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ANTI-CORRUPTION ENFORCEMENT AND COMPLIANCE: WHERE WE STAND NOW

by Jordan Segall, Joshua Drew, and Mena Sawyer

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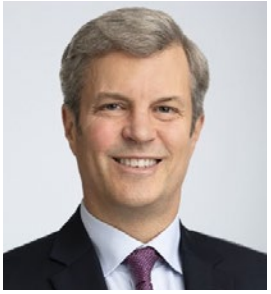

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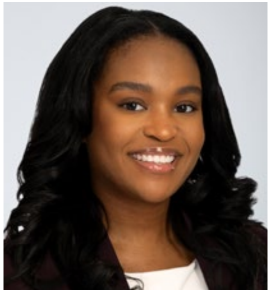

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In 2025, there were major shifts in U.S. Department of Justice (DOJ) policy regarding the Foreign Corrupt Practices Act (FCPA), and questions about whether these shifts would result in a dramatic drop-off in enforcement. Yet — to paraphrase Mark Twain — reports of the FCPA's demise appear to be exaggerated, as DOJ has continued to pursue certain cases, and authorities outside the U.S. remain active. As the enforcement landscape evolves, staying abreast of shifting enforcement priorities and effectively mitigating FCPA risk is as important as ever.

DOJ's 2025 enforcement pause

On February 5, 2025, then-Attorney General Pamela Bondi issued a memorandum entitled "Total Elimination of Cartels and Transnational Criminal Organizations."[1] The Bondi memo outlined the methods DOJ will use to combat cartels and transnational criminal organizations, particularly foreign terrorist organizations and specially designated global terrorists. Later in February, the administration designated eight criminal organizations in Latin America as Foreign Terrorist Organizations.[2] The Bondi memo directed the DOJ Criminal Division's FCPA unit to prioritize investigations into foreign bribery that facilitates human smuggling and drugs/arms trafficking while shifting the "focus away from investigations and cases that do not involve such a connection."

On February 10, 2025, President Donald Trump signed Executive Order 14,209 titled "Pausing Foreign Corrupt Practices Act Enforcement to Further American Economic and National Security."[3] The executive order stated that "current FCPA enforcement impedes the United States' foreign policy objectives and therefore implicates the President's Article II authority over foreign affairs" and that "overexpansive and unpredictable FCPA enforcement against American citizens and businesses — by our own Government — for routine business practices in other nations not only wastes limited prosecutorial resources that could be dedicated to preserving American freedoms, but actively harms American economic competitiveness and, therefore, national security." The executive order effectively paused FCPA enforcement and directed the attorney general to "cease initiation of any new FCPA investigations or enforcement actions" for 180 days, pending review of ongoing investigations and prosecutions and issuance of updated enforcement guidelines consistent with administration priorities.[4]

DOJ's new FCPA guidance

On June 9, 2025, Deputy Attorney General Todd Blanche issued a memorandum reiterating the Trump administration's themes from February 2025 and providing new guidelines for FCPA investigations and enforcement.[5] The Blanche memo identified two goals in FCPA investigations and enforcement: (1) "limiting undue burdens on American companies that operate abroad," and (2) "targeting enforcement actions against conduct that directly undermines U.S. national interests," such as utilities, national security, information technology, and AI.

The Blanche memo also provided guidance to prosecutors, instructing them to: "focus on cases in which individuals have engaged in criminal misconduct and not attribute nonspecific malfeasance to corporate structures," "proceed as expeditiously as possible in their investigations," and "consider collateral consequences, such as the potential disruption to lawful business and the impact on a company's employees, throughout an investigation, not only at the resolution phase."

The memorandum concluded with "non-exhaustive factors" to govern DOJ's FCPA investigation and enforcement actions going forward. Those factors include: (1) total elimination of cartels and transnational criminal organizations, (2) safeguarding fair opportunities for U.S. companies, (3) advancing U.S. national security, and (4) prioritizing investigations of serious misconduct. Blanche reiterated these FCPA considerations in a speech at a leading FCPA conference in December 2025. Thereafter, in late February 2026, Jay Clayton, U.S. Attorney for the Southern District of New York, outlined his jurisdiction's policy on declinations, which mirrored these factors.[6] It also explicitly stated that foreign corruption is an aggravating factor not eligible for the program.

Enforcement activity following the FCPA pause

While DOJ's enforcement pause and new guidelines arguably marked the most significant policy shift in FCPA enforcement in decades, they did not lead to a cessation of prosecutions, as some commentators predicted. The day after the Blanche memo was issued, DOJ announced the completion of its review of existing actions and investigations, and the enforcement pause was lifted; a number of corporate and individual enforcement actions followed, as described in more detail below. While the number of FCPA enforcement actions has decreased below historical norms (depending on chosen statistical measures) and is still influenced to some degree by investigations in the "pipeline" already underway prior to 2025, DOJ continues to engage in meaningful enforcement activity.

In contrast, the U.S. Securities and Exchange Commission (SEC) did not announce any FCPA settlements in 2025. Moreover, while DOJ has provided guidance on its FCPA priorities, SEC made no similar public pronouncements in 2025. Reports also circulated that SEC's FCPA enforcement unit had been disbanded.

In February 2026 when SEC's Enforcement Division Director, Judge Margaret Ryan, gave a speech stressing that enforcement work continues at SEC.[7] However, like DOJ, Ryan emphasized that the focus is now on quality, as well as the impact of enforcement actions involving market integrity. While not directly referring to the FCPA, she said SEC will take a more measured approach to non-fraud violations, including books-and-records violations. Ryan advised that such violations should generally not result in enforcement cases but rather be handled by other SEC divisions as compliance failures, absent risks to investors or the market or a benefit to the participant. SEC announced Ryan's departure on March 16, after just seven months in the lead enforcement role, but interim and remaining SEC leaders reiterated her enforcement positions in March and April 2026; these comments continued to focus enforcement on fraud and fairness, and liquidity of securities markets.[8] Emphasis, according to these SEC leaders, should be on those who engage in ongoing and widespread misconduct as opposed to "honest mistakes" by those who take steps to remediate and improve internal controls.

While DOJ's enforcement pause and new guidelines arguably marked the most significant policy shift in FCPA enforcement in decades, they did not lead to a cessation of prosecutions.

In April 2026, David Woodcock was announced as the SEC's new Enforcement Division Director, and in May 2026, he publicly stated that he would be returning "the enforcement program back to basics" with a deliberate shift "toward an emphasis on quality over quantity." According to Director Woodcock, this means "protecting investors and safeguarding markets from real harm ... for instance — offering frauds, accounting and disclosure fraud, insider training, market manipulation, fraud by foreign actors, ... and breaches of fiduciary duties."[9] Deputy Enforcement Director David Morrell reiterated this position in June 2026, saying the agency would not be "chasing numbers and stats."[10]

SEC furthered these comments and priorities in its guidance documents and other publicly-released information in 2026. In February, it updated its *Enforcement Manual* for the first time since 2017.[11] The updated manual emphasizes self-reporting credit, remediation efforts, and cooperation factors and analysis. It also provides greater clarity on when criminal referrals are required and requires investigative prioritization. This prioritization analysis must assess whether there is widespread harm to investors, whether the issue is emergent, or whether it presents an opportunity to send a strong deterrent message. SEC has indicated that it will now update the *Enforcement Manual* annually.

In April 2026, SEC released its Enforcement Report for Fiscal Year (FY) 2025, which continued the trend of leadership commentary and updates to the *Enforcement Manual*.[12] The Report states the FY 2025 "enforcement results clarify the flaws of [previous] actions and their respective penalties and re-establish the definition and measure of enforcement effectiveness, grounded in Congress's original intent and focused on bringing actions that actually prevent investor harm instead of headlines and inflated numbers." Chairman Paul Atkins stated as part of the released Report that in 2025, SEC "redirected resources toward the types of misconduct that inflict the greatest harm — particularly fraud, market manipulation, and abuses of trust — and away from approaches that prioritized volume and record-setting penalties over true investor protection. A key part of this course correction is a renewed emphasis on holding individual wrongdoers accountable, which promotes stronger deterrence and better safeguards investors." Combined with agency commentary, these changes described in the *Enforcement Manual* and the Enforcement Report, show SEC's shift away from prioritizing books-and-records violations of the FCPA.

In May 2026, SEC rescinded its policy regarding denials of settlement in enforcement actions.[13] This created an opportunity for respondents to challenge SEC allegations and resolutions, including around books and records violations of the FCPA. Also in May, SEC proposed reforms around public company reporting requirements to obtain an auditor's attestation on internal controls over financial reporting.[14] If enacted, it would codify the shift away from SoX books and records and internal controls scrutiny and analysis which underlies SEC's FCPA enforcement actions.

Consistent with these shifting priorities, in 2026, SEC recently brought two actions and settled a previous action under the FCPA's accounting provisions, as further described below, while at the same time closing corruption probes into orthopedic device maker Stryker, pharmaceutical maker Dr. Reddy's Laboratories Ltd., medical device maker Merit Medical Systems,[15] food franchising company FAT Brands,[16] and electronic components manufacturer Methode Electronics.[17] All these companies were under scrutiny for potential FCPA violations, and the SEC closed the investigations that had been ongoing for several years.

Corporate enforcement

Liberty Mutual

On August 7, 2025, the DOJ and U.S. Attorney's Office for the District of Massachusetts announced their declination to prosecute Liberty Mutual Insurance Company in connection with a $1.47 million bribery scheme involving an Indian subsidiary using third-party intermediaries to pay six state-owned banks in India between 2017 and 2022.[18] The bribes were recorded as marketing expenses and were paid in exchange for customer referrals to the subsidiary's insurance products. The declination, based on the criteria set forth in the DOJ Corporate Enforcement and Voluntary Self-Disclosure Policy, was the first FCPA corporate resolution under the current Trump administration after almost eight months without resolutions or prosecutions.

DOJ characterized Liberty Mutual's cooperation in their investigation as "full and proactive." In reaching its declination decision, DOJ also considered that Liberty Mutual voluntarily disclosed the conduct to DOJ in early March 2024, during an ongoing, incomplete internal investigation, with no aggravating circumstances. As part of the resolution, Liberty

Mutual agreed to disgorge almost $4.7 million in profits and improve its compliance programs, internal controls, and oversight over third-party payments.

Smartmatic

U.K.-based voting machine company Smartmatic was charged in fall 2025 with conspiracy to violate the FCPA, conspiracy to commit money laundering, and money laundering.[19] Three Smartmatic executives were previously charged in August 2024 in connection with an alleged foreign bribery scheme related to Philippine voting-machine contracts. DOJ obtained a superseding indictment in October 2025 that added the company as a defendant, even as the company publicly stated it was cooperating with DOJ. This appears to be the first time in approximately 15 years that a corporation has been indicted on FCPA charges.[20] To date, there is limited information on how this superseding indictment satisfies the Blanche memo. The case is pending in the Southern District of Florida, and Smartmatic has filed a motion to dismiss for vindictive and selective prosecution.

TIGO Guatemala

On November 12, 2025, DOJ entered into a two-year deferred prosecution agreement with Comunicaciones Celulares S.A. and its parent company, Millicom International Cellular, S.A., doing business as TIGO Guatemala, for violations of the FCPA.[21] According to court filings, the company engaged in a "widespread and systematic bribery scheme" from 2012 to 2018, which included "monthly bribe payments, usually paid in cash, to numerous Guatemalan members of Congress or members of their security teams, in exchange for, among other things, their support for legislation that benefited TIGO Guatemala." Notably, after closing its initial investigation in 2018, DOJ developed new evidence in 2020, including that "narcotrafficking proceeds . . . were used to generate cash for some of the bribe payments." Comunicaciones Celulares/Millicom paid over $118 million to resolve the matter.

Archer-Daniels Midland Company

On January 27, 2026, SEC settled with Archer-Daniels Midland Company (ADM) and its former executives after considering ADM's cooperation and remedial efforts.[22] SEC alleged that ADM and three former executives inflated the performance of an ADM business segment, which ADM told its investors was the driver of the company's overall growth. Although not a corruption case, SEC brought the case under the FCPA's internal controls and books-and-records provisions. ADM agreed to pay $40 million to resolve the matter.

Balt

On March 19, 2026, DOJ announced a declination for the French medical technology company Balt in connection with a $600,000 bribery scheme involving the company's U.S. subsidiary. Balt agreed to disgorge approximately $1.2 million and resolved allegations that Balt USA executives bribed a French physician at a state-owned hospital in France.[23] Citing its new corporate enforcement policy, DOJ praised Balt's timely self-reporting of the misconduct issues during its internal investigation, full cooperation with federal investigators, fixes to its internal controls, timely remediation, and disgorgement of ill-gotten proceeds. The resolution was coordinated with the French enforcement authority Parquet National Financier of France, which was also a significant factor in DOJ's declination decision because Balt has corporate compliance requirements imposed under the French system.[24] This was announced after the executives responsible were individually indicted, as described further below.

In announcing the [Scoular] resolution, DOJ stated that a portion of the bribes allegedly paid ultimately benefited persons connected to cartels.

Key Tronic

In April 2026, SEC initiated an enforcement action against Key Tronic and two of its current executives.[25] SEC alleged false entries in a facility's inventory system that indicated the inventory was undergoing manufacturing during a monthly fiscal period, even though the facility did not work on the inventory in that period. The misconduct led Key Tronic to record an increase in inventory value, which decreased manufacturing expenses and increased income. Employees then reversed the entries after the end of the period at the executives' direction, resulting in a 44% overinflated quarterly net income as part of Key Tronic's scheduled earnings release. Like ADM, this was not a corruption case, but SEC brought it under the FCPA's internal controls and books-and-records provisions. SEC ordered that Key Tronic and the executives cease and desist from future violations, and that the executives pay a total of $35,000 in civil penalties in total. In the action, SEC cited Key Tronic's cooperation with the investigation and remedial acts, including publicly acknowledging "accounting errors" in subsequent quarterly earnings filings with SEC that same year.[26]

Scoular Company

On July 17, 2026, DOJ announced that agricultural supply chain company Scoular Company (Scoular) will pay $10 million to resolve an investigation into allegations of bribery of Mexican officials to deliver goods across the U.S.-Mexico border.[27] The company entered into a three-year deferred prosecution agreement in connection with a charge of conspiracy to violate the anti-bribery provisions of the Foreign Corrupt Practices Act in the Western District of Texas. In announcing the resolution, DOJ stated that a portion of the bribes allegedly paid ultimately benefited persons connected to cartels operating at the U.S.-Mexico border, while acknowledging that Scoular and its employees did not know about this connection.

Individuals

Ramon Alexandro Rovirosa Martinez and Mario Alberto Avila Lizarraga

On August 11, 2025, DOJ charged two Mexican nationals, Ramon Alexandro Rovirosa Martinez and Mario Alberto Avila Lizarraga, who were living in Texas and lawfully in the U.S., with bribing Mexico's state-owned oil company Petróleos Mexicanos (PEMEX).[28] The bribes occurred between 2019 and 2021, with at least $150,000 in cash and luxury goods to secure contracts for their company, Roma Energy. The original DOJ news release alleged that one of the individuals had cartel ties, but DOJ subsequently removed any references to cartels. Thereafter, on December 5, 2025, a federal jury in the Southern District of Texas convicted Rovirosa Martinez for violating the FCPA. Rovirosa Martinez faces a maximum of 15 years in prison.[29] Of note, the defendant filed a motion for judgment of acquittal based on evidentiary questions regarding the translations of WhatsApp communications used at trial, which was subsequently granted in April 2026 and led to Rovirosa's release.

Carl Zaglin and Aldo Nestor Marchena

On September 15, 2025, a federal jury convicted Carl Zaglin, former CEO of Atlanco LLC, a U.S.-based company, for his role in a scheme to bribe Honduran government officials and launder money to secure contracts to supply law enforcement uniforms and accessories against competing American companies. DOJ's news release stated that "Zaglin unfairly sought to get ahead and enrich himself by paying bribes to Honduran officials. [. . .] Today's verdict reaffirms the Criminal Division's commitment to rooting out corruption and providing an equal playing field for American businesses."[30] Relatedly, on October 28, 2025, Aldo Nestor Marchena, a co-conspirator who pled guilty in July 2025 and testified at Zaglin's trial, was sentenced to seven years in prison for facilitating Zaglin's bribery payments to the Honduran government. Zaglin was sentenced in December 2025 to eight years in prison.[31] Zaglin filed a motion for a new trial, alleging that Marchena testified falsely against him at the 2025 trial, but subsequently withdrew the motion for lack of evidence.

Carlos Leopoldo Alvelais

On October 23, 2025, Carlos Leopoldo Alvelais , who ran a freight forwarding business in Texas and a customs brokerage in Mexico, pleaded guilty in the Western District of Texas to conspiracy to violate the FCPA. Alvelais pleaded to paying over $10 million in bribes on behalf of Scoular Company, an agricultural supply chain company, to Mexican officials to deliver trains of goods across the U.S.-Mexican border. As described above, some of the bribes also benefited cartel members. Alvelais was sentenced to 1.5 years in prison along with a $250,000 criminal fine.[32]

Charles Hunter Hobson

On February 18, 2026, Charles Hunter Hobson, the vice president of sales at Corsa Coal Company, was found guilty of violating the FCPA by bribing officials at an Egyptian state-owned entity and conspiring to receive kickbacks.[33] The bribes were to secure contracts for his company, and the kickbacks were commissions paid through a sales intermediary. Of note, the industry was the mining sector, an identified national security interest, and the transaction involved a large sum of money (nearly $140 million), both factors in the Blanche memo. Corsa Coal Company was not indicted as part of the action.

David Ferrera and Marc Tillman
In early March 2026, DOJ charged former Balt USA executives David Ferrera, a U.S. citizen, and Marc Tillman, a Belgian citizen, in the Central District of California with FCPA violations.[34] The alleged bribes spanning six years were designed to pressure a French-owned hospital into purchasing medical devices. Cash bribes were made to a French hospital official through sham consulting agreements, fake invoices, and bonus payments. The bribes included off-channel third-party communications and code words.

Alfonso Wilson and Diego Bergonzi
In March 2026, DOJ announced bribery charges against Alfonso Wilson, a Texas businessman, for allegedly paying millions of dollars in bribes in or around 2020 to a PEMEX official to secure a $540 million contract for another company, Drillmec. The bribes would be paid through various intermediary companies. This was the second case involving bribes being paid to a PEMEX official since DOJ's FCPA enforcement pause.[35] Within weeks, Wilson pleaded guilty to conspiracy to violate the FCPA's anti-bribery provisions, with sentencing set for June 26, 2026; a Drillmec executive, Diego Bergonzi, another Texas businessman, also pleaded guilty and agreed to forfeit $1 million.[36]

Gautam Adani and Sagar Adani
In May 2026, SEC entered a final consent judgment against Gautum Adani and Sagar Adani associated with an Indian bribery scheme. As originally charged by the SEC, the scheme involved the Adanis and their company Adani Green Energy, and alleged bribes of hundreds of millions of dollars to Indian state government officials to obtain government contracts including a solar power plant. The Adanis settled without admitting or denying liability, and touted their company's compliance program and compliance with antibribery principles as part of a public offering. As part of the judgment, they were permanently enjoined from violating securities laws and agreed to pay civil monetary penalties of $6 million and $12 million, respectively.[37] A week later DOJ filed a consent motion to dismiss its pending indictment in the parallel criminal case against the Adanis.[38]

Abraham Cigarroa Cervantes
In May 2026, Abraham Cigarroa Cervantes pleaded guilty to conspiracy to violate the FCPA's anti-bribery provisions as part of a plea agreement filed by DOJ. Cervantes was the finance director of the Latin American subdivision of Stericycle who allegedly caused hundreds or bribe payments to be made to government officials in Brazil, Mexico, and Argentina to obtain and retain waste management services. According to court documents, bribes were paid in cash as a percentage of underlying contract payments made by or owed by a government customer. Cervantes tracked the bribes through spreadsheets, code words, and euphemisms, and maintained false books, records, and accounts to conceal the payments, with corresponding attestations of accuracy. The scheme resulted in $21.5 million in total revenue for Stericycle, which entered into a three-year deferred prosecution agreement with DOJ and settled with the SEC in 2022, agreeing to pay out more than $84 million to both agencies.[39]

Maintaining a robust anticorruption compliance program remains critical, notwithstanding lingering uncertainty in FCPA enforcement arising from DOJ and SEC policy changes.

Amadou Diallo
In Summer 2026, Senegalese businessman Amadou Diallo is scheduled to go on trial in Los Angeles for FCPA violations. The alleged bribes included a chartered helicopter and Los Angeles Lakers basketball tickets for a visiting Senegalese official in exchange for a land grant in Senegal.[40] The industry of the official and the purpose of the bribes remain unclear.

Asante Berko
In Summer 2026, a former Goldman Sachs banker, Asante Berko, is scheduled to stand trial in the Eastern District of New

York for violations of the FCPA.[41] The alleged bribery scheme involved laundering money to bribe Ghanaian government officials to secure a power plant deal and routing the payments through the U.S. financial system. A "confidential human source collected roughly 15 hours of recordings," which will be presented at trial.[42]

Jeffrey Peck, John Sullivan, and Frederick Myrick

On July 13, 2026, SEC announced that it settled with iSun Inc. officers and/or directors Jeffrey Peck, John Sullivan, and Frederick Myrick for allegedly misappropriating corporate and federal Paycheck Protection Program (PPP) funds.[43] In April 2020, the solar energy company received a $1.49 million PPP loan after Peck and Sullivan created fictious employment and payroll records in a scheme to increase Peck, Sullivan, and Myrick's pay. While unrelated to foreign bribery, the case stands as an example of the SEC's reliance on the books and records provisions: According to the order in the case, the defendants "caused iSun to violate federal securities laws that govern public companies' maintenance of accurate books and records."

International activity

Global anticorruption enforcement was active throughout 2025 and 2026, even as the U.S. reassessed its FCPA enforcement priorities. In Europe, the U.K., France, and Switzerland formed a new anti-corruption alliance to address international bribery and corruption.[44] In South America, Ecuador and Argentina signed a memorandum of understanding to exchange information to combat money laundering, terrorist financing, and related crimes.[45] Brazil and Singapore also continued their efforts to root out corruption as part of a settlement with Seatrium, resulting in Singapore's first-ever deferred prosecution agreement.[46] In Norway, Økokrim released guidelines for corporate enforcement and penalties in corruption cases including self reporting, declinations, compliance program expectations.[47]

The U.K.'s Serious Fraud Office (SFO) also engaged in notable activity throughout 2025. In addition to the enforcement activity below, the U.K. Bribery Act's new "failure to prevent fraud" offense became effective in September 2025. This new offense imposes numerous required enhancements around risk assessment, internal controls, communications, and training. In November 2025, the SFO also updated its corporate cooperation guidance, placing increased emphasis on self-disclosure and timeliness of resolution. Moreover, the SFO is currently evaluating a whistleblower incentive program like those in the U.S.

- On April 7, 2025, the SFO charged a U.K.-based insurance company with "failure to prevent bribery" under the U.K. Bribery Act in connection with its business in Ecuador.[48]
- On August 28, 2025, the SFO charged former senior executives at Entain plc for their participation in a bribery scheme in the Turkish gambling market.[49]
- On November 20, 2025, the SFO announced its first major cryptocurrency investigation, looking into a suspected $28 million scheme.[50]
- On December 1, 2025, the SFO secured the conviction of the director of AOG Technics, an aircraft company, following allegations that the company

falsified documents related to engine parts sold to airlines, maintenance repair operators, and engine part suppliers.[51]

- In May 2026, the SFO reached its first deferred prosecution agreement in five years as part of a resolution with defense company Ultra Electronics for bribes allegedly paid by third parties in Oman and Algeria tied to airport projects and infrastructure work. Robust self-disclosure, remediation, and group level accountability were critical to obtaining the result.[52]

Additionally, the World Bank guidelines and prohibition on anti-bribery, anti-corruption, and effective compliance programs and internal controls remained in place and were updated in November 2025 to provide additional clarity and requirements regarding compliance programs.[53] Against this backdrop, on November 4, 2025, the World Bank Suspension and Debarment Office issued a Notice of Uncontested Sanctions Proceedings to Transformers and Rectifiers (India) Limited.[54] The notice stems from accusations that the company engaged in fraudulent and corrupt practices associated with a $486 million electricity project in Nigeria.

On December 11, 2025, the World Bank announced a 24-month sanction on Kontrolmatik Teknoloji Enerji Ve Mühendislik A.Ş., a Turkey-based engineering company.[55] This action followed the company's fraudulent and obstructive activities related to the Emergency Operation for Development Project in the Republic of Iraq, which violated the World Bank Anti-Corruption Framework. Kontrolmatik was alleged to have submitted fabricated past performance documents, impersonated a third-party to verify those documents, and went on to make false statements to investigators, impeding the World Bank's investigation.

Conclusions

As DOJ enforcement restarted last fall, some suggested that FCPA investigations and prosecutions would focus primarily on non-U.S. companies, especially those based in countries considered to be threats to U.S. national interests (such as China), and companies operating in areas influenced by cartel and transnational crime organizations (such as Latin America countries). To be sure, recent FCPA enforcement, like the Scoular case, has sought to identify links to cartels and transnational crime, and the Blanche memo appears designed to assist U.S. companies in succeeding in doing business overseas, thereby advancing U.S. national security interests. However, how the policy priorities operate in practice remains a work in progress. This is especially true, given recent cases involving individuals and companies in the U.S. The touchstone going forward may therefore be matters that affect American companies regardless of location, and that emphasize individual accountability, as shown by DOJ in the Zaglin and Hobson prosecutions and the Balt declination.

DOJ's enforcement efforts to date appear to also be moving away from penalizing U.S. persons for engaging in "routine business practices in other nations," but such "routine" practices are not yet defined through examples from specific investigations. The department's approach to corporate liability for the acts of employees or agents may also be shifting if DOJ does indeed consistently take the position that it will not pursue "collective knowledge theories." The same holds true for the SEC based on its 2026 commentary, documentation, and enforcement activity with its "back to basics" initiative focused on fraud, harm to investors, and widespread repeat misconduct.

Together, these DOJ and SEC shifts may result in fewer FCPA books-and-records investigations. However, further data on consistency is needed, considering SEC's recent enforcement actions against ADM, iSun, and Key Tronic and DOJ's recent actions to continue pursuing Smartmatic and Amadou Diallo.

Even still, companies with business operations that present corruption risk are well-advised to stay the course, not alter their compliance risk calculus, and remain vigilant. While enforcement priorities are shifting in the U.S., anti-corruption enforcement by authorities outside the U.S. remains robust. And even as DOJ and SEC revisit their anti-corruption enforcement approach, such enforcement can be pursued through other avenues, including federal money-laundering statutes or state statutes such as California's Unfair Competition Law. DOJ and SEC approaches may also change and become enforceable under an extended 10-year statute of limitations if the recently proposed FCPA Reinforcement Act becomes law.

Companies should therefore consider the following:

- Reassess exposure in high-risk jurisdictions and sectors

- Review and update policies and processes to focus on risks identified in DOJ's new priorities:
  - Cartel/transnational criminal organization risks
  - U.S. national security interest
- Reduce the risks of being linked to cartels and drug trafficking
  - Conduct risk assessments
  - Create crisis response protocols to manage extortion attempts, supply chain contamination, and communication with the authorities
  - Document business operations to defend against potential allegations of aiding and abetting cartels
- Strengthen third-party management, including through systematic background checks and diligence on third parties, customers, and employees
- Communicate with and train company leaders and employees in varying and targeted manners on the ongoing importance of compliance and the need to identify and manage relevant risks
- Monitor global developments in corruption enforcement and multinational coordination to ensure compliance programs meet local requirements and enforcement risks

The bottom line is that maintaining a robust anti-corruption compliance program remains critical, notwithstanding lingering uncertainty in FCPA enforcement arising from DOJ and SEC policy changes.

Endnotes

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Takeaways

- Anti-corruption enforcement has shifted in emphasis but remains active, with U.S. authorities recalibrating priorities rather than abandoning enforcement.
- Individual accountability is increasingly central as enforcement authorities continue to pursue executives and employees, even when corporate penalties are mitigated.
- Declinations, deferred resolutions, and sanctions relief now more explicitly reward timely self-disclosure, cooperation, and demonstrable compliance remediation.
- International and multilateral enforcement bodies remain robust, ensuring that global anti-corruption risk persists regardless of changes in U.S. enforcement posture.
- Companies operating across borders must maintain vigilant, risk-based compliance programs to navigate evolving enforcement frameworks and overlapping jurisdictional exposure.