

FIGHTING CORRUPTION A NEW PERSPECTIVE

7th ICAC Symposium
May 2019, Hong Kong

FIGHTING CORRUPTION THE BRAZILIAN EXPERIENCE

Justice Ellen Gracie Northfleet

I - THE CAR-WASH CASE
II – INTERNAL INVESTIGATIONS

A decorative graphic consisting of several parallel white lines of varying thicknesses, slanted diagonally from the bottom-left towards the top-right, positioned on the right side of the slide.

MORE THAN 5 YEARS INVESTIGATION BEGAN IN 2014

Have been indicted on charges of Corruption, Money Laundering and Conspiracy

3 ex-Presidents

2 Chiefs of Staff

6 Presidents of the Senate

5 Presidents of the House of Representatives

300+ Businessmen, Civil Servants and Officers of major companies

Have already been convicted: 140+

PETROBRAS BRAZILIAN OIL COMPANY

Estimated losses of 42 Billion Reais or 10.5 Billion US Dollars

PLEA BARGAIN OF A DIRECTOR OF THE COMPANY INVOLVED IN THE CORRUPT SCHEME (2014)

Investigation of Subteraneous Financial Webs
Money Laundering Schemes

RECOVERY OF ASSETS

INTERNATIONAL COOPERATION

The recovery of the Money and other Assets reaches **25%** of what has been embezzled.

International average is between 0.8% and 1.6%

INTERNATIONAL COOPERATION

Investigations spread over other Countries in the Region

Venezuela

Dominican Republic

Panama

Peru

Argentina

Colombia

Equador

And in **Africa**

Mozambique

Angola

MODUS OPERANDI

MONEY FLOW



Cartel
Overestimated
Contracts

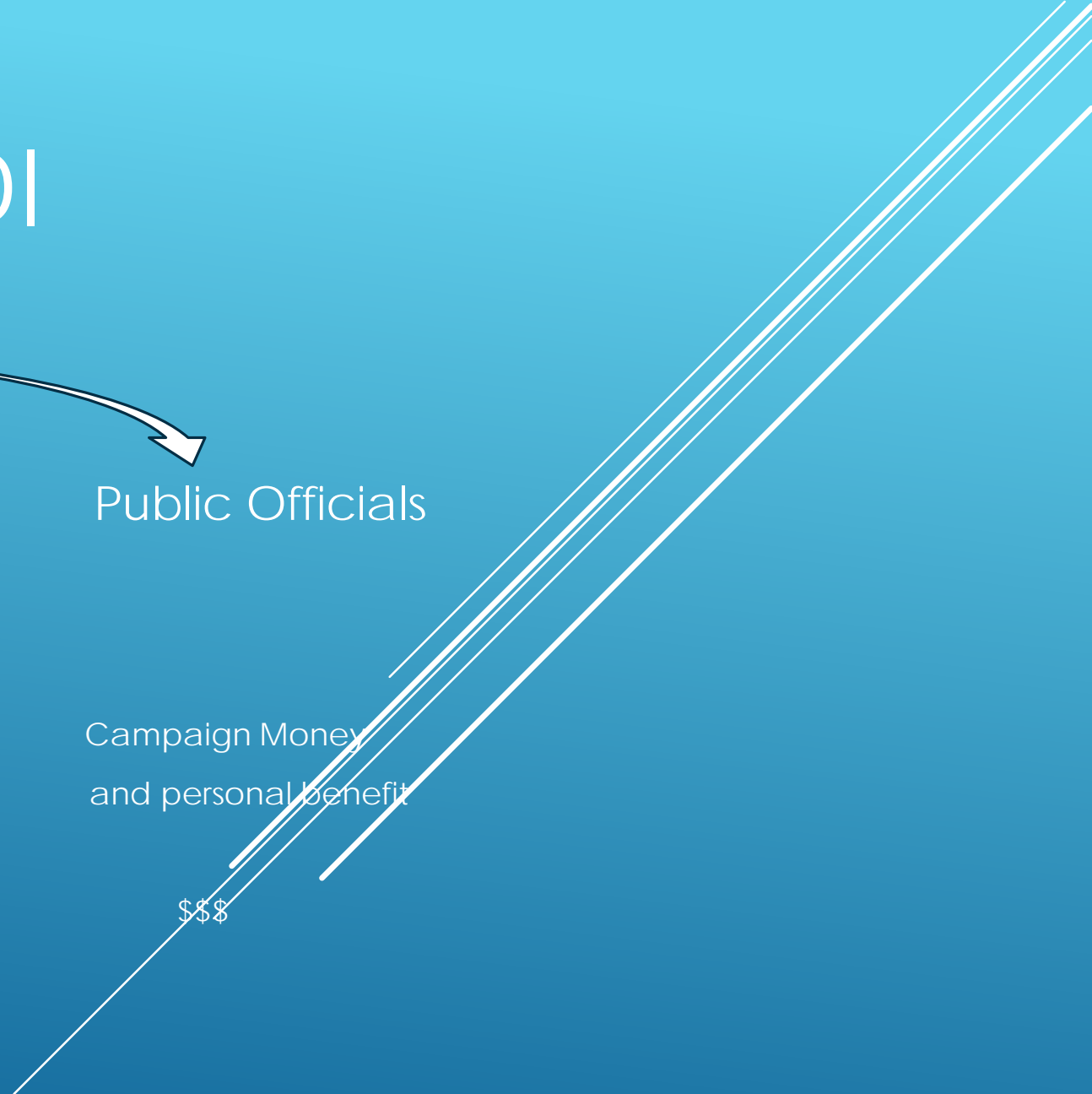
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Political Parties appointees

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Campaign Money
and personal benefit

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MODUS OPERANDI

MONEY FLOW

Construction
Companies



Money
Launderers



Beneficiaries



Fake Consulting
Contracts to justify
payments



Payments inside
and outside the
Country for a fee
Import Contracts



Bank Accounts
in Fiscal Paradises
or in currency

GENERAL CAUSES

Greed

Extremely Costly Political
Campaigns

REASONS FOR SUCCESS

Unity of the Investigation

Well prepared investigation Team of Prosecutors

Intensive use of Plea Bargaining

Qualified First Instance Judge

International Cooperation

Support from the Higher Courts

Support from Public Opinion and the Media

CHALLENGES

Changes in Legislation

Changes in Jurisprudence of the Higher Courts

Setbacks caused by some excesses in the investigation

INTERNAL INVESTIGATIONS

Tone from the Top

Independent External Committee

Law Firms in each Jurisdiction

Help of Forensic Experts

Library

STAKEHOLDERS

Board of Directors

Executive Board

External Auditors

Shareholders

Staff

Authorities

Public

AMPLE SCOPE X OBJECTIVENESS

Cost constraints

Limitations of Time

No one is out of the scope of the investigation

TWO FACED PROJECT: INVESTIGATE AND SUGGEST RECOMENDATIONS

Any good internal investigation should help the Company to overcome the crisis and get out of it as an improved institution.