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Internal Compliance Program - Series (7) - Collect documentation for the Risk Assessment

Today, in the seventh article in the hands-on practical advice series on Internal Compliance Programs for Export Control:

Part 7: Collect documentation for the Risk Assessment

You have started the Risk Assessment chapter. What background information do you need to collect ?

Your risk assessment process should start with collecting documents and information on your company's product range, customer base and business activity:

Corporate documents:

- Articles of association
- Registration certificate (trade register …)
- List of shareholders
- VAT number
- Group structure chart
- Corporate documents of parent company and subsidiaries
- List of participations held (name of the undertaking, number of shares, ownership percentage, net equity, financial results)
- Address of head office and locations within your country and abroad
- Management structure, with CVs of managers
- Annual accounts for the last 3 years
- Description of company history (mergers, development of product range)
- Staff statistics (total number of staff, employees involved in export related functions)

Business activity:

- Activity reports for the last 3 years
- Pictures of locations
- Ongoing development projects

- Domestic and foreign divisions/offices/facilities that have a role in export transactions
- Description of industry sector and business model
- Turnover by category of activity and geographical markets
- Field services performed
- Steps of current order & shipping internal process
- Document flow chart
- General and specific terms and conditions
- Competitors within the industry sector

Product range:

- Product description (technical specifications), pictures and examples of for application for each product (category)
- Products marketed by other group companies (short description)
- Product classification under TARIC (CN nomenclature), military & dual-use lists (existing classification sheets)
- End-use of company's products
- Export restrictions related to company's products

Customer profile:

- Number and description of customers within the EU and outside the EU
- Number of shipments EU / third countries
- Customers with repetitive sales / single transactions
- Limitations with regard to geographical markets developed
- Customers re-exporting products supplied to them

Country profile:

- Description of countries of establishment of customers
- Countries of transit
- Countries of end-destination
- Sanction & embargoes countries where customers are located