Month in a Minute: Developments in Anti-Corruption

Month in a Minute: March 2026

Hughes Hubbard's anti-corruption "Month in a Minute" offers a quick snapshot of the key foreign corruption-related developments from the prior month. We hope you find it a useful and perhaps enjoyable resource.

Highlights from March 2026 include Foreign Corrupt Practices Act (FCPA) charges for two startup founders but a declination for the company, the conclusion of the Department of Justice's investigation into Dr. Reddy's Laboratories, a bill to double the FCPA's statute of limitations, a new department-wide corporate enforcement policy and a guilty plea for a U.S.-Mexico dual citizen.

Declination for Balt International While Individuals Indicted on FCPA Charges

On March 19, the DOJ announced a declination for French medtech company Balt International in relation to a scheme in which an executive at Balt's U.S. subsidiary (known as "Balt USA") and a consultant hired by Balt USA allegedly bribed an employee of a state-owned hospital in Reims, France. In connection with the declination, Balt agreed to disgorge approximately $1.2 million. Balt also entered into a coordinated resolution with France's Parquet National Financier related to the same conduct. The DOJ credited the declination to Balt's voluntary self-disclosure, full cooperation and timely remediation — including terminating the business relationships involved in the misconduct, disciplining personnel and enhancing corporate controls, among other actions — under Part I of the department-wide Corporate Enforcement and Voluntary Self-Disclosure Policy (CEP), marking the first declination issued under the DOJ's unified CEP.

The DOJ's declination comes after prosecutors brought FCPA charges against David Ferrera and Marc Tilman on March 4, in relation to the same conduct. Ferrera and Tilman were the founders of Blockade

Medical, a U.S. medical device startup that was acquired by Balt and became Balt USA. According to the DOJ, between 2017 and 2023, Ferrera and Tilman allegedly paid bribes to a senior physician at a state-owned public hospital in France to secure the purchase of Balt medical devices. At the time of the alleged misconduct, Ferrera worked as an executive at Balt USA and Tilman was hired by Balt USA as a consultant. The payments were allegedly routed through a Belgium-based consulting company owned and operated by Tilman and concealed through sham consulting agreements and bonus payments as well as false invoices. Ferrera and Tilman further concealed the scheme by utilizing encrypted messaging platforms and coded language. The case against Ferrera and Tilman is ongoing.

DOJ Closes Investigation Into Dr. Reddy’s Laboratories

On March 5, the DOJ announced that it had closed its FCPA investigation into Indian pharmaceutical company Dr. Reddy’s Laboratories without any enforcement action. The investigation related to Dr. Reddy’s alleged improper payments to healthcare professionals in Ukraine. Dr. Reddy’s initially disclosed allegations regarding improper benefits paid to doctors in Ukraine to the U.S. Securities and Exchange Commission, the DOJ and the Exchange Board of India in November 2020. Last month Dr. Reddy’s announced that the SEC had concluded its investigation regarding the same alleged misconduct and would also not take any enforcement action.

Senate Democrats Introduce FCPA Reinforcement Act

On March 9, a group of U.S. Senate Democrats introduced the FCPA Reinforcement Act, a bill that would double the statute of limitations for criminal FCPA anti-bribery violations from five to 10 years. The legislation, backed by 14 senators, is framed as a response to concerns that recent DOJ policy shifts and an enforcement “pause” have weakened the deterrent effect of the FCPA, particularly for complex, cross-border bribery schemes that often take years to uncover and investigate. Supporters argue that a longer lookback period would better reflect the realities of international corruption cases and preserve enforcement flexibility for future administrations.

The bill is widely viewed as a long shot in a divided Congress. If passed, the bill would apply prospectively and includes an eight-year sunset provision, but its introduction reinforces a broader message to the private sector: Foreign bribery risks may be pursued years after the fact, and current conduct could face scrutiny under a different enforcement posture in the future.

DOJ Unveils Single Self-Disclosure Policy

On March 10, the DOJ issued a new department-wide Corporate Enforcement and Voluntary Self-Disclosure Policy. The original CEP, which created formal incentives for companies to voluntarily disclose misconduct, spawned from the FCPA Pilot Program launched in 2016. Subsequent iterations were likewise limited to FCPA violations. The new department-wide CEP applies to all corporate criminal matters handled by the DOJ (with the exception of certain antitrust violations). The new CEP maintains the three-part framework for corporate enforcement under the prior versions of the CEP with some minor adjustments.

Under Part I, the DOJ will decline to prosecute when a company voluntarily self-discloses conduct to the DOJ, fully cooperates with the DOJ's investigation, and timely and appropriately remediates the misconduct, and where no aggravating circumstances (e.g., pervasive conduct, severe harm, corporate recidivism) exist. Prosecutors may still recommend a declination even where aggravating circumstances exist, after weighing the severity of the circumstances against the company's voluntary self-disclosure and its cooperation and remediation.

Under Part II, companies who nearly miss a declination — those that (1) act in good faith but do not meet the technical definition of voluntary self-disclosure, and/or (2) have aggravating factors warranting a criminal resolution — will be subject to a Non-Prosecution Agreement of less than three years. In addition, the DOJ will not require an independent compliance monitor and will provide a reduction of at least 50% but not more than 75% off the low end of the United States Sentencing Guidelines (USSG) fine range. This is a slight change from the prior version of the CEP, which offered a reduction of 75% off the low end of the USSG fine range rather than providing a range.

Finally, under Part III, prosecutors have discretion to determine the appropriate resolution for companies that do not qualify under Parts I or II. Companies in this third group may not receive a fine reduction of more than 50% off the USSG; however, for companies that fully cooperate and timely remediate, there will be a presumption that this reduction will be taken from the low end of the USSG range.

Texas Oil Consultant Pleads Guilty to FCPA Conspiracy Charge

On March 31, Alfonso Wilson, a Houston-based oil industry consultant and dual citizen of the United States and Mexico, pleaded guilty to one count of conspiracy to violate the FCPA for his role in a scheme to bribe a senior official at PEMEX Exploración y Producción (PEP), a wholly owned subsidiary of Mexico's state-owned oil company, Petróleos Mexicanos (PEMEX), in exchange for securing a contract for a Texas-based equipment company (the "Equipment Company").

According to a March 16, criminal information, beginning in 2020, Wilson and his co-conspirators, two of whom were senior executives at the Equipment Company, paid millions of dollars in bribes to a senior PEP official in order to assist the Equipment Company in obtaining business from PEMEX, including a December 2021 supplier contract worth approximately $540 million. Wilson and his co-conspirators discussed the details of the scheme using WhatsApp messaging. The bribes were paid to the senior official using a series of intermediary companies, one of which was owned and controlled by Wilson. Wilson received approximately $415,800 in commission in connection with the scheme.

Wilson pleaded guilty to one count of conspiracy to violate the FCPA. As part of his plea agreement, Wilson agreed that he obtained $383,896 in proceeds from the scheme and agreed to forfeit that amount. Wilson's sentencing is currently set for June 26.

FACT OF THE MONTH

The 98th Academy Awards were held on March 15. “Sinners,” a 2025 film starring Michael B. Jordan and directed by Ryan Coogler, set a new record with 16 nominations. While Michael B. Jordan won the Best Actor award (his first), and “Sinners” set a number of other noteworthy milestones, the film failed to take home the top prize for Best Picture. Instead, “One Battle After Another,” a Paul Thomas Anderson-directed film, won the award for the best motion picture of the year.

At the very first Academy Awards, held in 1929, the top honor (then called “Outstanding Picture”) went to a silent World War I film called “Wings.” At a budget of $2 million (approximately $38 million in today’s dollars), “Wings” was considered to be one of the most expensive films of its era. By comparison, “One Battle After Another” reportedly cost between $130 million and $175 million to make, which did not even rank in the top five most expensive films of the year.

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