



Press Release

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Contact	Sarah Salman
	<u>Sarah.salman@pwc.com</u>
	+971 (0) 4 304 3711

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Economic crime in the Middle East remains as tough to tackle as it's ever been, says PwC

- The four most commonly reported types of economic crime are asset misappropriation, cybercrime, bribery and corruption and procurement fraud
- 65% of respondents cited opportunity as the biggest factor driving crimes committed by employees
- 40% of PwC's report respondents indicated that their organisations have never performed a fraud risk assessment

February 2017 – Dubai, United Arab Emirates – PwC Middle East's Forensics Services team hosted a conference on *Global Trends in Investigations and Enforcement* at the Intercontinental Hotel Dubai, in collaboration with the UAE's chapter of the Internal Audit Association (IIA) last month. PwC's Global Forensics leaders in attendance shared their experience on international trends in economic crime and discussed the importance of how new technologies can help protect and mitigate risks for businesses.

Ms. Samia Al Yousuf, UAE IIA General Manager opened the event and welcomed Achraf El Zaim, Forensic Services Partner for PwC Middle East who discussed the impact of globalisation on today's economy and the latest Middle East statistics reported in PwC's Global Economic Crime Survey. Abdul Qader Obeid Ali, Chairman of the UAE IIA followed by outlining the current threats of fraud and corruption facing local businesses.

Nick Robinson, PwC Middle East Partner and Forensic Services Leader said, "Economic crime continues to adversely affect organisations across the region, as awareness grows organisations will be judged on how they react and respond to instances."



Abdul Qader Obeid Ali, Chairman of the UAE IIA stated: “It was a great pleasure collaborating as UAE Internal Auditors Association with PwC Middle East to conduct this conference. We are all aware that economic crime is not just a global problem but also a major issue that we are facing in the Middle East. We are all requested to engage in the efforts to mitigate economic crime as well as investigate it.”

Nick Robinson and Abdul Qader Obeid Ali co-chaired the panel discussions which outlined how organisations protect their reputation in a global environment and the importance in cross-border investigations and enforcement.

Whilst the United Arab Emirates is ranked first amongst the Gulf countries on Transparency International Corruption Perception Index, continuous efforts to fight fraud and corruption still need to be made to further improve the ranking across other countries.

During the conference, a PwC live polling session on economic crime’s impact on organisations surveyed 150 participants. Survey results showed that despite the Middle East’s efforts to combat economic crime, there has been no clear indication that levels in the Middle East or globally have decreased. Economic crime remains as tough to tackle as it’s ever been.

Although 65% of the survey’s respondents cited “opportunity” as the biggest factor driving crimes committed by employees (74% of all economic crimes reported in the last two years were committed by staff), 40% of respondents indicated that their organisations have never performed a fraud risk assessment. Furthermore, the four most commonly reported types of economic crime are “asset misappropriation” (49%), “procurement fraud” (16%), “bribery and corruption” (15%) and “cybercrime” (12%). Finally, although 72% of respondents indicated that their perception of the risk of cybercrime in their organisation has increased over the last 24 months, 44% reported that their organisation restructured or reorganised departments responsible for governance and compliance as a measure implemented in the last 24 months to address increased regulatory expectations.

Further interesting findings from the survey are around the most likely characteristics of an internal fraudster, incident response plans to deal with cyber-attacks and the most significant challenges with response to AML/CFT systems.

During the conference, Tania Fabiani, Forensic Services Partner and Head of Financial Crime for PwC Middle East and James Tebbs, Forensic Services Director for PwC Middle East highlighted the risks and challenges posed by trade-based money laundering.

The conference was attended by PwC Global and Middle East leaders, including:

- Philip Upton, Forensic Technology Leader for PwC Global;
- Andrew Gordon, Forensic Services Leader for PwC Global;



- Eric Skramtad, Forensic Services Leader for PwC Asia, Pacific America and US Advisory;
- John Donker, Forensic Services Leader for PwC China, Hong Kong and Asia Pacific;
- Tareq Haddad, Forensic Services Partner for PwC Middle East;
- Ibtissem Lassoued, Partner in Al Tamimi & CO.

For more information on the survey findings and PwC's UAE Economic Crime Update 2017, visit:
<https://www.pwc.com/m1/en/publications/economic-crime-update-2017-uae-snapshot.html>

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