



# EU WHISTLEBLOWING DIRECTIVE

A PRACTICAL GUIDE FOR EU BUSINESSES

# WHAT ARE THE KEY REQUIREMENTS OF THE EU WHISTLEBLOWING DIRECTIVE?

By 17 December 2021, the EU Whistleblowing Directive ("the Directive") will have been passed into law across the European Union. What does this mean for your business? Are you ready to adapt?

## What are the key requirements?

The Directive introduces a wide range of new requirements for companies who receive disclosures, which are summarised below:

- From 17 December 2021 the Directive applies to all EU businesses with over 250 employees.
- Depending on the national implementation of the Directive, EU businesses with 50 to 249 employees may have until 17 December 2023 to implement the changes required.
- **Secure channel for reporting.** EU businesses will require internal or external "channels for receiving the reports which are designed, established and operated in a secure manner that ensures that the confidentiality of the identity of the reporting person and any third party mentioned in the report is protected, and prevents access thereto by non-authorized staff members".

- **Dedicated, impartial staff to handle reports.** A neutral person or department competent will be dedicated to follow up on reports, which may be the same person or department as the one that receives the reports. These dedicated staff members will maintain communication with the reporting person and, where necessary, ask for further information from – and provide feedback to – that reporting person.
- **Timeframe** – Acknowledging reports within seven days, and providing feedback within three months.
- **Diligent follow-up.** The Directive requires thorough follow-up and the provision of feedback within three months (which may be extended to six months in duly justified cases).
- **Reporting the outcome per national law.** The Directive states that the receiving body must communicate to the reporting person the result of investigations triggered by the report, in accordance with procedures provided for under national law.








## What should EU businesses do?

All businesses in the EU should review their obligations under the Whistleblowing Directive and assess their ability to implement internal reporting channels and assign dedicated staff to handle such reports. Companies should undertake planning to identify how reports will be investigated independently, and within the required timeframes of the Directive. While many companies may adopt a "wait and see" approach, companies must act to implement systems and reporting channels per the Directive.



# OUR SERVICES

BDO Forensic Services can assist businesses across the European Union to meet the requirements of the EU Directive. Our whistleblowing services (Advisory, External Reporting Channel and Investigation Services) meet all of the following characteristics:

 <p><b>External reporting channel</b></p> <ul style="list-style-type: none"><li>• Operated by our forensic professionals</li></ul>	 <p><b>Tailored</b></p> <ul style="list-style-type: none"><li>• Solutions to meet your needs</li><li>• Tailored periodic reporting</li><li>• From simple host-and-report to end-to-end case management</li></ul>
 <p><b>Secure</b></p> <ul style="list-style-type: none"><li>• GDPR compliant</li><li>• Hosted on dedicated server and network</li></ul>	 <p><b>Simple</b></p> <ul style="list-style-type: none"><li>• Clean, straightforward user interface</li><li>• Ease of use by any level of staff</li></ul>
 <p><b>Customisable</b></p> <ul style="list-style-type: none"><li>• Can be tailored to meet your geographic, compliance and internal reporting requirements</li></ul>	 <p><b>Complete Suite</b></p> <ul style="list-style-type: none"><li>• Whistleblower policy and procedure development</li><li>• Review of existing policies</li><li>• Employee communication and training/workshops</li><li>• Independent investigations</li></ul>
 <p><b>Multi-Language</b></p> <ul style="list-style-type: none"><li>• Available in multiple languages</li></ul>	

Forensic Advisory  
&  
Implementation



External reporting  
channel &  
Case Management



Investigations

# HOW CAN BDO HELP?

Fraud, corruption and other unethical or illegal behaviour are an ever-present and growing risk for organisations of all types. According to the Association of Certified Fraud Examiners (ACFE) Report to the Nations 2020, this behaviour costs companies an average of US\$ 1,509,000 loss per case or a median of US\$ 125,000 in 2020. The risks and impacts extend to reputational loss, personal injury, financial and legal sanctions and much more. Whereas these cases grow on a daily basis, only 15% of such behaviour is discovered through audits. Almost half of all cases of misconduct identified are however brought to light by whistle blower activity, and even more so where a whistleblowing system is in place. The EU Directive sets out a number of requirements towards organisations, but represents without any doubt a major opportunity for added value as well.

Contact us to find out more about our Whistleblowing Services, a demonstration of our solutions and a discussion on how these may be tailored to your organisation. The hosts of our European Whistleblowing webinar will directly respond to your query or put you in contact with your local Forensic service leaders.



**For further information, please contact our advisory service leaders below:**



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