



**SINGAPORE**

**13 July, 2018**

**Regional Compliance & Ethics Conference**

**Overview and Practical Review of ISO37001  
Antibribery Management Systems**

**Dr. KM Loi**

Vice Chair, ISO/PC278 (ISO37001)

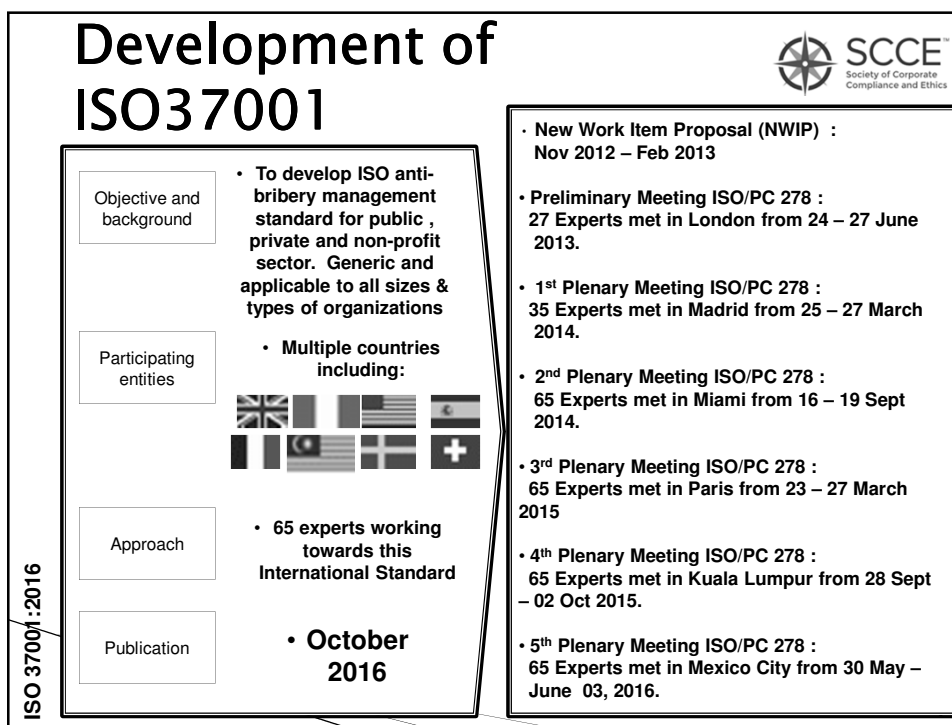
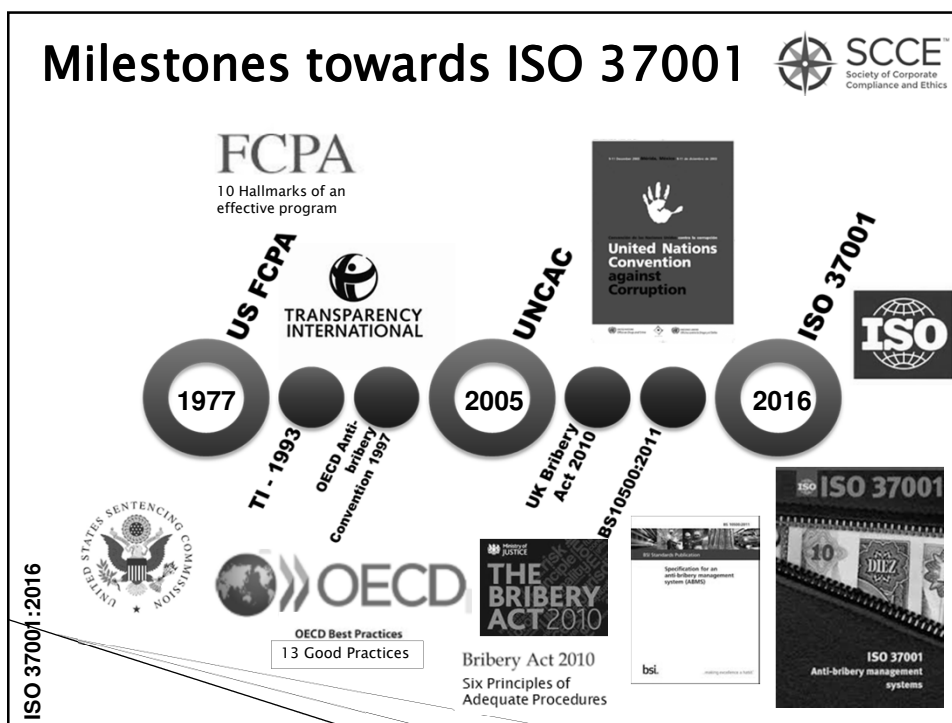
**Will Wong (CCEP-I, CFE)**

Consultant, Actualize Compliance

## Agenda



- **A quick overview of ISO37001**
- **Practical review of ISO 37001 Guideline**
- **What is the requirement for certification, and who is qualified for auditing**
- **Q & A**



ISO 37001:2016

YES	YES	NO	ABSTAIN
Australia	Mexico	Egypt	Austria
Brazil	Nigeria	France	Croatia
Canada	Norway	Morocco	Czech Republic
Colombia	Pakistan		Lebanon
Denmark	Saudi Arabia		
Ecuador	Serbia		
Germany	Singapore		
Guatemala	Spain	DID NOT CAST	COMMENT
India	Sweden		Argentina
Iraq	Switzerland		Transparency International
Israel	Tunisia	PR China	
Kenya	United Kingdom		
Malaysia	United States		
Mauritius	Zambia		


**SCCE™**  
 Society of Corporate  
 Compliance and Ethics

**90%**  
**(+)ve**  
**VOTE**



## What is ISO 37001:2016?



- It is designed to help an organization establish, implement, maintain, and improve an anti-bribery compliance program or “management system.”
- It includes a series of measures and controls that represent global anti-bribery good practices.
- Now, there is an internationally-recognised minimum set of measures for an organisation to have in place to prevent, detect, response and investigate bribery.

# ISO 37001 Certification



**3<sup>rd</sup> party certification bodies can certify an organization's compliance with ISO 37001 standard in the same way they do for other ISO standards (ISO 9001, ISO 14001, etc)**

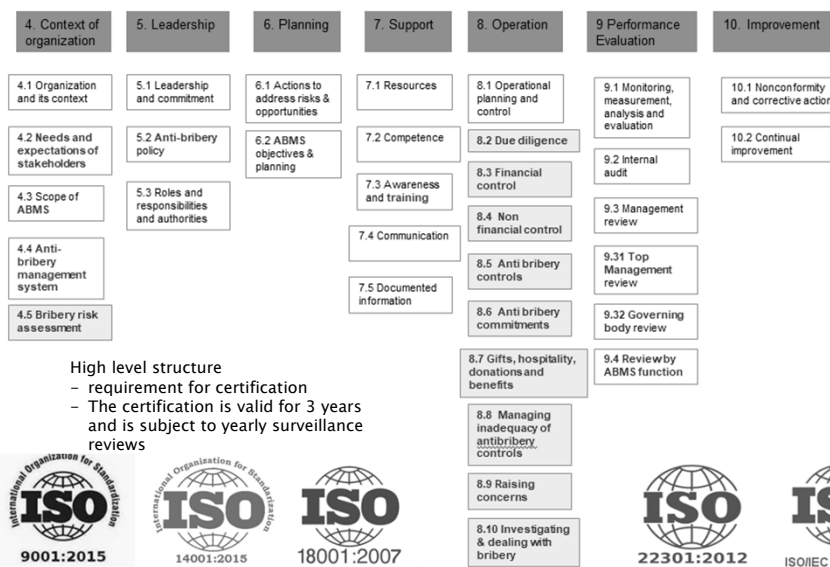
**While it cannot guarantee that there will be no bribery in relation to your organization, certification or compliance with this ISO 37001 standard can help you implement robust and proportionate measures that can substantially reduce the risk of bribery and address bribery where it does occur.**

ISO 37001:2016

## ISO37001:2016



←---PLAN---→ DO CHECK ACT



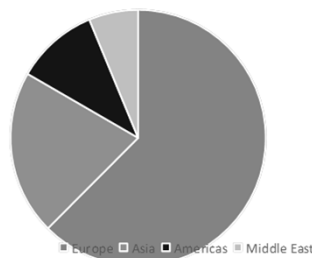
## Certification



### Up to April 2017

No:	Area	No:
1.	Europe	60
2.	Asia	20
3.	Americas	10
4.	Middle East	6
	<b>Total</b>	<b>96</b>

### Certified Organizations



**Europe : 60 (62.50%)**

**Asia : 20 (20.83%)**

**Americas : 10 (10.42%)**

**Middle East : 6 (6.25%)**

ISO 37001:2016

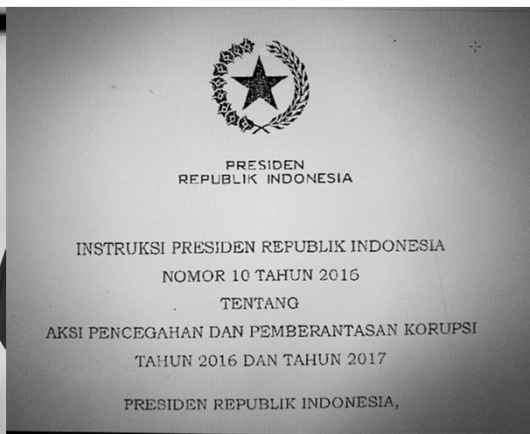


## INPRES No: 10 / 2016



### Aksi Pencegahan Dan Pemberantasan Korupsi

Tahun 2016 dan Tahun 2017



ISO 37001:2016

## Indonesian Oil & Gas Sector



**ABMS and its compliance program greatly reduces the risk to your organization of suffering the high costs, penalties and reputational damage associated with bribery.**



ISO 37001:2016

## Argentina – No: 27401



**The Argentine Congress has taken new steps to fight transnational bribery and crimes against the public administration with its passage of the Law on Corporate Criminal Liability No. 27401 on Nov. 8, 2017.**

**The law is intended to raise awareness among companies on how they can prevent corruption, specifically with efforts to strengthen organizational culture, controls and anti-fraud policies as well as their processes and systems.**

ISO 37001:2016

## State Law No.7.753/2017



**According to the State Law No: 7.753/2017 of Rio de Janeiro, which now requires companies interested in doing business with the State Government to implement and maintain Compliance Programs.**

**The requirement only applies to public contracts that are valid for 180 days or more and that surpass BRL 1,500,000.00 Reais for construction works and engineering services, or BRL 650,000.00 Reais for purchase of goods and provision of services.**  
**November 22, 2017**

ISO 37001:2016

## QUÉBEC, June 13, 2018



**The Minister for Integrity of Public Contracts and Information Resources, Robert Poëti, announced that the Government of Québec will continue its efforts to counter corruption by setting up a project major pilot to implement the ISO 37001 standard in various public entities.**

- 1. Hydro-Québec**
- 2. Department of the Family**
- 3. Center for Shared Services**
- 4. Department of Transportation, Sustainable Mobility & Transportation Electrification**



ISO 37001:2016

## Practical review on 37001



- ▶ Shall we benchmark our program using ISO37001 framework?
- ▶ Shall we go for ISO37001 certification?



## Different views



### Compliance Community

#### DEFECTS IN THE ISO 37001 CERTIFICATION

*Thomas R. Fox,*  
*Compliance Evangelist*

Toward Evidence-Based Programs:  
Thoughts on ISO 37001  
and Certifications

*Chen Hui,*  
*ex-DOJ Compliance Counsel*



Kristy Grant-Hart on ISO 37001: Who's doing the certifying (and other responses to Hui Chen)

*Kristy Grant-Hart,*  
*CEO of Spark Compliance*

Worth MacMurray: How to know if your program is ISO 37001 certifiable

*Worth MacMurray,*  
*Principal at Governance & Compliance Initiatives*

### HOW DOES THE ISO 37001 FOSTER AN EFFECTIVE COMPLIANCE CULTURE?

*Philippe Montigny,*  
*CEO of ETHIC Intelligence*



## Shall we adopt 37001 standard?



- A structured process to identify the missing anti-bribery components / benchmarking/ areas for continuous improvement
- Ensures all the “active” records and procedures are well documented
- Endorsed by a neutral third party with regular audits/reviews
- ISO 37001 audits mobilize every department in the company
- Suppliers and subsidiaries to meet the same objective standard
- Enables companies to navigate through the legal requirements of different legal jurisdiction



- A paper program
- Nothing new
- No statistical evidence it is effective
- Not a guarantee that bribery will never occur
- Unclear if it will reduce fines/ sentence if a company is prosecuted
- Costs may outweigh the benefits (money, time and resources)
- Unclear if the standard will be widely adopted
- How good/consistent for certification bodies/auditors to perform the certification

## How to adopt ISO37001 standard



- **Define scope** of the existing anti-bribery management systems
- Perform **gap analysis** to identify the gaps (vs requirement)
- **Train** the project team and interested parties
- Plan & **develop** (vs gap) of **documentation/processes/ indicators** to fulfill the requirement
- Implementation/**data collection**
- Conduct **training** before internal audit/certification
- Perform **internal audit** and **management review**
- Conduct pre-assessment audit (optional)
- Request certification body to perform stage 1 & stage 2 audits (for certification)
- Provide corrective actions for minor non-conformity(if any) before obtaining the certification (for certification)

## Certifying bodies are important



Certifying and audit bodies are governed by

• **ISO 19011:2011** (guidance on auditing management systems, including the principles of auditing, managing an audit programme and conducting management system audits, and evaluation of competence of individuals involved in the audit process)

• **ISO/IEC Technical Standard 17021-1** Conformity Assessments - Requirements for Bodies Providing Audit and Certification of Management Systems;

• **ISO/IEC Technical Standard 17021-9** Conformity Assessment - Requirements for Bodies Providing Audit and Certification of Management Systems Part 9; Competence Requirements for Auditing and Certification of Anti-Bribery Management Systems

- ISO 37001 requirements
- Bribery concepts & scenarios, risks associated with 3rd parties, and “red flags”
- Bribery risk assessment and due diligence
- Designing and evaluating anti-bribery controls

## Certifying bodies are important



Evaluate your potential CB based on your organization's needs:

- Accredited vs. Unaccredited?
- Recognized locally, regionally, globally?
- Experience in the relevant industry, geography, organization size & structure?

**A list of Certification Bodies can be obtained from respective NABs** (national accreditation bodies). In Singapore, it is Singapore Accreditation Council (SAC) - Spring Singapore.

## ISO37001 Certification



Support from all  
levels

Reasonable,  
proportionate,  
practicable



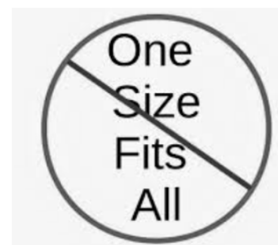
~~One Time Event~~



## ISO37001:2016 Certification

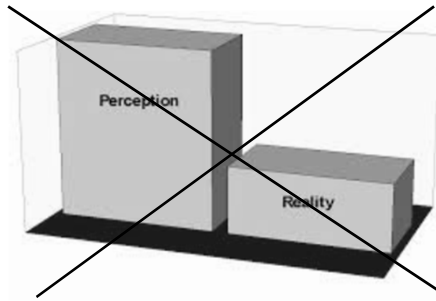


Certifications are not a  
guarantee against future  
misconduct, nor does it  
shield a company from  
prosecutions



No one size fits all compliance programme,  
depends on the risks of the company is  
operating (sector, geography, likelihood of  
dealing with government officials/third  
parties)

## ISO37001 standard



DO NOT OVER-ESTIMATE its values – No Bribery at all or a shield from prosecution !



There are other guidelines/ best practices to build an effective anti-bribery program

## ISO37001 is a Certified Standard



It's the process in putting those best practices together and are reviewed continuously



# Questions

**KM** **Loi &**  
*Associates*

**AC** **ACTUALIZE**  
COMPLIANCE



You can also send your questions to

Will Wong  
[willwong@actualizecompliance.com](mailto:willwong@actualizecompliance.com)

Dr. KM Loi  
[transparency@kmloi.com](mailto:transparency@kmloi.com)