Template Risk Assessment Process for Associates

Before entering into any formal relationship, sufficient and appropriate risk-based due diligence should be undertaken in order to identify and manage risks. The Risk Assessment Process template below provides an example that companies can utilise in developing their own procedures for risk assessment.

Step 1: Engage with the appropriate business area within the organisation to notify of a potential engagement with a new associate and commence due diligence planning

Step 2: Conduct an Anti-Bribery Risk Assessment. This should occur were entering into a formal agreement. The following should be considered:
- Nature of the relationship
- Information on potential bribery concerns
- Existing relationship with the company
- Potential associate operates in a high risk sector / industry
- Potential associate operates in a high risk jurisdiction
- Potential associate will be operating with other parties on behalf of the company

Step 3: Assess the level of due diligence required

Step 4: Carry out standard or enhanced due diligence process

Step 5: Manage risks in accordance with appropriate internal procedures or advice. Eg. including anti-bribery terms into the contract with the third party and providing documentation reinforcing the company's zero-tolerance policy towards bribery

Step 6: ensure the due diligence process is appropriately documented with a clear audit trail

Completing an Anti-Bribery Risk Assessment will enable the identification of significant adverse material at an early stage. It will also allow you to assess the level of bribery risk associated with the new third party and identify whether further due diligence checks are required.

Any material warning signs or red flags identified at any stage of the due diligence process must be addressed before proceeding with any proposed arrangement.

Standard due diligence might include:
- Desktop research (eg. Through Google for adverse media)
- Business registry checks

Enhanced due diligence might include:
- Referee checks
- Clarification questions to the third party
- Independent verification of information provided

If the search results reveal suspicious or adverse information, the third party should be treated as high risk and referred to the appropriate representative or legal team.