

IPACS Benchmark – Guidelines

Updated 13 September 2022, version 2

IPACS Benchmark E8 – The organisation exercises due diligence and effective risk management in bidding requirements, presentation, assessment and allocation of main events

Definitions

- Bidding requirements – the criteria set by a sports organisation for candidates that seek to host and organise the main events for which the organisation is the rightsholder; for example, there may be specific requirements in the field of safety, security and service at sport events
- Risk assessment - identifying and evaluating opportunities and actual and potential risks that could impact the achievement of the organisation's objectives followed by developing approaches to treat the risks in some way (mitigation, avoidance, transfer, acceptance); risks are often divided into categories for assessment, which may include financial, political, legal, reputational, human rights, security, sustainability, operational (e.g. health and safety) and others; specific risks frequently fall into more than one category; risks are usually ranked according to impact and likelihood of occurrence
- Due diligence assessment – a fact-based check of an event bid (in this case) against eligibility criteria, often performed by an independent person/committee and/or a specialist supplier; other terms used may include vetting, integrity checks or background checks

Introduction to this benchmark and its significance

- Sports organisations should treat their members and stakeholders fairly; if event bidding opportunities are open to all members, it is important that members perceive that they have a fair chance with bids/proposals that meet the criteria
- Demonstrating that event bids/proposals are assessed in an appropriate way according to transparent criteria helps build trust in the organisation among stakeholders and directly addresses ethical concerns
- Potential bidding entities/hosts will be more likely to submit a candidacy if they have confidence in the process
- Every organisation faces risks and must sometimes take risks to grow and develop; sport organisations have a responsibility to their stakeholders to try to identify and manage the risks involved when they determine how best to work towards achieving their objectives

Commentary on the action to be taken

- Please also refer to the work done by [IPACS Task Force 2](#) on conflicts of interest, the candidature process for major sport events and the reallocation toolkit for sport events
- The organisation should publish key hosting criteria for its major events and a list of events that are open for bidding
- The organisation should collect relevant information from applicants to host and organise its major events that allow it to do due diligence and a risk assessment
- The organisation should conduct a consistent due diligence and risk assessment process against defined criteria
- The organisation should provide the assessment report to the group that allocates events (e.g. the governing body)
- The organisation should publish the assessment report or a summary
- For larger events, the organisation should consider seeking specialist input from external experts
- For larger events, the organisations should comply with the latest standards on safety, security and service at sport events
- See also Recommendations B10 (anti-corruption Code), C8 (conflicts of interest), E4 (risk assessment), E6 (open tendering) and E9 (event allocation process)

Investment requirement – there may be costs associated with the due diligence and risk assessment exercise, both in staff time and for external support; the design of the assessment exercise should be tailored and proportionate to the scale of the event and organisation

Guidance according to stage of organisation

Early stage

- The organisation publishes key hosting criteria for its major events (e.g. in an application pack)
- The organisation collects relevant information from applicants to host and organise its major events that allow it to do due diligence and a risk assessment
- The organisation conducts basic due diligence and a risk assessment of bids/hosting proposals for its major events
- The organisation provides findings of the assessment to the group that allocates events (e.g. the governing body)

Developing

- The organisation follows a consistent due diligence and risk assessment process for bids/hosting proposals for its major events against defined criteria
- The organisation publishes the assessment report or a summary, providing additional feedback to bidding/hosting entities

Advanced

- The assessment process has specialist input from external experts in such areas as security, sustainability or others
- The due diligence process is appropriate to the level of risk resulting from the risk assessment exercise; higher risk areas would require enhanced due diligence

Good practice examples

International Sports Organisations (from 2020)

- FEI: The [Bidding Platform](#) provides detail, including links to Bid Guides, Application forms and information for national federations on how to submit a bid. The bid guides explain overall hosting requirements and guidelines to submit a bid
- UCI: Detailed [bidding guides](#) are published for all UCI events, enabling the UCI to make a fair due diligence assessment of candidacies
- World Athletics: Event Bidding Rules under which the Bid Evaluation Panel includes external expertise. Terms of reference are published and the evaluation methodology is set out ([Book C6.1 Article 4.2 and Appendix](#))
- IOC: All documents related to the [hosting process](#) are published, including the Rules of Conduct for Continuous and Targeted Dialogue, the Future Host Commissions Terms of Reference, the Voting Regulations, the Host Questionnaire for the Olympic Games and the Olympic Winter Games, the Contractual Framework for Hosting the Olympic Games, the Host Contract, the Operational Requirements, and the final reports of the Future Host Commissions. Information about how to apply to host the Games is available on the IOC website. Elections including presentations by Preferred Hosts are broadcast online

Overall standard among International Federations:

- 18 out of 31 members of ASOIF had a due diligence and risk management process for event bidding, assessment and allocation with information published

National Federation

- USA Track and Field – information on [event bidding opportunities](#)

Selected references

- [ASOIF GTF Questionnaire 2019-20](#), Indicator 6.8
- IPACS Task Force 2, Recommendations for mitigating risks in the candidature process for major sport events (link to be shared as soon as available)
- IPACS Task Force 2, [Reallocation toolkit for sport events](#)
- IPACS Task Force 2, [Good practice examples for managing conflicts of interest in sport organisations](#)
- IOC New Norm, [Increased flexibility in the delivery of the Olympic Games](#)
- Geeraert, A. (2018). [Sports Governance Observer 2018](#). An assessment of good governance in five international sports federations. Aarhus: Play the Game / Danish Institute for Sports Studies, p.11-15:
 - Principle 34: Decisions on the allocation of major events are made through a democratic, open transparent, and objectively reproducible process.
- [Council of Europe Convention on an Integrated Safety, Security and Service Approach at Football Matches and Other Sports Events \(CETS No. 218\)](#)
- [Institute for Human Rights and Business \(2017\), 'Bidding to Host Mega-Sporting Events'](#)

ASOIF indicator 6.8 – scoring definitions used in the 2019-20 assessment

- 0 – No
- 1 - Some due diligence and/or risk management in bidding and allocation of major events
- 2 - Designated due diligence and risk management process for bidding, assessment, event allocation
- 3 - Due diligence and risk management process for bidding, assessment, event allocation, info published

- 4 - State of the art due diligence/ risk management for event process, info published, with element of external bidding assessment