



United States
Department of
Agriculture

Trade and Foreign
Agricultural
Affairs

Foreign
Agricultural
Service

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ATP 18-005

August 30, 2018

SUBJECT: Submission of Fraud Prevention Programs

TO: All Agricultural Trade Promotion (ATP) Program Participants

This program notice is effective immediately.

Background

The ATP regulations were published in the Federal Register on August 30, 2018 and were effective beginning with program year 2018. Regulations regarding fraud prevention programs are found at 7 CFR 1489.30.

Section 1489.30 requires all Participants to submit a detailed fraud prevention program to FAS for review and approval. Until written approval is received from FAS, Participants cannot conduct any ATP activities or allow any ATP activities to occur.

During their reviews, FAS' Compliance Review Staff will confirm if the fraud prevention program procedures are being implemented as approved.

Anti-fraud requirements – All Participants (1489.30(a))

- 1) At a minimum, the fraud prevention program submission must include:
 - a) An annual review of internal controls and weaknesses;
 - b) A standard process for investigating and remediation of suspected fraud cases; and
 - c) Training in risk management and fraud detection for all current and future employees.
- 2) All fraud prevention programs must be received by FAS within 30 days after the date the applicant submits their application to the program.
- 3) Participants should submit electronic versions of their fraud prevention programs to FAS via email to uesadmin@fas.usda.gov within 30 days of applying to the program.

- 4) FAS has developed an optional fraud prevention program template that Participants can use to develop and submit their plans. This optional template is available to Participants on the homepage of the online UES system.
- 5) FAS will endeavor to evaluate the fraud prevention programs and notify Participants of approval or disapproval within 30 days of receipt of the plans.

Additional Fraud Prevention Program Procedures for Participants that Administer Brand Programs (1489.30(b))

- 6) Participants may charge a fee to brand participants to cover the cost of the fraud prevention program.
- 7) A Participant that is not strictly adhering to its approved fraud prevention program may be held liable for fraudulent claims submitted by brand participants. Thus, it is critically important that the details of the approved fraud prevention program be understood by **all** staff and contractors of any Participant with a brand program.

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