

# Increasing the Reach: The Key to Implementing an Effective Global ABC Programme

By Standard Chartered Bank, June 2019

## Introduction

Building upon the article, *Ten things every Country AML Officer should know*, and specifically question number 7, “Have you assured yourself that the Anti-Bribery and Corruption (ABC) Framework is operating effectively?”, in this thought piece, “*Increasing the Reach: The Key to Implementing an Effective Global ABC Programme*”, sets out how we upskill and empower our Conduct, Financial Crime and Compliance (CFCC) staff to become “ABC Country Leads”.

Standard Chartered Bank operates extensively in Africa and Asia. Whilst these markets are core to our strategy they also carry some of the highest risks for bribery & corruption.

In the paper, *The ABC of Anti-Bribery and Corruption: Assessing the Risks*, we described our ABC control framework and how we measure its effectiveness. A pre-requisite for an effective control framework is ensuring staff have the capability in the first instance to identify risks and execute controls. For this reason, training CFCC staff to identify and manage ABC risk is fundamental to successfully implementing our programme.

## How are we Organised?

At Standard Chartered, ABC is part of the Financial Crime Compliance (FCC) Programme, along with AML and Sanctions. The global ABC team operates as a Centre of Excellence (COE) with personnel in strategic regional locations. The ABC COE team members provide support to countries in their region, whilst overseeing consistent control implementation and setting a unified programme agenda and minimum standards. However, the ABC COE personnel cannot oversee bribery risk across over 60 countries and 85,000+ employees, on their own. Therefore, Country AML Officers (CAMLO) are delegated by the Global Head of ABC (GHoABC) as the ABC Risk Owner with primary responsibility to implement the ABC programme in their country. These “ABC Country Leads” (ABC CLs) oversee and manage bribery and corruption risks in their countries and are the first stop in advising the business. More complex issues are escalated to the COE.

## Empowering ABC Country Leads: Capability and Capacity

We empower each ABC CL by ensuring they have the capability and the capacity to manage the bribery & corruption risks in their country.

### Capability

The capabilities of ABC Country Leads are enhanced through an intensive 8-week ABC Learning Programme that is a self-study course developed internally covering the key ABC Risk Focus Areas with one-to-one support from the ABC COE team in the relevant region.

The ABC Learning Programme challenges ABC CLs’ understanding of the ABC Control Framework, ensuring that they know the Bank’s inherent risks and how they are managed through controls. It empowers them to act proactively to uncover potential blind spots or areas of weakness.

The course includes reference and guidance materials centred around the ABC Framework Top 10 Questions (see Figure #1). The final stage is a 90-minute face-to-face or Video Conference session organized by the ABC COE where the ABC CL responds to and engages in discussion on each of the Top 10 Questions. Where the ABC CL demonstrates adequate understanding, the ABC Regional Head attests that the ABC CL has completed the ABC CL Learning Programme. All new ABC CLs are required to complete the ABC Learning Programme within 90 days of starting their role.

Once the ABC CL completes this programme, they are encouraged to deliver ABC training sessions to their country staff. They are also required to hold meetings at least quarterly with their key country stakeholders to build strong relationships.

## Figure #1

### ABC Framework Top 10 Questions

- 1 Do I understand the ABC governance framework and my role within it?
- 2 Do I know who my in-country key stakeholders are and do I know who can support me with the implementation and operation of the ABC Framework in-country?
- 3 Do I understand ABC risk within my country and have oversight of ABC risk assessments, including through the Operational Risk Framework?
- 4 Do I understand the ABC control framework, the control standards for its effective operation and what I need to do for... Sponsorships and Donations?
- 5 Do I understand... Intermediaries and Suppliers of Services?
- 6 Do I understand... Gifts & Entertainment for Public Officials (POs)/State-Owned Entities (SOEs)?
- 7 Do I understand... Payments to Third Parties?
- 8 Do I understand... Staff Hiring & Vetting?
- 9 Am I comfortable that Staff in my country are able to recognise and report bribery and corruption concerns?
- 10 Am I aware of the main audit, assurance and investigations findings for ABC in-country, do I have sufficient oversight of the findings and am I able to monitor timely closure?

## Capacity

Normally the CAMLO is the ABC CL. They can delegate their ABC CL responsibilities to a suitable candidate from their team but remain accountable for delivering the ABC Programme. CAMLOs have many FCC areas to cover (see Figure #2) and allowing delegation creates capacity to ensure effective coverage of ABC risk.

The ABC CL is required to build strong relationships with key country stakeholders in the first-line ABC Risk Focus Areas as referred to in our article – “The ABC of Anti-Bribery and Corruption: Assessing the Risks” and noted below (see Figure #3). These include: Human Resources, Finance, Legal, Compliance, Procurement (Supply Chain), Property, Corporate Affairs/Brand & Marketing, the key business areas and the CEO’s Office. The ABC CL needs to create “ABC Champions” in the first-line who can view emerging risks with an ABC lens and help provide support to the ABC CL, creating even greater capacity on the ground to achieve an effective ABC Programme.

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Figure #2



the ABC CLs to provide a forum to learn about current ABC developments globally and to ask questions and provide feedback to the COE. In addition, the ABC COE teams in the regions organise monthly working groups with ABC CLs focusing on issues relevant to their region. Quarterly ABC newsletters communicate key ABC initiatives, issues and developments to all ABC CLs globally.

## Conclusion

The implementation of our ABC Country Lead Learning Programme has made a significant impact in upskilling our ABC CLs. As a Bank doing business in some of the highest risk countries in the world for corruption, a critical aspect to Standard Chartered achieving an effective ABC Programme is the empowerment of each ABC Country Lead.

The Learning Programme helps ensure that they have the capability and the capacity to do their ABC role effectively, and to fight bribery and corruption not only at the bank, but also in the countries in which we operate.

Figure #3



***“Our Country ABC Leads learned that ABC is much broader in scope than AML and Sanctions, impacting all areas of the bank. They felt more empowered about their ABC Country Lead role after completing the ABC Learning Programme.”***

***Salmin Jadavji, Regional Head ABC COE Africa & the Middle East***

## Formalising the ABC CL Role and Responsibilities

The ABC CL role’s requirements and expectations are incorporated into their job description and objectives, and completion is tracked as part of year-end performance reviews.

## How the ABC CLs Interact with the ABC CoE

Maintaining open and frequent lines of communication keeps ABC CLs up to date on key ABC Programme developments. The global ABC COE team organises quarterly “Big Calls” with