

# WORLD STANDARDS

Review



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## ISO 37001 – An Anti-Bribery And Corruption Solution

### What is ISO 37001:2016?

Developed under the full title “Anti-bribery management systems – Requirements with guidance for use,” ISO 37001:2016 is the premier ISO-published standard written to address the topic of bribery. Like other ISO standards, 37001 was developed by an assigned committee – ISO Project Committee 278. Work on this new standard began in February of 2014, with the final draft and official publication coming in Fall of 2016.

There have been previous efforts by other groups (both governmental and non-governmental) to provide guidelines or resources for bribery management, such as the foundation of Transparency International in 1993 and the Sarbanes-Oxley Act of 2010. However, the benefit of affiliation with the ISO label's name recognition and global familiarity has been a crucial aspect of ISO 37001's ongoing success.

Like almost every other ISO standard released or revised in the past several years, ISO 37001:2016 is Annex SL-based. A 10-section “blueprint” for authoring ISO family standards, Annex SL was first published in 2012 and was the product of a special ISO committee known as the Joint Technical Coordination Group (JTCG). But why does Annex SL matter? As a unified sort of “base format,” the move toward Annex SL-based standards means that it is far easier to integrate multiple standards in the context of a single business. For instance, a company already certified to ISO 9001:2015 would be easily able to add ISO 45001:2018 (for Occupational Health & Safety) or AS9100 (for Aerospace), as all three are Annex SL-based.

ISO 37001 is likely to seem familiar to any company experienced in other ISO standards, as they share a number of core concepts, such as management review, internal audits, corrective actions, and competency requirements. Thus, existing programs for these requirements can be brought to bear in implementing ISO 37001.

(37001 CONTINUED ON PG 3)

## In Memoriam James Harris

The PJR team was saddened to hear of the passing of longtime aerospace auditor James Harris on January 21st. James had an incredible background in aerospace and aviation, including over 30 years spent working with Lockheed Martin. His expertise and hard work will be greatly missed, and our condolences to his friends and family. ♦

## ISO 27001 Transition

Stay tuned to PJR's social media and email distribution for important updates regarding the transition to the new ISO 27001:2022 standard! Questions about your current ISO 27001 certifications or looking to transfer? Reach out to PJR today. ♦

## What's HOT in the Registry?

R2v3  
ISO 9001  
ISO 27001



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## PJR Annual Training

PJR's Annual Training was back in person this year, taking place at our Troy, Michigan Headquarters on January 17<sup>th</sup> & 18<sup>th</sup>! It was fantastic to see some familiar faces while reviewing 2022 and looking ahead to 2023 – thank you to all who took the time to travel and attend! ♦



## PJR Annual Awards



PJR Manager of the Year:  
**Austin Matthews**



PJR Sales Representative of the Year:  
**Karyn McKeown**



PJR Employee of the Year:  
**Michelle Harris**



PJR Auditor of the Year:  
**Kim Wagner**

## What is considered bribery?

While the term “bribery” may have differing legal definitions depending upon local laws or statutes, within ISO 37001, “bribery” is generally defined as:

*“Offering, promising, giving, accepting or soliciting of an undue advantage of any value (Which could be financial or non-financial), directly or indirectly, and irrespective of location(s), 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” (ISO 37001:2016 clause 3.1).*



## What's the need for anti-bribery certification?

Bribery is an unfortunate and ugly practice which undermines the trustworthiness and reputation of any organization, industry, or region. Any affiliation (or suggestion of involvement) with incidences of bribery can deeply affect an organization's ability to be considered for bidding on future business. Without a mutually-respected standard for fighting against bribery, how can an organization shed a sullied reputation?

Within ISO 37001, there are three key areas of focus for establishing a system of anti-bribery management (ABMS): prevention of, detection of, and response to bribery incidents.

The bulk of the standard's requirements are written with respect to the prevention of bribery, as this should be the ideal state for an organization. Specific requirements for prevention include:

- Regular Bribery Risk Assessments (4.5) to evaluate current and potential risks (with records maintained).
- Establishing a formal Anti-Bribery Policy (5.2) to make clear an organization's stance on bribery.
- The Anti-Bribery Compliance Function (5.3.2) is tasked with developing the ABMS, ensuring its deployment, and reporting the system's efficacy. The standard requires that this function should be staffed with parties who are both empowered and independent.
- Employment, Awareness, and Training (7.2) is one of the most broad and prescriptive requirements in ISO 37001. It includes screening requirements before hiring personnel as well as whistleblower protections, performance bonus/incentive reviews, and compulsory bribery training.
- Due diligence (8.2) directly pertains to the risk assessments required in 4.5 – it calls for proper investigations to be performed as relates to pending transactions, projects, etc. if a bribery risk is identified.
- Financial and Non-Financial Controls (8.3 & 8.4) are wide-ranging requirements (when paired with the guidance of Annex A) that cover multiple controls that may be pursued, such as tiered payment rights or separation of duties (among others).
- Controls associated with “controlled organizations” and business associates (8.5) requires the flow down of ABMS controls to both classes of providers.
  - “Controlled organizations” is clarified in a note – “An organization has control over another organization if it directly or indirectly controls the management of the organization.”
- Gifts, Hospitality, Donations (8.7) is a fairly self-explanatory requirement. Annex A provides guidance, making the point that these items do not have to be expressly forbidden, simply monitored/controlled.

Detection controls outlined by ISO 37001 include:

- Bribery Risk Assessment (4.5) and Anti-Bribery Compliance function (5.3.2), which are considered both prevention (as explained above) and detection.



## Join The PJR Team!

Perry Johnson Registrars, Inc. headquarters located in Troy, MI is currently looking to fill the following positions:

- Payroll Specialist
- Admin Assistant
- ISO 27001/ISMS Auditor
- Scheduler
- Accounts Payable

Please send your resume and qualifications to [recruiting@pjr.com](mailto:recruiting@pjr.com) for immediate consideration! ♦



## Client Spotlight: ETU

Based out of their Dublin, Ireland headquarters, ETU has been revolutionizing simulation-based learning since its inception. ETU's digital learning platform for immersive learning simulations is helping their clients measure and develop critical workplace skills. Their immersive simulations have a range of applications throughout businesses in all industries, from onboarding new employees to leadership development. The methods used by ETU offer a 20-50% measurable skill improvement, emphasizing practical and measurable application of new or improving skills instead of rote knowledge alone. Always a company focused on data, ETU uses the learner data collected within the simulations to help their clients make important talent decisions.

Thus, certification to not only ISO 9001:2015 but to ISO 27001:2013 and 27701:2019 was a no-brainer. “Leading global organizations trust us with their learner data,” stated Katie Laidlaw, ETU's CEO, “so it's important for us to demonstrate that our privacy and security processes are truly world-class.” Unmatched by competitors in the level of data that they can offer to clients, ETU sees certification as a sound investment in the future of the company.

This commitment to staying ahead of the curve in the learning technology industry is also in-step with the growing prominence of cybersecurity and data protection issues in the world at large. ETU's choice to pursue ISO 27001 and 27701 certification in addition to ISO 9001 aligns their ISMS and other policies and systems strongly with both the EU's GDPR (General Data Protection Regulation) as well as the CCPA (California Consumer Privacy Act). While already leaders in their industry by merit of their programs and products' advanced nature, ETU can now count itself among the first learning technology organizations to be certified.

The future for ETU looks bright with the assurance of their new certifications behind them – we congratulate them on their success and look forward to seeing what's coming next!

For more information on how certification may be able to help your business or what standards are the best options for you, reach out to PJR today at [www.pjr.com](http://www.pjr.com). ♦



- Raising Concerns (8.9) is the other primary means of detection written into the standard, and revolves around personnel feeling empowered and unafraid of reprisal for coming forward to report actual or perceived bribery incidents.
  - These controls include whistleblower anonymity, confidential treatment of reports, and whistleblower protection against retaliation.

In terms of response controls, ISO 37001 includes section 8.10 – “Investigating and dealing with bribery.” This section contains a series of requirements that pertain to response protocol; they require full cooperation with those who are tasked with incident investigation as well as the empowerment of investigators. Investigation results are shared confidentially with the anti-bribery compliance function (5.3.2). Additional guidance on this process is contained in Annex A.

Also contained within ISO 37001 are a number of required procedures – an aspect that makes the standard unique in comparison to others in the ISO family. The list of required procedures and their respective clause numbers are as follows:

- Employment Process (7.2.2).
- Anti-Bribery Awareness (7.3).
- Anti-Bribery Control by Controlled Organizations and Business Associates Controlled by the Organization (8.5.1).
- Anti-Bribery Control by Business Associates not Controlled by the Organization (8.5.2).
- Control of gifts, hospitality, donations, and similar benefits (8.7).
- Bribery Reporting/Raising Concerns (8.9).
- Bribery Response (8.10).
- Internal Audit (9.2.3).



As previously mentioned, Annex A of ISO 37001 contains a variety of guidance and additional explanations for each ABMS-specific requirement. The Annex also includes a number of helpful examples intended to assist businesses trying to determine the best method to meet a requirement.

### ISO 37001 – Benefits of Certification

Pursuing certification to ISO 37001:2016 carries several both material and intangible benefits. These include not only the obvious boosts to trustworthiness through demonstrating business ethics and the promotion of an honest and trustworthy company culture, but the prevention of conflicts of interest and the ability to select reliable partners in regions or industries with a perceived risk of corruption. Additionally, the processes and structures outlined in ISO 37001 can be used as a resource in the event of an external (e.g. governmental) investigation of alleged bribery incidents.

Overall, ISO 37001:2016 is a dynamic standard with the potential to make a significant difference in the world of commerce. As the first USA-headquartered certification body to be ANAB-accredited for the standard, Perry Johnson Registrars is uniquely suited to help meet your certification needs for ISO 37001. If you have any questions regarding the standard or are seeking a quote for certification, reach out to PJR today – call **(248) 358-3388** or visit [www.pjr.com](http://www.pjr.com). ♦



## Meet Our New PJR Team Members!

Perry Johnson Registrars keeps growing! With the addition of new standards and scopes of registration, our world headquarters team continues to grow! Our goal is to continue to provide value-added auditing and outstanding customer service to all our clients! ♦



**Shihoko Ahmad**  
Executive Assistant



**Chandra Kanth**  
Compliance/Customer  
Service Associate



**Rebecca Herrmann**  
Recruiting Manager



### Promotions:

**Rich Shelhamer**  
VP of Sales



**Tracey Cannon**  
UK Client & Sales  
Administrator

## PJR Blog

Introducing the newest addition to PJR's online presence, the PJR Blog! We're excited to start sharing regular posts on a variety of topics, from short-format informational articles to interviews, certification industry news, and more. Visit the blog now at [www.pjr.com/blog](http://www.pjr.com/blog) to join in the conversation! ♦



Check Out Our PJR Podcasts!

**PERRY JOHNSON REGISTRARS, INC.**

*The Perry Johnson Registrars, Inc. Podcast*

## FREE Training! Exclusively From PJR!

PJR continues to expand their webinar topics to include: “R2v3 Lessons Learned” to “Root Cause Analysis & Corrective Action”! Check out PJR's current webinar schedule at [www.pjr.com](http://www.pjr.com). Registration is easy! ♦

