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Due Diligence Policy

Policy Statement

RAPID can work with a variety of partner institutions and subcontractors, and get involved in multiple networks, collaborating with a high number of individuals and organisations. Before moving into such relationships with third parties, subcontractors, joint ventures or individuals, RAPID should take active steps to confirm that potential risks arising from these relationships are carefully evaluated and duly managed. This policy sets out the minimum requirements for due diligence when engaging with third parties.

This policy should be followed in conjunction with RAPID's other relevant policies in areas of anti-fraud, anti-corruption, anti-bribery policy, ethics policy, conflict of interest policy and safeguarding policy.

Due Diligence Pillars

When on boarding new third-party relationship RAPID shall conduct due diligence through matching the risk trigger with a due diligence risk pillar. The pillars indicate particular due diligence matters of concern. The pillars are shown in the table below:

Due Diligence Pillars					
	Governance	**Capacity**	**Finance**	**Downstream Management**	**Safeguarding and security**
Risk Triggers	• Legal basis for org. • Anti-fraud, corruption, and bribery policy	• Staff capacities • Prior experience	• Financial solvency • Financial audit, management and control • Pricing	• Contracting process • Due diligence framework	• Safeguarding policy • Travel and physical security safeguards

Due Diligence Request for Information

RAPID will issue requests for information (RFIs) to partners, soliciting information on the partner's ability to deliver on the required deliverable. The partner will be given suitable time return the information. Relevant due diligence pillars and risk triggers will be carefully assessed in line with the partner's scope of involvement.

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Assessment of Due Diligence: Responses and Remediation

Once partners have completed and returned RFIs, responses will need to be evaluated and a decision has to be made whether the responses are 'good'. RAPID's policy is to work with partners to mitigate any concerns that may arise through the partners' responses. Assessments shall consider if any red flags are present that require mitigation before work can be commenced. The table below outlines the red flags across due diligence pillars.

Due diligence Pillar	Red flags
Governance	• No Legal basis for org. • No Anti-fraud, corruption, and bribery policy is in place
Capacity	• Capacity to delivery is inadequate • No prior experience
Finance	• Financially insolvent • No financial audited accounts • Inadequate financial management and control
Downstream Management	• No contracting process/policy in place • No due diligence framework is in place
Safeguarding and security	• No safeguarding policy in place

Roles and responsibilities

- The policy will be overseen by the Executive Director, who will in turn be accountable to the Board. The Executive Director will be responsible for disseminating information about this policy to all concerned project team.

- The due diligence assessment report should be completed by a member of the project team, assigned by the Executive Director, and saved for official record.

- During the due diligence assessment, if the red flags raised pose significant concern, then project manager will work with the Executive Director to discuss further actions. It will be evaluated whether adequate mitigation can be put in place to reduce the risk to an acceptable level.

- In some exceptional circumstances, experience/reference certificates of the third-party organisation may serve as proxy documents to indicate the organization's due diligence eligibility.

RAPID will provide adequate attention to implement this policy and will ensure it is communicated and understood.