ISO 37001

Anti-bribery management system

Your implementation guide

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ISO 37001 helps create a culture of integrity, transparency, openness and compliance

Published in 2016 to response to the growing threat of bribery and corruption, **ISO 37001** is the world's first international anti-bribery management system standard. Not only can it help organizations comply with regulatory requirements it's also an excellent framework to help put in place robust controls and processes to protect your organization from the threat of bribery. It provides customers, shareholders and other stakeholders with the ability to better understand a company's commitment to compliance, and allows them to feel more secure about whether the company is operating responsibly when it comes to anti-bribery.

Suitable for businesses of all sizes, in all sectors including the private and public sector as well as not-for-profit sectors, it's designed to be really flexible so you can make it relevant to the scale and complexity of your organization and the bribery risks it faces.

At BSI we have the experience to help make sure that you get the most from **ISO 37001**. In fact it was our experts who helped shape the standard BS 10500 upon which it is based.

This guide shows you how to implement **ISO 37001** in your business and get the most out of it for the long term. We also showcase our additional support services which help you not only achieve certification but can help you to continually improve and increase resilience in your organization.

"...an effective anti-bribery policy and procedure is simply good business practice."

Yan Phoenix, Digital Advanced Control Ltd, UK-based electronic component supplier (referring to BS 10500 certification)

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How **ISO 37001** works and what it delivers for you and your company

ISO 37000 is an invaluable tool to help your organization demonstrate compliance and a commitment to ethical behaviour. It also helps you to identify threats from bribery beyond your business. In a world where supply chains are increasing in size and complexity bribery is a growing risk. **ISO 37001** empowers an organization to benchmark the anti-bribery programs of others in its value chain, in turn helping to improve relationships, make them more transparent and establish a resilient supply chain.

To meet the standard you'll need to have in place an anti-bribery policy, commit to continually improving it and keep it up-to-date. This should be a component of your overall compliance policy. It is important however to note that even when this standard is in place, it cannot provide complete control over human activity as it does not guarantee that people in your organization will not:

- Be offered bribes by organizations and/or other people
- Accept and/or offer bribes
- Be subject to legal charges and prosecution based on their actions and local laws

Benefits of ISO 37001

20-50%

the estimated amount stock values are enhanced by establishing a reputation as an ethical organization.[1]

77%

saw organizational culture as one of the most effective tools for preventing domestic corruption[3]

40%

believe that the top risks to their anti-bribery and corruption programs will come from third party violations.[5]

77%

are supportive of new initiatives to hold individual executives to account for misconduct.[2]

10%

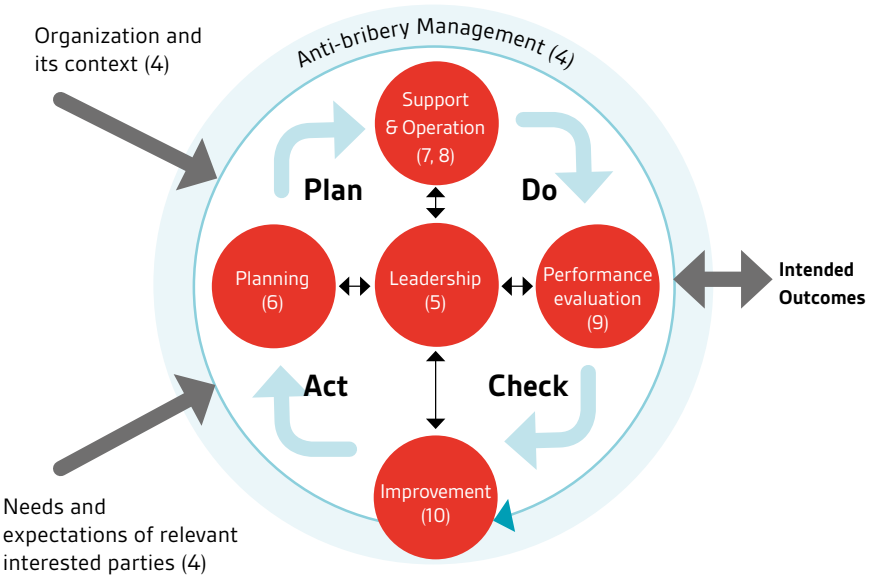
The increase in the cost of doing business due to corruption.[4]

[1]Source: "Trust and Integrity: The Value of a Company's Reputation", Michael Volkov, May 2016. [2] Source: EY - Europe, Middle East, India and Africa fraud survey, 2017. [3] Source: Deloitte AU/NZ Bribery and corruption survey 2017. [4] Source: The World Economic Forum 2014. [5] Source: Kroll Anti-bribery and corruption benchmarking poll 2017.

How **ISO 37001** works

ISO 37001 was published in 2016 in response to the growing risks from corruption and bribery. It is the first international management system standard on anti-bribery and is based on the British Standard BS 10500.

It's based on the high level structure (Annex SL) which is a common framework for all ISO management systems. This helps keep consistency, align different management system standards, offer matching sub-clauses against the top level structure and apply common language across all standards. It makes it easier for organizations to incorporate their Anti-bribery Management System (ABMS), into core business processes, make efficiencies, and get increased involvement form senior management.



Plan-Do-Check-Act (PDCA) is the operating principle of ISO 37001. It's applied to all processes and the QMS as a whole. This diagram shows how clauses 4 to 10 of ISO 37001 can be grouped in relation to PDCA

Some of the core concepts of ISO 37001 are:

Concept	Comment
Context of the organization	Consider the combination of internal and external factors and conditions that are relevant to the objectives of the organization's ABMS.
Bribery	Offering, promising, giving, accepting or soliciting of an undue advantage of any value, in violation of applicable law, as an inducement or reward for a person acting or refraining from acting in relation to the performance of that person's duties.
Interested parties	A person or organization that can affect, be affected by, or perceive themselves to be affected by a decision or activity. Examples include suppliers, customers or competitors. You may refer to them as stakeholders.
Top management	A person or group of people who directs and controls an organization at the highest level.
Governing body	The group or body that has ultimate responsibility and authority for an organizations activities, governance and policies and to which top management reports and by which top management is held accountable. (Where this is the case it could be, for example, a board of directors, trustees, etc.)
Business associate	An external party with whom the organization has, or plans to establish some form of business relationship..
Public official	Not all examples will exist in all jurisdictions, but could include public office holders at national, state/provincial or municipal level, including members of legislative bodies, executive holders and the judiciary
Documented information	Information that must be controlled and maintained by an organization and the medium on which it is contained. It can be in any format.
Nonconformity and corrective action	Non-fulfilment of a requirement, and the action to eliminate the cause of a non-conformity.

Key requirements of ISO 37001

Clause 1: Scope

This clause details the scope of the standard. (Note – it is only applicable to bribery and does not address subjects such as fraud, cartels or money-laundering for example).

Clause 2: Normative references

There are no normative references in this document..

Clause 3: Terms and definitions

This clause references the terms and definitions that need to be understood in relation to this standard.

Clause 4: Context of the organization

This is a new clause that establishes the context of the ABMS and how the business strategy supports this. "Context of the organization' is the clause that underpins the rest of the standard. It gives an organization the opportunity to identify and understand the factors and parties in their environment that support the ABMS.

The starting point is to identify all external and internal issues relevant to the ABMS. Then you need to establish all "interested parties", their needs and expectations and how they are relevant to your ABMS. You might refer to these as stakeholders. You will also need to decide on the scope of your QMS, particularly in relation to the relevant issues already considered in this clause.

By using the process approach you'll need to show how you establish, implement, maintain, and continually improve the QMS in relation to the standard. Finally a regular bribery risk-assessment must also be completed, documented and reviewed on a regular basis to assess the nature and level of risks.

Clause 5: Leadership

This clause is all about the role of "top management" which is the group of people who direct and control your organization at the highest level.

They need to ensure that the ABMS and its requirements are integrated into the organization's processes and the policy and objectives are aligned with the strategic direction of the organization. They also need to make sure that the anti-bribery policy is made available, communicated, maintained and understood by all parties.

There's also a focus on promoting an anti-bribery culture within the organization and that any reports of a violation that are made in good faith are without retaliation, discrimination or disciplinary action. The top management needs to assign the implementation and organization of the ABMS to an anti-bribery compliance function which must be adequately resourced. This function needs to have access to the governing body of the organization (if one exists) should an issue or concern regarding the ABMS arise. If required some or all of this function can be assigned to persons external to the organization.

Clause 6: Planning

This clause focuses on how an organization plans actions to address both risks and opportunities.

Consideration of risks needs to be proportionate to the potential impact they may have and organizations may decide to categorize risks into different levels from low to high. If an activity is determined to be high risk and that the organization cannot manage it, then it should not be undertaken.

Actions to address bribery risks and opportunities must be monitored, managed and communicated across the organization. Another key area of this clause is, if practicable, to establish measureable objectives for the AMBS. Finally there is a requirement to keep documented information on the objectives of the ABMS.

Clause 7: Support

This section of ISO 37001 is all about getting the right resources, the right people, and the right infrastructure in place to maintain and improve the ABMS. This includes identifying the necessary competencies of the people delivering work that affect the organizations anti-bribery performance. Documented information needs to be kept to provide evidence of this.

The next part of this clause covers the requirement for due diligence on all personnel in positions which are identified as having more than a low anti-bribery risk. This includes performing pre-employment checks on people before they join the organization or before they are transferred or promoted. It also requires organizations to review performance bonuses and other incentives to prevent them from encouraging bribery.

Organizations need to ensure that adequate anti-bribery awareness and training is provided. As well as employees of the business anti-bribery procedures must also address anti-bribery training for business associates who act on the organizations behalf.

This must all be contained in documented information which must be kept up-to-date, made available when required and, recognizing the need to information security best-practice, adequately protected.

Clause 8: Operation

This clause is all about the planning and control of ISO 37001 and covers due diligence, financial controls and non-financial controls.

Where there is more than a low bribery risk, organizations need to carry out checks in relation to specific transactions, projects activities or business associates and decide whether to continue those relationships.

Acknowledging the risks that supply chains can pose, organizations also need to put in place anti-bribery procedures for all organizations over which is has control. This could include suppliers and may include controls over gifts and hospitality. These anti-bribery controls may be implemented as part of a contract and considered part of the due diligence process when working with third parties or business associates.

The final element in this clause requires organizations to have in place procedures with allow persons to raise concerns in relation to anti-bribery, including anonymous reporting.

Clause 9: Performance evaluation

This is all about measuring and evaluating your ABMS to ensure that it is effective and it helps you to maintain a robust ABMS. You will need to consider what should be measured, the methods employed, and when data should be analysed and reported on.

Internal audits will need to be carried out. These will need to be reasonable, proportionate and risk-based.

Finally, top management reviews will need to be carried out and "documented information" must be kept as evidence of these. If an organization has a governing body, they will also need to undertake periodic reviews of the ABMS as will those who perform the anti-bribery compliance function in the organization.

Clause 10: Improvement

This clause requires organizations to determine and identify opportunities for continual improvement of the ABMS.

The standard details actions that are required that cover handing of nonconformities. Should a nonconformity be identified, organizations need to react promptly and take action. They need to identify whether similar nonconformities exist or could potentially occur and implement appropriate corrective action. Documented information must be kept so as to provide evidence of the nature of any nonconformities, what actions were taken, and the results of any corrective actions.

Top tips on making **ISO 37001** effective for you

Top management commitment commitment is key to making this a success.

Keep staff informed of what's going on, create a team or assign a champion, as this will increase motivation. This could include a well communicated plan of activities and timescales.

Think about how different departments work together to avoid silos. Make sure the organization works as a team for the benefit of customers and the organization.

Review systems, policies, procedures and processes you have in place – you may already do much of what's in the standard and make it work for your business.

Speak to your customers and suppliers. They may be able to suggest improvements and give feedback on your service.

Train your staff to carry out internal audits. This can help with their understanding, but it could also provide valuable feedback on potential problems or opportunities for improvement.

And finally, when you gain certification celebrate your achievement and use the **BSI Assurance Mark** on your literature, website and promotional material.

Your **ISO 37001** Journey

If you want to use and adopt ISO 37001 to protect and preserve the integrity of your organization, we have the right resources and training courses to help you understand and implement the standard. But our support doesn't stop there. We can help make sure your system keeps on delivering for best for your business.

	You need to:	We help you:
Understand and prepare	• Buy the standard and read it; understand the content, your requirements and how it will improve your business • Contact us. We can propose a solution tailored to your organization's needs.	• Buy the standard • Discover information on our website, including case studies, whitepapers and webinars visit **bsigroup.com** • Attend a BSI ISO 37001 Requirements training course
See how ready you are	• Ensure your organization understands the principles of ISO 37001 and the roles individuals will need to play, and review your activities and processes against the standard	• Download the self-assessment checklist • Attend a BSI Implementing ISO 37001 training course • Book a BSI gap assessment to see where you are • BSI Entropy Software could help ISO 37001 implementation
Review and get certified	• Contact us to book your certification assessment • Ensure the right people are available for your audit visit(s). This is a two-stage process. The length varies depending on the size of your organization	• Attend a BSI ISO 37001 Internal or Lead Auditor training course • BSI Entropy Software could help your ISO 37001 implementation • Your BSI certification assessment

Continually improve and make excellence a habit

Your journey doesn't stop with certification. We can help you to fine-tune your organization so it performs at its best.

- Celebrate and promote your success – download and use the BSI Assurance Mark to show you are certified.
- Use BSI Entropy Software to help you to manage systems and drive performance
- Your BSI Client Manager will visit you regularly to make sure you remain compliant and support your continual improvement.
- Consider integrating other management system standards to maximize business benefits.

BSI Training Academy

The BSI Training Academy is a world leader in helping clients develop the knowledge and skills they need to embed excellence in their organizations. We offer a range of ISO 37001 training solutions that can be tailored to your needs. Our training courses are developed by experts in their fields who have been directly involved in the development of ISO 37001 so when you train with us you'll benefit from their expertise.
Using the latest research, our accelerated learning approach is proven to fast-track learning and improve knowledge retention. Our experienced tutors can help you get to grips with the matters that concern you and your organization directly, whether delivered in-house or as part of an open course where other delegates can share their experience.

Courses that help you understand ISO 37001 include:

ISO 37001 Requirements

- One-day classroom-based training course
- Learn about the structure and key requirements of ISO 37001
- Essential for anyone involved in the planning, implementing, maintaining, supervising or auditing of an ISO 37001 Anti-bribery Management System (ABMS)

ISO 37001 Implementation

- Two-day classroom based training course
- Recognize the threat of bribery within the context of your organisation
- Discover how to implement your ABMS using the aides included in the take-home reference toolkit
- Recommended for anyone involved in the planning, implementing, maintaining, supervising or auditing of an ISO 37001 ABMS

ISO 37001 Internal Auditor

- Two-day classroom-based training course
- Learn how to initiate an audit, prepare and conduct audit activities, compile and distribute audit reports and complete follow-up activities
- Ideal for anyone involved in auditing, maintaining or supervising an ISO 37001 ABMS

Understanding bribery and effective due diligence

- Two-day classroom based training course
- Discover the operational and technical challenges faced in understanding bribery and effective due diligence
- Recommended for anyone involved working in the public, private and voluntary sectors who wishes to learn more about risk assessment methodologies for bribery.

BSI Entropy™ Software

Accelerate implementation time and deliver continual improvements

The decision to implement a new management system standard is a huge opportunity to drive business improvement, but initiating, implementing and maintaining this can also be a challenge. Ensuring you get the most from your investment is a key driver to your future success.

BSI Entropy™ Software provides a powerful solution that can significantly reduce the cost and effort to implement an effective management system such as ISO 37001. It can be configured to the requirements of ISO 37001 and provide your organization with the tools necessary to manage essential elements of ISO 37001 across your organization.

The start of your ISO 37001 journey is an ideal time to implement BSI Entropy Software and sustain the standard successfully.

It can help you to:

- Accelerate implementation time by up to 50%
- Manage your document control effectively
- Provide company-wide visibility on implementation of the standard so you know exactly where you are at any one time
- You can easily and accurately input actions related to audits, incidents/events, risk and performance
- Through its customizable dashboards and reporting tools it gives you early insight into trends that help you make business decisions early on and drive improvement

The savings are the costs you avoid because you could not see what was happening at the facility level.

Why BSI?

By Royal Charter

bsi. ISO 37001 Anti-Bribery Management

BSI has been at the forefront of ISO 37001 since the start. It's based on BS 10500 which was developed by BSI to help organizations implement robust anti-bribery practices. We continue to lead the way as we currently hold the secretariat of the International Committee responsible for the development of ISO 37001. That's why we're best placed to help you understand, implement and benefit from the standard.

At BSI we create excellence by driving the success of our clients through standards. We help organizations embed resilience, helping them to grow sustainably, adapt to change, and prosper for the long term. We make excellence a habit.

For over a century our experts have been challenging mediocrity and complacency to help embed excellence into the way people and products work. With 81,000 clients in 181 countries, BSI is an organization whose standards inspire excellence across the globe.

Our products and services

We provide a unique combination of complementary products and services, managed through our three business streams; Knowledge, Assurance and Compliance.

Knowledge

The core of our business centres on the knowledge that we create and impart to our clients. In the standards arena we continue to build our reputation as an expert body, bringing together experts from industry to shape standards at local, regional and international levels. In fact, BSI originally created eight of the world's top 10 management system standards.

Assurance

Independent assessment of the conformity of a process or product to a particular standard ensures that our clients perform to a high level of excellence. We train our clients in world-class implementation and auditing techniques to ensure they maximize the benefits of standards.

Compliance

To experience real, long-term benefits, our clients need to ensure ongoing compliance to a regulation, market need or standard so that it becomes an embedded habit. We provide a range of services and differentiated management tools to facilitate this process.

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Find out more

Visit: bsigroup.com/en-my

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