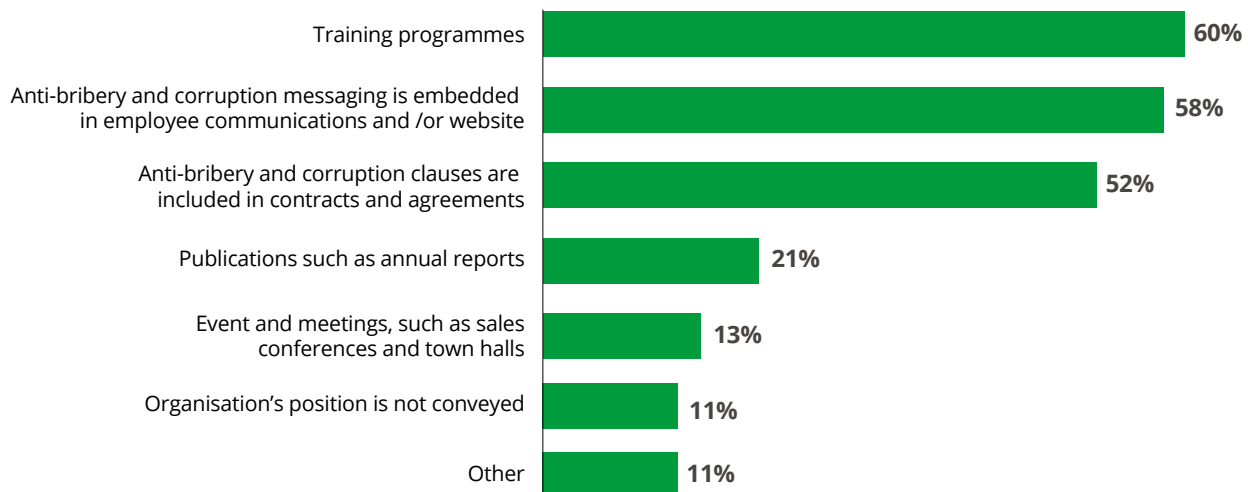
Some respondents do report being at a much higher level of vulnerability. More than one in 20 respondents described a leadership that did not endorse a no-tolerance approach.

And 11% noted that their organisation's position on bribery and corruption was not conveyed to employees. This is not a responsible position in the reputation economy. Should an incident take place, regulators and law enforcement agencies assess the role played by an organisation's tone at the top, incentive structures and wider culture.

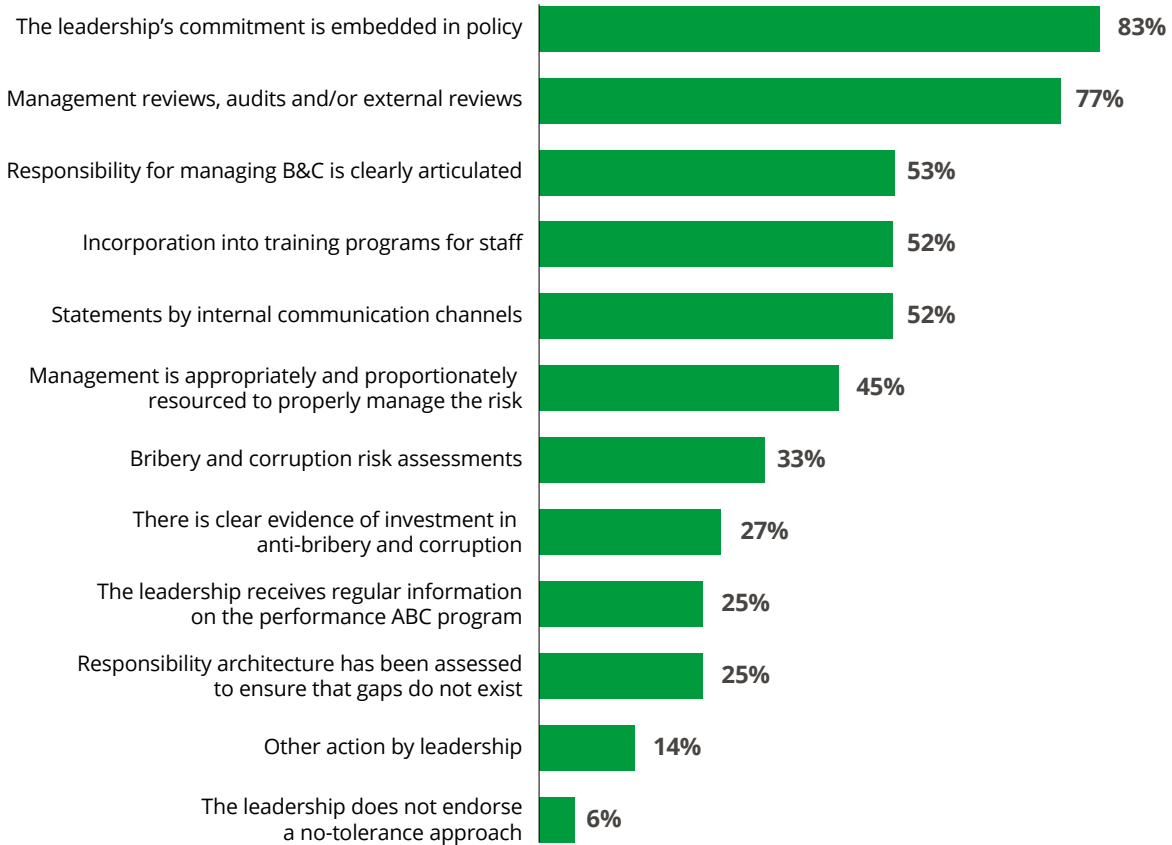
## Top five most relevant focus areas for ABC in the next 24 months



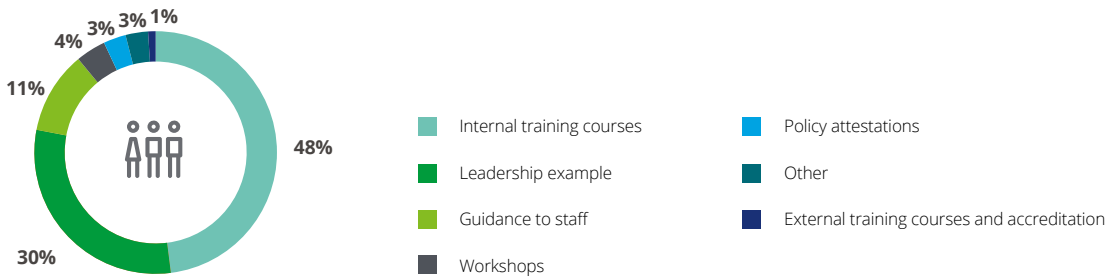
## How is the organisation's position on bribery and corruption conveyed to all employees?



**How does leadership actively demonstrate its commitment to a no-tolerance approach to bribery and corruption?**



**What do you perceive to be the most effective way to build the capabilities of employees to manage bribery and corruption risk?**



It is important to regularly measure the culture in organisations – to get a temperature check of things.

Public sector respondent | New Zealand

**33%**

stated that '*Maturing the internal culture*' will be the **most relevant focus** area for ABC in the next 24 months

You have to give staff the confidence to ask the right questions.

Public sector respondent | New Zealand

Telling your own stories is a powerful way of engaging with staff.

Public sector respondent | New Zealand

The hard edge is effective in bringing about change.

Manufacturing industry respondent | Australia

Cultural norms play into what is permissive.

Public sector respondent | New Zealand

**30%**

of respondents perceived the most effective way to build the capabilities of employees to manage bribery and corruption risks was through leadership example

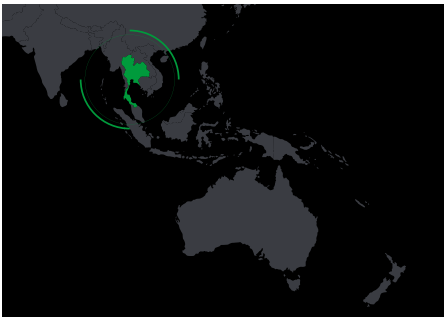
The framework and controls can be best practice, but you require a culture of management and people to speak up and do the right thing.

Agriculture industry respondent | Australia





## Focus on...Thailand



Over the past decade, Thailand has sought to strengthen its ABC legislation and enforcement founding Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) in 2010, and amending the Organic Act on Counter Corruption (OACC), Thailand's primary anti-corruption legislation, several times. The new OACC regime has been in place since 2015.

Under the new OACC, private companies can be criminally liable for bribes given to Thai and foreign state officials, as well as officials in intergovernmental organisations. Companies are liable when the bribe is given by an 'associated individual', which includes representatives, employees, agents, subsidiaries, or any person acting on behalf of the company regardless of their authority.

Punishments include imprisonment and fines for the government official, bribe-giver and associated company. Bribe-givers can be imprisoned for five years and/or fined up to THB100,000. The maximum fine is one to two times the damage or benefits gained.

Recent enhancements to the authority and responsibility of the National Anti-Corruption Commission (NACC) over the past three years include:













- In 2016, the law empowered the NACC to appoint a Chief Investigator. In the same year the Central Criminal Court for Corruption and Misconduct cases (CCCM) separated from the general criminal court.
- In 2017, the NACC issued internal control guidelines for anti-corruption, based on international guidelines including ISO 37001.
- In 2018, the OACC also established a national anti-corruption fund to promote anti-corruption, providing protection measures and rewards to whistleblowers, as well as subsidising the expense of protecting the NACC's committee and investigators.

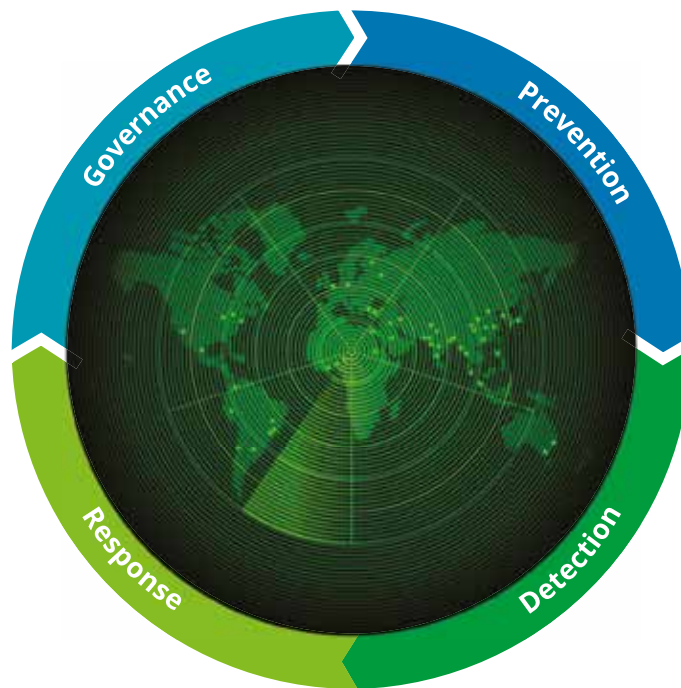
Another important change in the new OACC is that the NACC can seek international cooperation in their investigations. The NACC now has authority to send the alleged corruption incidents of foreign officials to the responsible foreign authority and investigate corruption incidents of foreign officials when requested by foreign countries.



These changes are important given the number of key corruption cases in Thailand. In such circumstances, NACC can cooperate with the foreign responsible parties to investigate and help build a criminal case against the bribe giver and bribe taker in Thailand. NACC chairman Watcharapol Prasarnrajkit said the NACC aims to complete 2,200 cases in 2020 having only investigated 500 last year.

**Surasak Suthamcharu**  
Partner, Deloitte Thailand

## Navigating with confidence: Towards ABC resilience

-  Require management and staff commitment
-  Adopt risk-based approach to controls
-  Integrate ABC program with broader risk management
-  Regular internal and external audits
-  Establish an ABC committee
-  Regular and integrated risk assessment
-  Risk-based ABC training customised to participant role and level
-  Due diligence of staff and third parties
-  Clearly defined management accountability and responsibility
-  Third party management
-  Clear and accessible policies
-  Conflict of Interest management



-  Incident register
-  Clear and articulated methods for staff to report concerns
-  Framework for management of sanctions on staff and third parties
-  Independent 24/7 confidential whistle-blower system
-  Response plan and investigation doctrine
-  Detection and risk – focused data analytics
-  Proactive review of high-risk processes for red flags

# Our respondents

The insights and analysis of this report are based on **159** survey participants, which are broken down by:



## Geography:

**60%**

of respondents were from Australia

**40%**

of respondents were from New Zealand



## Sector:

**67%**

private sector

**24%**

public sector

**9%**

not-for-profit sector



## Size by headcount:

**21%**

had 5,000 or more

**26%**

had 1,000 to 4,999

**8%**

had 500 to 999

**32%**

had 50 to 499

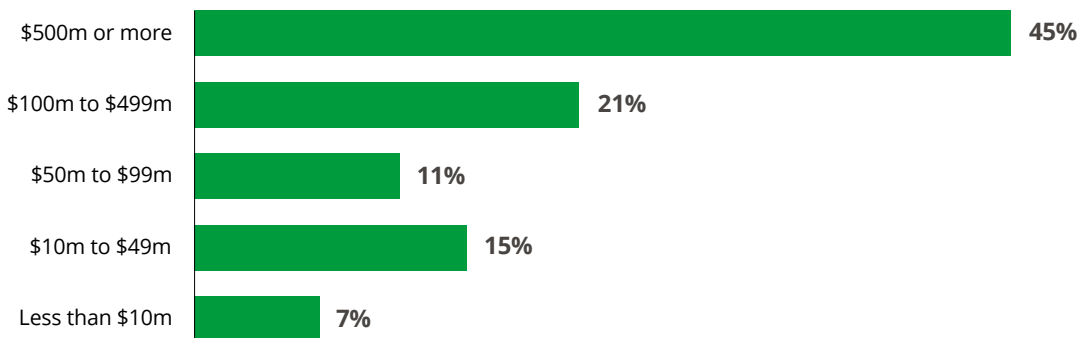
**12%**

had less than 50



## Size by value:

Revenue, spend or budget for organisations



# Deloitte Forensic in Asia-Pacific

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Our services include:

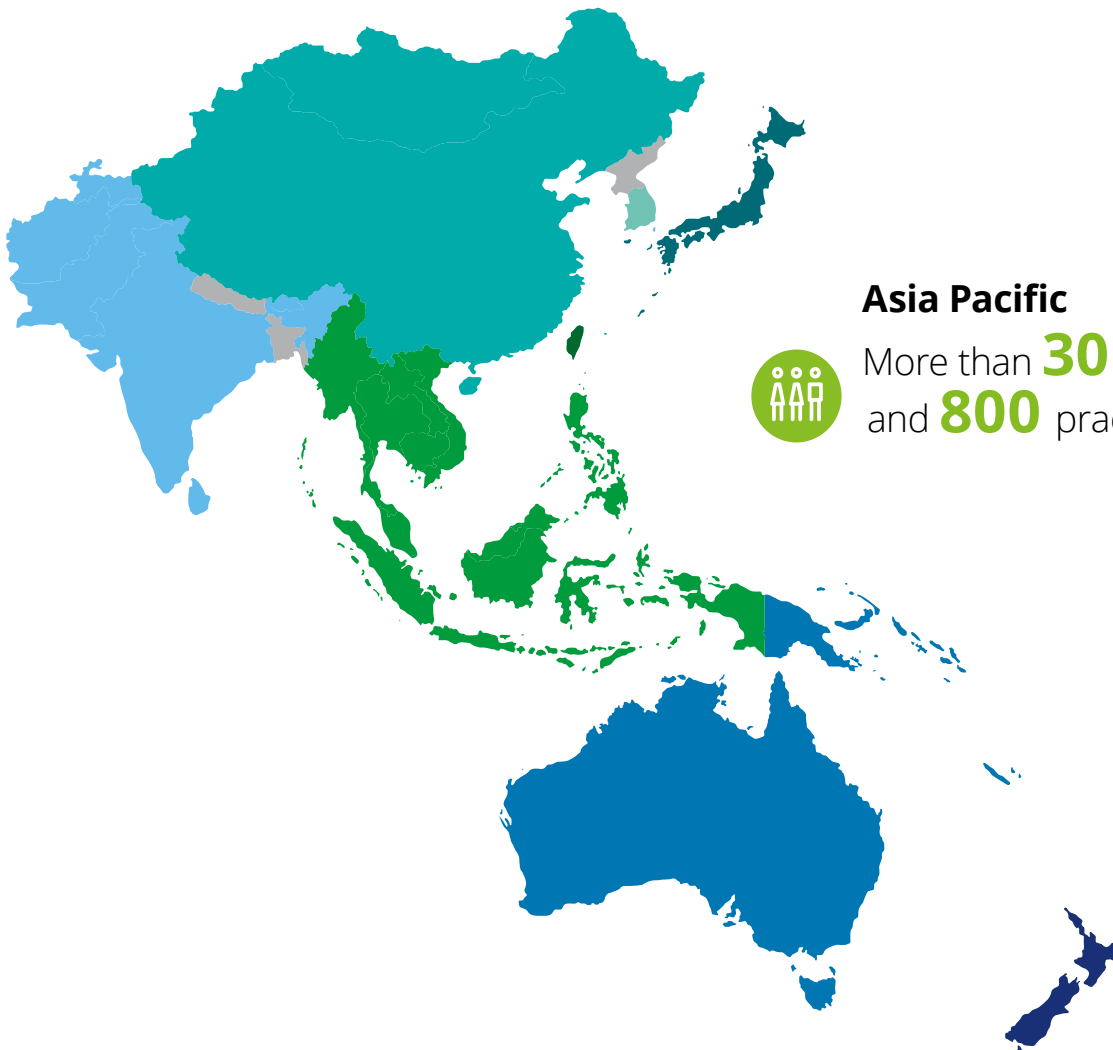
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**Discovery**, leveraging our global industry and technical experience to create a more intelligent approach to discovery. In turn, this allows us to help address matters in a more cost-effective and robust way.

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