



RAG Strategists Advisory Note 10

“Shaping and sharing best practice in infrastructure anti-corruption”

PRECCA (2004) Section 34A / “Adequate Procedures” Defence / Risk Assessment

Companies may incorporate this principle into broader risk assessments aligned with business goals or conduct separate corruption-specific assessments. Its aim is to ensure risk procedures match the company’s size, structure, and operational scope. Whether integrated or standalone, the key is to develop a thorough understanding of the corruption risks. The more comprehensive this understanding, the more effective the company’s anti-corruption measures will be in preventing deviant behaviour and misconduct.

Risk assessment procedures that allow a commercial organisation to effectively identify and prioritise the risks it faces—regardless of its size, operations, customer base, or market—generally share several key features:

- Oversight by senior management
- Sufficient resources tailored to the scale of the business and the complexity of the risks
- Identification of both internal and external information sources necessary for evaluating and monitoring risks
- Implementation of due diligence enquiries
- Clear and accurate documentation of the assessment process and its outcomes

As a company grows or changes, such as expanding into new markets, the nature and scope of corruption risks will also evolve. Consequently, its risk assessment must be regularly updated to reflect these changes. For instance, a risk assessment suited to domestic operations may not be appropriate when entering unfamiliar international markets.

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