

A Framework to address Bribery, Fraud & Corruption (BFC) exposure

- Why should BFC officers develop a framework?
 - In order to function and control the various BFC components
- The foremost function of a framework is to determine the roles, define and describe the duties, and helps avoid duplication of the BFC efforts. The sum of these activities should ensure that critical BFC issues are not overlooked.
- The Copenhagen Charter Framework is developed to assist with the execution of the core BFC actions and to provide structure to strategies, policies and processes.

A Framework for addressing BFC exposure

The Copenhagen Charter framework provides:

- Assistance to the BFC officers to focus on the real, legal and ethical issues and properly prioritize their efforts, in spite of the limited time and resources most BFC implementations and updates require.
- Support management with a structured approach to link up with all stakeholders on specific BFC issues the company faces with minimal risk of uncertainty and loss of efficiency in gathering the relevant data.
- Clarify each stakeholder's role in fulfilling the company's objectives from a BFC perspective.



Bribery Fraud and Corruption (BFC) Framework in the context of Operational Risks

BFC Mandates
Politics
Procedure
References
Tools

BFC Monitoring
Regulation
Benchmarks
Experience/CoE
Communication

Arena, Vehicle,
Focus, Stage,
Economics

Stakeholders



Social Structures
IT Security and
Governance
Legal Sophistication
Community

Strategy

BFC Quantification
Judgment
Reporting
Disclosures
Best Practices

BFC
•Committees
•Trust/Reputation
•Appetite/Tolerances
•Stewardship/Ownership

Transparency and
Accountability

How to create your Bribery, Fraud and Corruption Road map

- Brainstorm on the added values Fraud or Corruption risk management will give the organization
- Determine which corporate resources with Fraud or Corruption expertise are available
- Document the working relationships between the selected expertise
- What are the current and emerging Fraud or Corruption challenges and changes
- Define the Fraud or Corruption program scope for the short and long term
- Summarize the Fraud or Corruption processes relevant to the scope
- Identify the flaws, gaps and inconsistencies in these processes
- Establish measures for Fraud or Corruption metrics and performance for monitoring and reporting
- Source: Copenhagen Charter ©



Key Focus Areas of a Bribery, Fraud or Corruption Roadmap. Objectives & Benefits

- Aim: Develop a 3 year strategic BFC plan, using current BFC processes as the platform for change. The aim is to develop a transparent and structured approach of anti BFC efforts.
- Primary focus on business process that can be integrated effectively into the existing business practices that:
 - manage and mitigate business risks more effectively, and reduce the level of uncertainty
- **The key steps to be addressed in the Fraud or Corruption process are to;**
- Articulate the **Vision** in clear, succinct and unambiguous terms
- Identify the **key strategic initiatives** required to be pursued in order to secure the Vision, and specify business objectives within each initiative
- Capture and **understand the key risks**, both internal and external
 - that potentially might impact on the organisation's ability to deliver the stated business objectives



Key Focus Areas of a Bribery, Fraud or Corruption Roadmap. Objectives & Benefits

- Assess the Fraud and Corruption risks in a more transparent, structured and consistent way
- Provide greater structure and clarity in the risk response process, including response options, criteria/response drivers, responsibilities for risk decisions
- Adjust the Framework so that it is effective in design and operation, and aligned with business risks
- Ensure that a Performance Management system, information, communications and monitoring processes, is effective and aligned with business risks
- Empower managers –responsibility, knowledge, data, accountability –to effect the risk management system
- Create a Risk Repository for managing & maintaining the client risk profile and revisit regularly to ensure that it remains current and supports a “no surprises” environment
- Source: Copenhagen Charter ©



Components of the Copenhagen Charter on BFC Roadmap & Framework

- Assessment/audit of compliance mandate
- BFC codex and Committee and Charters
- Communication Plan, Controls, Test,
- Design and implementation of Fraud or Corruption processes. Business and IT
- Embed the Fraud or Corruption activities overview, monitor, reporting/disclosures
- Facilitation, Advice and Assistance on Design of Fraud or Corruption Implementation
- Document the Framework & Methodologies
- IT Framework (COSO, ITIL, Cobit, ISO)
- GAP analysis of existing and necessary Fraud or Corruption development
- Integrating Fraud or Corruption in existing processes and design of new processes
- IT at transaction level and automation
- Maturity assessment of BFC mandates & effectiveness and profile
- Measuring and reporting Fraud or Corruption effectiveness to Board/AC.
- Methodology, documentation, test, approvals
- Minimizing organizational burden and costs
- Monitoring and improvement plan
- Training, Education and Awareness efforts
- Overall Financial Risk Assertions:
 - Analysis, Assessment and Matrix
- Root cause analysis, Controls metrics, Test, Scoping and Planning the areas of Fraud or Corruption
- Self-assessment methodologies
- Sustainable Working Practices
- The BFC Office/Function & Project
- Tools, Business & IT Processes in scope related to Master Data
- Training and 'Certification'

Contact us for Bribery, Fraud and Corruption (BFC) solutions:

- Client-centered practice – Commitment to address your BFC concerns
- Proficient professionals – Experience from BFC Consultants dedicated the BFC Principles
- Fair pricing – Deliver superior value. Focus on International and leading best BFC practices
- Commitment to BFC revamp – A comprehensive BFC Quality Assurance is standard
- Knowledge Transfer – Focus on passing your BFC skills for continued certification

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