

Partner Due Diligence Policy



This Policy sets out the due diligence process to be carried out before entering into a working relationship with any Partner (PDD). It identifies the information needed to assess a Partner’s identity, good standing, and technical and financial capabilities, and to support their further development. This will contribute to achieving the objectives of the working relationship and ensure alignment with ClientEarth’s values.

PDD follows from ClientEarth’s legal and regulatory obligations. It is a risk management tool that allows ClientEarth to mitigate its liability, financial, and reputational risks, and the probability that ClientEarth finds itself implicated in fraud, tax evasion, corruption, or money laundering. PDD should be the result of a proportionate assessment of the intended working relationship and the associated risks. Importantly, PDD should not be viewed as a barrier to working relationships. Rather, its purpose is to provide ClientEarth with better knowledge of potential Partners so that it can make well-informed decisions before establishing working relationships. PDD is also a Partner development tool that helps identify areas where we can support our Partners in their organisational development.

This Policy has been approved by ClientEarth’s Executive Team, and reflects our values.

Values	Application in this Policy
Acting courageously	<ul style="list-style-type: none">• We forthrightly ask Partners for the information needed to ascertain their suitability and needs
Prizing diverse experience	<ul style="list-style-type: none">• We choose to work with Partners who are fit for purpose and seek to support their organisational development where needed
Embracing collaboration	<ul style="list-style-type: none">• We recognise the importance of working with Partners to deliver meaningful work
Learning continuously	<ul style="list-style-type: none">• We improve our processes where necessary and support Partners to do the same
Opposing injustice	<ul style="list-style-type: none">• We select Partners free from bias after objective and careful consideration
Focusing on impact	<ul style="list-style-type: none">• We work with Partners to maximise our impact, while ensuring that we are compliant

What is the Scope of this Policy?

This Policy applies to all ClientEarth entities and staff worldwide, including governance and management board members of all ClientEarth entities, who are expected to use best judgment in applying this Policy, and to play an active part in preventing non-compliance and promoting best practices.

ClientEarth’s Principles-Based Approach to Partner Due Diligence

Principle 1: Proportionate PDD should be conducted before entering into a working relationship

It is necessary to know your Partner before entering into a working relationship. This knowledge must be obtained as early as possible, and in any event prior to entering into a contract. The extent of PDD required will be assessed on a case-by-case basis, taking into account the context and the risks involved.

Principle 2: Enhanced PDD should be conducted for high-risk working relationships

High-risk relationships will require Enhanced PDD. A relationship will be considered high-risk depending on risk factors, including but not limited to, the relationship being necessary for the pursuit of specific types of Cases, **or** involving payment and one of the following: a high-risk country, engagement with vulnerable people or communities, regulated lobbying activities, ClientEarth branding, high value, the use of a sub-grant, a significant duration of relationship.

A contract with a reputable Partner that owes a legal duty of care (e.g., a reputable law firm that owes us a fiduciary duty) is never considered high risk.

Principle 3: Light-Touch PDD should be conducted for non-high-risk working relationships

A relationship is non-high risk when it does not fall within the high-risk relationship categories defined above. Non-high-risk relationships also include any contracts with reputable Partners that owe a legal duty of care. Non-high risk relationships will require Light-Touch PDD.

Principle 4: Existing Partners should be monitored and PDD renewed every 3 years

Partners that have already undergone PDD within the last 3 years are exempt from PDD, if the PDD covered the Partner's activities in a similar or related area of work. In any event, PDD should always be renewed every 3 years at that latest, or before that if there is a change in circumstances affecting the working relationship, e.g., a new or different area of work, new or different funder requirements, new type of working relationship, internal factor (e.g., change in Partner's key personnel), or external factor (material political change) affecting the working relationship, or any other red flag or reason for concern.

Principle 5: PDD should be recorded, and escalated internally to identify mitigation measures

PDD should be documented for internal or external monitoring or auditing purposes, in compliance with applicable data retention and data protection requirements. If the PDD reveals cause for concern, escalate internally before communicating with the Partner. Identified mitigation measures should be recorded, discussed with, and implemented by the Partner, and where needed, included in the MoU or agreement.

Principle 6: More stringent Funder PDD requirements must be complied with, where applicable

Some major Funders may impose more stringent PDD requirements for sub-grantees and/or other third parties being paid with their funds, which must also be complied with, if applicable. If in doubt, consult the relevant Grant management staff overseeing the funder agreement before PDD is undertaken.

Brussels Beijing Berlin London Warsaw Madrid Los Angeles Luxembourg

ClientEarth is an environmental law charity, a company limited by guarantee, registered in England and Wales, company number 02863827, registered charity number 1053988, registered office 10 Queen Street Place, London EC4R 1BE, a registered international non-profit organisation in Belgium, ClientEarth AISBL, enterprise number 0714.925.038, a non-profit limited liability company in Germany, ClientEarth gGmbH, HRB 202487 B, a registered foundation in Poland, Fundacja "ClientEarth Prawnicy dla Ziemi", KRS 0000364218, NIP 7010254208, a registered delegation in Spain, Fundación ClientEarth Delegación en España, NIF W0170741C, a registered 501(c)(3) organisation in the US, ClientEarth US, EIN 81-0722756, a registered subsidiary in China, ClientEarth Beijing Representative Office, Registration No. G1110000MA0095H836, a registered subsidiary in Japan, Ippan Shadan Hojin ClientEarth, corporate number 6010405022079, a registered subsidiary and company limited by guarantee in Australia, ClientEarth Oceania Limited, company number 664010655.