



Analysis of Enterprise Compliance Management Problems and Countermeasures -- Taking Q Administration Bureau of S City as an Example

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Abstract. By investigating the compliance management situation of enterprises under the Q Administration of S City, this paper analyzes the construction of compliance management system of different types of enterprises and their compliance risks. It is believed that the common problems of compliance management in enterprises lie in the lack of recognition of the value of compliance management system, the low enthusiasm for the construction of compliance management system and the need to improve the standardization of the construction of compliance management system. The lack of external policies of enterprise compliance management also restricts the development of enterprise compliance. The lack of incentive mechanism is not conducive to the formation of internal motivation for enterprise compliance, and the promotion of compliance through administrative pressure will easily lead to the formality of enterprise compliance, the lack of horizontal communication mechanism between administrative supervision departments and procuratorial organs, and the inconsistency of compliance supervision standards, resulting in excessive burdens on enterprises. It is suggested that the government should establish a compliance management system, set up a compliance construction leading group, establish a compliance incentive mechanism of legislation, law enforcement and judicial coordination, and strengthen the supervision of the certification market to promote the compliance construction of enterprises.

Keywords: Compliance Management, Problems, Countermeasures.

1 ANALYSIS OF INTERNAL ISSUES IN ENTERPRISE COMPLIANCE MANAGEMENT

The Central Committee of the Communist Party of China and the State Council have put forward specific requirements for S city to carry out compliance construction. At the same time, S city has carried out relevant compliance management practices, many of which involve the compliance management work of Q management bureau. Many types of domestic and foreign enterprises, as well as Hong Kong funded enterprises, have settled in the Q Management Bureau, and involve a large amount of direct foreign

investment. In the current situation of stricter domestic and foreign supervision, enterprise operations face significant compliance risks[1-3].

The Q Management Bureau of S City has started compliance construction and made certain progress, but due to comprehensive factors such as imperfect external policy environment, lack of methodological support internally, and insufficient resource investment, most enterprises are still in the initial or not yet in the initial stage of compliance construction, and there is still a certain gap from truly effective compliance operations. Through online interviews, questionnaire surveys, literature review, expert consultation, and compliance risk inquiry tools, we have discovered the current situation of Q Management Bureau's corporate compliance management, as well as the bottlenecks and difficulties in carrying out compliance management[4-6]. The analysis of compliance risks and compliance management system construction in some enterprises of Q Management Bureau is as follows.

1.1 The Q Management Bureau Has Strong Compliance Risk Control Measures for Financial Enterprises, But Compliance Risks Still Exist

Q Management Bureau K District focuses on the financial industry and creates a modern service industry cluster. The Q Management Bureau has become the largest cluster of quasi financial institutions in China. By the end of 2020, there were over 44000 registered financial enterprises, accounting for 29.14% of the total number of enterprises in the K area of the Q Management Bureau. The added value of registered financial enterprises accounted for 56.27%. There are over 250 licensed financial institutions in total[5-9].

Although various compliance regulatory documents have been issued in China's financial sector, such as the "Guidelines for Compliance Risk Management of Commercial Banks" issued by the China Banking Regulatory Commission in October 2006, the "Compliance Management Measures for Insurance Companies" revised in 2016 formulated in 2007, and the "Compliance Management Measures for Securities Companies and Securities Investment Fund Management Companies" issued by the China Securities Regulatory Commission in 2017, it is mandatory for commercial banks, insurance companies, securities companies, and securities investment fund management companies in China to establish compliance management systems. However, financial enterprises or their affiliated companies managed by Q still face non-compliance risks. For example, a certain investment limited company of Q Management Bureau in S City was restricted from high consumption and listed as a dishonest debtor by the court due to its failure to fulfill legal obligations. A certain securities limited liability company has been sued for a letter of credit fraud dispute. A certain fund management limited company was fined administratively, etc.

1.2 Q Management Bureau Has Prominent Compliance Risks for Technology-Based Enterprises

Q Management Bureau has registered over 23000 technology-based enterprises, accounting for 15% of the total number of enterprises in the K area of Q Management

Bureau. Some large platform enterprises, consulting companies and other technology-based enterprises have settled in the Q Management Bureau. According to Qichacha, a large technology enterprise has been sued in court for abusing its dominant market position and infringing intellectual property rights, involving nearly 400 compliance risks of the enterprise itself. A certain DM technology enterprise was sued for labor disputes, contract disputes, and other reasons, and was fined twice by the Comprehensive Administrative Law Enforcement Bureau of Q Management Bureau in S City. The company in which it holds shares has been sued for infringement of trademark rights, unfair competition, infringement of work information network dissemination rights, and other reasons, involving nearly 2800 compliance risks. The APP of a certain SH company has been punished by the S City Public Security Bureau for not disclosing the relevant requirements for collecting personal information in its privacy policy, which poses a potential risk of violating user information collection regulations. A certain enterprise has been sued for labor contract disputes, reputation disputes, and labor compensation disputes.

1.3 The Compliance Risks of Modern Logistics Enterprises are Becoming Apparent

As of the end of 2020, Q Management Bureau had registered over 23600 modern logistics enterprises, accounting for 19% of the total number of enterprises in Q Management Bureau's K area. Among them, multiple large logistics supply chain enterprises have settled in Q Management Bureau. Company C has been sued for contract disputes, co ownership disputes, property rights protection, etc., and its own risks amount to 13. A company's internal network recently revealed a disciplinary notice against its business manager, Mr. Shi, for serious violations, claiming that he used his position to accept bribes worth millions of yuan. Z Company has been sued for sales, leasing, transportation contracts, and other related risks. Its holding companies have also been sued for contract management, labor disputes, and other reasons, with more than 200 related risks involved. Y Company, as one of the largest supply chain service providers in China's IT industry, has also been sued for disputes over sales contracts and road transportation contracts. Y Company has been sued for failing to fulfill legal obligations, sales contracts, service contracts, labor contracts, and trademark infringement disputes on time, involving up to 152 risks for the company itself.

1.4 Professional Service Industry Enterprises Also Face Compliance Risks

In recent years, the professional services industry has become one of the important industries of Q Management Bureau. As of the end of 2020, Q Management Bureau has registered more than 20000 professional service industry enterprises, accounting for 19% of the total number of enterprises in Q Management Bureau's K area. Multiple large professional service industry enterprises have registered in Q. Among them, a certain construction company was sued for construction contract disputes and other related risks, involving 12 of its own risks and 26 related risks generated by the invested enterprises.

1.5 The Standardization of Enterprise Compliance Management System Construction Needs to be Improved

In the practice of compliance management, various departments in China attach great importance to the role of compliance management system standards in promoting compliance management construction at the level of central enterprises. The "Guidelines for Compliance Management of Central Enterprises" and "Guidelines for Compliance Management of Overseas Business Operations of Enterprises" issued in 2018 are both based on the GB/T 35770-2017/ISO 19600:2014 "Guidelines for Compliance Management Systems" (equivalent to ISO 19600 "Guidelines for Compliance Management Systems") and relevant international compliance rules. The investigation found that even in industries such as finance, securities, and listed companies that have implemented compliance management relatively early and have relatively standardized regulations, enterprises still have problems with the lack of standardized norms and guidance, resulting in an unsystematic, imperfect, non-standard, and even "two skin" compliance management system, which in turn leads to poor effectiveness of the compliance management system. In order to understand the construction of the compliance management system of enterprises under the jurisdiction of Q Management Bureau, the research team released the "Survey Questionnaire on Enterprise Compliance Management" through the Question Star network platform in November 2021 and conducted a survey. As of November 16th, a total of 185 valid questionnaires have been collected. Out of the 185 valid survey questionnaires collected, only 30% of the respondents were aware of ISO 37301:2011 "Compliance Management System Requirements and Guidelines for Use", and 70% of the companies were not yet aware of ISO 37301. Please refer to Figure 1 for details.

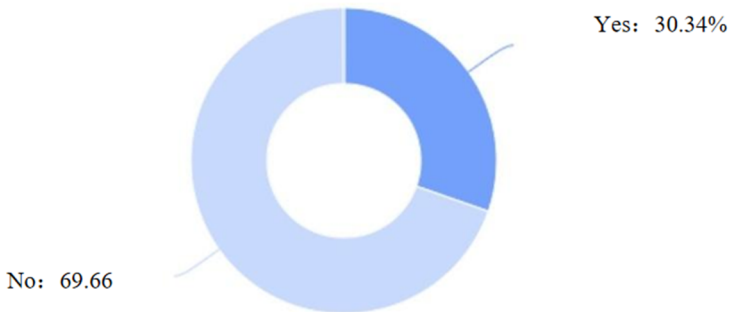


Fig. 1. Understanding the proportion of ISO 37301 personnel

Among the enterprises participating in the survey, 109 have carried out the construction of a compliance system, accounting for 64% of the total number of enterprises surveyed, and 36% have not yet established a compliance management system. Please refer to Figure 2 for details.

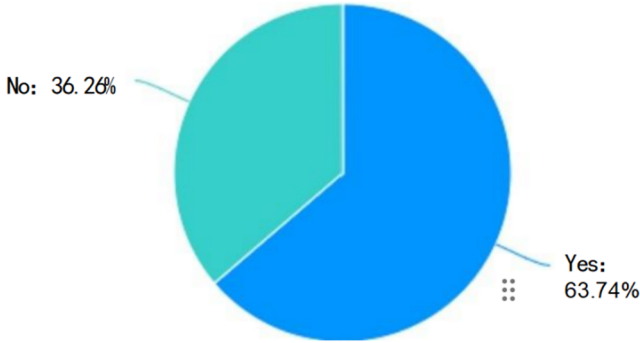


Fig. 2. Construction of compliance system

1.6 Insufficient Understanding of the Value of Compliance Management Systems by Enterprises

The analysis of the survey questionnaire shows that entrepreneurs have not realized the value of compliance, which is an important factor hindering the construction of compliance management systems[4,6,10-14].If a company does not take compliance management seriously as a strategic decision, but only formulates relevant institutional documents, evaluates and reviews them through administrative departments, and obtains certain business, the company's behavior itself has integrity issues, and the ultimate outcome will be that the company cannot obtain the performance changes brought by the compliance management system, nor can it organically integrate the compliance management system with other management systems.

Among the enterprises that participated in the survey, 96 enterprises regularly sorted out their compliance obligations, accounting for 56% of the total number of participating enterprises, and 44% of enterprises did not carry out regular compliance obligations. Enterprises generally update compliance obligations when new regulations are issued or old regulations are modified, as required by regulatory agencies, or external audit requirements, or periodically update compliance obligations after annual audits, or regularly update compliance obligations on a monthly basis.Please refer to Figure 3 for details.

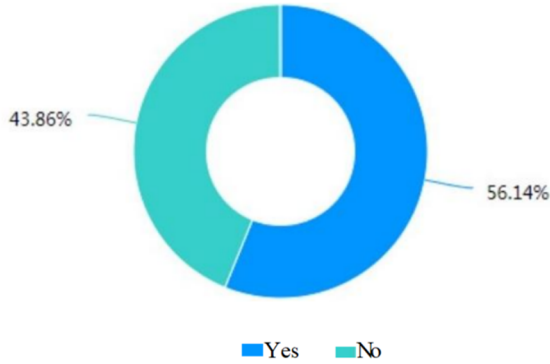


Fig. 3. Sorting out compliance obligations

1.7 Enterprises are Not Actively Involved in the Construction of Compliance Management Systems

From a practical perspective, enterprises are not actively involved in the construction of compliance management systems, and there is a situation where the government is hot and the enterprises are cold. Entrepreneurs believe that the construction of compliance systems requires a large amount of capital investment, and companies themselves lack talent to build compliance systems. Outsourcing to professional institutions incurs too high fees. In the survey questionnaire, 24% of companies chose this option; Entrepreneurs believe that their management mechanisms are already sound, capable of controlling various risks, and compliance management is optional. In the survey questionnaire, 26% of enterprises chose this option; Some startups believe that survival is the foundation of the enterprise and have not yet planned to establish a compliance management system[3,5-10]. They even believe that building a compliance system may hinder the company's development. Among the companies surveyed, 15% of them have this situation, as shown in Figure 1; The company did not follow the principles of compliance governance, granting compliance officers the authority to report directly to the governing body and top management, the compliance functional departments the freedom from interference from vertical managers, participate in important strategic decisions and speak, and guide other employees in carrying out compliance management work, making it difficult for the compliance functional departments and compliance officers to independently and authoritatively carry out compliance management work, greatly reducing the effectiveness of the company's compliance management system. 10% of the surveyed companies chose this option.

2 EXTERNAL POLICIES OF COMPLIANCE MANAGEMENT CONSTRAIN THE DEVELOPMENT OF CORPORATE COMPLIANCE

2.1 The Lack of Incentive Mechanisms is Not Conducive to Forming the Internal Driving Force for Corporate Compliance

Compliance management is a form of corporate governance and management that involves self supervision, self-management, and self improvement. In an ideal state, enterprises should voluntarily carry out compliance management system construction activities based on their understanding of compliance value, in order to promote sustainable development of the enterprise. However, in complex economic and social ecosystems, there are still many enterprises that need to be guided by external policies and incentive policies. In the field of criminal justice, China's Supreme People's Procuratorate has launched a pilot program for compliance non prosecution reform. For enterprises involved in business related crimes, they can be arrested, prosecuted, and sentenced according to law, but they are urged to establish an effective compliance management system. This move has pioneered the establishment of compliance incentive mechanisms in the judicial field of China, and has certain benefits in promoting the formation of internal compliance motivation in enterprises. In the field of administrative supervision, although there have been sprouts of compliance incentive mechanisms, some non compliant enterprises can exchange for relatively lenient administrative treatment by raising compliance defenses. However, the scope of application of this compliance incentive mechanism in practice is still very limited, and the incentive effect it plays is still very limited.

2.2 Promoting Compliance Through Administrative Pressure Can Easily Lead to Corporate Compliance Becoming Mere Formality

Currently, China's promotion of enterprise compliance management system construction mainly relies on government regulatory departments to promote it through administrative led mechanisms. Under this mechanism, government regulatory authorities require companies under their jurisdiction to establish compliance management systems in accordance with requirements, and supervise them through regulatory measures such as compliance reports and evaluations. Administrative penalties are imposed on companies that fail to establish compliance management systems as required. The existence of this administrative pressure mechanism is beneficial for promoting the construction of corporate compliance management system, but due to the lack of internal compliance motivation, enterprises can easily lead to the compliance management system becoming mere formality, and its effectiveness is difficult to guarantee. Such a compliance management system cannot truly help enterprises prevent compliance risks, let alone create a culture of integrity and compliance.

2.3 Lack of Horizontal Communication Mechanism Between Administrative Supervision Departments and Procuratorial Organs

At present, the departments promoting enterprise compliance management involve the State owned Assets Supervision and Administration Commission, Development and Reform Commission, Ministry of Foreign Affairs, Ministry of Commerce, People's Bank of China, State Administration of Foreign Exchange, All China Federation of Industry and Commerce, and Supreme Inspection Commission at the national, municipal, or district levels. They each promote enterprise compliance management based on matters within their legal responsibilities, but lack effective horizontal communication and coordination mechanisms. On May 13th this year, Zhang Jun, Secretary of the Party Group and Prosecutor General of the Supreme People's Procuratorate, led the Supreme People's Procuratorate research team to conduct a special research and discussion on enterprise compliance at the Zhangjiagang Procuratorate in Jiangsu Province. He found that the Supreme People's Procuratorate is still facing difficulties in carrying out compliance non prosecution reform pilot projects. For example, for some enterprises that have not yet been involved in criminal punishment, it is necessary to use the power of administrative supervision to establish a communication and coordination mechanism with the administrative authorities, and enable them to enter third-party supervision of enterprise compliance.

2.4 Inconsistent and Inconsistent Compliance Supervision Standards Result in Excessive Burden on Enterprises

According to the survey questionnaire, among the reasons for the obstacles and difficulties in compliance management for enterprises, the inconsistent enforcement and supervision standards of various administrative regulatory departments have made enterprises exhausted in dealing with ranking first, with 40% of enterprises choosing this option. See Figure 4. Due to the lack of unified and recognized technical rules for compliance management system support, regulatory authorities and inspection agencies have inconsistent regulatory standards for the compliance operation of various enterprises, resulting in Q Enterprises needing to accept supervision and inspection from multiple regulatory authorities every year. The requirements of various government departments are not uniform, and preparing various documents for supervision and inspection is time-consuming and laborious, causing excessive burden on enterprises. The lack of coordination in management and the reduction of operational efficiency have become the reuse reasons that hinder the better performance of the enterprise's compliance management system. The establishment of horizontal communication and coordination mechanisms between procuratorial organs and administrative regulatory departments, as well as mutual strengthening of cooperation, will undoubtedly play an important role in promoting China's compliance incentive mechanism.

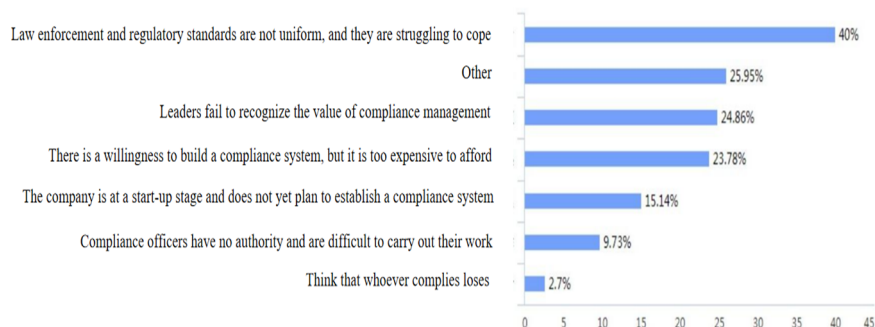


Fig. 4. Resistance and Challenges in Enterprise Compliance Management Construction

3 THE NON-STANDARD CERTIFICATION MARKET WILL AFFECT THE PROMOTION OF COMPLIANCE PRACTICES

As of September 2018, there were a total of certification institutions nationwide, with 1.75 million valid certification certificates and more than 580000 certified organizations involved. Among them, there are 497000 quality management system certification certificates and more than 465000 certified organizations, ranking first in the world in terms of the number of certificates issued and certified organizations for consecutive years. Although China's management system has a leading number of certificates issued or certified organizations internationally, the recognition of management system certification certificates in China is not high, and the chaos in the certification market is a reality that we must face. This has caused bad currency to drive out good currency in the certification market, affecting the development of management system certification in China and losing the value of certification to the market and transmitting trust to enterprises. Analyzing the three parties involved in the certification chain, certified enterprises, certification agencies, and regulatory authorities all have their respective responsibilities and issues. It can be said that integrity issues are the main challenges faced by certified enterprises and certification bodies.

3.1 Low Entry Threshold for Certification Market and Difficulty in Controlling the Quality of Certification Certificates

According to the Regulations of the People's Republic of China on Certification and Accreditation, the entry threshold for certification institutions is not high. With a registered capital of 3 million yuan, 10 or more full-time certification personnel in the corresponding field, a fixed venue and necessary facilities, and a management system that meets the requirements of certification and accreditation, the 2020 version of the regulations adds the requirement for certification institutions to obtain legal personality in order to apply for the establishment of certification institutions. The profit model of

certification bodies is simple. After issuing certificates, annual audits are required, and customers are relatively stable. The management system certification certificate is valid for 3 years. After the certificate is issued, it needs to be supervised and audited in the first and second years, and re audited in the third year. There will be a fixed income every year. The entry threshold for the certification market is low, the profit model is simple, and it is profitable, which leads to an increasing number of certification institutions and certificates issued. However, the quality of certification certificates is difficult to control.

3.2 Currently, only 28% of Approximately 500 Certification Agencies in China are Recognized by CNAS

As of the end of 2020, there were approximately 500 certification bodies in China, of which 140 have been recognized by CNAS, accounting for 28% of the total number of certification bodies. There are still 72% of certification bodies that have not been recognized by CNAS. The information on the certification certificate of the management system certification body recognized by CNAS is shown in Table 1.

Table 1. Information of certification certificates of management system certification bodies recognized by CNAS(until 2020-12-31)

Serial number	Management system certification program	Number of certification bodies	Number of certificates
1.	Quality management system	140	334244
2.	Environmental management system	126	161949
3.	occupational health and security management system	119	143577
4.	Food safety management system	39	12390
5.	Information security management system	25	12121
6.	Information Technology Service Management System	18	5405
7.	Hazard Analysis and Critical Control Point (HACCP)	32	10073
8.	Good Manufacturing Practices	6	253

9.	Software Process and Capability Maturity Assessment	3	20
10.	Requirements of management system for energy	33	3725
11.	Sustainable development management system for large-scale events	1	2

Approved by CNAS, it is a third-party certification that formally demonstrates the ability of a qualified assessment organization to carry out specific qualification assessment work. The certification body recognized by CNAS has the following significance: firstly, it indicates that it has the technical ability to carry out testing and calibration services in accordance with the corresponding recognition criteria; The second is to enhance market competitiveness and win the trust of government departments and all sectors of society; The third is to obtain recognition from the recognition institutions of the countries and regions that have signed the mutual recognition agreement; Fourthly, there is an opportunity to participate in bilateral and multilateral cooperation and exchanges recognized by international qualification assessment agencies; The fifth option is to use the CNAS National Laboratory Accreditation Mark and the ILAC International Mutual Recognition Joint Mark within the scope of accreditation; Sixth, it is to be included in the list of approved accreditation institutions to enhance its visibility.

3.3 Insufficient Recognition of the Value of Compliance Management System Certification by Enterprises

If a company does not truly recognize the value of compliance and takes compliance management seriously as a strategic decision, but only obtains certain business by formulating relevant institutional documents and quickly obtaining certification certificates, the company's behavior itself has integrity issues. The ultimate outcome will be that the certified enterprise will not be able to obtain the performance changes brought about by the management system, and the certification certificate will be separated from the actual situation of the enterprise. It will also be impossible to organically integrate the compliance management system with other management systems.

3.4 There Are Issues with the Integrity and Management of Certification Bodies and Practitioners

The lack of integrity among certification agencies, lax management and control over certification procedures of certification practitioners, and inadequate abilities of certification practitioners have ultimately led to frequent chaos in the certification market.

The main body of certification implementation is the certification agency and the testing agency serving certification. But currently, some certification agencies are

engaging in unfair competition to seize the certification market, and do not carry out certification activities in accordance with certification standards, resulting in low effectiveness of certification implementation. Certification personnel emerge with the development of certification activities, mainly including auditors, reviewers, and consultants engaged in certification and accreditation work. China adopts a registration system to manage certification personnel. Certification, as a third-party evaluation activity, is mainly completed through the audit work of certification personnel. The ability and level of certification personnel directly affect the effectiveness of the evaluation results.

At present, there are varying degrees of "three irregularities" in the certification work of management systems. One is overcharging, although there is a unified fee standard, they compete with each other to compete for customers; The second is disorderly review, failure to establish a quality assurance system in accordance with regulations, failure to conduct factory inspections or product inspections in accordance with regulations, and "going through motions" during the review process; The third issue is the issuance of certificates in a disorderly manner, which is directly related to arbitrary fees and evaluations. In order to cater to the certification needs of certain enterprises, standards are lowered and work cycles are shortened. The issuance of certificates is used as a tool for exchanging benefits, which damages the reputation of certification certificates as "quality assurance certificates" and even leads to the phenomenon of buying and selling certificates. Although these illegal and irregular behaviors have been curbed in recent years, their negative impact has directly damaged the international image of China's certification.

3.5 The Unfavorable Supervision of Certification is Also one of the Important Reasons for Causing Market Chaos

The supervision of the certification market is an important part of the national certification and accreditation system. The non-standard and ineffective certification market directly affects the healthy development of certification and accreditation in China. The lack of a strong sense of responsibility and integrity among certification agencies and personnel, as well as the low standardization and effectiveness of some certification and testing activities, as well as prominent issues such as illegal operations, false certification, and buying and selling certificates, have not been detected and contained through market supervision in a timely manner, which is detrimental to their supervision and is the fundamental reason for the chaos in the certification market.

4 POLICY RECOMMENDATIONS FOR Q MANAGEMENT BUREAU TO PROMOTE COMPLIANCE MANAGEMENT PRACTICES

4.1 Q Management Bureau Takes the Lead in Establishing a Compliance Management System and Passing Certification

In response to the issue that Q Management Bureau has not yet established a compliance management system but still faces compliance risks, it is recommended to develop a "Q Management Bureau Compliance Management System Construction Plan" based on the Four-elements model construction of compliance management system, which includes an organizational system, compliance risk assessment and control, non-compliance discovery and response, and compliance management effectiveness evaluation, and timely obtain ISO 37301 certification.

The Four-elements model construction of compliance management system, aiming at the problems of "two skins" in the construction and operation of an organization's compliance management system and the poor effectiveness of the elements of the compliance management system, this paper constructs a four-element model of compliance management system based on GB/T 35770-2022/ISO 37301:2021 Compliance Compliance management systems- Requirements with guidance for use. It includes basic elements, main elements, core elements and supporting elements. On this basis, a government compliance management system based on the four-element model will be built to improve the efficiency of government governance, provide a starting point for creating a business environment governed by law, and provide technical support for promoting high-quality development.

In the four-element model of compliance management system, compliance obligation identification is the basis for an organization to establish, develop, implement, evaluate, maintain and improve the compliance management system, and constitutes the basic element of the four-element model compliance management system. The compliance function shall constitute the main elements of the compliance management system, determine the subject of the implementation of the compliance management system, and clarify the organizational structure of the compliance management system, that is, the compliance roles, responsibilities and authority of the compliance director, the compliance management department, the management and all personnel. Compliance leadership, compliance governance and compliance culture constitute the core elements of the compliance management system. Compliance leadership emphasizes the decision-making level and the top executive level of the organization, promises and supports compliance with actual actions, is responsible for the effectiveness of the compliance management system, establishes, maintains and promotes compliance culture at the organizational level, plays a key role in compliance management, ensures compliance function can play a role, and endow compliance function with independence, authority and direct reporting line. At the same time, compliance risk assessment, compliance measures, written system management, non-compliance detection and response, assessment and continuous improvement together constitute the supporting elements of the compliance management system, which are the pillars of compliance

risk control. The four-element model of the compliance management system is shown in Figure 5.

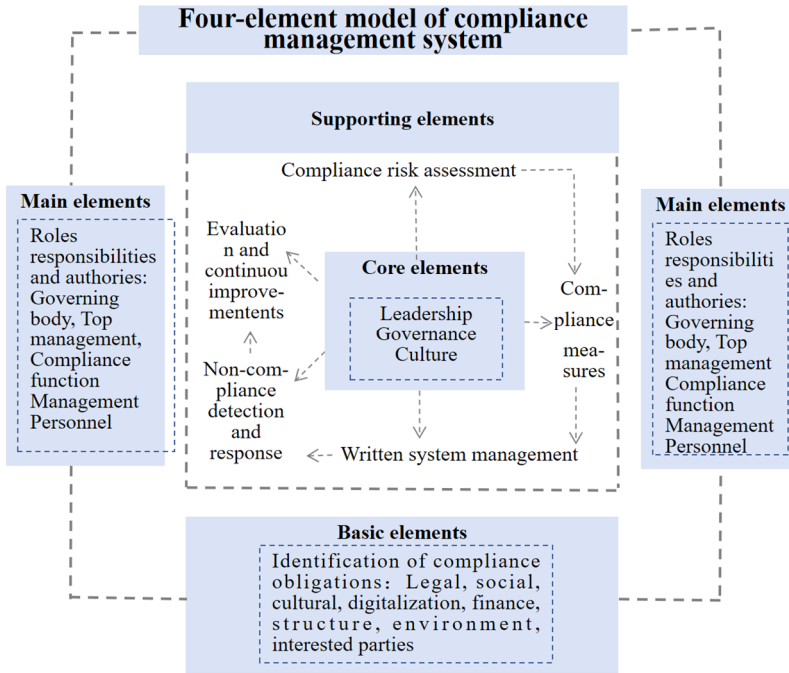


Fig. 5. Four-element model of compliance management system

4.2 Establish a Compliance Construction Leadership Group to Collaborate in Promoting Compliance Construction in Q

Due to the lack of unified and recognized technical rules for compliance management system support, the lack of unified standards for enterprise compliance construction, and the lack of unified regulations by law enforcement departments, enterprises under the jurisdiction of Q Management Bureau need to accept supervision and inspection from multiple regulatory departments every year. Not only is it time-consuming and laborious to prepare various documents for supervision and inspection, but it also has a negative impact on the business process, which is one of the most important factors hindering the implementation of compliance construction by enterprises. In view of this, the Q Management Bureau should request the S City Government to take the lead in forming a S City compliance construction leadership group led by the main leaders of each department, in conjunction with the S City Rule of Law Office, the S City People's Congress, the S City Judicial Bureau, the S City Market Supervision Bureau, the Q Management Bureau Cooperation Zone Court, the K Free Trade Zone Prosecutor's Office, the Q Anti Corruption Supervision Bureau, the Q Financial Supervision Bureau, and other administrative supervision departments, to form a mechanism for

promoting compliance construction through departmental collaboration and urban linkage.

4.3 Establish a Compliance Incentive Mechanism for Legislation, Law Enforcement, and Judicial Coordination and Linkage

Corporate compliance is an effective way of corporate governance for enterprises to self monitor, self manage, and self rectify. However, conducting compliance construction for enterprises incurs significant costs and costs, even leading to changes in the enterprise. Some enterprises in Q, such as finance, logistics, and technology service industries, have established compliance systems, but compliance risks still occur frequently, and the effectiveness of compliance management systems needs to be further improved; In addition, some enterprises still lack enthusiasm for compliance construction, and even believe that compliance management is not necessary. Drawing on foreign compliance related legislation, compliance management has been widely applied in law enforcement and judicial practices in the United States, the United Kingdom, and France as a legal factor for filing lawsuits, determining responsibilities, and determining penalties against enterprises.

4.4 Collaborate with Administrative Regulatory Authorities to Strengthen Supervision of the Certification Market

In response to the issue that the non-standard certification market may affect Q's promotion of compliance construction, it is recommended that the Q Management Bureau, in conjunction with the S City Market Supervision Bureau and the S City Certification and Accreditation Association, issue the "Q Management Bureau Compliance Management System Certification Guidance", which clearly states the need to strengthen supervision of certification agencies, regulate the certification market, carry out certification business in an orderly manner, ensure the value of compliance management system certification certificates, and ensure the smooth progress of enterprise compliance construction through certification methods. 4. Enterprise compliance 41515151515151515151515151515

5 CONCLUSION

At present, the Q Management Bureau of S City has carried out relevant compliance management practices. S city has established an anti-corruption supervision department to carry out anti-corruption supervision work in the Q Management Bureau's modern service industry cooperation zone, which has to some extent promoted the compliance management and construction of the Q Management Bureau. According to the results of the investigation and research, some enterprises under the jurisdiction of Q Management Bureau have established a compliance management system, but there are still problems such as low enthusiasm for enterprise compliance construction, inconsistent supervision standards by administrative regulatory departments, and

non-standard certification markets that hinder the promotion of enterprise compliance construction. Drawing on the experience of global corporate compliance construction and regulation, various service industry enterprises under the jurisdiction of Q Management Bureau should comply with the trend of global corporate compliance construction and the evolution of international compliance regulatory rules, from passively accepting compliance construction to actively embracing new rules of compliance competition, building a corporate compliance management system, and enhancing the soft power of corporate compliance competition.

Promoting the development and opening up of Q is a major measure of national reform and opening up planned, deployed and promoted by General Secretary Xi Jinping. With its strong global resource allocation, innovation source and coordinated development driving ability, Q has attracted a large number of foreign and Hong Kong-invested enterprises and involved a large number of direct foreign investment. Under the situation of stricter supervision at home and abroad, government governance and enterprise operation are facing great compliance risks. Effective compliance management is a key measure to promote high-quality development of Qianhai, create a sound business environment and align with advanced international rules.

As an important regulatory means of global trade, standardization is profoundly affecting the pattern and institutional arrangement of global governance. Promoting compliance practice based on ISO 37301:2021 Compliance Management System Requirements and Guidelines for Use, taking the initiative to link up advanced international rules with standardized methods and means, and promoting compliance by enterprises, governments and other organizations is an initiative to deeply implement the important spirit of the Party Central Committee and The State Council concerning enterprise compliance management and government compliance administration. It is an important exploration to improve the ability of enterprises to connect with international rules.

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