IRM and Transparency International UK

Bribery Risk Guide

TRANSPARENCY INTERNATIONAL UK
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Contents

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The IRM is the leading body for professional risk management. We help build excellence in risk management to improve the way organisations work.

We provide globally recognised qualifications and training, publish research and guidance and raise professional standards. IRM members work in many roles, in all industries and across the public, private and not for profit sectors across the world. We are independent and not for profit.

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Transparency International (TI) is the world's leading non-governmental anti-corruption organisation. With more than 100 chapters worldwide, TI has extensive global expertise and understanding of corruption.

Transparency International UK (TI-UK) is the UK chapter of TI. We raise awareness about corruption, advocate legal and regulatory reform at national and international levels; design practical tools for institutions, individuals and companies wishing to combat corruption; and act as a leading centre of anti-corruption expertise in the UK.

Foreword

From IRM

Enterprise Risk Management (ERM) is becoming more ingrained in businesses strategy and day-to-day business as usual practices. The mitigation of risks is fundamental to the success of any business and bribery is a major risk factor that could ruin a company, not only financially but its brand and reputation in an instant.

The media has been full of cases highlighting bribery and corruption, from high profile sporting organisations and personalities to major aerospace companies – resulting in one of the longest court cases in history.

Everyone has their own opinion of what bribery is, a dark art, special agents switching briefcases, high powered fat cats trying to line their own pockets to increase their own personal wealth. But often the cases are much more under the radar and can involve staff at both a grass roots and board level.

The UK media recently reported a conversation where comments were made by a senior politician that certain countries across the globe are more renowned for bribery than others – of course there is a proliferation in certain countries – one could say bribery has been more accepted in some cultures than others historically but the world is a different place and times are changing as bribery becomes more unacceptable.

Boards must be aware of the risk of bribery to the organisation and the legal repercussions; this guide aims to define the scope of bribery risk, dispel some of the myths and give practical advice and tools to help an organisation assess bribery risk, design necessary controls and educate staff accordingly.

This guide

This guide is intended to help members of IRM identify and evaluate their exposures to the risk of bribery. It also explains how risk assessment fits into the development and maintenance of an organisation's wider anti-bribery programme. It is based on Transparency International UK's 2013 publication, Diagnosing Bribery Risk.

Risk assessment is critical to the effective management of the risk of bribery (also referred to as bribery risk throughout this guide). It has further significance because law enforcement and regulators will look for evidence of a company's risk assessment where they are called upon to investigate alleged bribery.

This guide provides a basic overview of the different types of bribery to which individuals and representatives of organisations can be exposed. It provides recommendations for ways in which the bribery risk can be countered on an enterprise-wide level and practical suggestions to help staff 'on the ground' to minimise the risk of being asked for, or offered, or offering bribes. This guide is intended as a practical summary; a wider range of more exhaustive resources are given at the end of the guide.

Chapter 1 – What is bribery risk?

What is bribery risk?

Bribery risk is the risk of offering, paying or receiving a bribe through an officer, employee, subsidiary, intermediary or any third party (individual or corporate) acting on the commercial organisation's behalf.

The UK Bribery Act 2010, generally viewed as benchmark legislation, defines bribery as giving or receiving a financial or other advantage in connection with the "improper performance" of a position of trust, or a function that is expected to be performed impartially or in good faith.

Bribery doesn't have to involve cash or an actual payment changing hands. It can take many forms including gifts, lavish treatment during a business trip or tickets to an event.

The risk of employees offering or accepting bribes, ranging from lavish entertainment to favours, to substantial sums of money, is a real one. Research indicates that one in four people paid a bribe in the last year[i] and the World Bank estimates that the value of bribes offered is over $1 trillion a year. A recent European Commission report states that corruption is costing the EU economy about €120 billion per annum[ii].

Bribery is a serious risk. The consequences for organisations involved in bribery include substantial fines, imprisonment of those involved, termination of contracts, blacklisting and significant reputational damage.

> **"According to the World Bank, at the end of 2013 the OECD Anti-bribery Convention had resulted in 333 individuals and 111 entities being sanctioned under criminal proceedings for foreign bribery, with approximately 390 ongoing investigations in 24 territories."**

Given the financial, political, regulatory and reputational fallout from bribery, it seems reasonable to assume most organisations facing the possibility of bribery would have adequate measures in place to respond to bribery risk. Yet the fact that a growing number of large and otherwise well regarded high profile names are hitting the headlines as 'bribers' shows their anti-bribery systems aren't working.

Types of bribery

Different organisations may use different terms to describe different 'categories' of bribery. In this guide we use the following categories, 'Knowingly, 'Unknowingly' and, looked at another way, 'Within the Business Context' and 'Outside the Business Context'.

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i Transparency International General Corruption Statistic, *http://www.transparency.org.uk/corruption/corruption-statistics/*

ii European Commission, Migration and Human Affairs, Organised Crime and Human trafficking, Corruption, *http://ec.europa.eu/dgs/home-affairs/what-we-do/policies/organized-crime-and-human-trafficking/corruption/index_en.htm*

Circumstances where bribery can arise

1. **Knowingly**. The bribe payer or recipient has 'full knowledge' that an act of bribery is committed. Motivations range from 'doing your bit for the company' to pure self-interest. How well risk culture is embedded throughout the organisation has a material impact here. Employees may believe the organisation is simply 'going through the motions' in its anti-bribery policies, procedures and staff training, when management would actually prefer them to use bribery to win local business. Essentially, employees hear the message, 'Do what you have to do, just keep it to yourself'. Tone from the top and from the middle of the organisation is key in combatting this type of risk, ensuring there is no ambiguity. To ensure a zero tolerance culture is embedded, a training and awareness raising programme should be implemented, with additional effort targeting those most at risk of offering or being offered bribes.

2. **Unknowingly**. Someone pays or receives a bribe without realising it. For example, an employee is asked to pay an unofficial 'processing fee', which is presented by the bribe seeker as an official fee. Another example might be not spotting unspecified 'consultancy costs' in a large contract. Such vague descriptions could mask their real purpose to act as a slush fund for paying kickbacks or other types of bribes. These types of challenges can be addressed through training, performing due diligence on counter parties and auditing invoices and expenditure.

3. **Within the business context**. Bribes sought in relation to business transactions, such as procuring goods and services or winning contracts, occur in the context of doing business. The organisation should have a large degree of leverage and control over the situation. The risk of bribes within this context can be addressed by taking measures such as introducing anti-bribery terms into contracts or, where remediation is not possible, refusing business that involves paying bribes.

4. **Outside the business context**. Employees are asked to pay small bribes for routine services, such as updating passports, issuing driving licences or granting planning permits. Payments for the delivery of services you are already entitled to are often referred to as 'facilitation payments'. This type of small bribe demand is difficult to monitor and prevent and the consequences of failing to pay can range from delays to 'lost' paperwork. However, an experienced employee should be able to avoid paying such bribes with negligible or no impact on the business. Note that facilitation payments are considered bribes in most countries, and as such are illegal. Regardless of their legality, paying a small bribe can result in the organisation gaining a general reputation for paying bribes, making it more difficult for staff to resist future demands.

Mitigating circumstances

Paying a bribe under duress

Most anti-bribery legislation, including the UK Bribery Act and the US Foreign Corrupt Practices Act (FCPA), contain very few exceptions for bribery. However, there are circumstances in which individuals are faced with a threat to "life, limb or liberty" (i.e. a threat of real physical harm) and have no alternative but to pay a bribe. If a bribe is paid in such circumstances, the employee should log the incident internally and the company should report it to the relevant authorities at home or abroad (as appropriate).

Chapter 2 – Why is risk assessment important?

What does bribery risk assessment involve?

An effective bribery risk assessment process gathers sufficient, relevant information about the organisation's business activities and relationships to enable it to determine how those features expose it to bribery risk. The information gathered must be drawn from people and other sources which, collectively, present a reasonably comprehensive understanding of what the business does, how and where it does it, and how those characteristics may give rise to bribery risk. To be relevant, information needs to be kept up-to-date by being refreshed on a regular basis.

Benefits of effective bribery risk assessment

As case studies one and two illustrate, there are both operational and commercial benefits to assessing risk. Meeting a regulatory requirement – important in itself – is by no means the only reason to carry out a bribery risk assessment. The potential positive benefits include:

- Providing a realistic and comprehensive overview of key areas of bribery risk;
- Assisting with the design of mitigating processes and controls, training and other communications, and monitoring and review activities;
- Focusing attention and effort on those business activities and relationships which are considered to be most high risk;
- Enabling an organisation to recognise where there may be an excessive controls burden in relation to relatively low risk activities and to reduce effort in those areas and/or redeploy resources where there is greater need;
- Helping to determine the level of risk-based due diligence that will be appropriate for particular third parties;
- Identifying opportunities for efficiency, not only in controls but also in the underlying business activities themselves. For example, in considering third party risk, some companies may conclude that they could reduce or even eradicate the use of intermediaries in particular kinds of commercial arrangement, thereby reducing both risk and direct cost;
- Supporting the promotion of risk awareness generally and a structured, informed approach to ethical decision making in the organisation.

“Meeting a regulatory requirement – important in itself – is by no means the only reason to carry out a bribery risk assessment”

Case Study 1

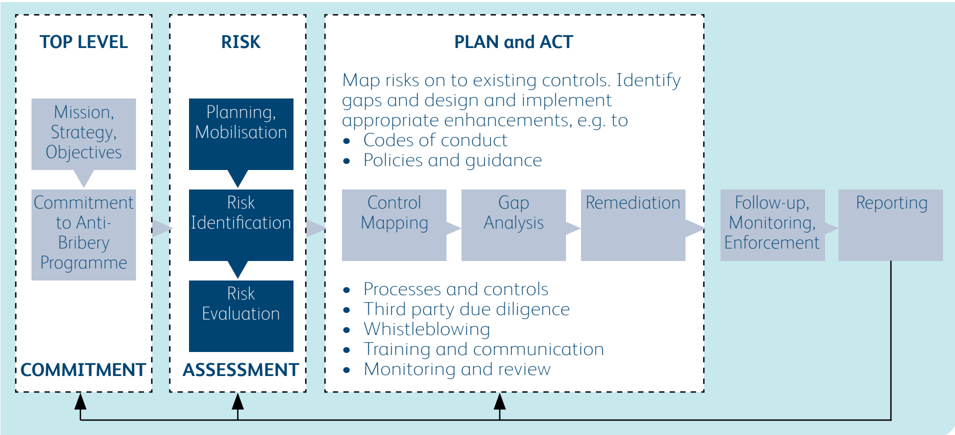
Company A found that, having assessed their relationships with existing third parties:

- They had numerous third parties supplying a particular service with widely varying commercial terms, which they have subsequently consolidated to reduced cost in this area;
- They were able to strengthen their negotiating position once the range of existing commercial terms in place was better understood and to improve monitoring of performance;
- They were able to correct data errors in their master vendor list regarding out of date contracts and payment terms;

Cutting the number of third parties also reduced due diligence and other compliance costs as well as helping to contain compliance risk.

How risk assessment fits into an anti-bribery programme

This diagram shows where risk assessment fits into the development and maintenance of the organisation's wider anti-bribery programme.



Key points to note from the diagram:

- Top level commitment is essential. The Board and other levels of management are responsible for setting strategy and objectives as well as for promoting the right culture, including an unequivocal commitment to the anti-bribery programme;
- Effective risk assessment is vital as it informs the evaluation of existing controls and the identification of control gaps for remediation;
- Monitoring and enforcement are important for assessing and demonstrating the extent to which the anti-bribery programme is actually working;
- The programme as a whole is iterative, with the results of monitoring and enforcement fed back into the ongoing improvement of the programme. Iteration also ensures that the risk assessment is kept up to date and relevant.

Chapter 3 – The risk assessment process

Establishing objectives

Risk is defined as the possibility that an event will occur and adversely affect the achievement of objectives.[1]

Objective setting

Objective setting is a precursor to the risk assessment process and a critical part of the overall risk management programme. A failure to recognise how a broad range of business objectives might be affected by bribery risk is likely to result in an underestimation of the significance of bribery as a risk. Examples of broader objectives that could be adversely affected by bribery risk include:

- Maintenance and enhancement of corporate reputation;
- Compliance with all applicable laws and regulations (avoiding prosecutions or fines);
- Conducting business in accordance with defined ethical standards, including the avoidance of bribery or other forms of corruption;
- Revenue, profitability and share value targets;
- Achievement of corporate social responsibility and/or sustainability metrics.

More operationally focused objectives that could also be affected might include:

- Maintaining strong relationships with government and/or business partners;
- Fulfilling ethical compliance requirements imposed by a customer;
- Access to particular markets (e.g. public procurement opportunities within the EU).

Overview of the risk assessment process

The two key stages

This guide considers risk assessment in two key stages: risk identification and risk evaluation.

1 Risk identification is a step, or series of steps, which aims to identify, characterise and – where appropriate – quantify a set of risks;

2 Risk evaluation is a separate but related step, or series of steps, which seeks to evaluate the potential significance of those risks, providing an indication of the relative importance of each risk to the organisation concerned.

> **“Risk is defined as the possibility that an event will occur and adversely affect the achievement of objectives.[1]”**

[1] Internal Control – Integrated Framework (May 2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Key steps to planning a risk assessment exercise

PHASE	OBJECTIVES	ACTIONS
Planning, scoping and mobilisation	• Determine overall scope and approach • Obtain Board/senior management buy-in • Allocate appropriate resources • Establish a realistic work plan	• Obtain Board level buy-in • Appoint project lead • Define stakeholders, team, responsibilities and reporting lines • Identify potential information sources • Establish or use existing risk assessment framework • Draft risk assessment plan • Design any information capture templates required • Obtain necessary approval for the plan • Communicate appropriate context and instructions to contributors
Information gathering and analysis	• Obtain sufficient relevant information to form the basis of a comprehensive bribery risk assessment	• Review of internal and external documents and data • Workshops/interviews • Distribution and return of questionnaires, risk assessment templates, etc. • Collate and review information gathered from the above sources • Follow-up and challenge incomplete, inaccurate or inconsistent information
Risk identification	• Use information gathered to identify a comprehensive set of potential bribery risks	• Consider key risk areas: country risk; sectoral risk; transaction risk; business opportunity risk; business partnership risk; other risk considerations
Risk evaluation	• Use information gathered to evaluate and prioritise risks	• Consider key risk factors affecting likelihood and impact
Documentation	• Record the risk assessment process in a way that will support communication of risks and the identification or design of effective mitigating controls	• Record results in the agreed format and validate with stakeholders • Communicate findings as required

Governance over the bribery risk assessment process

This process should include:

- Board level and other senior management commitment and support, including the allocation of appropriate resources;
- Appropriate levels of bribery risk awareness on the part of those charged with governance;
- Clear accountability for the conduct of the risk assessment and the proper use of the output derived from it.

Chapter 4 – Risk identification

Asking the right questions

An effective bribery risk assessment starts with some very basic questions along the following lines:

- What do we do as a business?
- Do we operate in a range of businesses or markets which are sufficiently different from each other to have wholly or partially distinct risk profiles?
- What interactions with the outside world do our business activities involve?
- With whom do we interact?
- In particular, what interactions do we have with central or local government and public officials generally?
- What do we need from third parties that is particularly critical to our business?
- Are we able to interact directly with such third parties, or do we rely on intermediaries to help us?
- How many such intermediaries do we engage and what do they do for us?
- Where do we do business and are customs or practices in those places likely to expose us to risk?

These questions are all very general in nature and most of them are deliberately open in style, demanding a full, factual answer, not just a yes or no.

Example – Government interaction

Compiling a full list of interactions with government agencies in just one country could potentially take time and input from a number of people, depending on the size of the organisation and the nature of its business. In addition, such a list is likely to lead to further questions, such as:

- Is a government interaction direct or through an intermediary?
- What is the purpose of the interaction?
- If it is to obtain a permit or something else that may be important to our business, what is it and how important is it?
- How difficult is it rightfully to obtain the permit or other relevant service?
- Are there conditions which we may or may not have fulfilled and, if so, what are they?

Gathering and validating information from the right people

Collectively, those who contribute to the risk assessment should be capable of providing a reasonably comprehensive overview of the business and its bribery risk profile. There is no 'right' number of people. For a small and simple business, it is quite possible that the number may be one. The larger and more heterogeneous the business, the more people and perspectives are likely to be needed to achieve the same overview.

Assuming that more than one person is involved, there is a wide range of possibilities for how information might be gathered. In smaller organisations, one or more meetings might suffice. Larger organisations might opt for a combination of approaches including:

- workshops;
- interviews;
- questionnaires sent out to business units and functions requiring answers to standard questions;
- alternatively asking those participants directly to complete a risk assessment template of some description.

Ultimately, the right answer for a given organisation is what is effective, practical and proportionate given its scale and circumstances.

However information is sought from contributors, it is important that the right questions are asked in the right way and the answers appropriately validated. Those whose 'day job' revolves around anti-bribery and compliance issues can over-estimate the level of awareness of, or engagement with, the topic by those receiving their enquiries.

Case Study 2

Company B, a global business, carried out a 'risk survey' by asking its business units to complete a standard template. The initial results showed a high degree of inconsistency in the coverage of risks and level of detail. Some business units which were expected to have similar risk profiles in fact returned very different information. During validation it became clear that business units had not been adequately briefed and that there was a widespread lack of understanding of bribery risk. The company took a number of steps, including:

- Targeted anti-bribery training to raise bribery risk awareness;
- Improvements to the bribery risk assessment template, including more detailed briefing notes on how to complete it;
- Regular validation and challenge of business unit bribery risk assessments, including incorporation of this within the internal audit programme;
- Evaluation of business unit management on compliance performance, including the quality of business unit risk assessments.

As regular risk assessment becomes embedded into the routines of the business, appropriate enquiries by the internal audit or equivalent function could become a further source of validation. Whether on a targeted basis, or alongside other audit activities, internal audit could be asked to review and report on the approach taken to bribery risk assessment by line or functional management.

Using existing information

In addition to active engagement with the relevant people, most organisations are in possession of a range of internal sources of information which they can use as input to the bribery risk assessment process. These might include:

- Past experience of bribery issues (including experience brought by Board members and employees from other organisations);
- Findings from internal audit reports, internal investigation reports, etc.;
- Country and market insights from management and employees in different countries. Market insights include knowledge about local culture and business practices, customer and competitor behaviour, etc.;
- Knowledge of local laws and regulations from the in-house legal team or local management;
- Whistleblower or similar reports.

Risks and risk factors

If a risk is "the possibility that an event will occur and adversely affect the achievement of objectives" then a 'risk factor', is a circumstance (internal or external to the organisation) which tends to increase the likelihood of an adverse event occurring. The following example illustrates the distinction:

- Risk: A bribe may be paid by a local business unit in order to win a substantial, long-term contract with a key customer in [country X];
- Risk factors: There is known to be a high level of corruption in [country X]; employees of the customer are known to have asked for bribes in the past; management of the business unit is under severe pressure to meet budget and this contract is of a scale that will make a material difference to achieving that goal; anti-bribery controls in the business unit are weak; there is a culture in the business unit (and in [country X] generally) of deference to senior management; etc.

In practice, many risk factors tend to apply to more than one risk. Some may actually apply to most, if not all risks, for example the existence of generally weak anti-bribery controls. For this reason, it may be impractical and unwieldy to list all risk factors separately for all risks. These factors should however be noted and will help to identify the likelihood of a risk occurring. More details on how this impacts the risk evaluation process is outlined in Chapter 5.

"In practice, many risk factors tend to apply to more than one risk. Some may actually apply to most, if not all risks"

Chapter 5 – Key categories of risk

Categorisation of bribery risk

There is no universally agreed categorisation of bribery risk. However, the UK's Ministry of Justice Guidance provides a useful set of risk categories as a starting point, identifying five such categories:

Country risk

The sorts of factors that might underpin a high corruption risk score for a country include:

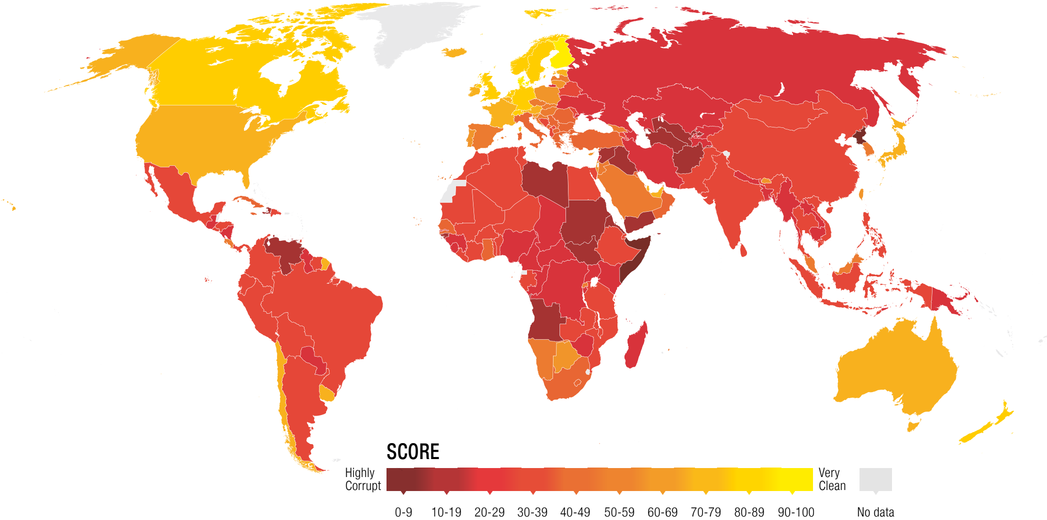
- Lack of enforcement of anti-bribery legislation;
- Lack of transparency in business dealings;
- Impenetrable bureaucracies;
- The need to use well connected intermediaries to gain access to people in positions of power;
- Evidence of endemic corruption in everyday life;
- Lack of an established rule of law;
- Lack of a truly independent and impartial judiciary;
- Lack of effective democratic institutions;
- Lack of independent media;
- A culture that tends to encourage circumvention of rules, nepotism, cronyism and similar distortions to an open market;
- Pressure to conform to specific cultural norms and customs or unfamiliar business practices that may conflict with applicable anti-bribery laws;
- The prevalence of requests to make 'grease' or 'facilitation' payments to expedite processes.

The Corruption Perceptions Index (CPI) provides a high-level view of the corruption in countries around the world. However, it is important to recognise that:

- Corruption happens in all countries, and so even a country that scores well on the CPI may present risks;
- There is regional variation within countries;
- Risks may vary significantly between sectors and business models;
- The CPI is a) based on perceptions and b) measures public sector corruption.

CPI scores should be used as an entry point to additional information such as the Global Corruption Barometer or more detailed country-level analysis.

Corruption Perceptions Index



Source: CPI map from: http://cpi.transparency.org/cpi2012/press/

Sectoral risk

Certain sectors, such as the extractive industries and large scale infrastructure, are typically associated with higher levels of bribery risk than others. However, no sector is immune from risk.

Sectoral risk factors, which may directly or indirectly elevate the level of bribery risk might include:

- Requirement to operate in countries associated with high levels of corruption;
- High degree of interaction with government;
- High levels of regulation;
- Prevalence of high value, complex and/or long term contracts;
- Business activities involving multiple business partners, stakeholders and/or complex contractual or corporate structures.

In practice, many organisations operate in more than one sector. For example, the risk profile of the 'upstream' business of an oil & gas company may look quite different from that of its 'downstream' operations. Even if a particular sector predominates, consideration needs to be given to ancillary or non-core activities, the bribery risk profile of which may be quite different.

Transactional risk

Detailed consideration of concrete business activities is key to considering transactional risk. Transactions may be more or less risky, depending on matters including:

- The subject matter of the transaction;
- The identity and nature of counterparties, for example whether they are connected to government in some way;
- The degree of transparency of the transaction or related dealings;
- How critical a particular service or supply is to the procuring party – for instance, its importance to the business and/or the level of urgency require.

Examples of transactions typically seen as carrying heightened risk include:

- Sales to government customers, particularly in higher risk countries;
- Gifts, hospitality and travel expenditure, especially for government officials;
- Use of company assets for the benefit of third parties for non-business purposes;
- Charitable and political donations and other corporate relations activities;
- Sponsorships;
- Giving employment to persons connected with government officials;
- Obtaining licences, permits and regulatory clearances of any kind;
- Movement of goods across borders and related activities;
- Lobbying governments on policy, legislation and/or regulation.

These examples encompass a range of issues to do with (a) transaction size and complexity and (b) business relationships, corporate structures and the like. Further details can be found in Transparency International UK's publication Diagnosing Bribery Risk.

> **"Detailed consideration of concrete business activities is key to considering transactional risk."**

Business opportunity risk

The business opportunity risk category relates to the basic characteristics of a transaction, such as:

- Value;
- Complexity;
- Commercial rationale.

Transactions with high value may create greater incentives for one or more parties to the transaction to behave corruptly in order to ensure the transaction goes ahead and that they will benefit from it.

Complexity will often go hand in hand with higher transaction value. Complexity may arise because of the number of parties involved, such as consortium partners, sub-contractors, intermediaries or similar. The more third parties involved, the higher the risk that one or more of them could act in a manner which creates legal – or at least reputational – exposure for the organisation. Alternatively, it may relate more to the duration and/or number of phases of the project in question. The more complex the project itself in terms of inputs, interactions, phases and/or outputs, the greater the potential for breakdowns in accountability and control over expenditures at some point.

Transactions for which the commercial rationale is difficult to explain are of particular concern. There may be a legitimate reason for a transaction to be structured, routed, priced, etc. in a particular way – for tax efficiency, for example, – but questions need to be asked where transactions have characteristics, elements or parties for which the purpose is not readily apparent. Examples might include:

- Costs of goods or services which seem out of proportion to what is being provided;
- The involvement of intermediaries or other third parties whose contribution to the transaction is unclear;
- The procurement of goods or services the purpose of which is uncertain.

Business partnership risk

Under many anti-bribery laws around the world, including the UK Bribery Act and US Foreign Corrupt Practices Act (FCPA), an organisation may be held liable for the acts or omissions of a third party operating on its behalf. The extent to which the organisation may be held liable depends on the facts of each case, such as whether the organisation is aware of a particular party in the supply chain and, if so, the degree of control the organisation has over the conduct of that party.

The knowledge, influence and intentions of the organisation in the establishment of a given chain of supply are important. Organisations cannot simply hide behind an opaque structure or seek deliberately to distance themselves from the acts of other parties by interposing yet others between them. There is therefore no specific number of links in a supply chain beyond which liability cannot extend.

All of this raises a host of questions and challenges for those carrying out the bribery risk assessment. It is critical that business relationships are properly analysed and understood. These fall into a number of categories, including:

- Intermediaries;
- Joint ventures;
- Consortia.

There are in effect two different dimensions of risk related to third parties:

- The level of risk associated with the activities undertaken by the third party; this is the subject of the risk assessment process.
- The risk associated with the third party itself by virtue of its identity, ownership, activities, track record, reputation, and so on. This is addressed though risk-based due diligence, which is a separate topic not discussed in any detail in this guide, although as a general rule the level of due diligence – like all other risk management responses – should be risk-based and proportionate.

“The knowledge, influence and intentions of the organisation in the establishment of a given chain of supply are important.”

Chapter 6 – Risk evaluation

Purpose of bribery risk evaluation

Any risk evaluation will seek to determine which risks are of most significance to the business. A basic objective is to evaluate and prioritise different risks. With regard to bribery risk, this can be done at different levels:

- Bribery risk vs other risks: At the most basic level, bribery risk can be compared with other business risks to assess the relative significance of each risk area. This is useful to the extent that it provides a high level overview of all key risks, however, it provides no detail on the nature of individual bribery risks and is not sufficient of itself to provide a basis for effective bribery risk mitigation;
- One bribery risk vs another bribery risk: Assuming that an appropriate risk identification exercise has been carried out, an attempt can be made to differentiate between individual bribery risks. This is useful to the extent that such risks can be meaningfully differentiated.
- Business unit/market risk: As well as comparing individual bribery risks, an organisation might seek to compare levels of bribery risk associated with different defined business units. This might be a comparison of risk levels in different legal entities or divisions, markets, product or service lines, countries or regions, etc.

Evaluation parameters

Established risk management models generally identify two key variables which play a role in the evaluation of risk:

- Likelihood (or probability) of occurrence;
- Impact.

Depending on the nature of the risk in question, these variables may be expressed in either quantitative or qualitative terms, or a combination of both.

Likelihood

Likelihood is essentially driven by the presence of risk factors. The more significant and/or numerous the risk factors associated with a particular activity, the higher the likelihood that an adverse event might occur in the context of that activity.

Risk factors address the question of why bribery might occur and how likely it is to do so. Some risk factors may apply to more than one - and possibly all - areas of risk. For example, a general culture of corruption in a particular location is likely to elevate the risk associated with many, if not all, business activities carried out in that location.

A structured way of considering risk factors is outlined in the table below, which sets out how different risk factors might affect the evaluation of risk.

Using risk factors to evaluate likelihood

RISK FACTOR	LOWER LIKELIHOOD	HIGHER LIKELIHOOD
Culture	• The location of the activity is not associated with significant levels of corruption • There is a strong anti-bribery culture within the organisation	• The location of the activity is associated with significant levels of corruption • There are prevalent local customs and practices which are incompatible with applicable anti-bribery laws • There is an absence of strong ethical leadership in the relevant business unit • There is evidence of past business ethics issues in the relevant business unit
Incentives (What's at stake?)	• The individual transaction or activity is not significant in its financial or other consequences	• Individual transactions are large and/or significant in the context of the business • Individual transactions may not be large in value, but their consequences are potentially significant (e.g. procurement of a licence, permit, etc.) • Success may drive significant rewards for individuals or organisations involved (e.g. commissions, success fees, bonuses, etc.)
Opportunity	• Transactions or activities do not have higher risk characteristics • There is good evidence of effective anti-bribery controls	The transaction has one or more of the following characteristics or features: • Interaction with government officials • Use of intermediaries • Complexity (multiple parties, phases, transactions) • Other high risk characteristics (see Transactional Risk section, page 15) There is evidence of absent or weak anti-bribery controls. These might include: • Poor governance generally and/or lack of oversight • Lack of clear policies • Lack of training and awareness • Weaknesses in financial controls • Lack of whistleblowing mechanisms or similar • Lack of monitoring and review

Aside from establishing a set of relevant risk factors, there is the question of how to 'score' a particular risk or business unit based on the extent of risk factors present. Depending on the circumstances of each organisation and their existing approaches, possibilities might include:

- Taking the presence of any one or more specific risk factors as evidence of heightened risk;
- A simple count, with the greater number of risk factors indicating greater levels of risk;
- Giving each risk factor its own weighting such that some count for more than others.

Impact

The impact of a risk is a measure of the adverse effect of the defined event on the achievement of objectives. The sorts of objectives which are capable of being adversely affected by a bribery incident are very broad and potentially quite fundamental to the business as a whole. Many of them are inherently difficult, if not practically impossible, to quantify. If the objective is difficult to quantify, then so will the risk.

The financial, legal/regulatory, commercial and reputational fallout from one or more bribery allegations will be difficult to predict. There is no easy equation to express the relationship between the characteristics of the offence and the scope of its consequences. Clearly, the scale of corrupt behaviour, its duration and prevalence, the identity and roles of those involved, the financial or other advantages sought or gained and the way the organisation responds to its discovery are all amongst the factors likely to influence the overall impact. As such, it will be noted that there is some degree of overlap between those factors that drive likelihood and those that drive impact.

Differentiating individual bribery risks

To the extent that a series of different bribery risks can be differentiated meaningfully from each other in terms of likelihood and impact, this is clearly a helpful thing to do. It will assist one of the basic aims of risk management, which is to direct finite resources towards the mitigation of the most important risks.

There is always danger in trying to pin down too precisely which kinds of bribery are worse than others. No-one wants to be seen to condone any instance of bribery or downplay its seriousness. In certain circumstances, even a small bribe can have big consequences. Perceived tolerance of small bribes, facilitation payments and other examples can send the wrong signal inside and outside the organisation and ultimately undermine efforts to mitigate the risk of more serious instances.

The key question is what practical difference the categorisation of a particular risk makes to the nature and extent of efforts to mitigate it. Examples of how different risk levels might drive different levels of mitigating response include:

- Different levels of authorisation of a relevant transaction or activity;
- Different scope of due diligence in relation to certain types of third party and/or outsourced activity;
- Different contractual requirements in relation to certain types of third party and/or outsourced activity;
- Different levels of monitoring and review of certain transactions, activities or relationships.

In practice, a common solution is to define three different risk levels. This fits with a high/medium/low or red/amber/green schematic - two popular variants. Organisations that consider it useful to adopt more gradations than this should not feel discouraged from doing so. They should still find the general principles set out in this section of assistance. Equally, some organisations may only see benefit in defining two levels.

The interaction of likelihood and impact

In conducting and documenting a bribery risk assessment, a practical decision has to be made about whether to record likelihood and impact separately, or as a combined rating, or both. Whether or not a combined rating is produced, there will in any event be a need to define a consistent basis for deciding how different combinations of likelihood rating and impact rating should be ranked.

There is no single right answer to this question, either as to whether the two variables should be given different weighting at all, or what the appropriate relative weightings might be. But, given the potentially serious direct and collateral consequences of one or more bribery incidents - along with the challenges associated with evaluating likelihood - there is an intuitive argument for giving more weight to impact.

Business unit or market-level risk

Having completed the basic bribery risk assessment, the organisation may wish to focus risk evaluation on some meaningful and relevant type of unit within the business. This might be a business unit in the conventional sense of an operating company or a business division; or it might be a group of activities associated with a particular product or service, or with a business function (e.g. external affairs, government relations, sales and marketing, etc.); or it might encompass all activities within a particular country or region.

The benefit of a business unit evaluation of this kind is that it provides a potentially useful overview of which units or functions may need particular management focus, monitoring and review. This might be helpful in targeting efforts in areas such as internal audit, training and/or identifying the need for specific additional policies and procedures to counter localised risks. Larger and/or more complex organisations often have a number of quite distinct business streams, each of which has its own risk profile. Alternatively, the risks of doing the same business in different places may be assessed very differently depending on local culture, custom and practice.

> **“The organisation may wish to focus risk evaluation on some meaningful and relevant type of unit within the business.”**

Chapter 7 – Next steps: Responding to bribery risks

A detailed description of the steps that might be taken beyond the risk assessment process towards the full implementation of a proportionate, risk based anti-bribery programme falls outside the scope of this guide. This section provides a high-level overview and some general pointers. The key next steps are:

- Planning and putting into action an appropriate response to the risk assessment, which involves:
    - Mapping risks onto existing controls;
    - Identifying gaps in existing controls in terms of risks not adequately addressed;
    - Designing and implementing appropriate remedial actions;
- Follow-up, monitoring and enforcement;
- Reporting.

Mapping risks onto controls

Some controls which exist for other purposes may also be used as anti-bribery controls. These may need to be adapted to some extent. Controls over payment transactions would be an obvious example.

When considering controls, it is important to be disciplined in analysing how a particular control is designed to mitigate the risk to which it is mapped. It is all too easy to assume, for example, that an existing approval process will prevent a corrupt payment. If such controls are focused merely on ensuring that certain documentation is in place, the more fundamental question of why a transaction is happening at all and whether it makes sense or looks right may not be picked up.

Certain controls will cover more than one bribery risk; indeed, some may cover many or all bribery risks. Effective management communication, training and awareness raising programmes and similar over-arching anti-bribery procedures might fall into this category. These are not sufficient in themselves to prevent acts of bribery but they are an important element of the overall programme.

Gap analysis

There are potentially two ways in which gaps in the anti-bribery programme may be identified. First, the absence of adequate controls to address a particular risk clearly constitutes a gap that needs to be filled. Secondly, certain controls may be identified not from consideration of individual risks, but from a wider consideration of established good practice in relation to the anti-bribery programme as a whole.

For example, the absence of an effective whistleblowing policy / process or equivalent mechanism might not naturally emerge from looking at specific bribery risks. On the other hand, looking at any of the main sources of general guidance on anti-bribery or compliance programmes would quickly reveal that this type of reporting mechanism for employees is nowadays universally recommended (and in some cases required) for organisations other than the very smallest.

Remediation

An appropriate plan should be developed to address any identified gaps and to help mitigate the risk in a proportionate manner. Where significant remediation is required, then it will make sense to prioritise remedial actions to deal with the most critical gaps and/or those that can most easily be remedied first. The key phases of a remediation programme include:

- Design: Engaging with the business to share relevant parts of the assessment (and gaps), identifying resource and formulating policy and/or designing procedures that are specifically tailored to address a risk, or group of risks;
- Build: Creating the necessary documentation, guidance and other materials; putting appropriate organisational structures in place; drafting tailored communications, etc.;
- Roll-out: Launching new policies and procedures. This can be a phased process rather than launching everything at once. Crucially, those charged with implementation need to be equipped with the relevant knowledge and materials to do so, and have the knowledge that senior management support the changes;
- Implementation: Many organisations mistakenly believe that roll-out and implementation are one and the same thing – they are not. Implementation means working and doing business in accordance with the new policies and procedures on an ongoing basis.

Follow-up, monitoring, and enforcement

Ultimately, an effective anti-bribery programme must operate in practice, not just in theory. It is a key management responsibility to monitor the effectiveness of the programme. This might include:

- Ensuring effective implementation of policies and procedures;
- Monitoring the understanding of training and other awareness raising communications;
- Appropriate real-time monitoring of high risk activities and relationships;
- Review and audit of high risk transactions;
- Obtaining appropriate periodic confirmations from employees and/or third parties of compliance with required standards;
- Robust responses to allegations of bribery or other non-compliant behaviour.

Effective enforcement must extend to third parties acting for, and on behalf of, the organisation. While there are practical limits to the extent to which an organisation can control the conduct of third parties, setting the right framework through the imposition of appropriate contract clauses will facilitate this. Such clauses might cover:

- Acknowledgement of the organisation's code of conduct and policies;
- Confirmation that the third party has equivalent policies and the necessary procedures to implement them;
- Provision for periodic self-certification of the third party;
- Provision in appropriate circumstances for the organisation to have some form of audit rights over the third party;
- Rights of termination for cause in cases of breach by the third party.

Reporting

An appropriate reporting regime should be established to communicate the results of monitoring and enforcement, both internally and externally. The format and frequency of any reporting will depend on a range of factors, including the size and complexity of the organisation, the nature of the subject matter to be reported, the needs or requirements of the target audience and the purpose of a particular report.

Internally, reporting might include:

- Periodic updates for the Board on evolving risks and the status of implementation of the anti-bribery programme;
- Reports summarising internal audit and/or compliance monitoring findings;
- Reports of any alleged or actual breaches and the scope and findings of any investigation;
- A report or 'dashboard' highlighting activity in specific risk areas as part of a proactive monitoring regime.

Externally, reporting might include:

- Reporting on the organisation's risk assessment;
- Reporting on the organisation's anti-bribery programme;
- Reporting any alleged or actual breaches to relevant authorities.

"An appropriate reporting regime should be established to communicate the results of monitoring and enforcement, both internally and externally"

Chapter 8 – Importance of anti-bribery training

It is important to develop a strong anti-bribery culture throughout the organisation. Training must convey that bribery is extremely serious. It needs to challenge trainees to think like the Chief Executive Officer (CEO) when deciding if the actions they take locally are worth risking the overall organisation's reputation.

Tailored training for individuals 'on the ground'

For employees in high risk positions or jurisdictions practical, scenario-based training can be provided, which might include the considerations outlined below. Bear in mind that bribery is defined in different ways in different countries, as well as by different organisations. It includes more than purely payments in cash or in kind in exchange for a benefit or 'favour'. For example, paying for lunch for a government official in Turkey is considered bribery under domestic law.

Facilitation payments (sometimes called 'grease payments' or 'honour payments') are common in many countries. These are small amounts of money paid to minor bureaucrats for services to which you are already entitled, such as a visa or a commercial phone connection, either to guarantee delivery or to 'speed things along'. While the official may imply they are an inevitable part of doing business, facilitation payments are illegal in most countries and should not be paid.

The following is a list of some of the key areas to consider when devising anti-bribery rules and procedures to assist employees and others acting on your behalf.

1. **Know and adhere to your organisation's anti-bribery guidelines.** Virtually every organisation that operates internationally, and certainly every large organisation, should have policies and procedures on whistleblowing and bribery to cover its areas of operations. It is likely that the clients and other parties that you will work with will also have clear anti-bribery guidelines.

   Play it by the book. Ensure your activities are entirely consistent with your own organisation's anti-bribery procedures and domestic laws in the country you are visiting or working in. Any deviation puts you at risk of illegal activity, leaves your motives open to interpretation and the door open to potentially higher demands.

   If possible, do not pay for any government services with cash. Regardless of the means used for payment, always get a receipt made out to you or your organisation for any expenditure you incur with public bodies in country. Ensure that there is a clear, written record and signed 'Scope of Work' for any work you commission.

2. **Plan ahead – warn clients of potential delays.** If refusing to pay bribes or complying with anti-bribery procedures delays the processing of visas, supplies or any services or permissions, then plan ahead to avoid pressure to 'facilitate' the process. Advise your client or counterpart that this may happen. Always plan ahead as much as possible to avoid the impact and pressure of delays.

   If you need to recruit casual labour, either directly or through a third party, always seek guidance first and record the parameters of the work required. Paying government employees, even to carry out low-skilled work, represents a particularly high risk.

3. **Show whom you know.** Your clients, organisation and the bodies you work with may have a local reputation of zero tolerance to bribery. Make your connection with any recognised clients or counterparties obvious to everyone, as this will include those who might seek a bribe. This is a strong statement that they would be wasting their time trying to solicit a bribe.

   If possible, wear client-branded clothing or display client logos by other means, such as visible identity badges. Have a branded letter of invitation to hand, especially at the point of arrival in any country. Deterring people from seeking bribes is an important first step.

4. **Avoid one-to-ones with bribe-seekers.** An effective way to avoid getting into a high risk bribery situation is to plan ahead to avoid 'ideal' situations for the bribe payer or seeker. Even where bribery is rife, anyone seeking bribes rarely does so openly. Avoid situations where you may find yourself one-to-one with anyone who might seek a bribe. In particular, avoid having one-to-one contact with government officials.

   If you go on field trips, try and ensure you have a local trusted partner with you at all times. Be particularly careful when entertaining and being entertained, and decline home visits unless accompanied by someone you trust. If you find yourself in a restaurant with a potential bribe seeker or payer, make sure you are seated within earshot of other diners, rather than in a corner or a separate room; imply a fear of confined spaces if necessary. As well as avoiding the fact, it is important to avoid the suspicion of bribery.

   Also try to ensure you have others with you to minimise bribery risk when liaising with government departments, making recommendations about local suppliers and taking trips that are likely to include police or military road checks.

5. **Use your support systems.** Wherever possible, use support staff to apply for and collect visas and other administrative paperwork. They will inevitably have more experience dealing with these tasks and should have a reputation for both playing it by the book and having limited authority to agree bribes, making them less likely to be targeted.

   Nothing over and above the official cost for the service should be paid. If you are on business on behalf of a client, the client should arrange the visa, permits etc. and you should ensure that you pay for these official documents. The official cost should again be clear and nothing additional should be paid.

   Regardless of the means used to pay for these services, always get a receipt for the full amount.

6. **Safety first.** The above precautions and behaviours are very effective at closing down bribery risk in many circumstances. However, you may also find yourself in more extreme circumstances where there is a threat to your physical safety or liberty. In these situations, you should take threats of violence or false imprisonment seriously, use common sense and diffuse the situation.

   Where it is absolutely necessary, bend the rules, but ensure you report the incident as soon after it has happened as possible. Even where this is unlikely to see the bribe-seekers held to account, it makes it clear you were not a willing participant in the process and were forced to bribe under duress.

Always be vigilant and cautious

The bribe seeker's approach may seem innocent and something that you are willing to accept. For example, you may be asked for a donation to a charity, for sponsorship or something similar. If such payments are asked for in connection with payment for official services, you should seek out a second opinion and work on the premise that these 'donations' are *de facto* bribery. Report any attempts at bribery using any whistleblower procedure available to you.

For example, in India, the site **www.ipaidabribe.com** allows individuals to report bribes they have been asked for, paid or refused to pay. Other countries may have their own equivalents and social media is increasingly being used to report incidents of corruption and bribe seeking.

Finally, practise your refusal. Many people assume that they will be able to easily refuse to give, or accept, a bribe, even for a small amount. Yet for many it is an unknown experience, leading to uncertainty when faced with the reality. This is where practice or rehearsal is invaluable. Imagine situations where someone may seek a bribe, including a facilitation payment, and practise your response. Use an audience and seek feedback, if it helps. Be polite, but firm, leaving no doubt that you will not be paying the requested bribe or accepting any that is offered.

Reward mechanisms

Additionally, commercial organisations may need to review their reward mechanisms to see if they can be improved to minimise any temptation for staff. In some cases, it may be necessary to dramatically ramp up controls, particularly in markets where businesses are expected to bribe to succeed.

“Practise your refusal. Many people assume that they will be able to easily refuse to give, or accept, a bribe, even for a small amount.”

Appendix A: Bribery risk assessment process checklist

The checklist set out below is not exhaustive list but aims to cover the key elements outlined in this guide. More detailed checklists can be found in the Transparency International UK publication *Adequate Procedures – Guidance to the UK Bribery Act 2010.*

Planning, scoping and mobilisation

No.	Task
1	**Obtain Board level support for the risk assessment process including commitment to:** **a.** Investment of appropriate time and resources **b.** Board communication of the importance of the exercise **c.** Personal participation of Board members as appropriate in the process
2	**Appoint project lead**
3	**Define stakeholders, team, responsibilities and reporting lines**
4	**Identify potential sources:** a. People: Line and function b. Internal and external documents and data
5	**Establish risk assessment framework:** **a.** Analyse business structure to determine how many distinct risk profiles there might be **b.** Determine the relevant business unit(s) to be covered **c.** Define appropriate information gathering procedures given extent and nature of information available **d.** Agree time frame for the exercise **e.** Define output(s)
6	**Draft risk assessment plan and time table**
7	**Design any information capture templates required, for example:** **a.** Pro forma risk matrices or similar **b.** Questionnaires
8	**Obtain any necessary approvals for the risk assessment process prior to commencement**
9.	**Formulate and communicate instructions to those contributing to the process, including:** **a.** Context and importance **b.** General briefing on bribery risk and its potential impact **c.** Specific briefing on tasks to be undertaken **d.** Explanation of templates to be completed (if applicable) **e.** How to prepare for a risk assessment workshop (if applicable)
10	**Schedule any workshops or other interactive information gathering exercises**

By whom	Completed (date)	Doc ref.

Information gathering and analysis

No.	Task
11	**Review internally available documents and data for information relevant to the risk assessment. Such sources might include:** **a.** Past experience of bribery issues (including experience brought by Board members and employees from other organisations) **b.** Findings from internal audit reports, internal investigation reports, etc. **c.** Country and market insights from management and employees in different countries. "Market insights" will include knowledge about local culture and business practices, customer and competitor behaviour, etc. **d.** Knowledge of local laws and regulations from the in-house legal team or local management **e.** Whistleblower or similar reports
12	**Conduct workshops and/or interviews with appropriate employees to gather insights about likely risk areas. Such employees might include those representing, where appropriate:** **a.** The Board **b.** Line management for key businesses/markets **c.** Sales **d.** Procurement **e.** Internal audit **f.** Finance **g.** Legal **h.** Human resources **i.** Risk **j.** Compliance
13	**Gather information from business units and functions via questionnaires, risk assessment templates, or similar.**
14	**Review relevant externally available documents and data, such as:** **a.** Ministry of Justice (MoJ) Guidance **b.** Opinion releases and similar sources from the Department of Justice (DoJ) and Securities and Exchange Commission (SEC) **c.** Guidance from industry bodies **d.** Published advice from professional advisers **e.** Transparency International or other independent publications
15	**Collate and review information gathered from the above sources**
16	**Follow up and challenge incomplete, inaccurate or inconsistent information (where applicable)**

By whom	Completed (date)	Doc ref.

Risk identification

No.	Task
17	**Has the risk assessment taken appropriate account of country risk, considering, for example:** **a.** Relevant cultural factors **b.** Local customs and business practices?
18	**Has the risk assessment taken appropriate account of sectoral risk, considering, for example, such factors as:** **a.** Requirement to operate in countries associated with high levels of corruption **b.** High degree of interaction with government **c.** High levels of regulation **d.** Prevalence of high value, complex and/or long term contracts **e.** Business activities involving multiple business partners, stakeholders and/or complex contractual or corporate structures?
19	**Does the risk assessment include (where applicable) typically heightened risk transactions, such as:** **a.** Sales to government customers, particularly in higher risk countries **b.** Gifts, hospitality and travel expenditure, especially for government officials **c.** Use of company assets for the benefit of third parties for non-business purposes **d.** Charitable and political donations and other corporate relations activities **e.** Sponsorships **f.** Giving employment to persons connected with government officials **g.** Obtaining licences, permits and regulatory clearances of any kind **h.** Movement of goods across borders and related activities **i.** Lobbying governments on policy, legislation and/or regulation **j.** Other (specify)?
20	**Has the risk assessment taken appropriate account of business opportunity risk, considering, for example, the value, complexity or commercial rationale of transactions?**
21	**Has the risk assessment taken appropriate account of business partnership risk, considering, for example:** **a.** Use of intermediaries **b.** Joint ventures **c.** Consortia **d.** Other (specify)?
22	**Has the risk assessment taken appropriate account of other risk considerations, such as legal or regulatory risks?**

By whom	Completed (date)	Doc ref.

Risk evaluation

No.	Task
23	Does the evaluation of risks identified take appropriate account of cultural risk factors (internal and external)?
24	Does the evaluation of risks identified take appropriate account of factors that might create incentives for bribery?
25	Does the evaluation of risks identified take appropriate account of factors that might create opportunities for bribery?
26	Have the bribery risks identified been meaningfully evaluated and prioritised?

Documentation

27	Have the results of the risk assessment been appropriately documented?
28	Have the results of the risk assessment been communicated as appropriate to relevant stakeholders?

By whom	Completed (date)	Doc ref.

Appendix B: Further tools and resources

UK Bribery Act 2010

The UK Bribery Act 2010 came into force in July 2011. It includes within its scope bribing and being bribed; the bribery of foreign public officials; and failure of a commercial organisation to prevent bribery on its behalf. For more details, visit: **http://www.justice.gov.uk/downloads/legislation/bribery-act-2010-guidance.pdf.**

US Foreign Corrupt Practices Act

The US Department of Justice (DoJ) resource guide (**http://www.justice.gov/criminal/fraud/fcpa/guidance**) is another excellent guide to compliance with the FCPA.

In addition, the UK Serious Fraud Office has published a list of Red Flags ('corruption indicators'), which should be considered in looking for areas of concern:

- Abnormal cash payments
- Pressure exerted for payments to be made urgently or ahead of schedule
- Payments being made through 3rd party country, e.g. goods or services supplied to country 'A' but payment is being made, usually to shell company in country 'B'
- Abnormally high commission percentage being paid to a particular agency. This may be split into two accounts for the same agent, often in different jurisdictions
- Private meetings with public contractors or companies hoping to tender for contracts
- Lavish gifts being received
- Individual never takes time off even if ill, or holidays, or insists on dealing with specific contractors him/herself
- Making unexpected or illogical decisions accepting projects or contracts
- Unusually smooth process of cases where individual does not have the expected level of knowledge or expertise
- Abusing decision process or delegated powers in specific cases
- Agreeing contracts not favourable to the organisation either with terms or time period
- Unexplained preference for certain contractors during tendering period
- Avoidance of independent checks on tendering or contracting processes
- Raising barriers around specific roles or departments which are key in the tendering/contracting process
- Bypassing normal tendering/contractors procedure
- Invoices being agreed in excess of contract without reasonable cause
- Missing documents or records regarding meetings or decisions
- Company procedures or guidelines not being followed
- The payment of, or making funds available for high value expenses or school fees etc. on behalf of others

United Nations

The United Nations Convention Against Corruption (UNCAC) was ratified in 2003 by 175 parties. For the details of UNCAC see:
https://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50026_E.pdf

Make full use of additional steps to improve your anti-bribery capability. This includes actions, such as:
- Becoming corporate members of various organisations fighting bribery, like TI, the IBE, World Economic Forum etc.,
- Regularly carrying out an anti-bribery risk assurance exercise,
- Seeking accreditation to BS10500 or to ISO37001.

There are also a number of potential external sources that might be tapped. These include:
- Opinion releases and similar sources from the US DoJ and SEC;
- Past legal cases relevant to the business;
- Guidance from industry bodies;
- Professional advisers; and
- Independent experts, such as non-governmental organisations.

Other sources include:

- **Transparency International** (**www.transparency.org**, see page 1 of this Guide), has produced a number of excellent Tools and Publications and does extensive research into bribery worldwide, including publishing their annual Corruption Perceptions Index. Other publications include:
  - Diagnosing Bribery Risk (Transparency International UK, 2013) **http://www.transparency.org.uk/publications/diagnosing-bribery-risk/**
  - Countering Small Bribes: Principles and good practice guidance for dealing with small bribes including facilitation payments (Transparency International UK, 2014) **http://www.transparency.org.uk/rss/15-publications/1096-countering-small-bribes/1096-countering-small-bribes**
  - How to Bribe: A typology of bribe-paying and how to stop it (Transparency International UK, 2014) **http://www.transparency.org.uk/publications/how-to-bribe-a-typology-of-bribe-paying-and-how-to-stop-it/**
  - Doing business without bribery (Transparency International UK) **http://www.doingbusinesswithoutbribery.com/** a 1.5-hour online learning module providing comprehensive anti-corruption training designed by leading experts in the field, enabling organisations to provide training for their personnel.
- **OECD** website (**www.oecd.org/corruption**) contains a lot of useful information, including up to date assessments of the enforcement of anti-bribery measures adopted in countries who have signed up to the OECD Anti-bribery Convention.
- **International Chamber of Commerce** (**http://www.iccwbo.org/advocacy-codes-and-rules/areas-of-work/corporate-responsibility-and-anti-corruption/**) has produced a number of tools and resources in the area of corporate responsibility and anti-corruption, including RESIST (Resisting Extortion and Solicitation in International Transactions), available in a number of languages http://www.iccwbo.org/products-and-services/fighting-commercial-crime/resist/
- **Institute of Business Ethics** (**www.ibe.org**) is another useful source of support and guidance, including their recently launched Say No Toolkit (**www.saynotoolkit.net**).
- **World Economic Forum** (**www.weforum.org/issues/partnering-against-corruption-initiative**).
- **UNOCD https://www.unodc.org/unodc/en/corruption/publications.htm**l provides documents, publications and tools to help fight corruption.

The first four bodies listed above have membership schemes for entities or individuals.

BS 10500 Anti-bribery Management

Demonstrate your commitment to good governance and business ethics

Additional assurance that your enterprise has an effective programme in place to combat bribery can be obtained through gaining accreditation to BS 10500 Anti-bribery Management or the more recent ISO 37001 Anti-bribery Management Systems – Requirements with guidance for use.

This will help confirm, or otherwise, the suitability of the design of measures in place and can also be extended to review their effectiveness.

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