

# ISO 37001

## The first international standard on anti-bribery management systems

Bribery and corruption continues to be one of the highest-priority compliance risks for organizations, attracting considerable public and media attention. EY *Global Fraud Survey 2016* showed that 39% of respondents consider bribery and corruption to happen widely in their country.

The newly published International Organization for Standardization (ISO) 37001 anti-bribery management systems is a significant development for organizations seeking to better manage bribery and corruption risks.

Combining corporate values with an appropriate anti-bribery management program is paramount if a business is to maintain integrity and address the risks associated with bribery and corruption. However, one question has always been, how much is enough? This standard seeks to give an answer to that question.

### **ISO 37001 – the international standard on anti-bribery management systems**

ISO is one of the most recognized bodies for setting standards on a global scale. It serves international requirements for organizations and sets global benchmarks for anti-bribery management programs. The standard provides specifications for organizations to establish, implement, maintain and continually improve their anti-bribery management systems in order to address, prevent and detect bribery. The standard includes a program of measures and controls that represents global anti-corruption good practice.

ISO 37001 is adaptable to all types of organization, irrespective of size, geography or exposure to bribery risk.

ISO 37001 specifies mandatory requirements for organizations when establishing or updating anti-bribery management programs in a manner that is proportionate to the potential bribery risk. The standard requires organizations to implement sufficient measures that are designed to prevent and detect the risk of bribery. They include a commitment from management to establish a clear

anti-bribery policy and compliance function, with adequate training provided as part of the bribery risk assessments and due diligence procedures.

The standard can therefore be adopted independently of, or integrated into, a pre-existing, overall management system.

ISO 37001 is based on a four-step model and aligned with the ISO 19600 standard for Compliance Management Systems:

- ▶ **Plan:** identify anti-bribery obligations and evaluate compliance risks in order to develop a strategy, including measures to address any issues
- ▶ **Do:** implement measures and establish mechanisms to monitor their effectiveness
- ▶ **Check:** review the anti-bribery management program on the basis of the controls implemented
- ▶ **Act:** review and improve the program continually, ensuring cases of non-compliance are monitored and examined

## The core elements of an anti-bribery and corruption compliance program in accordance with ISO 37001



The standard is not without its limitations and, in considering whether to perform a gap analysis, or perhaps become certified, the following points should be kept in mind:

- ▶ The certification does not mean that regulators and enforcement authorities will accept that anti-bribery standards have been met.
- ▶ ISO 37001 does not negate the need to perform due diligence, as it is unlikely that authorities will be forgiving of bribery offenses by a counterparty just because a company is ISO 37001 certified.
- ▶ Certification is likely to require not only the initial cost but also periodic renewal.

### Do you require compliance with ISO 37001?

There are significant advantages to making an assessment of your organization's compliance framework against the ISO 37001 standard:

- ▶ Assisting an organization in establishing a culture of integrity, transparency and compliance
- ▶ Providing minimum requirements and helpful guidance on the implementation of benchmarking or incorporating part of the standard into a pre-existing anti-bribery program

- ▶ Obtaining a certification to demonstrate competitive advantage, for example, in relation to international bidding processes
- ▶ Providing assurance to customers, business partners and the public that the organization has taken steps to limit bribery and corruption risks
- ▶ Demonstrating to enforcement agencies and regulators that the organization is seeking to be in line with the latest standards

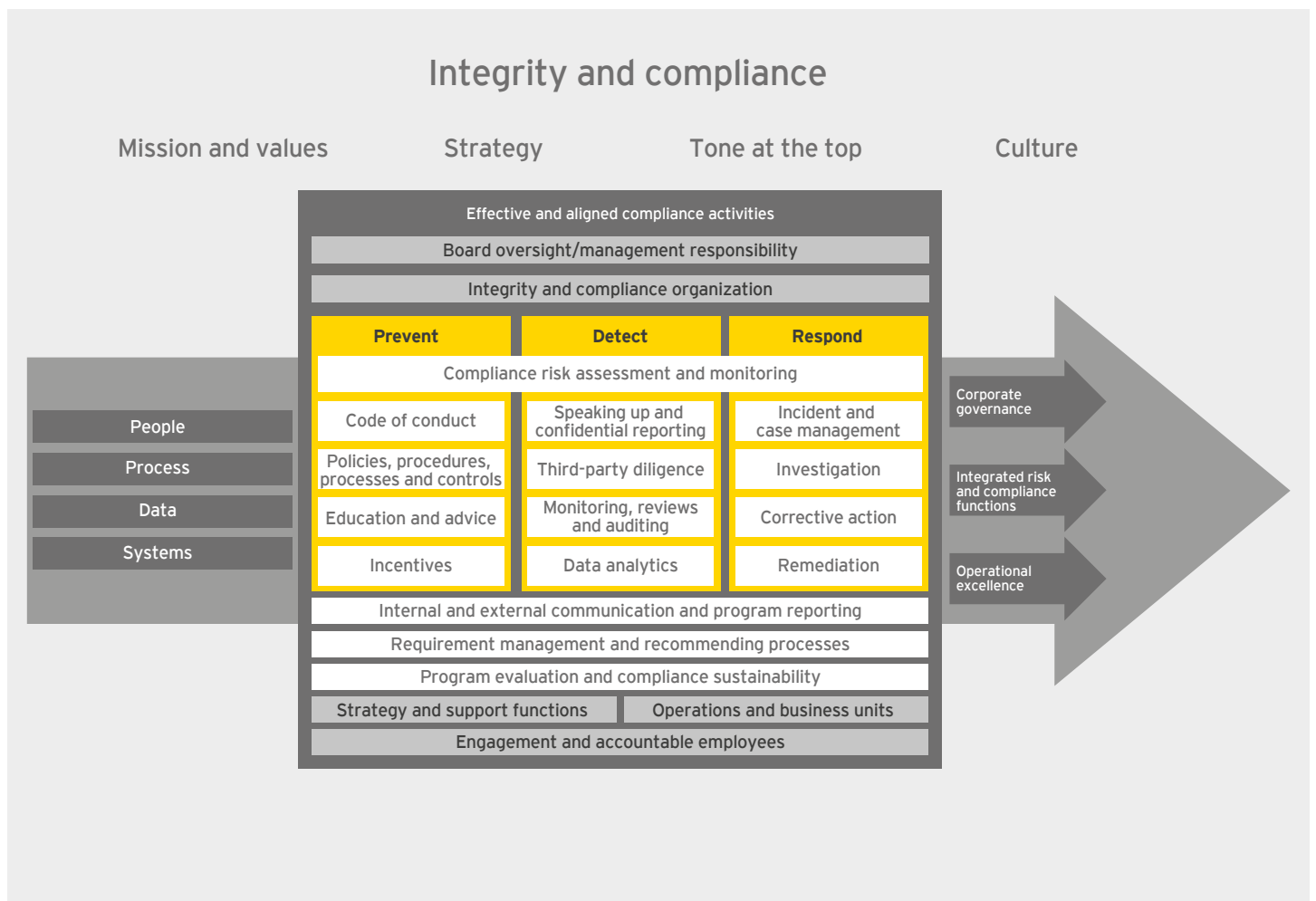
# Global experience, local knowledge, relevant skills

EY's Business Integrity and Corporate Compliance practice has the global reach to assist companies in developing a strategic anti-bribery program. EY is well positioned as an independent, objective advisor with deep risk management experience and global resources familiar with all major anti-bribery laws to help companies effectively manage their anti-bribery and overall compliance obligations. Developing and embedding a prevention program and a culture of ethics, values and integrity in line with ISO 37001 will help you to sustain global compliance.

We can help organizations build better processes on issues of critical corporate and personal importance. Our teams will aim to provide the following support:

- ▶ **Compliance risk assessments** to help management identify and prioritize the company's significant integrity and compliance risks, focusing on bribery, including emerging "frontier" issues
- ▶ **Integrity and compliance performance assessments** focusing on anti-bribery to independently assess the design of the company's compliance infrastructure, including the compliance function, people, processes and entity-level controls, and to compare compliance infrastructure with the requirements of ISO 37001 in order to identify improvement opportunities
- ▶ **Integrity and compliance program implementation and improvement** to assist in the development and implementation of the plan, as well as core initiatives that mitigate specific compliance risks, in order to strengthen a company's integrity compliance infrastructure
- ▶ Our services include integrity diligence, anti-bribery due diligence and transaction support, proactive data analytics services and fraud response management, including investigation of suspected noncompliance
- ▶ **Compliance sustainability and monitoring** focusing on anti-bribery to help management develop and execute a plan, evaluate and monitor the operations of a company's controls against compliance risks, and to integrate integrity and compliance in the day-to-day business operations

## The EY Global Business Integrity and Corporate Compliance Framework model



# Contact our Forensic & Integrity Services team

Find out how we can help you to develop a strategic anti-bribery program.

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## About EY's Forensic & Integrity Services

Dealing with complex issues of fraud, regulatory compliance and business disputes can detract from efforts to succeed. Better management of fraud risk and compliance exposure is a critical business priority – no matter the size or industry sector. With approximately 4,500 forensic professionals around the world, we will assemble the right multidisciplinary and culturally aligned team to work with you and your legal advisors. We work to give you the benefit of our broad sector experience, our deep subject-matter knowledge and the latest insights from our work worldwide.

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