

# Now & Next

Government Investigation & White Collar Defense Alert

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## Trump pauses FCPA Enforcement

By Mark Knights and Christopher Hotaling

President Trump issued an Executive Order pausing the enforcement of the Foreign Corrupt Practices Act (FCPA)



### What's the impact?

- The Order establishes a 180-day “review period,” during which the Attorney General is directed to “review guidelines and policies governing investigations and enforcement actions under the FCPA” and may not initiate any new FCPA investigations or enforcement actions.
- Companies with an international presence should not relax their ongoing anti-bribery and anticorruption compliance efforts but should continue to observe best practices for identifying and mitigating bribery risk in their international operations.

Three weeks into his second administration, President Donald Trump has issued an [Executive Order](#) potentially portending a sea change in the federal government’s pursuit of transnational bribery.

The Foreign Corrupt Practices Act (FCPA) is the government’s principal tool in combatting corruption abroad. In general terms, the FCPA makes it illegal for US individuals and

corporations to offer, promise, or pay bribes or anything else of value to foreign officials to secure a business advantage.

Violations of the FCPA carry stiff criminal and civil penalties. Over the past 20 years, the government has [collected tens of billions of dollars in sanctions](#) in FCPA enforcement actions—including nearly \$6 billion in 2020, the last year of President Trump’s first term.

Trump’s February 10, 2025, Order, titled “Pausing Foreign Corrupt Practices Act Enforcement to Further American Economic and National Security,” asserts that “overexpansive and unpredictable FCPA enforcement against American citizens and businesses” arising from “routine business practices in other nations” both “wastes prosecutorial resources” and “actively harms American competitiveness and, therefore, national security.”

The Order therefore establishes a 180-day “review period,” during which the Attorney General is directed to “review guidelines and policies governing investigations and enforcement actions under the FCPA.” During the review period, the Attorney General must not begin any new FCPA investigations or enforcement actions, must review existing FCPA investigations and enforcement actions for alignment with the President’s foreign policy prerogatives, and “issue updated guidelines or policies, as appropriate, to adequately promote the President’s Article II authority to conduct foreign affairs and prioritize American interests, American economic competitiveness with respect to other nations, and the efficient use of federal law enforcement resources.” The Attorney General may, in her discretion, extend the “review period” by an additional 180 days.

It is too early to say what the long-term impact of the February 10 Executive Order may be. For now, the Order does nothing more than place a temporary pause on FCPA enforcement by the Department of Justice. However, the new administration has already signaled that it intends to be more circumspect in its enforcement of the FCPA moving forward. In a [February 5, 2025 memorandum](#), Attorney General Pam Bondi directed the DOJ’s FCPA Unit to “prioritize investigations related to foreign bribery that facilitates the criminal operations of Cartels and [Transnational Criminal Organizations],” and to “shift focus away from investigations and cases that do not involve such a connection.”

Whatever the outcome of the administration’s pause—and notwithstanding this apparent change in priorities in FCPA enforcement—companies should not relax their ongoing anti-bribery and anticorruption compliance efforts.

As an initial matter, the President’s Executive Order applies only to the Department of Justice, and does not immediately curtail FCPA enforcement by the Securities and Exchange Commission, which also possesses—and robustly exercises—the power to pursue FCPA enforcement actions. Further, following the lead of the US, in recent years foreign governments have redoubled their own efforts to combat corrupt practices, resulting in enactments such as the UK Bribery Act 2010 and France’s Sapin II Law. Companies with an international presence

must therefore contend not only with the FCPA, but also with an array of local laws that likewise prohibit bribery and corrupt practices. And though it is perhaps too obvious to need to observe here, future presidential administrations may take a much different approach to FCPA enforcement than the current administration—and, with the FCPA’s five-year statute of limitations, will have the power to prosecute and otherwise pursue violations that occur during the Trump administration.

Companies are, therefore, advised to stay well ahead of the curve, and to continue to observe best practices for identifying and mitigating bribery risk in their international operations. In the meantime, your Nixon Peabody team will continue to monitor the Administration’s actions related to the FCPA and update you as appropriate.

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