Anti-Bribery and Corruption Risk Assessment Checklist

By NAVEX Global's Advisory Services Team

With the introduction of the Foreign Corrupt Practices Act (FCPA) and UK Bribery Act, organizations must take corruption in business seriously. Given the complexity of the activities addressed in an anti-bribery and corruption program, however, the task can seem overwhelming.

Our Anti-Bribery and Corruption Risk Assessment Checklist outlines how to implement an effective anti-bribery compliance program using a protect, detect and correct methodology to manage core program components such as:

- Policies
- Risk Assessment
- Corrective Action
- Training / Communication

- Culture
- Controls / Oversight
- Business Partners

Our checklist will enable you to design and implement an effective, global and consistent anti-bribery compliance program.

Checklist for a Comprehensive Anti-Bribery Program

Program Elements

PROTECT	DETECT	CORRECT
POLICIES	**RISK ASSESSMENT**	**CORRECTIVE ACTION**

PROTECT — POLICIES

- ☐ Identify anti-bribery, conflicts of interest, gifts & entertainment, travel, charitable giving, political contributions, offset agreement and other related policies in use across your organization

- ☐ Identify key stakeholders for policies in all geographic areas

- ☐ Draft/update global anti-bribery policy

- ☐ Incorporate anti-bribery policy conflicts of interest, gifts & entertainment, travel, charitable giving, political contributions and offset agreement policies and guidance

- ☐ Vet new policies and guidance with key contacts in each geographic area

- ☐ Update code of conduct to include appropriate anti-bribery and other policy updates

- ☐ Develop plan and timeline for implementing new policies across organization

- ☐ Roll out anti-bribery policy to appropriate employees and require certification

- ☐ Roll out revised code of conduct to all employees and require certification

- ☐ Put in place regular review process for policies

DETECT — RISK ASSESSMENT

- ☐ Conduct/update risk assessment

- ☐ List all geographic locations in which you operate and rank areas by risk based on:
  - ☐ Corruption risk level (using CPI or other risk ranking system)
  - ☐ Type and amount of business you do in each area
  - ☐ New areas or areas of planned expansion.
  - ☐ Extensive use of third parties
  - ☐ Dealings with government officials

- ☐ Prioritize all future activities by risk ranking

- ☐ Audit financial records for third party payments, gifts, travel, charitable and political contributions

- ☐ Note issues and develop plan to investigate and address issues found

- ☐ Identify interactions with government officials (including SOEs), including what, when, who, etc.

- ☐ Identify processes for managing payments to government officials and others

- ☐ Identify any existing oversight practices

- ☐ Periodically reassess risk and modify the program

- ☐ Survey executives and key personnel in each geographic area regarding past and current corruption risks and risk mitigation practices

CORRECT — CORRECTIVE ACTION

- ☐ Execute on plan to mitigate issues found via risk assessment

- ☐ Develop/revise processes and controls for:
  - ☐ Gifts, entertainment and travel
  - ☐ Customs and cross-border shipping
  - ☐ Charitable giving
  - ☐ Political contributions
  - ☐ Potential conflicts of interest

- ☐ Vet processes with key stakeholders in each geographic area

- ☐ Identify system/procedures for managing processes

- ☐ Acquire incident/investigation management system and/or adjust processes to ensure proper oversight

- ☐ Develop reports and process for providing regular updates on program to senior management and board

- ☐ Brief leadership on new processes and obtain support

- ☐ Establish regular review schedule of program status with leadership

- ☐ Implement anti-corruption financial controls (gifts, conflicts, travel, etc.)

- ☐ Implement revised incident/ investigation system and processes

- ☐ Review and obtain feedback on processes and make appropriate modifications

- ☐ Conduct regular audits of procedures and controls

PROTECT	DETECT	CORRECT

TRAINING / COMMUNICATION

- ☐ Acquire/develop anti-bribery training for employees (online and offline)

- ☐ Identify target audience

- ☐ Develop rollout plan, messaging, consequences for non-compliance, etc.

- ☐ Communicate with business leaders regarding new policies and their significance

- ☐ Develop overall anti-bribery and speak up communication plan (emails, web site, newsletters, posters, etc.)

- ☐ Roll out anti-bribery training to employees

- ☐ Deliver periodic training and communications regarding anti-bribery and reporting responsibilities (online, offline, mobile, etc.)

- ☐ Implement anti-bribery communication plan

- ☐ Communicate to employees when issues have required action

CULTURE

- ☐ Ensure hotline is visible to all employees in appropriate languages

- ☐ Deliver communications to employees regarding hotline and anti-bribery policies

- ☐ Review past corruption incidents (hotline, investigations, etc.) and identify areas/issues that require immediate or additional attention

- ☐ Conduct employee surveys to evaluate culture and effectiveness of program

CONTROLS / OVERSIGHT

- ☐ Obtain leadership support for anti-corruption program

- ☐ Identify/review existing processes and controls for managing:
  - ☐ Gifts, entertainment and travel
  - ☐ Customs and cross-border shipping
  - ☐ Charitable giving
  - ☐ Political contributions
  - ☐ Conflicts of interest

- ☐ Implement/update background investigation processes for executives and key personnel

- ☐ Create guidelines for enforcement of policies and establish disciplinary procedures to address issues

PROTECT	DETECT	CORRECT

BUSINESS PARTNERS

PROTECT

- ☐ Review standard agreements and revise to address required compliance with anti-bribery policies

- ☐ Develop/revise business partner code of conduct

- ☐ Require certification by business partner representatives on code of conduct

- ☐ Acquire/develop anti-bribery training for business partners

- ☐ Develop policy for business partner anti-bribery training (who must take training, exceptions if business partner has its own, etc.)

- ☐ Ensure business partners understand your anti-bribery policies and principles

- ☐ Deliver anti-bribery training or require proof of anti-bribery training to representatives from higher risk business partners

- ☐ Require business partner representatives to certify on anti-bribery policy and that all employees doing business on your behalf have been trained

- ☐ Deliver periodic communications to business partners regarding helpline and anti-bribery policies

DETECT

- ☐ Develop global list of third parties utilized in each geographic area

- ☐ Review business partner agreements and identify red flags

- ☐ Develop risk ranking methodology for business partners, using elements like:
  - ☐ Geographic area
  - ☐ Third party type/structure
  - ☐ Services being acquired
  - ☐ Spend level
  - ☐ Contract/payment terms
  - ☐ Length of relationship

- ☐ Assign risk ranking to each business partner

- ☐ Prioritize business partner due diligence activities based on risk rankings

CORRECT

- ☐ Obtain support for revised business partner management processes from business leaders

- ☐ Review existing due diligence processes and controls for hiring and managing business partners

- ☐ Identify key stakeholders for new business partner processes
  - ☐ Draft new business partner on-boarding processes based on risk

- ☐ Draft new business partner monitoring processes based on risk

- ☐ Vet new business partner on-boarding processes with key business leaders

- ☐ Vet new business partner monitoring processes with key business leaders

- ☐ Identify system and/or procedures for hiring and managing business partners that provides proper oversight and visibility by compliance office

- ☐ Implement new business partner on-boarding and monitoring processes

- ☐ Review and audit processes and make appropriate modifications

Conclusion

Knowing which steps to take to ensure your organization remains vigilant against bribery and corruption is an important move. When your organization is aligned on anti-bribery and corruption policy, training and third party risk, your employees can identify, report—and ultimately stamp out—bribery and corruption.

Our Solutions Experts can help you strengthen your most challenging ABC issues and better protect your organization. Contact us to set up a consultation today at info@navexglobal.com.

ADDITIONAL RESOURCES

- Online Training: Anti-Corruption Training for Vendors, Suppliers, and Third Party Due Diligence

- White Paper: A Holistic Approach to Anti-Corruption Compliance

- Benchmarking Report: 2015 Ethics & Compliance Third Party Risk Management Benchmark Report

- Blog Post: Anti-Corruption Training for Vendors, Suppliers, and Third Party Due Diligence

RELATED NAVEX GLOBAL SOLUTIONS

- RiskRate™ Enterprise Due Diligence

- NAVEXEngage™ Ethics and Compliance Training

- PolicyTech™ Policy and Procedure Management Software

ABOUT NAVEX GLOBAL

NAVEX Global's comprehensive suite of ethics and compliance software, content and services helps organizations protect their people, reputation and bottom line. Trusted by 95 of the FORTUNE 100 and more than 12,500 clients, our solutions are informed by the largest ethics and compliance community in the world.