

The Siemens logo is displayed in a white rectangular box in the top left corner. The word "SIEMENS" is written in a bold, blue, sans-serif font. The background of the entire page is a blurred image of a grid of circular glass lenses, creating a sense of depth and focus.

SIEMENS

Legal and Compliance

Siemens Integrity Initiative Annual Report 2013

siemens.com/integrity-initiative

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Please refer to the following website for a general overview of the Siemens Integrity Initiative, the selection process for the first and second funding round and highlights of activities: www.siemens.com/integrity-initiative.

The Siemens Integrity Initiative Annual Report 2011 and 2012 can be found here:

www.siemens.com/integrity-initiative/Report2011

www.siemens.com/integrity-initiative/Report2012

Kindly note that the online version of this 2013 Annual Report is available at www.siemens.com/integrity-initiative/Report2013 and includes numerous hyperlinks. They provide a wealth of additional external information on the projects funded under the Siemens Integrity Initiative. For your convenience these hyperlinks are highlighted in blue in the printed version.

A Word from the Siemens Integrity Initiative

Steering Committee

A Word from the Siemens Integrity Initiative Steering Committee

A Word from the Siemens Integrity Initiative Project Office

Dear Readers,

March 2014

In our first Annual Report on the activities of the Siemens Integrity Initiative in 2011, we informed you in **Section A** about our Collective Action activities and, in **Section B**, set out the background to the Siemens Integrity Initiative with its funding volume of more than 100 million US dollars. After outlining the general idea behind the Initiative as it was conceived in 2009, we explained how the first funding round worth some 40 million US dollars progressed from the planning stage through the selection and awarding of funds to the first projects in December 2010.

With a view to following up our 2012 report updating you on the status of the projects, we are now delighted to be able to give you the latest news and more in-depth insights in **Section C** of our new report for 2013. The contents of **Section C** have been compiled in consultation with our partners, based on information supplied by them as of March 14, 2014.

We are proud to report that many of the projects, now three years old, have taken further positive steps toward implementation and that we are now seeing further tangible results in the fight against corruption across all countries.

This year, too, the Siemens Project Office in conjunction with its locally based Siemens Project Relationship Managers has regularly kept itself up to date with project progress via a biannual reporting process, providing an overview of the implementation and milestones of the contractually agreed activities as well as a target/actual analysis of the associated budgets. The Project Office has also reported regularly to the Siemens Integrity Initiative's Steering Committee, as well as holding face-to-face meetings in Washington with the dedicated working group at the World Bank, to update them on the results achieved to date.

The 'Settlement Agreement' of July 2, 2009 gives the World Bank Group audit rights over the use of funds and veto rights over the selection of anti-corruption groups or programs receiving funds.

The positive external and internal feedback has strengthened our resolve to promote transparency by making most of the information presented here available to the general public via the dedicated web presence www.siemens.com/integrity-initiative.



This applies in particular to the application and selection process for projects, the brief project profiles, the individual funds allocated and the unabridged versions of the Siemens Integrity Initiative Annual Reports for 2011, 2012, and 2013, as well as the framework conditions for the second funding round.

In June 2013, we issued a public invitation for applications to the second funding round with a volume of up to USD 30 million. At the same time, we announced that even further funding and support would be available for projects under the agreement published on March 15, 2013 between the European Investment Bank (EIB) and Siemens AG.

We have been most impressed with the enthusiastic international response and the quality of the proposals submitted. Once we have completed the selection and due diligence process and concluded the first funding agreements of this second round in summer/fall 2014, we plan to provide you with a detailed update in our next Annual Report 2014.

This Annual Report 2013 was approved by the Siemens Steering Committee in March 2014 and submitted to the World Bank together with a more in-depth presentation in April 2014 in Washington.

We would like to express our deep gratitude to the Chairman of the Steering Committee, Dr. Hans-Jörg Grundmann, who retired at the end of 2013, to Mr. Peter Y. Solmssen, who resigned from the Siemens AG Managing Board by mutual agreement on December 31, 2013, and to Mr. Burkhard Ischler, who also left the company at the end of 2013 to pursue new challenges. The above members of the first Steering Committee of the Siemens Integrity Initiative showed great commitment to supporting the successful first funding round, providing the Project Office with valuable backing, advice and supervision.

We remain firmly on track, and anticipate with great optimism the further implementation of our 30 projects in more than 20 countries. The feedback from the Siemens Country CEOs all around the world, examples of which are cited in **Section D**, spurs us on.

We are convinced that the second funding round and the additional projects that result from it will provide further impetus to the creation of cleaner markets and fairer market conditions in conjunction with our partners.

With this in mind, we continue to support the global Collective Action activities and the Siemens Integrity Initiative with the shared aim of fighting corruption in order to develop solid markets and further strengthen business integrity for the benefit of all.

Steering Committee of Siemens Integrity Initiative:

Dr. Andreas Christian Hoffmann
General Counsel, Siemens AG

Dr. Klaus Moosmayer
Chief Compliance Officer, Siemens AG

Dr. Horst J. Kayser
Corporate Vice President,
Chief Strategy Officer, Siemens AG

A Word from the Siemens Integrity Initiative

Project Office

A Word from the Siemens Integrity Initiative Steering Committee

A Word from the Siemens Integrity Initiative Project Office

Dear Readers,

March 2014

In 2013, we were able to witness considerable engagement and the forming of alliances of various stakeholders such as government, business and civil society against corruption and fraud that fills us with hope. Despite challenges, the issue of corruption has remained at the top of the agenda, legal frameworks are continuing to converge, and there is a strong push for implementation and enforcement to end impunity.

In Europe, the European Union decided to speak out against corruption by preparing an [EU Anti-Corruption Report 2013](#) for the first time because European citizens are deeply worried about corruption. The Eurobarometer survey results show that three quarters (76%) of Europeans think that corruption is widespread. The EU leaders urge for more action to prevent and punish corruption – a phenomenon that costs the European economy around 120 billion Euros per year.

At the global level, the G20 leaders and the business community (B20), which provides recommendations to the G20, have continued their work on anti-corruption throughout the presidency of the Government of the Russian Federation and it is hoped that the Government of Australia will display the same enthusiasm.

Transparency in public procurement, cooperation between the public and the private sectors in the fight against corruption, compliance-related support for medium-sized enterprises as well as ethics training and education are important topics to be discussed. The concept of 'Collective Action' – an alliance of stakeholders against corruption – as we call it has also played an important role in a diverse range of international fora such as the United Nations, the World Economic Forum in Davos, or the OECD.

So we can say with confidence that 2013 was the year in which 'Collective Action' was one of the driving concepts against corruption on the global agenda. And this is also thanks to you, the Integrity Partners of the Siemens Integrity Initiative, who work all around the world to promote ethics, integrity and the fight against corruption to foster clean business and fair market conditions. It is the valuable work of civil society which makes a difference in providing a format for constructive interaction and dialog with all stakeholders, including business and governments.

In the first two years of implementation, the projects focused on getting started, researching the causes of corruption, raising awareness



about the problem and setting up appropriate management structures. We have learned that the demand from the private sector for information and training on compliance and anti-corruption measures has been very high and you developed the much needed training material and sound curricula.

Throughout the last three years, projects have been running at full steam, having successfully navigated through some difficult political circumstances and mitigated project-related risks and challenges in an admiring manner.

We saw that companies increasingly needed and wanted to find new approaches to fighting corruption – a challenge that many of them have faced during their operations – and you developed innovative solutions and approaches to foster clean business and fair market conditions. Most importantly, you gathered groups of relevant stakeholders to implement the Collective Action activities and also responded to the increased interest of the public and the private sectors in interacting and learning from each other. We have seen some remarkable outputs.

We observed that some projects have reached their peak and are slowly coming to a scheduled end, yet others reached another enormous boost in activities and outputs. The novelty in year three is that we are witnessing evidence of impact: the much needed change of rules, policy and behavior to enable clean business. Through impact evaluation, you are capturing the difference that a project makes on the fairness of the market conditions, on the business environment and ultimately also in people's lives.

Examples of impact range from the positive change that an anti-corruption training in Vienna can have on the daily work of a professional trainee when transferring the anti-corruption knowledge to the actual work in a local Anti-Corruption Agency. Impact is also shown when an advocacy project managed to lobby integrity and transparency measures in the new public procurement legislation and thereby made the allocation practice of public funds more fair which makes corruption in public contracting less likely to happen and the bidder is more likely to be selected solely on the basis of price, quality and capacity to the benefit of the public.

In 2013, we also launched a new funding round at the end of June, which provides us with another opportunity for a new wave of projects to pick up the lessons learned from this first round and come up with new ideas for fighting corruption.

As last year, we would like to thank all of our Integrity Partners and Project Partners for their contribution and incredible dedication. We look forward to continuing our cooperation in the year to come and will keep you informed about new developments.

The Collective Action & External Affairs Team is headquartered in Munich, Germany:

Sabine Zindera (Vice President) heads the department and is supported by Birgit Forstnig-Errath (Head of the Siemens Integrity Initiative), Jana Mittermaier (Director Collective Action) and Sabrina Vetter (Collective Action Manager also responsible for driving the Collective Action Stakeholder Mapping Process), as well as the network of Siemens Business Leaders, Compliance Officers, and legal and tax experts all around the world.



Introduction

The main objective of the Siemens Integrity Initiative is to create fair market conditions for all market participants by fighting corruption and fraud through Collective Action as well as education and training.

The Initiative focuses on supporting projects that have a clear impact on the business environment, can demonstrate objective and measurable results, and have the potential to be scaled up and replicated.

The Siemens Integrity Initiative aims to:

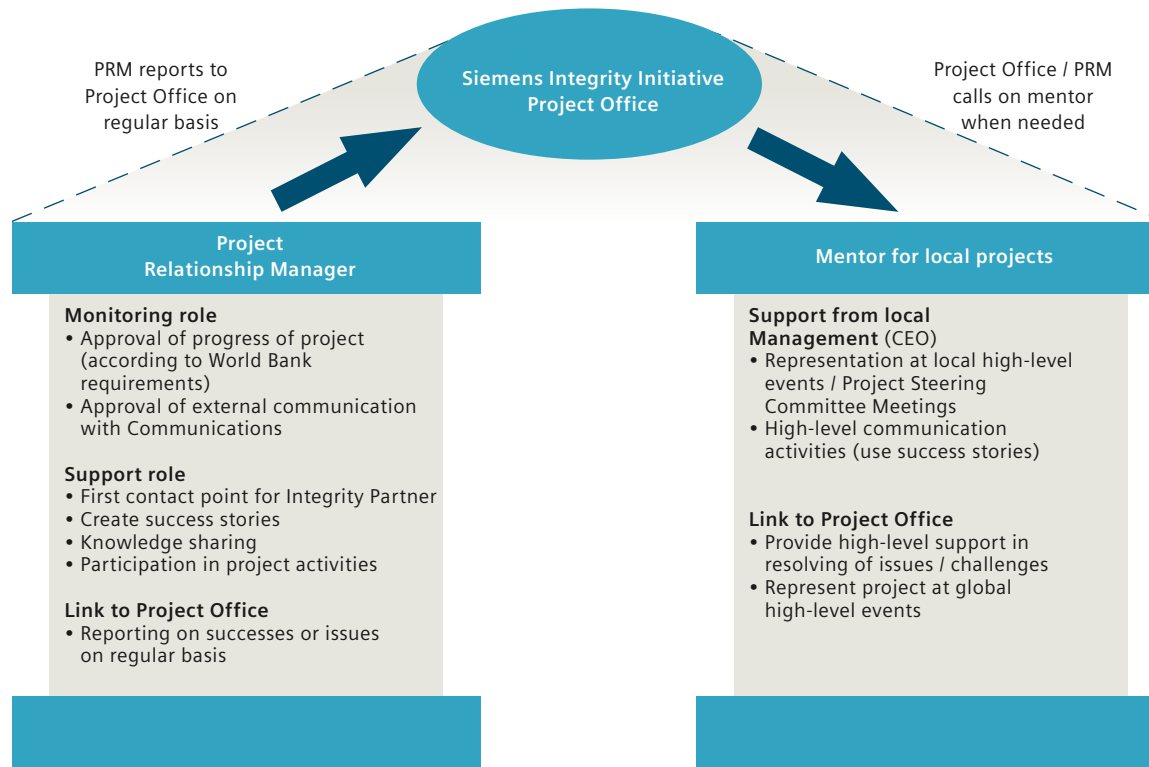
- Raise standards and create awareness of compliance and business integrity
- Create a common platform for dialog with the private and public sectors
- Strengthen the rule of law

Under the umbrella of the Siemens Integrity Initiative, Siemens will disburse funds to support non-profit organizations worldwide that promote business integrity and the fight against corruption.

Project management and reporting

- Responsibility for managing the projects funded under the Siemens Integrity Initiative lies with the respective Integrity Partner; Siemens supports projects financially, monitors the use of funds in a biannual reporting process, and participates in activities where appropriate and requested by the Integrity Partner
 - The main points relating to the management of projects are regulated in a funding agreement between Siemens and the Integrity Partners and its Project Partners
 - Funds are paid out subject to the achievement of milestones and on a biannual basis
 - Integrity Partners report annually on progress, funds used and work plans for the next year. All Annual Reports must be accompanied by a financial report that has been audited by an external audit company.
- Regular Interim Reports help to review progress throughout the year. All Annual Reports must be reviewed and approved by the local Siemens Project Relationship Manager, the Siemens Integrity Initiative Project Office and Siemens Finance
- Siemens has set up an internal project structure for selecting projects and for supporting and monitoring projects during the implementation phase
 - Siemens supports all projects with a designated Project Relationship Manager and a mentor from senior management
 - Country-specific projects, for example, can draw on the CEO of the local Siemens company as their mentor. All Project Relationship Managers (PRMs) are coordinated by the Siemens Integrity Initiative Project Office (see also Project Organization).

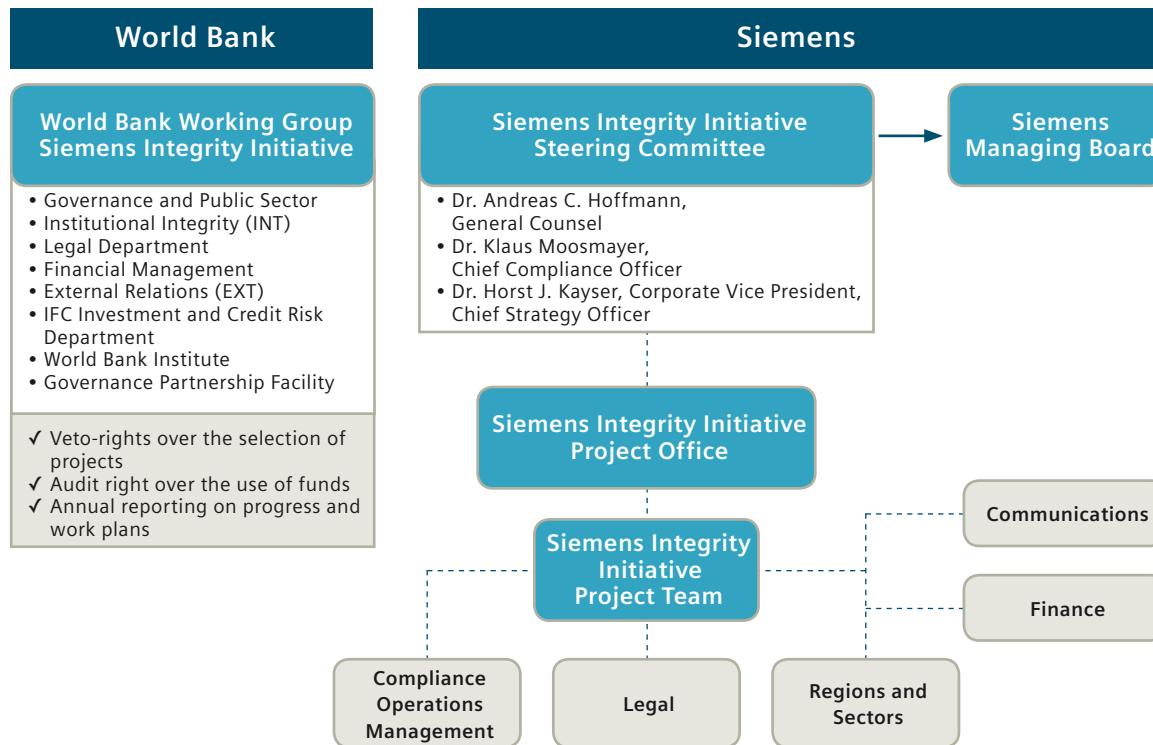
Roles and responsibilities of Project Relationship Managers and Mentors:



Project organization

- The internal Siemens project management structure of the Initiative consists of several dedicated teams that provide overall supervision and guidance (such as the Steering Committee) and deal with daily operations of the Initiative (Project Office and Project Team)
- To make this Initiative a company-wide effort and ensure engagement and representation, all relevant business units of Siemens have been integrated into the structure of the Initiative
- The main operational contact for this Initiative is the Project Office, which comprises five people and is supported by an extended Project Team from various departments (Compliance Legal, Finance, Compliance Operations Management, Communications and Compliance colleagues in all relevant countries)
- The Project Office is the main link to the World Bank Group with regard to the audit and veto rights as well as reporting obligations
- The work of the Project Office and Project Team is overseen by the Siemens Integrity Initiative Steering Committee, which consists of Dr. Andreas Christian Hoffmann, General Counsel, Siemens AG; Dr. Klaus Moosmayer, Chief Compliance Officer, Siemens AG and Dr. Horst J. Kayser, Corporate Vice President, Chief Strategy Officer, Siemens AG
- As the World Bank Group has veto and audit rights, it has set up a team of experts to liaise with Siemens regarding the Siemens Integrity Initiative, as shown in the chart

Project Organization





• Siemens Integrity Initiative

Siemens Integrity Initiative

On July 2, 2009, the World Bank Group announced a comprehensive settlement with Siemens. As part of the settlement, Siemens agreed to cooperate to change industry practices, clean up procurement practices and engage in Collective Action with the World Bank Group to fight fraud and corruption.

Siemens subsequently set up the Siemens Integrity Initiative to support projects and organizations fighting corruption and fraud with funding worth USD 100 million over the next 15 years.



Status of the first funding round

In the first funding round, thirty-one projects from over twenty countries were selected to receive total funding of up to USD 40 million.

For information on Collective Action, the Siemens Integrity Initiative, the selection process and criteria, and funded projects, please visit www.siemens.com/collective-action.

A detailed description of activities implemented during the first and second year (2011 and 2012) was provided in the Siemens Integrity Initiative Annual Report 2011 and 2012. (www.siemens.com/integrity-initiative/Report2011; www.siemens.com/integrity-initiative/Report2012)

Key data

Total funding volume	USD 100.0 M
Funds committed in the first funding round	USD 37.7 M
Disbursements in year 1 + year 2 + year 3 (release of provision)	USD 24.5 M*
Planned Updated Project Budgets in year 4	USD 7,2 M*
Number of projects in 2013	30
Countries covered in 2013	21

Note: Siemens fiscal year (October – September)

* Year 3 and 4 only include finally approved Annual Reports as per March 14, 2014

Outlook for the next funding round

The second funding round was announced in June 2013 with a deadline for submission of proposals in August 2013. The final announcement of projects to be funded is not expected before summer / fall 2014.

The announcement, application process and selection criteria were made available transparently on the Siemens Integrity Initiative website.

The second funding round will apply the same selection criteria and focus area as the first round. The World Bank non-veto process and audit right will apply accordingly.

The selection will be made on a competitive basis in two stages (initial Expression of Interest phase and the later Full Proposal phase) with a focus on project applications that can demonstrate a clear impact on the business environment and results in sectors and countries of relevance to Siemens.

The second funding round will fund up to 25 projects for up to USD 30 million.

In addition, some projects may be funded on the basis of the European Investment Bank (EIB) – Siemens AG settlement, which was published in March 2013 (press release available on www.siemens.com/eib-settlement).

Note: Projects that already submitted an Expression of Interest for the first funding round as well as projects that have already been funded were eligible to submit another proposal in the second funding round.

List of projects funded in the first funding round:

Integrity Partner	Country of implementation	Total Funding volume in USD
Basel Institute on Governance, Switzerland	Global	1.86 M
Beijing New Century Academy on Transnational Corporations, China	China	0.89 M
Central European University, Hungary in cooperation with Integrity Action*, United Kingdom	Central and Eastern Europe	3.09 M
COCIR (European Coordination Committee of the Radiological, Electromedical and Healthcare IT Industry), Belgium	Europe, Asia, Russia, South America	0.96 M
The Convention on Business Integrity, Nigeria**	Nigeria	1.1 M
Ethics Institute of South Africa (EthicsSA)	Angola, South Africa	1.5 M
Federation of Korean Industries-International Management Institute in cooperation with Global Competitiveness Empowerment Forum, South Korea	South Korea	0.81 M
Foundation for the Global Compact, USA in cooperation with the UN Global Compact and PRME (Principles for Responsible Management Education), USA	Global	1.48 M
Foundation for the Global Compact, USA in cooperation with the UN Global Compact and its local networks	Brazil, Egypt, India, Nigeria, South Africa	2.87 M
Fundación Universidad de San Andrés (FUdeSA), Argentina	Argentina	0.73 M
Humboldt Viadrina School of Governance, Germany	Global	1.3 M
International Anti-Corruption Academy (IACA), Austria	Global	2.02 M
International Business Leaders Forum (IBLF), United Kingdom in cooperation with the School of Public Administration of Renmin University, China	China, Russia	1.5 M

* CEU's project partner Tiri was renamed Integrity Action (www.integrityaction.org).

** In year 3 (2013) of the project, local activities in Nigeria were reworked for maximum impact, which made it necessary to have a local driver for the project. The partners mutually agreed that in-country-leadership would be beneficial to the project and agreed that CBI take over the role of the Integrity Partner. Commonwealth Business Council decided to end its global role in this project.

*** SDforB/VCCI scheduled to end the project officially by end of December 2012 according to the approval of the Government. Accordingly, Siemens agreed with SDforB/VCCI to end also the part of the project that is funded by Siemens. Given the Siemens AG financial year and the scope and timing of the approved budgets and approved work plans, Siemens AG and SDforB/VCCI have mutually discussed and agreed to cease actual project activities as of 30 June 2012, and to cease funding by 30 September 2012 in order to allow for the preparation of final reports.

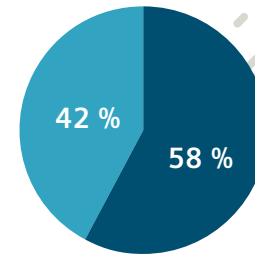
Integrity Partner	Country of implementation	Total Funding volume in USD
Instituto Ethos – Ethos Institute for Business and Social Responsibility, Brazil	Brazil	3.11 M
Maala Business for Social Responsibility, Israel	Israel	0.48 M
Makati Business Club, Philippines in cooperation with the European Chamber of Commerce Philippines	Philippines	1.04 M
Organization for Economic Co-operation and Development (OECD), MENA-OECD Investment Programme, France	Middle East and North Africa	0.75 M
Oživení, Czech Republic in cooperation with Transparency International Slovakia and the Economics Institute of the Academy of Sciences of the Czech Republic	Czech Republic, Slovakia	0.6 M
Partnership for Governance Reform – Kemitraan, Indonesia	Indonesia	1.5 M
POLMED (The Polish Chamber of Commerce of Medical Devices), Poland	Poland	0.46 M
Sequa gGmbH, Germany in cooperation with German Agency for International Cooperation (GIZ), Chengdu General Chamber of Commerce (Province of Sichuan), China, and Hunan Provincial Chamber, China	China	1.49 M
Transparency International Bulgaria	Bulgaria	0.45 M
Transparency International Italy	Italy	0.6 M
Transparency International Mexico	Mexico	0.23 M
Transparency International USA in cooperation with Social Accountability International, USA	USA, Global	0.66 M
United Nations Development Programme Regional Bureau for Arab States, USA	Arab States Region	1.78 M
United Nations Office on Drugs and Crime (UNODC), Austria in cooperation with the International Anti-Corruption Academy (IACA), Austria – Incentives to Corporate Integrity	India, Mexico	1.12 M
United Nations Office on Drugs and Crime (UNODC), Austria – UNCAC Outreach and Communication	Global	0.75 M
United Nations Office on Drugs and Crime (UNODC), Austria in cooperation with the International Anti-Corruption Academy (IACA), Austria, Austria – The 6P’s	India, Mexico	1.22 M
University of Cairo, Center for Economic and Financial Research and Studies (CEFRS), Egypt	Egypt	0.85 M
Vietnam Chamber of Commerce and Industry (VCCI) in cooperation with the International Business Leaders Forum (IBLF), United Kingdom***	Vietnam	0.5 M
Total funding volume in USD		37.7 M

B.

Siemens Integrity Initiative

Shortlist of projects covering all major growth regions and high-risk countries
(31 projects, USD 37.7 million)

The chart illustrates the regional spread and balance of the first funding portfolio.



Global Projects
(6 Projects, USD 8.4M)



North America
(1 sub-project, USD 0.7M)



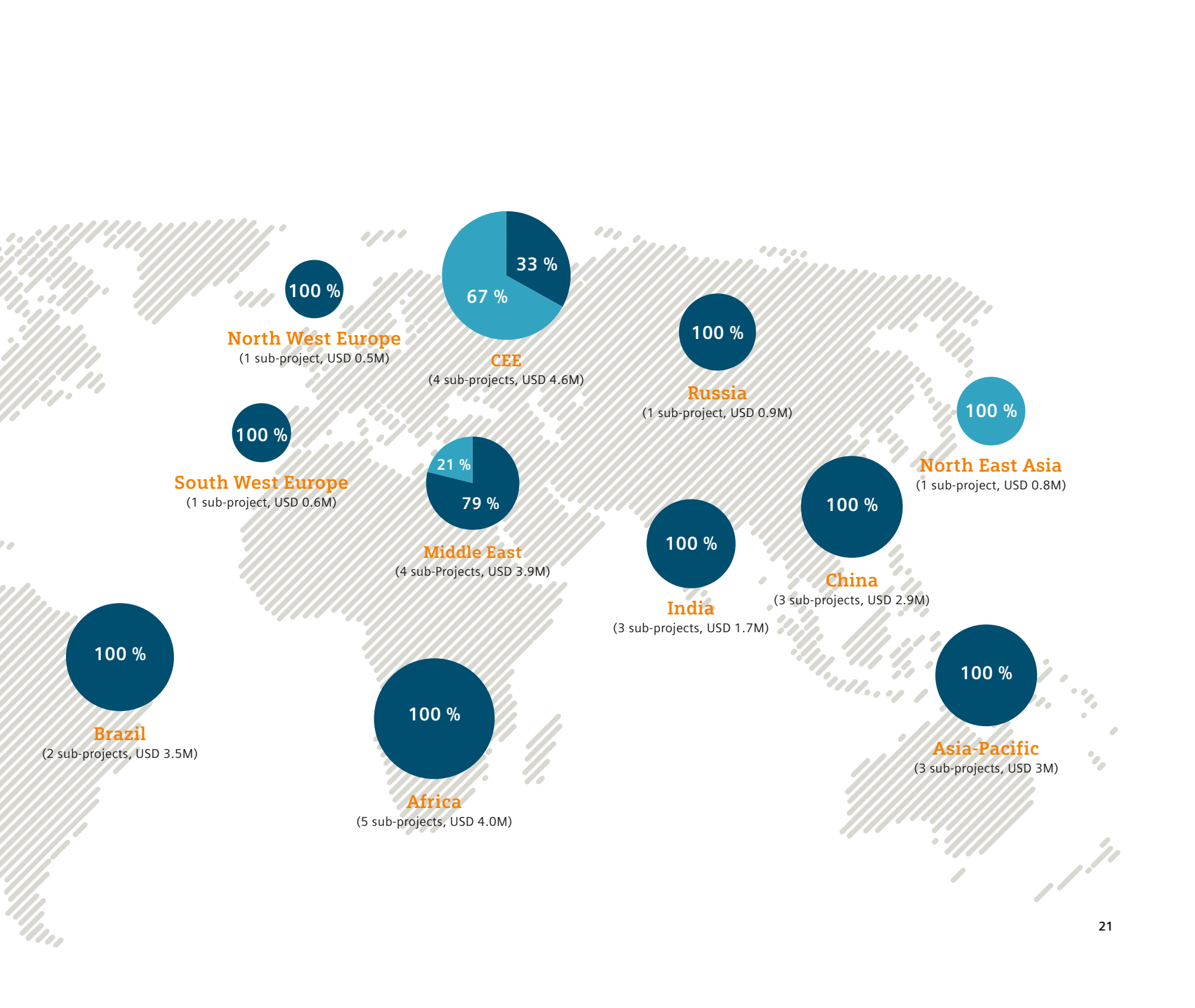
South America
(4 sub-projects, USD 2.2M)

Region/Country of implementation (number of project proposals)

- % of Collective Action
- % of Education & Training
- Bubble size = Approximate value of funding

Note: Due to importance of BRIC they are shown separately and are not included in clusters; schematic illustration only – subject to change

The number of project proposals per region is indicated in brackets; one third of Collective Action projects include education & training elements





• Project profiles and highlights
of activities in 2013

Project profiles and highlights of activities in 2013

The following pages contain project objectives and funding volumes as agreed with Integrity Partners in the respective funding agreements.

The descriptions of activities undertaken in year 3 (2013) were provided by the Integrity Partners in their respective Annual Progress Report 2013 and approved by the relevant Integrity Partners for external use.

Integrity Partners submitted the following documentation, which was the basis for the review of progress:

- Annual Progress Report, which provided an overview of activities undertaken and an assessment of progress made
- Financial Report, which showed the utilization of funds per activity and in comparison to the original budget set in the funding agreement
- Audit Statement by an external audit company, which verified the financial report and provided an unqualified audit opinion on the use of funds
- Updated Work Plan and Updated Budget for year 4 (2014)



Name of Integrity Partner:

Basel Institute on Governance

DESCRIPTION OF INTEGRITY PARTNER

The Basel Institute on Governance is a practice-oriented and interdisciplinary think tank conducting research, policy advice, building capacity and providing support in the area of good governance at the public and corporate level. Its mandate is to promote good governance in the public sector and in the business community, nationally and internationally, through targeted and qualified expertise, scientific research and training. Its strategy is to combine academic and interdisciplinary competence with hands-on practical experience to provide accurate analysis and sound problem solving methods. It offers customized solutions to its partners in the public and private spheres.

Founded in 2003 as an independent and non-profit institution, it is associated with the University of Basel and is composed of internationally recognized academics and practitioners with long-standing experience in the various areas of work that the Basel Institute promotes.

PROJECT:

Promoting Effective Industry Standards			
COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Global	5 years	1.86 M	Switzerland

The Basel Institute has been instrumental in the design and implementation process of several joint multi-stakeholder efforts to set industry standards in a number of sectors of the economy through Collective Action across the globe, among them, the 'Wolfsberg Anti-Money Laundering Principles'. On the basis of its know-how, the Basel Institute is best placed to continue this work further and bring it to new sectors and to a new level. This project will formalize the existence of the Centre for Global Industry Standards, located at the Basel Institute.

The Centre for Global Industry Standards will promote, facilitate and create Collective Action initiatives by bringing together stakeholders involved in specific economic sectors for a dialogue to agree on governance and anti-corruption standards and their implementation. The Centre will also contribute to the coordination and integration of standards at the global level. The role of the Centre is mainly that of independent expert and facilitator; in our experience, the success of Collective Action is based on being driven by its participants.

PROJECT AT A GLANCE:

The Basel Institute acting as the Centre for Global Industry Standards will develop and coordinate Collective Action initiatives. It will bring together stakeholders to agree on and implement sector-specific anti-corruption standards.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Promoting the High Level Reporting Mechanism

- Launch of [HLRM in Colombia](#), piloting in several major road procurements by the National Infrastructure Agency
- Outreach to new countries and promotion of the HLRM at the UNCAC [Conference of State Parties](#) in Panama

Publications and raising awareness about Collective Action

- ‘Design and Enforcement of Voluntary Anti-Corruption Agreements in the Private Sector’ (with IBLF) for B20
- ‘Innovative Strategies to Prevent Corruption’, the Basel Institute Working Paper No 13: [‘Collective Action and Corruption’](#), and a book chapter on Mitigating the Risks of Corruption through Collective Action were published
- Workshops and awareness raising about Collective Action in pertinent international fora and compliance events

Set-up of Collective Action Hub

- The Basel Institute became a member of the B20 ‘Task Force on Transparency and Anti-Corruption’ and was selected, together with UNGC, to set-up and host the new B20 Collective Action Hub. The Hub is supported by International Anti-Corruption Academy, OECD, Transparency International, TRACE, Universidad de San Andrés and World Economic Forum

- The Hub’s pilot [website](#) was developed to facilitate the exchange of expertise and best practice; the full version will be launched publicly at the International Collective Action Conference in Basel, Switzerland on June 26-27, 2014
- Awareness raising about the Hub in key international fora such as the OECD, G20, G8, United Nations, WEF / [PACI](#) and compliance conferences

Engaging companies for Collective Action

- Outreach to existing global Collective Action Initiatives for potential membership and further development
- Initiation of two new Collective Action Initiatives, one in the Metals Technologies industry and the other in the Energy & Transport sector
- Exploratory discussions with other sectors on Collective Action



DESCRIPTION OF INTEGRITY PARTNER

NATC is a non-profit organization duly formed in 2005. Before this time, it was a part of the Ministry of Commerce (MOFCOM). In January 2005, the Ministry of Commerce’s Chinese Academy of International Trade and Economic Cooperation (CAITEC) and the Beijing Fazheng Group co-founded the newly structured NATC. The employees consist of researchers, retired governmental department leaders, and other professionals and consultants.

Currently, NATC has four main objectives in its work:

- 1) Identify and research problems in Chinese business practice and government administration
- 2) Provide policy recommendations to the Chinese government that produce results in promoting a better business environment
- 3) Aid Chinese companies in strengthening legal compliance and undertaking comprehensive social responsibility
- 4) Bridge open dialogues with policy-makers and other stakeholders

Name of Integrity Partner:

Beijing New Century Academy on Transnational Corporations (NATC)

PROJECT:

NATC’s Collective Action Initiative – Fostering a Better Business Environment in China

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
China	3 years	0.89 M	China

The initiative will work to improve legal compliance within Chinese companies, make recommendations to improve compliance policy issued by governmental departments, and bring leaders from these groups into closer communication with one another.

To support a long-term dialogue on ethical compliance in China, NATC will establish a ‘Compliance Executive Club’ whose members will range from government officials to business executives. To address some of the issues that come up in pursuing organizational compliance,

NATC will publish a guide for organizational compliance and hold tailored training workshops to improve compliance results. For daily support and information, a compliance website will be established and maintained. The website will contain a thorough database of compliance information.

To improve compliance policy, NATC will develop and present research-based policy recommendations to the departments responsible for such policy.

PROJECT AT A GLANCE:

NATC will provide practical training to Chinese companies on compliance issues and develop and present recommendations on compliance law to Chinese policymakers.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Advocating ethics and compliance in healthcare policy

Two policy recommendations were submitted to ministries and the government; one of them aiming to improve the current '[debarment / blacklisting](#)' system (exclusion of those found guilty of corruption / fraud from public contracting) was submitted to the responsible National Health Commission. The Director in charge commented on the recommendation and instructed the law department to revise

and strengthen the 'debarment / blacklisting' system accordingly. The policy change helped to strengthen compliance and to prevent corruption in the healthcare and medical industry

Raising awareness and advice on compliance and ethics

- A new compliance [website](#) is providing a regular and sustainable online platform to keep interested stakeholders informed of up-to-date information on compliance issues, help them to exchange ideas and work jointly to improve the business environment in China
- The second book titled 'Compliance-the Necessary Road Leading to the Sustainable Development of Modern Corporation' and related articles were published
- A Compliance Guide for Chinese Companies, including a new Code of Conduct, was developed for a Chinese state-owned company. The Code will serve as a best practice to other Chinese companies

- Two conferences offered an opportunity to form Collective Action Initiatives with about 220 participants from different stakeholder groups, including high-ranking government officials, compliance officers of companies, representatives of international organizations, experts and journalists, attending these two conferences

Compliance training

A series of trainings on compliance for employees of different companies as well as government officials was conducted; for example to the Shanghai Municipal Communist party committee or for officials from the Bureau of Commerce in Hang Zhou / Zhe Jiang Province



DESCRIPTION OF INTEGRITY PARTNER

Central European University, Hungary, is a unique graduate institution accredited in both the United States and Hungary. It is dedicated to building open societies through serious and morally responsible intellectual engagement inspired by, and in the service of, pressing social needs. Students are drawn from more than 100 countries for Master's, doctoral, and executive education programs in the fields of business, social sciences, humanities, law, management, environmental studies, government and public policy. The CEU Business School was the first educational institution in the region to train managers by offering a western graduate business program leading to an American MBA.

Name of Integrity Partner:

Central European University in cooperation with Integrity Action*, United Kingdom

PROJECT:

Leveling the playing field in emerging and transitional markets of Central and Eastern Europe and the former Soviet Union

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
CEE and former Soviet Union	5 years	3.09 M	USA and Hungary

Central European University (CEU) aims to level the playing field by shaping and influencing the behaviors of approximately 16,000 undergraduate and graduate students and 3,500 executives in Central and Eastern Europe and the former Soviet Union over the next five years. Through integrity education, the project will equip participants with the practical insights, skills and tools required to operate with integrity in weak governance environments. The project will develop the Center for Integrity in Business and Government at the CEU Business

School, which will provide an institutional framework for cross-disciplinary teaching and research on issues of integrity and anti-corruption, and will deliver integrity curricula in graduate and executive education programs at CEU. The Center will serve as a regional resource of excellence in integrity education, and together with the project partner, Integrity Action, will help build the capacity of targeted institutions of higher learning across the region through facilitating local curriculum development.

* CEU's project partner Tiri was renamed in Integrity Action (www.integrityaction.org)

PROJECT AT A GLANCE:

Through integrity education the project will shape the behavior of current and future business practitioners and public administrators in the region.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Teaching of Integrity and training workshops

- 9th global Integrity Leadership [Course](#) was held at the CEU Summer School for 48 participants from 30 countries, focusing on integrity in SMEs, integrity education and access to public sector information
- 4 of the participants (3 Hungarian trainers and 1 senior manager from the Ministry of Justice and Public Administration) subsequently incorporated their learning on integrity into a government program for training over 8,000 Hungarian civil servants

- Five curriculum development workshops were held in Armenia, Georgia, Kazakhstan, Kyrgyzstan, and Russia for 105 academics from 75 partner universities to enrich the quality of practical integrity teaching
- The Integrity Education Methodology Workshop was held in Budapest for educators teaching integrity-related courses in Eastern Europe, the Caucasus and Central Asia
- Training of trainers on integrity topics in Bulgaria, Kazakhstan and Russia building capacity of professional training institutes offering executive education to civil servants were organized
- The first iteration of a complete Executive [Training](#) on Integrity was developed and piloted at the 'Business Integrity, Transparency and Compliance' Workshop in Almaty, Kazakhstan with top executives from all five Central Asian countries: Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan

Testimonial from a course participant:

'After such kind of workshops most participants are ready to make some changes and implement new anti-corruption System inside their companies.'

Training, materials and publications

- The [Report](#) of Global Executive Survey on Integrity was completed and distributed
- Locally contextualized materials were developed and two case study competitions were held
- A case study on compliance officers, several journal articles on corruption and integrity problems were published
- Integrity Action used its worldwide 'Integrity Education Network' of educators and institutions with over 430 members in Europe and Central Asia covering 257 institutions to disseminate and promote the project results



DESCRIPTION OF INTEGRITY PARTNER

Founded as a non-profit trade association in 1959, **COCIR** represents the radiological, electromedical and healthcare IT industry in Europe.

As such, members play a driving role in developing the future of healthcare both in Europe and worldwide. COCIR is committed to supporting its members and communicating with its partners in Europe and beyond on issues which affect the medical technology sector and the health of EU citizens. COCIR also works with various organizations promoting harmonized international standards and fair regulatory control that respects the quality and effectiveness of medical devices and healthcare IT systems without compromising the safety of patients and users. They encourage the use of advanced technology to support healthcare delivery worldwide.

COCIR's key objectives include promoting free worldwide trade of medical devices and maintaining the competitiveness of the European health sector.

Name of Integrity Partner:

COCIR (European Coordination Committee of the Radiological, Electromedical and Healthcare IT Industry)

PROJECT:

Expansion of COCIR Code of Conduct

COUNTRY OF IMPLEMENTATION:

Europe, Asia, Russia, South America

DURATION:

3.3 years

USD (MILLION):

0.96 M

REGISTERED IN:

Belgium

COCIR's new code of conduct provides an effective and efficient process to further align the healthcare and IT industry involved in healthcare on compliant business ethical rules.

The COCIR code of conduct is now substantiated by the establishment of a committee composed of all legal counsels of COCIR corporate company members. COCIR and its members are gradually getting requests from other countries, such as China, Russia, India and Brazil showing interest in adopting the Code.

The main project objectives are to build up resources in the COCIR office to support the following activities:

1. Enlargement of the Code in content matters
2. Enlargement of the Code in geographical spread
3. Deployment of the Code through training and enhanced communication/cooperation with other stakeholders



PROJECT AT A GLANCE:

The project aims to support the enlargement of the COCIR Code of Conduct, and to coordinate the new Code of Conduct Committee.

KEY ACTIVITIES YEAR 3 (OCTOBER 2012 – SEPTEMBER 2013):

Setting and promotion of anti-corruption standards and best practice

- New amendments to enhance the [COCIR Code of Conduct](#) were developed, discussed and consulted on by COCIR company members with a view to the release of an updated COCIR Code of Conduct in 2014
- An [e-learning course](#) on the COCIR Code of Conduct was launched in January 2013 and meetings were held with relevant European medical and scientific societies to raise

awareness of the new training course. To encourage greater user uptake and dissemination, the COCIR e-learning course will be translated into additional languages including Dutch, French, German, Italian and Spanish

- COCIR is continuing to closely monitor trends at the national level in order to provide the latest relevant information to its members

Collaborating with stakeholders to galvanize outreach and impact

- COCIR continued to engage with policymakers associated with the European Commission's Platform on Ethics and Transparency, aiming to strengthen self-regulation in the field of healthcare compliance
- A draft joint paper on ethical interactions between medical technology companies and healthcare professionals was prepared by COCIR and the European Society of Radiology. The collaboration was continued with the development of a joint concept paper for a COCIR-European Society of Radiology panel [discussion](#) at the society's 2014 Congress

- Liaison also with local and international associations including hospitals, medical and scientific societies such as CPME, ECCO, HOPE and UEMS to raise awareness of the COCIR Code of Conduct, the e-learning course and to promote them to their own members
- Through collaboration with local experts, COCIR has been aiming at dissemination and promotion of the COCIR Code of Conduct in China, India, Latin America and Russia
- COCIR attended the AdvaMed International Medical Device Compliance Conference in Warsaw, Poland in May 2013



DESCRIPTION OF INTEGRITY PARTNER

The Convention on Business Integrity (CBI) established in 1997, is a registered company limited by guarantee. CBI, a business membership organisation, was incorporated on May 26th, 2003 (RC no: 481360) with the mission of empowering people, their transactions and institutions against corruption by promoting ethical business practices, transparency and fair competition in the private and public sectors. The Convention on Business Integrity brings a company into fellowship with other companies, organizations and individuals interested in Collective Action in the fight against corruption.

* In year 3 (= 2013) of the project, local activities in Nigeria were reworked for maximum impact which made it necessary to have a local driver for the project. The partners mutually agreed that in-country-leadership would be beneficial to the project and agreed that CBI takes over the role of the Integrity Partner. Commonwealth Business Council decided to end its global role in this project.

Name of Integrity Partner:

The Convention on Business Integrity (CBI)*, Nigeria

PROJECT:

Business Action Against Corruption (BAAC), Nigeria			
COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Nigeria	3 years	1.1 M	Nigeria

The project will do this by strengthening self-regulation of business, its compliance with government regulations, stakeholder activism and public vigilance over the arrangement. It will also build on existing relationships with the two principal regulators, the Central Bank of Nigeria (CBN) and the Nigerian Securities Exchange Commission (SEC) to build a partnership to strengthen corporate leadership practices by raising standards of board leadership across the economy.

It will seek to reach out to directors of listed companies in Nigeria to review their fiduciary responsibilities, and define stakeholder expectations. The aim is to define a set of business principles, reporting guidelines and a system of compliance incentives jointly with directors of listed companies in Nigeria. As an additional step, stakeholders will work on an independent public feedback mechanism for compliance monitoring, inclusive of whistleblower and complaints-handling mechanisms. It will also establish an interactive social networking website to promote peer learning and issue-based training for coalition partners.



PROJECT AT A GLANCE:

The aim of the project is to use Collective Action to improve corporate governance and reduce corruption in the Nigerian business environment.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Promoting Corporate Governance

A [Corporate Governance Rating System](#) (CGRS) for listed companies in Nigeria was established by CBI and the Nigeria Stock Exchange (NSE) to rate the quality and efficacy of corporate governance:

- The System helps strengthening the corporate regulatory and supervisory capacity in Nigeria, and provides solid information for investors and consumers to differentiate between companies on the basis of their compliance and integrity with minimum acceptable standards of Corporate Governance

- [Agreements](#) have been signed between CBI and the Nigerian Stock Exchange in February 2013 that enabled the rapid development of the Corporate Governance Rating System with ten volunteer pilot companies
- A pilot phase started, which is shaped with expert assistance from the Humboldt-Viadrina School of Governance
- A Corporate Index was created and published by NSE
- A scoring scheme to reflect the reputation of companies has been factored into the CGRS

Engaging companies and civil society in promoting business integrity

- An [Agreement](#) between CBI and a new initiative called 'Clean Business Nigeria Today', which is the brainchild of the President of Nigeria's Honorary International Investors Council, was signed; the collaboration enables CBI to support the work of top businesses in the Nigerian economy towards reducing tolerance for corruption
- CBI signed a MoU with the Institute of Directors in February 2013 to work together in building up the governance, anti-corruption

- and advocacy strength of Business Membership Organizations and their associated companies through training workshops
- An e-Learning System for the certification of directors to understand their basic and fiduciary responsibilities is under development
- A concept of public integrity networks was developed and is fostered through 'Public Integrity Centers' staffed with Public Integrity Advocates; it provides incentives for taking up anti-corruption quests and encourages others to do the same. This is achieved by awarding points for every anti-corruption activity undertaken
- An independent public feedback [mechanism – www.egunje.info](#) was launched in November 2012 (over 13,000 unique visitors and about 145 corruption reports) – This reporting platform enables the public to report violations of corporate integrity and principles. The trend of reports are then analyzed to identify the places, sectors, transactions etc. that are vulnerable to corruption



DESCRIPTION OF INTEGRITY PARTNER

The **Ethics Institute of South Africa** is a non-profit, public benefit organization, active since August 2000. EthicsSA’s mission is building an ethical Africa by forming partnerships with the public and private sectors, and serving as a resource through:

Thought leadership: promoting ethical values, setting ethical standards and raising ethical awareness

Research: in the fields of organizational ethics management

Assessment: assessing organizations’ ethics programs against widely recognized ethics standards

Training: open and in-house courses to develop ethical skills for the workplace; Ethics Officer Certification Programs

Support: ethics support and advisory services to members

Project management in the field of ethics and anti-corruption for the public and private sectors.

Name of Integrity Partner:

Ethics Institute of South Africa (EthicsSA)

PROJECT:

Capacitating African business networks to implement global anti-corruption initiatives and good practices

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Angola and South Africa	5 years	1.5 M	South Africa

Business networks and individual businesses seldom have the appropriate expertise to implement internationally developed anti-corruption and good governance guidelines, standards and initiatives, and are often unaware of their existence. Other challenges in the anti-corruption field relate to making impacts felt at the ground level, and creating platforms for the private and public sectors to engage on corruption challenges and Collective Action solutions.

This project will attempt to address these challenges and to build local capacity in two countries. In Angola the focus will be on Collective Action initiatives in the private sector with the aim of enhancing ethical business practices and good governance standards. This should improve the investment climate and enhance the ease of doing business in Angola.

In South Africa the project will aim to reduce corruption on the ground level, by engaging with municipalities and businesses at the local level to implement collective projects that will impact positively on the ethical business climate and municipal service delivery.

PROJECT AT A GLANCE:

The project aims to capacitate African business networks with the implementation of anti-corruption initiatives and good governance practices. The project will be implemented in Angola and in South Africa (at the municipal level).

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Angola:

Engaging companies for Collective Action

- The Centre for Ethics in Angola (CEA) was launched on May 28, 2013. The objective of the Centre is to assist the Angolan public and private sectors in incorporating ethics management into their organizations. It offers advisory services, trainings and assessments, but also advocates ethics in all pillars of the Angolan society
- The Principles of Ethical Business in Angola were finalized and then launched at the Talatona Convention Centre on May 28, 2013 with 150 delegates attending and more than 90 companies endorsing the Principles by signing an engagement letter. The Principles are seen as an important standard both for enhancing Angola's competitiveness and for facilitating Angola's access to the global market
- The Angolan Government demonstrated support for the Ethics Centre, including the Ministry of Economy, which availed a senior

person to serve on the board of the Centre. Several government departments also showed interest in the service offered by the Centre

Trainings and awareness raising

- Business ethics awareness and anti-corruption management trainings took place in nine Angolan provinces in collaboration with the National Angolan Chamber of Commerce and Industry and the Centre for Ethics in Angola
- On the basis of a train-the-trainers rationale, three Angolan professionals were trained to become ethics trainers and thereby opened the way for future replication of the program
- Dissemination of information and news on ethics and anti-corruption was ensured through a newsletter (in Portuguese), which has been distributed on a monthly basis to more than 200 business representatives

Impact

- Negotiations were initiated with relevant Angolan government departments to discuss ethics management in the public service



Name of Integrity Partner:

Ethics Institute of South Africa (EthicsSA)

South Africa:

Raising awareness about Collective Action

- Three Collective Action Workshops took place including the municipalities and local businesses with a focus on communicating the regulated transparency mechanisms in the procurement process to potential suppliers
- A draft booklet has been prepared to communicate the standardized municipal procurement process in plain language, focusing on the same issues that were addressed in the workshops
- An Ethics Commitment for suppliers was developed and will be introduced by two municipalities; it includes commitments by suppliers to refrain from corruption, bribery, and gifts to officials

Ethics capacity-building

- Memoranda of Understanding are now in place in eight municipalities committing them to this project
- Eleven training videos were developed to sensitize municipal employees about potential ethical challenges which may occur in their environment, for example politicized deployment and conflicts of interest
- Ethics capacity-building workshops took place in five municipalities, targeting municipal councilors and senior managers with an emphasis on their ethical responsibilities as well as their responsibility for ethical leadership and ethics management
- An Ethics Officer Certification Program took place in Cape Town with 22 delegates from three municipalities in order to strengthen the ethics management and corruption prevention capacity of local municipalities



Promotion of ethics management

- EthicsSA is on the advisory task team of the recently launched Gauteng Provincial Government Anti-corruption Forum. This forum includes government, business, civil society and labor, and aims to strengthen government's anti-corruption strategies and co-ordinate sectoral strategies
- EthicsSA is assisting the National Department of Cooperative Governance and Traditional Affairs with the development of guidelines for ethics management in municipalities



DESCRIPTION OF INTEGRITY PARTNER

Federation of Korean Industries – International Management Institute

(FKI-IMI) is an affiliated non-for-profit organization of FKI, a non-for-profit organization representing the Korean business community (more than 420 members including Korean conglomerates). FKI-IMI nurtures current and future business leaders with diverse education and training programs: CEO programs include a Global Advanced Management Program with over 3,000 alumni, intensive education courses for CMO, CFO, CSO, HR, PR and Sales etc. FKI-IMI offers a platform for business leaders to foster their strategic management competence and leadership for the 21st century knowledge economy era through morning, monthly, yearly and seasonal forums.

The Project Partner Global Competitiveness Empowerment Forum is a non-profit organization that provides professional and catalyst services in the areas of corporate social responsibility, sustainability and business integrity. (www.g-cef.org)

Name of Integrity Partner:
Federation of Korean Industries – International Management Institute (FKI-IMI)
in cooperation with Global Competitiveness Empowerment Forum, South Korea

PROJECT:

NABIS (Northeast Asia Business Integrity School)

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
South Korea	3 years	0.81 M	South Korea

NABIS aims to educate university students by nurturing leadership with integrity. Current business leaders and good practices in business ethics will be identified in order to promote fair market conditions in the Republic of Korea. NABIS trainers from Korean companies and Korean subsidiaries of Western and Northeast Asian companies operating in the Republic of Korea will teach NABIS students by using the NABIS curriculum, which includes case studies from their own companies.

NABIS aims to influence behavioral changes by teaching the importance of business integrity in the free market and in trade systems and by building a community based on learning and support for NABIS students, candidate students and NABIS trainers.

NABIS activities also include train-the-trainer modules, workshops, scholarship and graduation ceremonies, CEO forums, as well as outreach activities to promote the inclusion of NABIS modules into business schools and universities.

PROJECT AT A GLANCE:

The project aims to establish the Northeast Asia Business Integrity School (NABIS), an educational project for university students, in order to foster a clean and transparent business environment.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Raising awareness about integrity among Korean students

- Eight new companies (Doosan Heavy Industries & Construction, Incheon International Airport Corporation, KB Kookmin Bank, Korea Hydro and Nuclear Power, Samsung C&T, Shinsegae, SK Hynix and POSCO Energy) joined the NABIS Cycle 2, which increased the [NABIS community](#) to 16 companies

- NABIS capacity-building including ‘train-the-trainers’ workshops during Cycle 2 facilitated the exchange of best practices among corporate trainers and it helped building a solid network bound by the belief that business ethics and compliance are crucial for business success
- At Cycle 2, 32 students were selected from 99 applicants out of up to 1,600 students from 235 universities, learnt from NABIS Cycle 2 corporate trainers and competed in groups by proposing creative solutions to business ethics dilemmas
- NABIS Cycle 2 Graduation Ceremony and CEO Forum was held on March 22, 2013 in honor of the 130th year of the German-Korean relationship engaging high-level speakers such as the Minister & Deputy Head of Mission of the Embassy of the Federal Republic of Germany in Seoul and Former Korea Public Prosecutor General

Impact

- Student Testimonial: ‘I attended a business ethics class at the school before and learnt about the concept, history of business ethics and cases. Since those involved international companies (not Korean) and dated back more than 10 years, they could hardly influence me. However, through NABIS, I learnt a lot and felt more relevant because we discussed cases involving Korean companies and their dilemma as well as efforts. This was the impulse I needed to start thinking deeply about the importance of ethics in business and in my future role as a global business leader.’
- Corporate Trainer Testimonial: ‘It is essential to realize importance of compliance and business ethics before university students start their professional careers. Participating NABIS was a fruitful and rewarding experience because I was able to meet and teach them in person about it.’



DESCRIPTION OF INTEGRITY PARTNER

UN Global Compact: The United Nations Global Compact is a policy and engagement platform for businesses that is committed to aligning its operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. (www.unglobalcompact.org)

PRME: The mission of the Principles for Responsible Management Education (PRME) initiative is to inspire and champion responsible management education, research and thought leadership globally. The PRME are inspired by internationally accepted values such as the principles of the United Nations Global Compact. (www.unprme.org)

Foundation for the Global Compact: the Foundation for the Global Compact raises funds from the private sector to support the work of the United Nations Global Compact.

Name of Integrity Partner:
Foundation for the Global Compact in cooperation with the UN Global Compact and PRME (Principles for Responsible Management Education), USA

PROJECT:

Project for the UN Global Compact and PRME: Sensitizing Future Business Leaders: Developing Anti-Corruption Guidelines for Curriculum Change

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Global	4 years	1.48 M	USA

The UN Global Compact and Principles for Responsible Management Education (PRME) will develop anti-corruption guidelines for management schools. The Guidelines will offer business schools academic modules to address transparency, ethics and anti-corruption. The Guidelines will address key topics, including corporate governance; business ethics; the business case for anti-corruption; corporate compliance; Collective Action; UN Convention against Corruption; Global Compact 10th Principle; public contracting/procurement; and, supply chain management. The Guidelines

will build upon existing resources and will incorporate input from the web-based and face-to-face meetings and seminars. After the Guidelines are developed, they will be disseminated to PRME-affiliated universities. A pilot phase will provide for follow up with participating institutions to evaluate the value and effectiveness of the Guidelines. Project success will be demonstrated in part by the business school graduates who can demonstrate better understanding of various anti-corruption and ethical decision-making strategies.



United Nations Global Compact



Foundation for the
Global Compact **PRME**

PROJECT AT A GLANCE:

Develop anti-corruption guidelines for curriculum change in graduate business education.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

**Developing and testing of an
Anti-Corruption Toolkit**

- The PRME Working Group on Anti-Corruption launched the second phase of their innovative anti-corruption curriculum project, testing the materials and introducing the new model in business schools and management-related academic institutions around the world
- Institutions from ten countries participated in this pilot phase covering broad and diverse geographic regions – from Russia to Nigeria to Argentina and India. Participating institutions introduced the adapted modules into their classrooms, integrating content with existing materials
- Taking into consideration the feedback from the pilot phase, the PRME Working Group on Anti-Corruption finalized the framework for the PRME Anti-Corruption Toolkit and launched the new online version of the [PRME Anti-Corruption Toolkit](#). These eleven modules include background reading, detailed case discussions, and an array of primary sources and scenarios, which can be used individually or as stand-alone courses. The Toolkit's aim is to address the ethical, moral, and practical challenges students face in the marketplace
- The PRME Working Group on Anti-Corruption hosted a workshop in Berlin to review feedback from participating institutions, processes, and to finalize the Toolkit structure. Workshop progress included the adaptation of content to specific countries and regions and the development of a web version of the materials as an online portal for the business schools' community where they can download modules, resources and search for content that will be continuously updated
- The PRME Secretariat and the PRME Working Group on Anti-Corruption members presented the Anti-Corruption Toolkit at a number of relevant gatherings including: 15th International Anti-Corruption Conference in Brazil; the UN Global Compact's 10th Principle Against Corruption Meeting in New York; the AACSB International Conference and Annual Meeting in Chicago and the Academy of Management Annual Meeting in Florida as well as in events and workshops in India, Tanzania, and Russia



DESCRIPTION OF INTEGRITY PARTNER

UN Global Compact: The United Nations Global Compact is a policy and engagement platform for businesses that is committed to aligning their operations and strategies with the universally accepted principles in the areas of human rights, labor, environment and anti-corruption. (www.unglobalcompact.org)

Foundation for the Global Compact: the Foundation for the Global Compact raises funds from the private sector to support the work of the United Nations Global Compact.

Name of Integrity Partner:

Foundation for the Global Compact in cooperation with the UN Global Compact and its local networks

PROJECT:

**Project for the UN Global Compact:
Promoting Collective Action through UN Global Compact Local Networks**

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Brazil, Egypt, India, Nigeria, South Africa	4 years	2.87 M	USA

This project aims to establish a high-impact anti-corruption Collective Action platform in five countries – Brazil, Egypt, India, Nigeria, and South Africa. By facilitating ongoing dialogue between the private and public sector, this project will provide a wide variety of stakeholders in these five countries with an opportunity to explore how specific Collective Action initiatives can create incentives for ethical business performance, and to discuss areas for further improvement. In so doing, the project aims to scale up existing anti-corruption efforts in the target countries, and provide

participants with knowledge, skills, strategies and resources to promote ethical practices and transparency in business operations, within each country, and in international cross-sectoral relations. The project will emphasize the role of local actors in each of the target countries, engaging and building the capacity of local stakeholders who are faced with corruption in their routine transactions and business relationships.



PROJECT AT A GLANCE:

Launch and implement an anti-corruption Collective Action initiative in five countries (Brazil, Egypt, India, Nigeria, and South Africa) through Global Compact Local Networks.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Global

- Throughout the third year of the project, the Global Compact Office and the Foundation for the Global Compact have continued to build on the developments achieved during previous years of the project. Progress has been slower than expected in some countries as a result of the political and social circumstances that have developed recently. Nevertheless, significant achievements have been made and project partners continue to work on achieving the targets that were set in close collaboration with the Global Compact Office, which provides support to facilitate implementation of the projects
- At the global level, the Global Compact Office has continued to leverage the importance of Collective Action and raise awareness about the projects and the Siemens Integrity Initiative. There have been various outreach opportunities through which the Collective Action Projects (CAPs) have been showcased prominently. These include: 12th meeting of the UN Global Compact (UNGC) Working

Group on the 10th Principle against Corruption in New Delhi, India in April 2013; session on Collective Action and the CAPs at the 15th International Anti-Corruption Conference held in Brasilia in November 2012; session on the CAPs during the Annual UNGC Local Network meeting held in Geneva in April 2013; special event on Collective Action and the CAPs during the UNGC Leaders Summit 2013 in September in New York; session at the regional Global Compact local network meeting that was held during the Leaders Summit in New York; a [brochure](#) on the CAPs to showcase the project's outcomes and achievements

- Progress achieved through all of the projects has been regularly communicated to all of the Global Compact stakeholders including government officials, UN officials and Global Compact participants. This continuous outreach has generated interest in the projects, specifically from various Global Compact Local Networks that would like to learn more about these and leverage Collective Action with their constituents



Name of Integrity Partner:

Foundation for the Global Compact in cooperation with the UN Global Compact and its local networks

Brazil (in cooperation with UN Global Compact and Instituto Ethos)

- A presentation was held at [Transparency International's 15th International Anti-Corruption Conference](#) in Brazil in November 2012 to promote and raise awareness about Collective Action
- A seminar on [Public Procurement](#) was organized as part of the Anti-Corruption Week in December 2012 to discuss business practices on this issue
- Participation in the [Second Expert Group Meeting](#) (June 2013) on Transparency, Competition and Objectivity in Public Procurement, organized by IACA and UNODC, to discuss 'The public-private partnership for probity in public procurement' and 'Legal incentives for corporate integrity and cooperation'
- Official launch of the [State Transparency Indicators](#) in advance of the Confederations Cup in June 2013

Egypt (in cooperation with UN Global Compact and Egyptian Junior Business Association)

- An Integrity Pledge for SMEs and MNEs was developed in partnership with the HUMBOLDT-VIADRINA School of Governance
- The 'Guidance Manual for SMEs in Egypt: Implementing the EJB Integrity Pledge' was developed in partnership with the HUMBOLDT-VIADRINA School to help SMEs develop internal compliance programs to accompany the Integrity Pledge
- Three consultation meetings were organized to discuss the SMEs Guidance Manual (mentioned above) in advance of the pilot phase in which ten SMEs will implement the recommendations in the Guidance Manual
- The first draft of a guide titled 'Commercial Incentives: What large companies can do to motivate SMEs to commit to an anti-corruption standard' was released. The Guide was developed in cooperation with the HUMBOLDT-VIADRINA School and is the result of various consultations with MNEs, pilot SMEs, Government and other relevant stakeholders



India (in cooperation with UN Global Compact and Global Compact Society – India)

- A series of stakeholder consultations on fraud and bribery titled 'Turning Down the Demand Cutting off the Supply' were conducted by the Collective Action Project (CAP) in four Indian cities in 2013. These received wide [media coverage](#)
- The 12th meeting of the UN Global Compact Working Group on the 10th Principle against Corruption was hosted by CAP India on April 10, 2013 in New Delhi and attended by more than 150 public and private sector companies
- CAP India conducted consultations on the UNGC Guide on 'Fighting Corruption in Sports and Hospitality: A practical guide for companies' Participants comprising businesses, national and international players and sports federations, provided feedback on further strengthening the Guide so as to ensure its implementation in emerging economies
- CAP India's publications received extensive media coverage and were also quoted in the Indian Parliament. They are: '[Raising the Bar through Collective Action: Anti-Corruption Efforts in Action in India](#)' (October 2012) and '[Understanding the Demand and Supply Equation of Corruption and Fraud: An Insight into Corruption and Fraud by the Private Sector in India](#)' (June 2013)
- B20 meeting was organized during the G20 Summit in Russia in June 2013 to exchange ideas about how anti-corruption 'Centers of Excellence' can be set up in G20 countries, and how local organizations in emerging markets can be strengthened. A concept paper was drafted and the discussion was led by CAP India
- CAP India participated in expert consultations for the HUMBOLDT-VIADRINA School of Governance's project 'Best Practice on Anti-Corruption Incentives and Sanctions'. Feedback was provided in the peer review meeting held in Berlin in March 2013
- CAP India organized a regional meeting in March 2013 in New Delhi, in partnership with Transparency International, to facilitate the set-up of a GOPAC national chapter in India
- Two in-house research papers were developed on [UNCAC and Indian legislations](#) and on [UNCAC and the Private Sector](#)



Name of Integrity Partner:

Foundation for the Global Compact in cooperation with the UN Global Compact and its local networks

Nigeria (in cooperation with UN Global Compact and Nigerian Economic Summit Group)

- An anti-corruption road show was organized in March 2013 (still ongoing) to mobilize participation in the Collective Action platform from various stakeholders, in particular, top executives, policy makers and government agencies; the show was promoted in key Nigerian [media outlets](#) and achieved wide coverage in newspapers and television
- A [media forum on anti-corruption](#) was held in March 2013 to serve as a platform for interaction with the media on the topic of corruption in Nigeria and to discuss the media's role in the fight against corruption as well as engage them in the Collective Action Project
- A [training workshop](#) on ethics and compliance was held in March 2013 for corporate ethics and compliance officers, who play a key role in mainstreaming ethical business practice throughout their companies. The workshop aimed at enhancing the officers' professional expertise and knowledge in this area and served to further make the case for establishing ongoing dialogue and Collective Action between a broad coalition of stakeholders in the country
- A thematic [workshop](#) on the fight against corruption in the extractive industry was held in June 2013 to engage different stakeholders in building a sectoral-based Collective Action alliance for more transparency; the workshop also served to explore anti-corruption best practices and the role of this industry in the fight against corruption



South Africa (in cooperation with UN Global Compact and National Business Initiative (NBI))

- An **anti-corruption training** programme was implemented to encourage companies in South Africa to initiate or improve the implementation of anti-corruption policies in their business operations. The scope of the training was increased beyond Johannesburg to two more provinces – Western Cape and Kwazulu-Natal. The [trainings](#) in Johannesburg were conducted from April – June 2013. Trainings in Cape Town and Kwazulu-Natal were conducted in August, 2013. 125 executives from business and local governments were trained during the period, with three training sessions in Johannesburg and one each in Cape Town and Durban. As a result, members of the local government in Durban have approached the Project for training councilors in the province
- A [thorough evaluation](#) of the anti-corruption training programme was developed and conducted to gather feedback and lessons learned from participants. The evaluation indicated that trainees were able to use the materials and knowledge gained during the training to improve their existing anti-corruption policies or start a more systematic implementation of anti-corruption policies in their companies
- **Integrity Pacts** were promoted in the construction sector with a formal submission of a [recommendation](#) to the South African National Treasury on February 8, 2013 to consider including Integrity Pacts in the Draft National Treasury Regulations. The National Treasury sets policy on procurement and supply chain management at the national level. The Integrity Pact process that the Project has been engaged in slowed down in 2013 due to some high level changes in the National Treasury. However, South Africa's Competition Commission has recently fined 15 companies in the construction sector for corrupt and anti-competitive practices. These incidents have increased the need for Integrity Pacts, especially in the construction sector. Thus, the Project has increased its consultation in the construction sector to reach agreement on Collective Action and implementation of good practices
- A [high-level CEO Platform for South African companies](#) was established by the UN Global Compact Local Network under which the National Business Initiative drives such anti-corruption initiatives. The platform is led by the chairman of the Local Network and CEO of the Public Investment Corporation. The work of the platform encouraged CEOs and other high level executives to meet twice per year and to prioritize anti-corruption as an issue for action at the CEO level. Two such CEO roundtables were organized on May 14, 2013 and September 9, 2013



DESCRIPTION OF INTEGRITY PARTNER

Universidad de San Andrés is a non-profit, private, educational institution established in 1989. It aims at building an academic community oriented towards improving Argentina’s economic and institutional development. Its unique governance structure creates incentives for fostering this objective based on equal opportunities, intellectual aptitudes and personal merits and efforts. San Andres graduates are, on average, influential members of the government, the business community, the civil society or the academia in Argentina and abroad. Its program on the Control of Corruption, created in 2007, has successfully conducted several research and policy oriented projects aimed at introducing strategies for asset recovery in high-profile corruption cases.

Name of Integrity Partner:

Fundación Universidad de San Andrés (FUdeSA)

in cooperation with the Asociación Civil por la Igualdad y la Justicia (ACIJ) and the Centro de Implementación de Políticas Públicas para la Equidad y el Crecimiento (CIPPEC), Argentina

PROJECT:

Towards a culture of anti-corruption compliance in Argentina: reorientation of incentives through Collective Action

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Argentina	3 years	0.73 M	Argentina

The first objective aims at generating knowledge on institutional, political and business incentives that shape corruption in Argentina, the interaction between formal and informal institutions in specific markets and areas, the cost of corruption to such markets and the mechanisms that may help to prompt actors into action for reform. The project will focus on the following issues: political financing, public procurement, responsibility of legal persons and the role of the legal profession in facilitating corrupt transactions.

Such knowledge will be the basis for shaping consensus-based reform proposals, aimed at shifting the incentives that facilitate corruption. The creation of a multi-stakeholder platform will guide discussions and build consensus for such proposals. This will constitute the centerpiece of a ‘principle-based initiative’, aiming at improving the legal framework and advancing policy reforms.

PROJECT AT A GLANCE:

The project is organized around two main objectives: 1) informing on the debate on corruption in Argentina and 2) generating consensus-based policy reforms through a Collective Action process.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Set up of Collective Action initiatives

- An agreement was signed in May 2012 with the Argentine-German Chamber of Industry and Commerce to establish a 'Compliance Task Force' for all companies affiliated with the Chamber
 - › The initiative is a vehicle to identify potential Collective Action initiatives in Argentina
 - › Compliance Officers and Executives from around 20 companies have participated in meetings so far

- › As a first result, the task force decided to invite all actors engaged in import/export activities to explore an initiative aimed at reducing facilitation payments at customs
- The 'Collective Action Agreement to Promote Integrity in the Legal Professions' was signed on August 29, 2013; it brings together more than 65 in-house corporate lawyers from more than 45 companies at local and multinational levels; the Argentinean Chapter of the Association of Corporate Counsel and the University of San Andrés (with its Law Department's Transparency and Control of Corruption program) act as facilitators of the Initiative by tracking the implementation of the agreement, and by accompanying the current members and promoting the future inclusion of other members of the profession; this is the first Collective Action started by legal professionals in Argentina and it is expected that it will have regional impact because it engages in-house attorneys from an important number of companies in the entire region

Raising awareness about Collective Action

- The Second Latin American Congress on Ethics, Transparency and Anti-Corruption Compliance was held on August 1-2, 2012 with 280 attendees and eleven corporate sponsors (e.g. Allen & Overy, Braun and Mercedes Benz); In its second meeting, the conference gained a reputation as a forum with convening power for exchanging experiences in compliance and Collective Action initiatives in the region



DESCRIPTION OF INTEGRITY PARTNER

The Humboldt-Viadrina School of Governance in Berlin empowers and guides societal change agents by enabling them to reflect, act, and accomplish. Bridging society’s multiple stakeholders, the Humboldt-Viadrina offers a unique portfolio of education, research, dialogues, projects and events – always seeking to advance practical implementation to drive societal change.

Formally founded in 2009, the Humboldt-Viadrina School of Governance is a joint project between the Humboldt-University Berlin and the European University Viadrina Frankfurt/Oder. The School is headed by Gesine Schwan and Stephan Breidenbach, and advised by respectable global governance practitioners, including Kofi Annan, Peter Eigen, Pascal Lamy, Sabine Leutheusser-Schnarrenberger, Joseph Nye, Mary Robinson, and Richard von Weizsäcker.

Name of Integrity Partner:

Humboldt-Viadrina School of Governance

PROJECT:

Best Practice on Anti-Corruption Incentives and Sanctions for Business

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Global	3 years	1.3 M	Germany

The project aims at providing interested parties from government, business, and civil society with an overview of existing and potential mechanisms for incentives and sanctions to encourage companies to engage against corruption. Further to a multi-stakeholder selection process of priorities, comprehensive research will be conducted to prepare a catalog of qualitative assessments of the effectiveness or reasons for failures of each identified anti-corruption incentive and sanction. This will include explanatory comments to facilitate their increased or improved use in enforcement practice and as voluntary measures.

The applicability of selected key incentives and sanctions will be tested with local multistakeholder pilot groups in selected countries by identifying key agents and moderating dialogs to advance the effective change process. Outcomes of these activities will be used to develop 1. a practitioner handbook that comprises experiences, lessons learned and best practices, and 2. learning modules to support online as well as in-person training. Both outcomes provide a sustainable framework for further education and motivation in implementing such mechanisms.

PROJECT AT A GLANCE:

The project analyzes and tests in real world situations existing and potential anti-corruption incentives and sanctions to achieve a sustainable impact on the behavior of business by providing successful models for practical implementation.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Publications

- A [Practitioner Handbook](#) on incentives and sanctions was published, commented on and cited in various sources, e.g. the UNODC handbook 'An Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide', TI Romania Collective Action Manual (Integrity in Business), and in the latest report of the B20 Task Force on Improving Transparency and Anti-Corruption

- A concept for awareness raising and learning has been designed to ensure sustainability of project results, including a [learning](#) clip that outlines key rationales for using sanctions and incentives, social media communication (e.g. a blog post for Transparency International, a detailed reading list and inclusion in training materials, for example for the German Global Compact Network)
- Four stakeholder Workshops were held in Cairo (February, May, July and December 2013) to draft the standard, to discuss capacity building requirements, and to define commercial incentives and monitoring approaches

Incentives from the financial market in Nigeria
(Local Partner: Convention on Business Integrity)

In the role of international observer to the project of the Convention on Business Integrity (CBI) and the Nigerian Stock Exchange (NSE), which aims at enhancing corporate governance practices (incl. anti-corruption) of companies through the establishment of a Corporate Governance Rating System, the HUMBOLDT-VIADRINA provided expert assistance to a) establish together with local partners the content criteria, processes, and multi-stakeholder governance requirements, and b) leverage the rating system as a significant incentive for companies committed to good corporate governance

Capacity building of, and incentives for, SMEs in Egypt (Local partner: Egyptian Junior Business Association)

- In collaboration with the Egyptian Junior Business (EJB) Association, a joint initiative was launched in September 2012 to a) establish an anti-corruption and transparency standard for SMEs in Egypt, and b) to identify and provide incentives for SMEs that commit and adhere to this standard
- Implementation and capacity building requirements were identified with pilot SMEs. A Guidance Manual was written and senior management training was conducted



DESCRIPTION OF INTEGRITY PARTNER

The International Anti-Corruption Academy (IACA) – a joint initiative by the United Nations Office on Drugs and Crime (UNODC), the Republic of Austria, the European Anti-Fraud Office (OLAF) and other stakeholders – is a pioneering institution that aims to overcome current shortcomings in knowledge and practice in the field of anti-corruption. In pursuing this aim, the Academy will function as an independent centre of excellence in the field of anti-corruption education, training, networking and cooperation, as well as academic research. It will take a holistic and inter-disciplinary, inter-regional, inter-cultural and inter-sectoral approach.

The curricula, which will embrace diverse cultural traditions and focus on country- or client-specific requirements, will be flexible enough for participants and students to balance their careers and studies. The Academy will cover a vast spectrum of lectures, seminars, specific events, conferences and other training activities, including (academic) degree programs, and will offer a broad range of tailor-made courses. In doing so, the academy will also provide distance-learning and web-based tools.

Name of Integrity Partner:

International Anti-Corruption Academy (IACA)

PROJECT:

International Anti-Corruption Academy (IACA)			
COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Global	5 years	2.02 M	International Organization, Austria

International Anti-Corruption Summer School (IACSS): Within the overall project of IACA the project activity of IACSS aims to ensure the continuation of a well-established process which, inter alia, contributes to the fourth pillar of the Academy's programs and activities: acting as a platform for direct dialogue and networking. Further developing the 'Practice meets Science' approach, it will again bring together national and international practitioners of various backgrounds from the private and public sectors, students, media and NGO representatives, and internationally distinguished professors and academics from different disciplines and institutions.

Grants for students and participants from least developed countries (LDCs) / emerging markets (EMs): In congruence with the inter-regional approach of IACA, students and participants from all parts of the world should have the possibility to study and work at the Academy. In order to keep tuition fees affordable and to be able to provide training grants to students and participants who would otherwise not be able to attend, grants to students and participants will be provided.



PROJECT AT A GLANCE:

The International Anti-Corruption Academy (IACA) is an international centre of excellence for a new and holistic approach to fighting corruption.

KEY ACTIVITIES YEAR 3 (OCTOBER 2012 – SEPTEMBER 2013):

International Anti-Corruption Summer Academy in Laxenburg / Austria: July 4–13, 2013

- Participation of 69 anti-corruption practitioners representing over 50 countries from around the world
- 19 scholarships were granted to participants from least developed countries
- 13 international renowned academics and executive practitioners lectured and delivered an interdisciplinary program, linking theoretical anti-corruption concepts and practical action

- A 10-day training comprised of 52 lecture hours, group work and roundtables on transparency in public administration, the role of education in anti-corruption and the business and reporting of corruption was conducted
- Lectures on ethics, anti-corruption authorities and rulemaking, social sciences, political science, economics and development, crime and corruption, accountability as well as private sector compliance were delivered
- A brochure 'Practice meets Science' was published online
- Participants learned about organizational change and the challenges of building and maintaining effective multinational compliance programs through the case studies of multinational business corporations; additional lecture topics were taxonomies of corruption, ethical impacts and social implications, empowering citizens and civil society as well as the need for targeted interventions in corruption prone areas

Master in Anti-Corruption Studies

- Presentation of a 24-months Master program to the public, opening of the application period, promotion of the program and contracted lecturers for Modules I-IV of the Master program
- Launch event of the Masters program during the first Assembly of the Academy Parties in November 2012 was well attended and recognized as milestone in anti-corruption education
- Three modules (Concepts & Theories on Corruption, Politics & Corruption and Corruption & Economics) took place
- Three scholarships for students from least developed countries have been granted



DESCRIPTION OF INTEGRITY PARTNER

Founded in 1990, **IBLF** is an independent, not-for-profit global organization working with business leaders to deliver innovative solutions to sustainable development challenges worldwide. Over the past two decades, it has become widely respected by NGOs, companies, governments and global organizations for its neutrality, professionalism, thought leadership and reach. IBLF is unaligned to any political, partisan or national interests. It advocates and promotes business leadership in corporate responsibility and development across multiple sectors, markets and issues.

IBLF is supported by a network of multinational companies from Europe, America, Asia and the Middle East.

Name of Integrity Partner:

International Business Leaders Forum (IBLF)

in cooperation with the School of Public Administration of the Renmin University, China

PROJECT:

Transforming Principles of Integrity and Transparency into Practice in Emerging Markets

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
China, Russia	3 years	1.5 M	United Kingdom

During the three-year project, IBLF will seek to bring to Russia and China the best international practices in corporate approaches to compliance, raise knowledge and consciousness of the costs of corruption and the benefits of combating it, and bring innovative management tools and techniques to multinational and local companies.

The project, which will be managed in Russia by IBLF's branch office in Moscow, and by partners at Renmin University in Beijing, will include a range of activities including workshops and round-tables allowing corporate executives to exchange experience and best

practices, meetings for the countries' top business leaders, and the development of collective approaches by companies to combat corruption in specific industries. In China, surveys and studies into the business case for integrity will be conducted, while in Russia, leading business and law schools will be provided with educational material on business ethics. The program will be supported by Russian and Chinese language websites and publications which will provide business with the latest developments in international and local legislation, management techniques, and positive experience from around the world.

PROJECT AT A GLANCE:

“Transforming Principles into Practice in Emerging Markets” brings to Russia and China the best international corporate approaches to compliance.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

China (in cooperation with the School of Public Administration of the Renmin University, China)

Engaging companies for Collective Action

- The [Leaders Forum](#) was held on September 13, 2013 and attended by 30 guests including multinational and Chinese companies, government representatives and business associations raising awareness and securing support towards the initiative

- Two roundtables ([1st](#) & [2nd](#)) were held to share the latest challenges in the global market with Chinese and multinational companies, and to facilitate peer exchange and encourage collective efforts
 - Two Editorial Group Meetings ([1st](#) & [2nd](#)) for the second publication and 30 individual meetings with companies, government agencies and important business associations to drive Collective Action were held, as well as one ‘Business Standard Advisory Council’ Dinner, one Healthcare Industry Workshop and one for Responsible Management and Leadership Education Initiative
 - Trainings on program management skills, partnering abilities and compliance related knowledge were organized
 - A [resources download center](#) to share best practices and useful tools was integrated on the website
- A [double survey](#) to explore companies’ current practices over third party compliance issues, key challenges and opportunities for Collective Action was conducted
 - The bilingual publication ‘Business Integrity [Handbook](#) II: Guidance on Third Party Compliance Management’ was released providing the latest brief on regulation and enforcement trends, best practices of a dozen leading companies, as well as self-evaluation and scenario exercises on third party compliance management





Name of Integrity Partner:

International Business Leaders Forum (IBLF)

Impact: result of the activities within the last three years of project implementation

- Awareness among leaders of companies, government bodies and industry associations was raised, which secured their support towards the initiative and created the foundation for continued dialogue between business and government on practical cooperation against corruption
- The roundtables provided a safe haven for discussion, identified specific areas of corruption risks and developed collective codes of practice and practical guidelines for action
- A number of companies started to change their internal policies and practices, for example a leading Chinese construction company reformed its entire procurement system as a result of active participation in the initiative
- A break-through in the relations with the Chinese government was achieved when the Ministry of Supervision invited IBLF to help design one training session and opened the dialogue on future joint work

Russia

- Two Collective Action [initiatives](#) were developed within the B20 process
 - › IBLF was part of the B20 Task Force on Improving Transparency and Anti-Corruption secretariat, coordinating the joint efforts of 46 companies and non-profit organizations to develop Task Force recommendations to G20
 - › Within the B20 Task Force, IBLF organized a Collective Action of the Russian and multinational companies operating in Russia to develop business recommendation to the Russian government
- The [Industrial Company Working Group](#) (ICWG) ([Hyperlink 2](#)) was continued by IBLF, starting practical work on state contract forms and commenting on the additional acts to Federal Law N 44



国际工商领袖论坛



Международный
форум лидеров бизнеса

- Two [Leadership Fora](#) were organized: the first one 'Preparation for the B20 Summit 2013 in Russia – Initiatives for Improving Transparency and Anti-Corruption' happened on January 17, 2013 in Moscow, and the second, '[3rd Session of B20 Task Force](#) on Improving Transparency and Anticorruption: From Declaration to Action' – took place as part of the B20 Summit on June 20, 2013 in St. Petersburg / Russia
- Awareness raising material was prepared in the B20 Task Force on Improving Transparency and Anti-Corruption in Work Stream 5 and disseminated:
 - › [Recommendations](#) of the B20 Task Force on Improving Transparency and Anti-Corruption
 - › Implementing and Sharing [Best Anti-Corruption Practices](#) in Russia
- An [active relationship](#) of IBLF with the G20 Anti-Corruption Working Group was developed to present and advocate the position of business at its meetings in Moscow (February 2013) and Ottawa (June 2013)
- Russian companies involvement is a real achievement with such leading Russian companies as Norilsk Nickel, JSFC Sistema, Siberian Coal Energy Company (SUEK), RM-Terex JV, SIBUR and others actively participating in the B20 Task Force on Improving Transparency and Anti-Corruption
- Continued distribution of the '[Business Ethics' educational course](#)'; a round table for lecturers from business schools that implemented the course to discuss their experience and next steps was organized; a special page on and Facebook-group for lecturers and trainers who are focused on business ethics and anti-corruption was established



DESCRIPTION OF INTEGRITY PARTNER

Ethos Institute, founded in 1998, has as its mission to mobilize, encourage, and help companies manage their business in a socially responsible way, making them partners in building a sustainable and fair society.

Ethos prioritizes the strengthening of democratic institutions with improved regulations, and provides for the creation of social control mechanisms for the government and the market.

For the coming ten years, it identifies the strategic opportunity to influence public policy transformation, proposing changes for an inclusive, green and responsible economy. This transformation requires a change in public discourse, in government action, and in business management.

Name of Integrity Partner:

Instituto Ethos – Ethos Institute for Business and Social Responsibility

PROJECT:

Clean games inside and outside of the stadium (World Cup 2014, Olympics 2016)

COUNTRY OF IMPLEMENTATION:

Brazil

DURATION:

5 years

USD (MILLION):

3.11 M

REGISTERED IN:

Brazil

The 2014 World Cup and the 2016 Olympic Games provide an opportunity to set an example in the fight against corruption and to ensure that resources invested in infrastructure are spent in a transparent and efficient way.

The project's specific objectives are to raise the:

- Level of transparency in public procurement and expenditure;
- Integrity level of public-private sector relations and agreements;
- Level of social control over public budget and expenditure.

The main activities are the development of corporate self-regulation mechanisms through the establishment of Sector Agreements, a set of Local Administration Transparency Indicators applicable to the host cities of the events; a Local Administration Transparency Pact; social control mechanisms and instruments providing the society with tools to understand and follow public expenditure and contracts and to engage business; and social mobilization for the approval of a set of regulation bills fostering integrity and combating corruption.

PROJECT AT A GLANCE:

Promoting transparency and integrity for the 2014 World Cup and the 2016 Olympic Games through Collective Action, social monitoring and control mechanisms.

KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):

- Advocated the use of the newly developed transparency indicators in policies at local and state levels; a vast media coverage demonstrates the effectiveness of the work including for example [a BBC article](#)
- The results of the indicator-related work was presented to design an action plan to improve transparency at eight meetings with key representatives from the municipalities
- Eleven mayors of the twelve host cities have signed a [Transparency Pact](#)
- Four local seminars about ‘Transparency in the World Cup: how is this game going?’ were held in partnership with the Clean Games Local Committees aiming to discuss the state of transparency
- Declaration of various energy and health companies and associations (including for example the Brazilian Association of the High Technology Industry of Equipments) to participate in the Sectoral Agreement – a Collective Action developed and driven by Ethos since December 2012
- Approval of the Anti-corruption Bill (current Law 12.846/2010) with the influence of a campaign supported by the signatory companies from the Pact for Integrity and Against Corruption
- Supported the implementation of the new Law on Access to Information which entered into force in May 2012; for example by including the ‘Local Administration Transparency Pact’, which all the mayors of the eleven host World Cup cities signed, and by conducting workshops organized in partnership with local organizations (São Paulo, Rio de Janeiro and Manaus).
- The Brazilian Anti-corruption Law was one of the Bills approved in mid-2013 and it reflected some of the recommendations which were advocated by Ethos; pursuant to the adoption Ethos work shifted from advocating the legislative procedure over to influencing the process of the enactment of the Law in order to ensure that an effective and efficient regulation would be issued
- Participated in the UNODC Expert Group Meetings on Transparency, Competition and Objectivity in Public Procurement and on Legal Incentives for Corporate Integrity and Cooperation
- Promotion of transparency at the [national encounter with the Ombudsman](#) in the context of the World Cup



DESCRIPTION OF INTEGRITY PARTNER

Maala – Business for Social Responsibility is Israel’s leading advocate on corporate values and citizenship.

Founded in 1998, Maala is a non-profit membership organization that serves to advocate, consult, educate and facilitate and encourage corporations to identify opportunities to promote CSR. Today their membership exceeds 130 of Israel’s leading companies, and the 2010 Index ranked 75 companies with a turnover of over \$79 billion and a workforce of over 173,000 employees.

Name of Integrity Partner:

Maala – Business for Social Responsibility

PROJECT:

Maala’s Corporate Social Responsibility Collective Voluntary Anti-Corruption Standard Program

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Israel	5 years	0.48 M	Israel

Main activities:

- Expansion of the section on assessment of ethical and governance standards of the Maala Index
- Increase the number of companies in the Maala Index and educate investors about the benefits of the index
- Development and publication of a working tool-kit that helps to understand, implement and practice anti-corruption/bribery and ethical governance standards
- Conduct a media campaign, which creates awareness of the business sector’s obligation to abide by ethical management, corporate governance and anti-corruption standards
- Conduct 11 learning sessions
- Conduct an annual conference to serve as a forum for public dialogue and to raise awareness

PROJECT AT A GLANCE:

The aim of the project is to encourage companies to voluntarily adopt and strengthen standards of transparency, ethics, corporate governance and prevention of corruption.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Promoting the Maala index

- A Corporate Social Responsibility Performance Index was published on June 10, 2013, which ranked 82 companies on the basis of ethics and anti-corruption parameters; the published survey results were viewed by over 1.2 million people on Maala's Facebook page and over 4,000 people viewed the [live stream broadcast](#) in which the CEO of Maala presented the Index results

- The 2014 CSR Index introduced new and expanded questions regarding integrity, ethics and anti-corruption in the procurement process and companies engagement with their various stakeholders

› This new and challenging questionnaire has a great potential to motivate companies to further enhance their compliance and anti-corruption operations

› The criteria of the Maala CSR Index are constantly perceived as the norms that Israeli companies feel encouraged to adhere to. [The CSR Index internet site and media coverage](#) can be found here

Advocating ethics and compliance in public procurement policy

- Maala submitted a proposal to the Prime Minister's Office at a 'tri sector roundtable' regarding '[Implementation of Ethical, Social and Environmental standards in Public Procurement](#)', which was taken up by the Government and a working group is currently

checking the viability of adding such considerations into government tender processes. The positive response of the Prime Minister's office to suggestions from non-profit organizations such as Maala demonstrates that there is potential to provide input for the further strengthening of fair market conditions and clean business in the Israeli economy

Awareness raising of the Israeli business community

- A meeting for Maala member companies was held with 30 participants, emphasizing the role of CSR managers as 'game changers' in integrating ethical considerations into business strategies
- Development and promotion of the [anti-corruption assessment toolkit](#) for companies, targeting compliance officers from companies from pharmaceuticals, IT and electronics systems, utilities, consumer goods and real estate, is another stepping stone towards strengthening the role of compliance officers in Israel



DESCRIPTION OF INTEGRITY PARTNER

The Makati Business Club is a private non-stock, non-profit business association organized as a Forum for Constructive Ideas. The main thrust of the MBC is to foster and promote the role of the business sector in national development efforts, both in the planning and the implementation of policies. It is committed to addressing national economic and social issues that affect the development of the Philippines.

Founded in 1981, the MBC is composed of senior business executives representing the largest and most dynamic corporations in the Philippines. It has become the leading private forum for meetings that bring together business, government, and community leaders in the country. The MBC carries out its objectives through four main lines of activity: policy advocacy, information services and publishing, investment promotion, and corporate citizenship.

Name of Integrity Partner:

Makati Business Club (MBC) in cooperation with the European Chamber of Commerce in the Philippines

PROJECT:

SHINE PROJECT – Strengthening High-level commitment for Integrity Initiatives and Nurturing Collective Action of Enterprises advocating for fair market conditions

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Philippines	4 years	1.04 M	Philippines

The specific objectives are to:

- Identify key concerns of the private sector that affect integrity and transparency in business transactions;
- Develop a unified 'Business Code of Conduct' as a standard for local and foreign business entities;
- Create an 'Industry Integrity Pact' that provides control measures to ensure transparency and integrity in business transactions;
- Develop products to set up integrity practices as basis for an audit and certification program for participating companies; and
- Institutionalize the whole process to promote sustainability of the Integrity Initiative.



PROJECT AT A GLANCE:

The project aims at initiating Collective Action between foreign and local businesses in order to support fair market conditions. The Integrity Initiative will encourage companies to commit to having no tolerance for corruption, and to sustainable development.

KEY ACTIVITIES YEAR 3 (OCTOBER 2012 – SEPTEMBER 2013):

- The [Integrity Compliance Manual](#) was adopted by various companies and aligned with the Integrity Pledge, the Integrity Compliance Framework, and the Unified Code of Conduct for Business. It was aligned with the online Integrity Self-Assessment Tool as well as the Validation System and will now be distributed to the signatories
- **A draft Executive Order** was submitted to the Office of the Philippine President and subsequently endorsed by the Secretary of the Finance Department to the President for his approval in September 2013. The Executive Order will provide the policy framework by which various government agencies can require companies in the private sector to comply with ethical standards in the conduct of their business
- The [Integrity Initiative, Inc.](#) was registered with the Securities and Exchange Commission on July 9, 2013 and its core members are the founding incorporators and will function as a governance board
- **Integrity Validation System** was pilot-tested with 16 volunteer companies and 4 business organizations (including MBC and ECCP). The integrity certification system will be anchored on results of the Integrity Validation System pilot-test. The system allows signatory-companies to rate their existing integrity policies and practices, and consequently, see in which areas changes need to be introduced
- **A series of consultations** were conducted to review methods or interventions to strengthen integrity practices within companies
- **The Integrity Consortium Cooperation Agreement** was signed by more than 100 professional and industry associations to enable a long-term development of ethical practices in the private sector
- **The Integrity Pledge was signed by 40 Heads of Agencies** to date; particular impact was achieved when the Department of Public Works and Highways issued a Department Order No. 86 dated September 24, 2013 requiring all contractors to sign the Integrity Pledge



DESCRIPTION OF INTEGRITY PARTNER

The Organisation for Economic Co-operation and Development (OECD)

is an inter-governmental organization bringing together 34 countries that seek to promote economic growth, prosperity, and employment through co-operation and policy dialogue. The Organization benchmarks best practices and develops binding and non-binding standards promoting common rules in areas where multilateral agreement is necessary to ensure the correct functioning of markets. The OECD has considerable experience in anti-corruption and gives high priority to the issue, ensuring the effective implementation and enforcement of the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Launched in 2004 at the request of countries in the Middle East and North Africa (MENA), the MENA-OECD Initiative works to accelerate regional policy and economic reform. The MENA-OECD Investment Programme, one of the two pillars of the Initiative, aims at improving the business climate and establishing a favorable trade and investment environment as driving forces for economic growth and employment in the MENA region.

Name of Integrity Partner:

Organisation for Economic Co-operation and Development (OECD), MENA Initiative on Governance and Investment for Development

PROJECT:

Enhancing Business Integrity in the MENA Region

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Middle East and North Africa	3 years	0.75 M	International Organization, France

Governments, international organizations and the business community have adopted legally binding and non-binding anti-corruption and integrity instruments at the regional and global levels. A majority of Arab countries have ratified, and are consequently bound to implement, the United Nations Convention against Corruption (UNCAC). The Arab Anti-Corruption and Integrity Network (ACINET), established with UNDP support and OECD assistance, is an inclusive regional platform for knowledge-sharing, networking, capacity development and policy dialogue that demonstrates the commitment of Arab countries to the fight against corruption.

To ensure an attractive business environment for investment and trade, corruption issues need to be addressed as part of a private sector development strategy. Given the growth of the private sector and associated competition challenges, promoting anti-corruption awareness is essential. Through regular public-private conferences and training sessions, the project will raise awareness of existing international principles and best practices in the area of anti-corruption and build regional capacity to comply with international anti-corruption and integrity standards.

PROJECT AT A GLANCE:

Enhancing Business Integrity in the MENA Region seeks to raise awareness of international principles and best practices in combating corruption in the Middle East and North Africa (MENA).

KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):

- A series of regional and national roundtables on business integrity were held in Morocco, Jordan and Kuwait to provide effective multi-stakeholder forums for raising awareness about integrity standards among governments, business representatives and civil society; these roundtables also served as platforms for developing actions necessary to promote business integrity in the entire Middle East and North Africa region
- **Training workshops** in Morocco and Kuwait were instrumental in developing technical knowledge and practical skills among the government and private sector experts on specific issues necessary for implementation of business integrity measures
- **Training materials** that were developed for the training seminar are being published in the web-based library of business integrity resources for MENA countries; these will include OECD standards and guidance materials related to business integrity, materials developed by other organizations, as well as training and other resources developed by the private sector
- **A Handbook on compliance for SMEs** in Middle East and North Africa countries is currently being finalized: consultations with local experts helped adapt the Handbook to the regional context and provided the basis for developing an action plan for its future use and promotion at country level; the Handbook will provide a comprehensive guide for companies on developing and implementing compliance programs, including risk assessment and due diligence, corporate policies and codes of ethics, and compliance mechanisms to enforce implementation
- **A needs assessment** was conducted through bilateral consultations and meetings in Saudi Arabia, Tunisia, Morocco, Jordan, Egypt and Kuwait to develop business integrity policy actions; these activities may involve a regional peer review and exchange on business integrity, country-specific projects such as reviews of national legal and institutional frameworks for anti-corruption and business integrity; and trainings for individual agencies
- **Business integrity was promoted at meetings** organized by other international and national partners, including the first international anti-corruption conference in Saudi Arabia, Transparency International round tables in Tunisia and Kuwait, and a UNDP meeting in Tunisia; these events provided additional opportunities to build the knowledge of regional counterparts on how integrity measures can be implemented to positively impact the business climate



DESCRIPTION OF INTEGRITY PARTNER

Oživení, meaning ‘Renewal’, was established in 1997 in Prague, Czech Rep., as a non-governmental not-for-profit organization primarily devoted to promoting sustainable mobility, cycling, and reducing car traffic in cities. Since 2000, the amount of public advocacy and watchdog activities has risen, and the main organization’s goals are currently promoting public scrutiny, transparency, public awareness, and free access to information.

Its anti-corruption activities include legislative work at the national level, development and enforcing of municipal anti-corruption policies and tools, systematic monitoring and analysis in the area of conflict of interests, monitoring and public exposure of specific cases of conflict of interests and corruption – watchdog activities, anti-corruption audits and consultancy, free legal aid, and networking services for civil society organizations (CSOs) involved in anti-corruption work.

Name of Integrity Partner:

Oživení

in cooperation with Transparency International Slovakia and the Economics Institute of the Academy of Sciences of the Czech Republic

PROJECT:

Improvement of Public Procurement Systems in the Czech and Slovak Republics			
COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Czech Republic, Slovakia	3 years	0.6 M	Czech Republic

Procurement is one of the areas most vulnerable to corruption in the Czech and Slovak Republics. The main root causes for intransparent procurement are weak laws and lack of oversight. The project’s objectives are to prepare a set of law amendments based on economic research and legal analyses of current weaknesses of the legal system. Furthermore, the project will aim at identifying potential loopholes, and analyze current practices of state oversight over procurement.

Economic research will support the general recommendations that an anti-corruption approach, including open tenders, electronic auctions, or restrictions for evaluation criteria, could increase efficiency of public budget spending. Together with the support of an anti-corruption business platform, the amendment will be presented to the Parliaments.

To raise awareness with media and the general public, this project will develop an ideal model for an official electronic tender bulletin, enhancing the possibilities of public control by publishing information on tenders.



PROJECT AT A GLANCE:

The project aims at improving public procurement practices through amendments to the anti-corruption law which are supported by a business platform.

KEY ACTIVITIES YEAR 3 (OCTOBER 2012 – SEPTEMBER 2013):

Promoting transparency in public procurement legislation

- A new Public Procurement Law was adopted in Slovakia in March 2013 reflecting a number of recommendations submitted by Transparency International in Slovakia, demanding more transparency in lower value contracts to strengthen the regulators' powers and lowering administrative burden
- Ozivení's recommendations on improving public procurement policy were included in the governmental anti-corruption [strategy](#) (see Chapter 1.8)

- Ozivení's voice gained in reputation when for example the organization became a [member](#) of the sounding board of a governmental anti-corruption committee to provide regular comments on anti-corruption policies in the Czech Republic
- Transparency International Slovakia promoted [e-auctions](#) that enhance competitiveness in tender procedures; as a result of using e-auctions 5% (circa 37 million EUR) more savings was seen
 - › The electronic boards of public procurement in [Czech](#) and [Slovak](#) Republics have been improved for better public control of tenders, in particular, new functions for an advanced search and links to tenders were added
 - › The first ever summary analysis of the use of e-auctions in the Czech Republic was developed; a [manual](#) for good use of e-auctions was published and three workshops in Slovakia were organized to encourage using e-auctions in public procurement

Awareness raising, training and research of transparency in public procurement

- Analyses of current trends in the public procurement market including the rate of tender procedures without competition and the impact of using e-auctions and rate of competitiveness on public tenders were carried out
- A series of [comparative analyses](#) ([Hyperlink 2](#) and [Hyperlink 3](#)) on the quality of state oversight of the public procurement in the Czech and Slovak Republics was carried out
- A seminar on ethics and anti-corruption policy with the focus on procurement was organized by Transparency International Slovakia together with the National Union of Employers in September 2013; as a result, Ozivení developed a report on the implementation of ethical principles by the members of the 'Coalition for Transparent Business'



DESCRIPTION OF INTEGRITY PARTNER

The Partnership for Governance

Reform (“the Partnership”) is a multi-stakeholder organization working with government agencies and civil society organizations (CSOs) to advance reform at both national and local levels. The Partnership builds crucial links between all levels of government and civil society to sustainably promote good governance in Indonesia. The Partnership has implemented 359 projects since 2000 with a total budget of approximately USD 80 million.

Name of Integrity Partner:

Partnership for Governance Reform – Kemitraan

PROJECT:

Collaborative Leveraging of E-procurement Accountability, Nexus and Integrity for the Newfound Governance (CLEANING)

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Indonesia	3 years	1.5 M	Indonesia

The main objectives are:

- To adapt and mainstream anti-corruption principles, values and standards as guided by the UN Convention against Corruption (UNCAC) and other international legal instruments at national and local levels;
- To develop capacities in corruption prevention and prosecution within agencies dealing with e-procurement;
- To develop reliable feedback and improvement mechanisms through monitoring and evaluation.

To achieve these objectives, several key activities will be undertaken: analyzing gaps between international legal instruments and national law, adapting international procurement standards into national law through drafting of new laws and standards, and assisting private sectors and small and medium vendors to comply with the adopted national legal frameworks. The project will also enhance the capacity of vendors and the government’s E-Procurement Agencies; train their staff; educate e-procurement watch organizations; and assist local government in implementing anti-corruption and integrity systems for procurement.

PROJECT AT A GLANCE:

The main objective of this project is to improve transparency of public procurement in Indonesia, through building a public-private-civil society organization alliance and meeting the internationally accepted anti-corruption standards.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

A comprehensive strategy was developed to mainstream integrity and anti-corruption in the public procurement processes on both the provincial and the national levels of government by addressing the government of Indonesia, the private sector, vendor associations and civil society organizations

- As part of the strategy, PGR facilitated a workshop in September 2013 together with civil society organizations, public procurement agents (NPPA or LKPP), vendor associations (APINDO or Kadin) and public procurement

experts to jointly develop input for the new public procurement draft law; the recommendations are intended to be disseminated to the provincial government (house of parliament) and private sector to encourage feedback and recommendations on how to further refine the public procurement regulations

- The integrity and anti-corruption principles, based on the finished BESI guidelines, the adoption of which was strongly supported by the vendor association in North Sumatra, West Java and South Sulawesi, were adopted by the private sector by disseminating them to vendors
- Capacity building programs for local government staff, journalists as representatives of civil society organizations, vendor associations and the private sector were completed together with Kemitraan untuk Integritas and the Centre for Procurement Policy Reform
- › A series of trainings for more than 100 media journalists in five provinces was conducted on the independent monitoring of public procurement

- › A train-the-trainer workshop was held in October 2012 on public procurement for 25 participants from six e-procurement watch organizations on monitoring the public procurement process
- A survey of vendors' perceptions on public procurement was designed and implemented and its results will support the development of an Integrity Index
- The Integrity Index survey was implemented in eight provinces (North Sumatra, West Java, DKI Jakarta, DI Yogyakarta, Central Java, East Java, South Sulawesi and Papua) by involving 700 vendors as key informants
- 500 procurement monitoring handbooks were produced, printed and distributed to support the capacity-building of civil society organizations in the area of procurement policy making



DESCRIPTION OF INTEGRITY PARTNER

POLMED is the biggest and highly recognized chamber of commerce in Poland, which represents manufactures and distributors of medical devices in Poland. It acts as a source of information for members, protects their interests and conveys their views to decision makers in the industry and the government. POLMED aims to ensure members operate in a business friendly environment. POLMED provides trainings and consultations necessary for their members' business operations. It focuses on promoting the rules of professional ethics and honesty in business practices among their members. The Code of Business Practice established by POLMED is based on the EUCOMED Code of Ethics. POLMED believes that the Code's implementation will significantly improve the quality of their members' interactions with the medical environment. In the near future POLMED sees itself as a leader in initiating changes in the medical devices market in Poland, which aims to satisfy the needs of patients, medical professionals and POLMED member companies and the refore stimulate the development of the industry.

Name of Integrity Partner:

POLMED

(The Polish Chamber of Commerce of Medical Devices)

PROJECT:

MedKompas Poland			
COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Poland	4 years	0.46 M	Poland

The MedKompas project will achieve its aim by organizing trainings on ethical business practices, and through a general promotion campaign on ethical cooperation between medical devices market participants and healthcare professionals.

This promotion of ethical business conduct will spread knowledge on threats resulting from corrupt behavior and the advantages of ethical business practices.

- Trainings are planned in the country over a four year period with the target group identified as representatives of medical devices companies and healthcare professionals.

- Polmed intends to promote and shape ethical patterns of behavior by means of a general promotional campaign.

The campaign will address representatives of both healthcare facilities and medical devices companies in order to highlight relevant and ethical rules for the cooperation between these two groups.

PROJECT AT A GLANCE:

The project aims at initiating a network of compliance managers and promoting ethical cooperation among participants in the medical devices market.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Promotion of ethical business conduct through trainings

- Ethical business conduct was promoted in 24 trainings that were organized by POLMED (all POLMED trainings are described on [Polmed's website](#)); during the third year of the project, the number of training participants amounted to 670 individuals and 98,2% of them passed the final and obligatory test; expectations were by far exceeded when POLMED experts were invited again to re-organize trainings due to an increased demand

- The training program is unique in Poland as it addresses very difficult ethical issues which may not be obvious but often occur in the interaction between doctors and medical companies; the MedKompas team shows how to deal with various ethics dilemmas staying in line with law and ethical rules; practical examples from their daily work environment helps the trainee to relate to the problems and to consider using some of the proposed solutions into their daily work

Publications and awareness raising

- The MedKompas project [website](#) including the Questions & Answers provides a lot of information on MedKompas trainings, compliance and ethical issues and allows people to post about and discuss trainings and compliance aspects, ask questions and exchange their views
- Publication of 30 promotional materials (in the press and internet) and distribution of 2,000 brochures about the project and related information on the expert trainings

- Promotion was undertaken of the ethical business best practice related to the healthcare sector during four events (conference, medical exhibitions, etc.)
- A panel session on ethical business practice in the healthcare sector was organized by POLMED during the International MedTech Compliance Conference in Warsaw in May 2013 (find out more [here](#), [here](#) or [here](#))
- The network of POLMED is expanding with four local divisions of the Polish Chamber of Physicians and Dentists officially confirming their support for and declared cooperation for MedKompas ethics activities



DESCRIPTION OF INTEGRITY PARTNER

Sequa is a non profit development organization operating worldwide. They promote the development of the private sector and its membership organizations as well as education, training and further qualification. Germany's top business membership organizations are sequa's shareholders (DIHK, ZDH, BDA, BDI) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH. GIZ was established on 1 January, 2011 as a merger of the Deutscher Entwicklungsdienst (DED) gGmbH (German Development Service), the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) GmbH (German Technical Cooperation) and Inwent, Germany. GIZ is a federally owned enterprise, supporting the German Government in achieving its objectives in the field of international cooperation.

Name of Integrity Partner:

sequa gGmbH

in cooperation with German Agency for International Cooperation (GIZ), Chengdu General Chamber of Commerce, and Hunan Provincial Chamber, China

PROJECT:

Strengthening Business Membership Organizations for Fighting Corruption

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
China	3 years	1.49 M	Germany

Business Membership Organizations (BMOs) have become important players in the process of promoting transparency and fair markets. To strengthen anti-corruption initiatives in China, the project will make available the expertise of German BMOs (German chambers and sectoral associations and their umbrella associations such as DIHK, BDI, etc.) and their members, in combination with the expert network of GIZ GmbH and sequa gGmbH. GIZ GmbH and sequa gGmbH will support the Chinese project partners to develop anti-corruption approaches and improve organizational strengths and management capacities, e.g. qualification of staff and the development of training material.

Key activities are:

- Establishment and support of public-private dialogue platforms,
- Development and implementation of industry-specific standards,
- Knowledge management and exchange of best practices and
- Capacity building within Chinese BMOs.

At the final stage of the project all Chinese partner BMOs should be able to provide professional support mechanisms or business development services incorporating anti-corruption topics to their member enterprises on a self-sustainable basis.

PROJECT AT A GLANCE:

The project aims to strengthen Chinese Business Membership Organizations (BMOs) in fighting corruption in China through regular public-private dialogue, industry specific standards and capacity building of BMOs.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

- **Five Public-Private Dialogue** fora were held with the participation of more than 150 companies including local partner Chambers such as Chengdu General Chamber of Commerce, Hunan Provincial Federation of Industry and Commerce, and government authorities to address the prevention of corruption and integrity in business; the Chengdu General Chamber of Commerce achieved the establishment of a standing Public-Private Committees for curbing corruption on city level

- **Ten company roundtables and trainings** were organized by sequa and its local partner chambers to address corruption in relation to issues such as taxation, procurement, compliance systems
- **A campaign was launched** by Chengdu Food Manufacturers Chamber among its members aiming at the creation of an integrity system with 20 companies showing their willingness to participate
- **A new Code of Conduct** was approved by the Hunan Machinery Industry Chambers which 100 companies signed; there is prospect that further companies will join as a consequence of discussions during the Annual Conference in 2014
- **An information exchange on compliance in business** was organized by the Jiangxi Chamber of Commerce, which invited 40 companies and representatives from government; the exchange resulted in the signing of an 'Integrity Proclamation' by the participants
- **A Compliance Conference** was held in December 2012 in Shanghai with representatives from 14 Chambers and Siemens; at the event additional project partners were identified and awareness raising activities have started with Business Membership Organizations in Nanjing, Shanghai, Wuxi and Jiangxi
- **An online training tool** inspired and based on Transparency International's 'Resist' tool was developed and distributed among Business Membership Organizations and companies

In total, over 800 Public and Private sector representatives participated in activities of the project in the third year of project implementation



DESCRIPTION OF INTEGRITY PARTNER

During its twelve years of existence, **Transparency International – Bulgaria** has gained substantial visibility in Bulgaria, and has established the necessary links with the general public and gained its reputation as an organization of integrity and stability.

TI-Bulgaria has assumed a substantial presence in the country's public space. It has created a network of experts and volunteers and has implemented several successful monitoring initiatives, which has given it a place among the 10 most active and viable civil society organizations.

Name of Integrity Partner:

Transparency International – Bulgaria

PROJECT:

Promoting Integrity through Advocacy: Counteracting Corruption in Public Contracting

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Bulgaria	3 years	0.45 M	Bulgaria

- Analysis of the legal framework and adaptation of the concept of Integrity Pacts (IP) in Bulgaria
- Promotion of the IP concept, organization of working meetings and public discussions with both private sector and public administration representatives; publication of articles and expert positions in the media; advocacy to civil society and private sector; set-up of a monitoring coalition
- Pilot implementation of the IP tool: training of civil servants in the implementation of IPs' in public contracting; testing of the IP tool in selected tenders; monitoring and assessment of impact of IPs' on the contracting process; recommendations for improvements
- Create a Public Contracting Transparency and Integrity Indicators (PCTII) tool that builds upon the outcomes of the implementation of the pilot IPs and publication of a PCTII manual
- Promotion of PCTII tool and use for training representatives of the private sector, civil society and media

PROJECT AT A GLANCE:

The key objective is to enhance integrity standards and transparency in awarding of contracts with significant public interest through policy change in Bulgaria.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

- [Integrity Pacts in public procurement procedures](#) were conducted by Transparency International Bulgaria in three ministries: Ministry of Labor and Social Policy (concluded in July 2012), Ministry of Health (concluded in August 2012) and Ministry of Regional Development (concluded in November 2012)
 - › 4 monitoring reports on the ‘Struma’ highway contracting process were developed to recommend improving the transparency of the given selection criteria
- › 2 monitoring reports on the reconstruction of homes for social care of children deprived of parental care outlined deficits in the tender documentation and issued recommendations for improvement
- › 6 monitoring reports for the development of a national system for electronic data exchange in the area of social security were composed
- A [‘White List’](#) was developed, which discloses information on the participants in monitored public procurement procedures; the List represents a specific incentive for responsible business and has the potential to evolve as a regulatory tool used for stimulating good management practices and fair business conduct in Bulgaria
- The [Contracting Transparency and Integrity Indicators Manual](#) was developed with an expectation that the manual will help build the capacity of units in the central and local administrations and provide non-governmental organizations with vital knowledge for efficient civil monitoring of public procurement the manual includes:
 - › A conceptual framework of the Bulgarian Integrity Pact model
 - › The main results, conclusions and recommendations from the Integrity Pact pilot testing
 - › The indicators for transparency and integrity in all public procurements stages
- Presentation [materials](#) and [training seminars](#) were developed with the participation of local administration, business representatives, NGOs and media
 - ✓ As a result of the work with each of the public contracting authorities: all contractors acceded to the Integrity Pact concluded with the Ministry of Labor and Social Policy; four with the Ministry of Regional Development and two with the Ministry of Health
 - ✓ As a result of the held training seminars, local administration representatives expressed interest in cooperation with Transparency International Bulgaria in the implementation of independent monitoring of public procurement processes based on the Integrity Pact model



DESCRIPTION OF INTEGRITY PARTNER

Transparency International Italia, the Italian chapter of Transparency International, founded in Milan in 1996, promotes the active role of civil and moral education in strengthening civil society against corruption and crime. It interacts with the public and private sectors, academia, and researchers. Main activities are: promotion of transparent and efficient governance by preventing corruption and misuse of resources; raising awareness in public opinion on the urgency of fighting corruption and related crimes; enhancing ethics in schools and universities, supporting the national ratification of international juridical and economic laws and conventions; encouraging the public and private sectors to fix and implement ethics principles and codes; and advocating for good governance and protection of collective interests.

Name of Integrity Partner:

Transparency International – Italia (TI-It)

PROJECT:

Sustainable Procurement Protecting the Green Sector Market from Corruption and Fraud

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Italy	3 years	0.6 M	Italy

‘Protecting the green sector market from corruption and fraud’ aims at designing a sound framework to avoid misuses and illegal practices, enhancing awareness in the business environment and among public institutions, promoting fair market conditions through clear and transparent procedures, and disseminating results to raise awareness on the issue.

The project will gain knowledge on criminal patterns, market and corporate vulnerabilities, organize laboratories to enhance the capacity

to prevent risks and reduce losses, and set up a dialogue platform between the public and private sectors to promote the design and adoption of ad hoc standards.

The focus will be placed on three specific sectors: renewable energies, logistics/mobility of persons and goods, and innovation technologies.

To carry out this project a multi-disciplinary partnership has been established by TI-Italy (Integrity Partner), National Anti-Corruption Authority, and RiSSC – Research Centre on Security and Crime.



PROJECT AT A GLANCE:

'Protecting the green sector market from corruption and fraud' is a civic, institutional and scientific project for protecting the green economy from threats of fraud and corruption, thus promoting relevant sustainable and ethical standards.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

- The [research](#) on corruption in the renewable energy sector was published in the Report 'Corruzione e Frode nella Green Economy – Le energie rinnovabili' and it identifies key corruption-related vulnerabilities in the sector, the principal modi operandi of criminal organizations, criminal risks, and a collection of best practices across Italy
- A new piece of [research](#) on corruption in the Sustainable Mobility/Logistics sector was published in December 2013
- A video and a [trailer](#) on ethics best practices for enterprises, institutions and the civil society in the renewable energy sector was released for the Italian National Forum
- Information on cases and trends in corruption in the sustainable mobility and logistics sectors, involving key stakeholder groups in the sector, was collected and promoted in the business environment through two Technical Scientific Committees and the [Private Platform](#)
- Results of the research were presented and discussed at the [National Forum](#) in Milan on November 22, 2013 and at the [final Conference](#) in Milan on November 15, 2013 with around 100 participants each
- Several public-private Working Tables were organized by Transparency International Italy at which key public and private sector stakeholders from the green economy sector endorsed the proposed policy [statements](#); the related 'declaration of intent' commits signatories to both the adoption of a proactive role in the prevention of corruption and fraud in the sectors of high innovation of the green economy, and the support for the collaboration among different actors, with a particular focus on local peculiarities
- Ethics in the renewable energy sector was promoted at the [International Anti-Corruption Conference](#) in Brazil in November 2012
- Meetings were organized with renowned experts in the renewable energy sector at the Politecnico of Milan and subsequently reports were made on main trends in the green economy sector
- An anti-corruption [toolkit](#) 'BE CLEAN. GO GREEN!' was elaborated for SMEs and a self-evaluation tool for companies with the existing anti-corruption policies and instruments were developed ([check-list](#) of self-audit) and promoted online
- An education [project](#) to inform on corruption in the green economy was developed and interactive workshops were held at Italian high schools



DESCRIPTION OF INTEGRITY PARTNER

Transparencia Mexicana (TM) was founded in 1999 and is the national chapter of Transparency International (TI), the global coalition against corruption. TM approaches corruption from a holistic standpoint, engaging with public and private actors to reduce corruption by creating changes in the institutional and legal framework of the Mexican state. Acknowledging that forms of corruption adapt to country-specific norms, TM pursues an agenda tailored to fight corruption within Mexico, while at the same time adhering to standards and practices established by TI Secretariat.

Name of Integrity Partner:

Transparencia Mexicana

PROJECT:

Social Witness/Integrity Pact in Government Procurement – The Mexican Experience

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Mexico	3.4 years	0.23 M	Mexico

Since 2000, Transparencia Mexicana (TM) has implemented Integrity Pacts/Social Witness (IP/SW) tools in around 100 public procurement processes and has developed a methodology applied to the Mexican context that can be useful to government and private actors in other contexts. This methodology combines a mini-contractual form in a bidding process (IP) with intensive monitoring during the bidding process (SW). The result is a light legal structure with a real-time monitoring process which provides an external, technical and independent view without reducing efficiency, partially restores public distrust in procurement, creates an environment for open discussions of technical decisions, promotes government innovation, and contributes to competition, efficiency and savings. To date,

much of the research related to the IP/SW has combined national experiences and practice, without determining the systemic impact for a branch of government, sector or type of company in a cross-time analysis. This project will have this systemic approach, in order to be useful to procurement sectors in any context. The objective is to conduct an analytical review, and to promote the Mexican experience with a particular focus on its economic impact, social results and a new framework for Collective Action among participants in procurement processes. Activities include an analytical review, the production of independent chapters under an editorial plan, and the communication/promotion of the Analytical Review Report with relevant stakeholders.

PROJECT AT A GLANCE:

The project aims to produce an Analytical Review Report of the Integrity Pacts/Social Witness tools that Transparencia Mexicana has applied in around 100 public procurement processes.

KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):

- The second publication of the [initiative](#) Citizens & Markets entitled 'A New Generation of Public Control' is about to be published by TI Mexicana; it examines different mechanisms on how to control public funds that are being used around the world; the objective of the publication is to provide a comprehensive framework of analysis for the third publication of the initiative, which will focus on the Social Witness
- A comparative analysis of the tools developed by Transparencia Mexicana and other best practices and trends on transparency and accountability around the globe needs to be conducted in order to consolidate and understand the implications of strengthening integrity systems related to 'public control', which is a possible link between public funds and clean business. For example: citizens involved in monitoring the origin, use and destiny of public funds, as well as public and private sector implementing information systems, among other integrity tools, which facilitate monitoring, oversight and accountability
- A Twitter-based [course](#) on public procurement in Mexico was created to promote clean procurement of governments as a pre-condition for providing public services to the benefit of citizens' quality of life; Twitter users' response to the course can be reviewed in @IntegridadMX timeline
- › TI Mexicana used its Citizens & Markets knowledge to create the new social media tool called '#Talleren140caracteres sobre compras públicas' (i.e. workshop in 140 characters on public procurement)
- › The course explains in short sentences the different stages of procurement planning and tender processes in line with the relevant Mexican regulations
- › Simultaneously, a presentation was given during a process that was monitored by TI Mexicana as a 'Social Witness' to support citizens' comprehension of it
- › Further communication strategies to facilitate and enhance citizens' understanding of public procurement processes and thereby strengthen public oversight



DESCRIPTION OF INTEGRITY PARTNER

TI-USA works at home and abroad to combat corruption and promote transparency and integrity in government, business and development assistance. Since its founding in 1993, TI-USA has been actively involved in the development of private sector integrity programs and has advocated for greater global adherence to them. It has initiated and engaged in numerous industry-sector initiatives and collaborative projects, mobilizing Collective Action with a wide array of interests, including corporations, major business organizations, labor groups, and other NGOs.

TI-USA has a track record of success in the promotion of private sector best practices.

Name of Integrity Partner:

Transparency International – USA in cooperation with Social Accountability International, USA

PROJECT:

Verification of Corporate Anti-Corruption Programs			
COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
USA	3 years	0.66 M	USA

The overarching, long-term goal of this project is to improve credibility of corporate compliance programs. Achieving this will help increase public confidence and enhance credibility with investors, rating agencies, financial institutions, export credit agencies and government procurement agencies, which increasingly expect corporations to demonstrate effective compliance programs. This project will assess the strengths and weaknesses of the most commonly used methods of compliance verification and will develop recommendations for companies when considering anti-corruption compliance verification.

The project aims at achieving the long-term goal by:

- Reviewing, assessing and reporting on the efficacy of current approaches to compliance verification;
- Creating awareness and better understanding of the verification methods; and
- Promoting broad acceptance of the relative merits of the methods and findings.

This project will be supported by Michael Hershman, Mark Mendelsohn and Fritz Heimann.

PROJECT AT A GLANCE:

The project will look at the key role that compliance verification methods play in assessing companies' adherence to their anti-corruption programs.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

- Transparency International – USA finalized a comparative analysis of the findings and conclusions of five reports on anti-corruption compliance verification efforts (which are the point of departure of the draft Guidance Report):
 - › corporate self-disclosure
 - › accounting firms
 - › law firms, consulting firms and outside certification bodies
 - › U.S. government-appointed monitors
 - › social and environmental certification bodies
- On December 12, 2012, TI-USA convened a meeting of the project Advisory Board to discuss the research conducted, proposed findings and recommendations, and a notional outline of the Guidance Report
- The draft Guidance Report on Verification of Anti-Corruption Compliance Programs was completed in September 2013
- TI-USA distributed the draft Report to the members of the project's Advisory Board for their comments and review, and held a meeting to obtain the Advisory Board's feedback on October 17, 2013
- TI-USA also presented the draft conclusions and recommendations of the Guidance Report to interested TI chapters at the TI Annual Members Meeting on November 9, 2013. The positive feedback received suggests that the Report will be relevant for both US and non-US companies
- Outlook: With the feedback from the Advisory Board and TI chapters, TI-USA plans to revise the Guidance Report and distribute it to companies, experts and other stakeholders, with the goal of finalizing the Report in early 2014; TI-USA will then undertake the final phase of the project, by publicizing and promoting the Report through speaking engagements and other outreach



DESCRIPTION OF INTEGRITY PARTNER

UNDP is the UN’s global development network. It operates in 166 countries, working with them on their own solutions to global and national development challenges. UNDP’s network links and coordinates global and national efforts to reach the Millennium Development Goals, by helping countries build and share solutions to the challenges of Democratic Governance, Poverty Reduction, Crisis Prevention and Recovery, Environment and Energy, and HIV/AIDS. UNDP is the lead agency on democratic governance in the UN system supporting efforts to advance democratic governance in four main areas: (1) Expanding people’s opportunities to participate in political decision-making, particularly those of women and the poor; (2) Making democratic institutions more accountable and responsive to citizens, supporting national parliaments, public administrations and rule of law; (3) Promoting the principles of democratic governance – in particular, anti-corruption, human rights, women’s empowerment and equal opportunity; and (4) Supporting country-led democratic governance assessments that help countries to assess their needs, monitor their progress and achieve their goals. UNDP’s activities in the Arab States region build on UNDP’s five thematic priorities, with additional emphasis placed on addressing the main impediments to human development in the region as identified by the Arab Human Development Report series, namely freedom and good governance, knowledge, and women’s empowerment.

Name of Integrity Partner:

United Nations Development Programme – Regional Bureau for Arab States (UNDP – RBAS)

PROJECT:

Anti-Corruption and Integrity in the Arab Countries (ACIAC)

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Arab States Region	3 years	1.78 M	International Organization, USA

The project is a major component in a broader regional anti-corruption initiative that will generate knowledge and support inclusive anti-corruption policy reform. It will develop the capacities of representatives from at least 40 civil society organizations (CSOs) and businesses across the region, focusing on the implementation of articles 12 and 13 of the UNCAC, and on mainstreaming transparency and integrity standards and practices in various business sectors, with a view to enabling concrete participation in national anti-corruption strategies in at least 4 countries.

Key activities include

- Training leading non-governmental practitioners (NGPs), using specially developed material,
- Supporting CSOs and businesses to formulate joint policy positions on various anti-corruption themes and engage governments in direct dialogue thereon, and
- Developing a service oriented Portal for the Arab Anti-Corruption and Integrity Network (ACINET) to promote knowledge sharing between various stakeholders



*Empowered lives.
Resilient nations.*

PROJECT AT A GLANCE:

The project will enable non-governmental actors to help in developing, implementing and monitoring national anti-corruption strategies in Arab countries.

KEY ACTIVITIES YEAR 3 (OCTOBER 2012 – SEPTEMBER 2013):

- [Training material](#) on ‘anti-corruption in business transactions’, dedicated to train SMEs in the Arab region, were developed through a rigorous consultative process, and prepared for dissemination through pilot trainings scheduled to take place in 2014 in Egypt, Jordan, Tunisia and Morocco
- [Education material](#) on ‘anti-corruption’, with a special chapter focusing on business transactions, dedicated to educate students of law faculties in universities in the Arab region, were developed in draft format through a comprehensive consultative process, and

are being prepared for dissemination in 2014 through formal integration in the curricula of law faculties in Morocco, Palestine, Qatar and Tunisia

- A multi-stakeholder regional community of business integrity reform drivers, including decision-makers and practitioners from government, business and civil society, representing 18 Arab countries, was established and enabled through UNDP’s support to design and implement related concrete reform initiatives

Building the capacity of non-governmental organizations

- 157 non-governmental practitioners were enabled to actively engage in and contribute to regional and national anti-corruption policy dialogue on UNCAC implementation in 18 Arab countries
- 43 non-governmental practitioners were enabled to actively engage in and contribute to national policy dialogue on anti-corruption and integrity in health, education, and water in three Arab countries

- Four thematic position papers were developed by ACINET’s ‘non-governmental group’ to be used for advocacy purposes in the following areas: fighting impunity against corruption, recovering assets derived from corruption, promoting access to information and preventing corruption in public lands
- Service-oriented [web-portal](#) of ACINET was made available online and the UNDP materials were used to populate the website



DESCRIPTION OF INTEGRITY PARTNER

UNODC is mandated to assist Member States in their efforts to fight illicit drugs, crime and terrorism through: 1. field-based technical cooperation projects to enhance the capacity of Member States; 2. research and analytical work to increase knowledge and understanding of drugs and crime issues and expand the evidence base for policy and operational decisions; and 3. normative work to assist States in the ratification and implementation of the relevant international treaties, the development of domestic legislation on drugs, crime and terrorism, and the provision of secretariat and substantive services to the treaty-based and governing bodies.

In its resolution 58/4 of October 31, 2003, the UN General Assembly adopted the UN Convention against Corruption. The Convention entered into force on December 14, 2005 and to date has been ratified by around 170 Member States and the European Union. A Conference of the States Parties has been established by the Convention to promote and review its implementation. UNODC is the guardian of the Convention and the Secretariat of the Conference of the States Parties. The Convention is the legal instrument underlying the UN Global Compact's 10th Principle against Corruption.

Name of Integrity Partner:
United Nations Office on Drugs and Crime (UNODC)
in cooperation with the International Anti-Corruption Academy (IACA), Austria

PROJECT:

Incentives to Corporate Integrity and Cooperation in accordance with the UN Convention Against Corruption

Table with 4 columns: COUNTRY OF IMPLEMENTATION: India, Mexico; DURATION: 3 years; USD (MILLION): 1.12 M; REGISTERED IN: International Organization, Austria

This project aims to promote States' implementation of articles 26 (Liability of legal persons), 32 (Protection of witnesses, experts and victims), 37 (Cooperation with law enforcement authorities) and 39 (Cooperation between national authorities and the private sector) of the United Nations Convention against Corruption and to facilitate private actors' compliance with the Tenth Principle of the UN Global Compact by:

- 1. Reviewing, in the framework of high-level committees of public officials and private sector representatives, legislation on corporate liability and legal incentives for companies to voluntarily report on internal

incidents of corruption and cooperate with public authorities, and recommending amendments to ensure full compliance with the Convention;

- 2. Designing and delivering joint training workshops for law enforcement, judicial authorities and companies' representatives on existing domestic laws governing corporate liability;
3. Organizing meetings of international experts to share existing knowledge and generate innovative approaches on how governments should best encourage and reward companies which report instances of corruption.

PROJECT AT A GLANCE:

The project aims to create systems of legal incentives for companies' integrity efforts, hence encouraging business to come forward and report internal incidents of corruption.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Global Coordination

- The Second Expert Group Meeting on Legal Incentives for Corporate Integrity was held on May 23-24, 2013 with 30 participants including technical experts from Mexico and India, as well as international experts from Brazil, Russia, Nigeria, South Korea, Malaysia, the OECD and the World Bank
- A publication entitled 'A Resource [Guide](#) on State Measures for Strengthening Corporate Integrity' was developed; the Guide describes the Convention articles that frame states' interactions with the private sector and

factors that can drive corporate integrity; it also suggests a range of sanctions and incentives that can be used to advance UNCAC objectives for preventing corruption within the private sector

India

- A [study](#) on the compliance of Indian laws with the UNCAC articles on corruption in the private sector, including an assessment of grassroots challenges and training needs relating to corporate integrity, was completed
- UNODC recommendations to better address private sector corruption were reflected in the newly adopted amendment of the Prevention of Corruption Act

Mexico

- A Technical Working Group, comprising representatives of the federal and state governments of Mexico City and Puebla, completed their review of the legal framework on incentives for corporate integrity with a focus on UNCAC articles relating to cooperation in law enforcement, liability of legal persons, protection of reporting persons, experts, witnesses and victims of corruption
- A legal [diagnosis](#) of Mexican incentives for promoting corporate integrity and reporting of corruption was conducted and it serves as the basis for the development of a training program



DESCRIPTION OF INTEGRITY PARTNER

UNODC is mandated to assist Member States in their efforts to fight illicit drugs, crime and terrorism through: 1. field-based technical cooperation projects to enhance the capacity of Member States; 2. research and analytical work to increase knowledge and understanding of drugs and crime issues and expand the evidence base for policy and operational decisions; and 3. normative work to assist States in the ratification and implementation of the relevant international treaties, the development of domestic legislation on drugs, crime and terrorism, and the provision of secretariat and substantive services to the treaty-based and governing bodies.

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Name of Integrity Partner:

United Nations Office on Drugs and Crime (UNODC)

PROJECT:

Outreach and Communication Program for the United Nations Convention Against Corruption (UNCAC)

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Global	3 years	0.75 M	International Organization, Austria

The project seeks to enhance companies' knowledge of how UNCAC can make a difference in their daily work both internally and in their interaction with public counterparts, and to encourage the business community to turn their anti-corruption commitments into action by bringing their integrity programs in line with the universal principles of UNCAC. The project also seeks to support learning institutions which have come to realize that they do have a role to play in preparing the next generation of public and business leaders to the challenge of making right and ethical decisions.

This will be achieved by:

1. Creating and disseminating a structured outreach and communication program that combines a global perspective with local contexts, reaching out to private companies, particularly the UN Global Compact business participants;
2. Developing a comprehensive academic learning course on UNCAC and its implication for public administrators and private operators to be embedded in curricula of business, law and public administration schools.

PROJECT AT A GLANCE:

This project aims to support private actors' integrity efforts by educating present and future generations of business and public leaders and better informing the corporate community of the UN Convention against Corruption (UNCAC).

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

- The UNODC communication strategy for engagement with the private sector was completed and officially adopted
- The [toolkit](#) for private sector awareness raising and outreach was designed and approved for dissemination, including brochures and factsheets on United Nations Organisation on Drugs and Crime (UNODC) projects relevant to the private sector
- A micro-site to be hosted on the UNODC TRACK [portal](#) was designed
- A strategy for reaching out to private sector companies and actively participating in anti-corruption and integrity related events was developed, approved and implementation started at the end of 2013
- An United Nations Convention Against Corruption (UNCAC) [curriculum](#) titled 'Global Corruption, Good Governance and the United Nations Convention against Corruption' was developed and is currently being taught in four universities around the world
- ✓ The UNCAC curriculum has proven to be in great demand, as over 30 other universities have already expressed interest in teaching the course



DESCRIPTION OF INTEGRITY PARTNER

UNODC is mandated to assist Member States in their efforts to fight illicit drugs, crime and terrorism through: 1. field-based technical cooperation projects to enhance the capacity of Member States; 2. research and analytical work to increase knowledge and understanding of drugs and crime issues and expand the evidence base for policy and operational decisions; and 3. normative work to assist States in the ratification and implementation of the relevant international treaties, the development of domestic legislation on drugs, crime and terrorism, and the provision of secretariat and substantive services to the treaty-based and governing bodies.

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Name of Integrity Partner:
United Nations Office on Drugs and Crime (UNODC)
in cooperation with the International Anti-Corruption Academy (IACA), Austria

PROJECT:

The 6 P's: Public-Private Partnership for Probity in Public Procurement

Table with 4 columns: COUNTRY OF IMPLEMENTATION (India, Mexico), DURATION (3 years), USD (MILLION) (1.22 M), REGISTERED IN (International Organization, Austria)

The project will promote States' implementation of article 9 of the UN Convention against Corruption (UNCAC) and support private actors' efforts to comply with the Tenth Principle of the UN Global Compact, by:

- 1. Reviewing, in the framework of high-level committees of public officials and representatives of the private sector, systems of public procurement, and assessing their compliance with UNCAC, with recommendations feeding into possible legislative amendments;
2. Designing and delivering a joint training program for public procurement personnel and private counterparts on the system of public procurement in force in both countries, giving participants opportunity for mutual learning;
3. Organizing meetings of international experts to share lessons learned and good practices in aligning national public procurement systems with the requirements of UNCAC, and to formulate model practices. Subject to the need for further training activities, a training module on integrity in public procurement will be developed.

PROJECT AT A GLANCE:

The project aims to reduce vulnerabilities to corruption in public procurement systems and to bridge knowledge and communication gaps between public procurement administrations and the private sector.

**KEY ACTIVITIES YEAR 3
(OCTOBER 2012 – SEPTEMBER 2013):**

Global Coordination

- The Second Expert Group Meeting on Transparency, Competition and Objectivity in Public Procurement was held May 21-22, 2013 with over 30 participants including technical experts from sub-projects in Mexico and India
- A [Guidebook](#) was published on 'Anti-Corruption in Public Procurement and the Management of Public Finances', which provides an overview of good practices in this area, including a checklist of questions that State parties to the United Nations Convention Against Corruption (UNCAC) can consider when assessing their own compliance
- A new training course on [Public Procurement Anti-Corruption Training](#) was designed which is a one-month program delivered by the International Anti-Corruption Academy in cooperation with the United Nations Organization against Drugs and Crime

India

- A [study](#) was completed on compliance of Indian federal laws and State of Karnataka laws for compliance with article 9 of UNCAC
- An [assessment](#) of grassroots challenges, practices and training needs in relation to probity of public procurement was completed

Mexico

- A [diagnosis](#) of the Mexican legal system and operational implementation of public procurement policies was finalized
- A baseline survey of current public procurement practices was developed and completed by over 160 stakeholders



DESCRIPTION OF INTEGRITY PARTNER

The Center for Economic and Financial Research and Studies is affiliated with the Faculty of Economics and Political Science of Cairo University. The faculty of Economics and Political Science is among the most reputable and distinguished faculties of the Cairo University, well known for its initiatives to raise awareness and enhance extra curricular activities among students. The Center for Economic and Financial Research and Studies is one of the oldest and most active research centers, with multi-dimensional activities, including developing the skills of students.

Name of Integrity Partner:

University of Cairo, Center for Economic and Financial Research and Studies (CEFRS)

PROJECT:

Fighting Corruption and Fraud through Collective Action, Education and Training (Towards a Transparent Economy)

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Egypt	5 years	0.85 M	Egypt

Main activities:

- Raise public awareness of indicators for measuring transparency, and the importance and means of combating corruption (target audience is the general public with a special focus on faculty students and the youth)
- Educate faculty students on the benefits of disclosing and sharing information, and the best means of doing this, in light of international best practices; conduct student research competitions (target audience are faculty and students but may expand to include junior candidates in relevant governmental entities and major economic sectors such as the financial sector, small and medium enterprises, and the corporate sector)
- Integrate knowledge about corruption and transparency in academic curricula; train academic professionals on how to teach these new concepts (target audience are academic professors who are in charge of disseminating acquired knowledge to future generations of students)

PROJECT AT A GLANCE:

The aim of this project is to raise awareness, organize extracurricular activities and create curricula for enhancing the knowledge on transparency and combating corruption among faculty students.

**KEY ACTIVITIES YEAR 3
 (OCTOBER 2012 – SEPTEMBER 2013):**

The project was implemented in challenging circumstances because of the political instability that was marked by numerous violent demonstrations right outside the Cairo University.

In detail, CEFRS implements the following activities:

- An awareness-raising seminar including five training workshops in cooperation with the Ministry of Youth (Youth Vision to Combat Corruption)
- Eight training workshops were held to raise awareness in governorates in cooperation with other universities
- Extra-Curricular activities through five open discussion fora on international best practice in the fields of anti-corruption and the role of the supervisory authorities, as well as the importance of transparency and the means by which it can be achieved (i.e. the role of education and the civil society)
- Education Curricula: CEFRS continued encouraging faculty members from various departments to integrate the topics of anti-corruption and financial integrity into their curricula (i.e. public finance, economics of finance and public administration)
- CEFRS has encouraged students to have a [Facebook](#) page to announce their activities
- Awareness raising flyers and publications were used to enhance the expansion of the project outreach and the dissemination of information and knowledge to a wider audience (i.e. the geographic scope of the project was expanded beyond Cairo University to reach out to other stakeholder such as the underserved governorates in Upper Egypt (through cooperation with Assiut University), as well as the Egyptian Youth at large through a cooperation with the Ministry of Youth)
- Increased engagement between students and senior government officials took place through various activities which exposed students to a debate with government and taught them more about administrative anti-corruption procedures and the importance of transparency
- ✓ Impact: the awareness raising activities show first signs of impact reflected in an increasingly large number of students who are now aware of the importance of good governance and anti-corruption practices in business



High-profile support for Collective Action

Annex

Country CEOs report on local projects and their positive impact on business

'Fighting corruption is a fundamental part of our daily business at Siemens': An emphatic statement recently delivered by Prof. Dr. Siegfried Russwurm, Member of the Siemens Managing Board and CEO of the company's Industry Sector, at the World Economic Forum's Partnering Against Corruption Initiative (PACI) Vanguard inaugural meeting for CEOs. The new initiative seeks to support the creation of a harmonized legal framework to address corruption and is committed through Collective Action – i.e. by building a common front against corruption – to implementing it on a worldwide basis. Siemens Country Heads support Russwurm's view and many are able to report on the positive impact that Collective Action is making in their respective countries.

Collective Action CEO Testimonials around the world



"I am proud that Siemens managed to contribute to the set-up of a new culture of clean business and ethical conduct in Angola after the carve out of the Siemens COM business in 2010."

"I am delighted that the Siemens employees in Angola promote Collective Action because business ethics go beyond compliance. For us, a collective approach in cooperation with other companies, civil society and government is the only way to foster fair market conditions in Angola."

"Moreover, I am content that the Siemens Integrity Initiative financially supports the creation of an independent civil society 'Ethics Institute of Angola' dedicated to promotion of ethics."

Jorge Tropa (2014)



CEO Angola: Jorge Tropa

Examples of Collective Action in Angola:

The first ever Ethics Institute of Angola (EIA) was created which set the stage for a public commitment of various Angolan business leaders to ethical business behavior.

The Ethics Institute of Angola identified the key business leaders and opinion makers of the Angolan society that became the members of the new initiative.

The Chairman of the Institute emerged as anti-corruption champion and is today a recognized opinion leader on ethics in the Angolan society.

"I feel proud of what Siemens has achieved in Argentina in promoting Collective Action activities."

"Today, Siemens in Argentina is recognized by stakeholders as a pioneer company in terms of integrity and active fight against corruption. After many years, we are back in the rank of reputable companies implementing an exemplary Compliance system."*

Eng. Enrique Genzone (2014)



CEO Argentina: Eng. Enrique Genzone

Examples of Collective Action in Argentina:

Major competing companies including ABB, Alstom and Siemens, etc. signed a Collective Action Compliance pact in Argentina which commits the companies to refrain from any kind of corruption in the energy transmission sector.

Corporate Argentinean lawyers signed a similar Collective Action initiative as an outcome of the Siemens Integrity Initiative project.

A Code of Conduct (COCIR) was also signed with companies of the medical imaging sector (e.g. GE, Philips, etc.), a leading case in Latin America.

All of these actions definitively contribute to improve clean business and transparency in the local market.

* As per Merco (Monitor Empresarial de Reputación Corporativa)
www.merco.info/datafiles/0000/4518/Merco_Empresas_Argentina_2013_WEB.pdf
www.merco.info/datafiles/0000/5227/Merco_Empresas_Responsables_Argentina_2013-WEB.pdf

"I am delighted to see that ethics has returned to be on the minds of the businessmen in Bolivia because a company's reputation and brand is increasingly critical for business and of the stocks. Thus, there is a direct link between ethics and profit for the company."

"I feel proud that Siemens Bolivia lives the concept of Collective Action. In practice, we prioritize compliance and cooperate with different stakeholders such as industry peers as well as customers to counter the risk of corruption by mutual learning and sharing of best practice."

"It is for given reason that our main customers look at us as leaders when ethics in businesses have to be improved within their organizations. This makes Siemens not only the perfect choice for the quality of its products but also because of its significance in its/the brand."

Omar Vargas (2014)



CEO Bolivia: Omar Vargas

Examples of Collective Actions in Bolivia:

Round table with Top Accounts regarding 'Ethics and Transparency in the Business Practices'.

Workshop 'Ethics and Transparency' with the special attendance of Mrs. Nardi Suxo, Transparency and Anticorruption Minister and Siemens Top Accounts.

San Cristobal Mine (Siemens Top Account) recognizes our compliance S system and asks us to share it in its mining camp located in the Andes of Bolivia – at an average height of 3,900 MASL to promote ethics and transparency in their business.

Important Customers and Siemens Bolivia, build 'The Circle of Excellence in Ethics and Compliance' and signed a voluntary Commitment of Transparency and Ethical Behavior.

"We are very happy to see Siemens contributing actively to the changes in the Brazilian business environment towards clean business and fair market conditions."

"As many people might know, Brazil is going to host the two most popular sport events on the planet, the Football World Cup 2014 and the Olympic Games 2016. The country is seizing this opportunity to evolve the level of transparency and integrity in public business, a legacy that will stay for the next generations. And the best, like other stakeholders, Siemens is engaging strongly in this process through Collective Action activities against corruption."

"I am especially excited to see how Instituto Ethos, a reputable independent Brazilian NGO, which receives financial support by the Siemens Integrity Initiative, manages to bring more transparency into the organization of these mega sport events with the 'Clean Games inside and outside the Stadium' Project."

Paulo Ricardo Stark (2014)



CEO Brazil: Paulo Ricardo Stark

Examples of other Collective Action in Brazil:

The new Company Pact against corruption is another Collective Action initiative dedicated to discuss new trends with the society. The Pact involves around 350 companies, including Siemens and it contributed to the adoption of the New Transparency Act and the Brazilian Anti-corruption Act, aligned with the OECD standards.

Another initiative is the inclusion of Compliance requirements in the National Quality Award 2013 which constitutes 'ethics in business' as goal to be achieved by the companies in Brazil.

“Collective Action substantially contributes to change the business attitude of market participants in Bulgaria.”

“I was very pleased to see the positive change which the Collective Action project of Transparency International Bulgaria (funded by the Siemens Integrity Initiative) evoked in Bulgaria. Their idea to promote a Bulgarian Integrity Pact model was well accepted by both the business and the public sector. These obligatory Integrity Pacts and the establishment of external monitoring by a neutral third party in public procurement procedures tends to become more popular and it is recognized as a way to create fair and equitable market conditions and to ensure that the selection of a bidder is based solely on price, quality and capacity.”

“I believe that Collective Action is the right approach to increase the level of transparency for all market participants and to foster clean business in Bulgaria.”

Dipl. Eng. Boriana Manolova (2014)



CEO Bulgaria: Dipl. Eng. Boriana Manolova

Example of Collective Action in Bulgaria:

Transparency International Bulgaria receives funding from the Siemens Integrity Initiative to advocate against corruption in public contracting and introduce integrity pacts as tool to monitor and enhance transparency in the awarding of public contracts in Bulgaria.

The project gradually changes the behavior of business and the public sector and ultimately the risk of corruption in Bulgaria.

“With the implementation of the Siemens Integrity Initiative and intensified Collective Action activities in various market segments with business partners, customers, suppliers and NGOs, Siemens is contributing to make a difference in a time when the Chinese authorities are keen to improve the business environment.”

“We noticed that Siemens attitude towards clean business is more and more widely recognized by government officials, media, Multinational Companies and State Owned Enterprises.”

“We are proud to see that promoting an integrity culture and a sound compliance system has attracted high interest from customers and partners, who recognize Siemens as a trusted company to support China’s sustainable growth in a clean business environment.”

Lothar Herrmann (2014)



CEO China: Lothar Herrmann

Examples of Collective Action in China:

During three years of Siemens Integrity Initiative’s activities, business integrity and anti-corruption were effectively promoted.

The Chinese government accepted the policy recommendations submitted by Siemens Integrity Initiative partner NATC, e.g. Improving Blacklist System for Purchase & Sales of Pharmaceuticals and Medical Equipment.

NATC also published the compliance series of books and the Business Integrity Handbooks.

“I am convinced that Collective Action activities in Colombia will have a tangible impact towards clean business and competitive markets, in particular Healthcare and Oil & Gas.”

“As CEO in Colombia, I am mentoring several anti-corruption projects of independent civil society organizations which includes financial contribution by the Siemens Integrity Initiative.”

“I am delighted that the projects are considered to speed up the anti-corruption initiatives in Colombia, in particular the newly established High Level Reporting Mechanism (HLRM). This recent pilot project, sponsored by the OECD & the Basel Institute, in combination with the Siemens Collective Action Strategy, will set a new standard that can be replicated beyond the region.”

Daniel Fernández (2014)



CEO Colombia: Daniel Fernández

Examples of Collective Action in Colombia:

Start up of a Compliance Pact for Oil & Gas market, under CAMPETROL platform (National O&G Trade Association), involving the Regional Center for the support of the UN Global Compact in Latin America and the Caribbean as neutral facilitator and the HLRM (Secretary of Transparency from the President’s Office).

A similar initiative will be signed under ANDI Platform (National Chamber of Medical Devices), starting with the issuing of the first National Healthcare Code of Conduct, and involving the same facilitator and link to the HLRM.

“We believe that a culture of integrity and transparent public procurement is in the interest of all parties – customer and supplier, public and private. It is therefore very important that both domestic and multinational companies operating in the Czech Republic actively commit to it and jointly tackle possible corporate wrongdoing.”

“We think that it is not enough to only draw attention to the problems and to expect the state institutions to resolve them. Business has a role to play to ensure fair market conditions.”

“We are proud that Siemens has been awarded prestigious ‘TOP responsible company’ as the most responsible company in the Czech Republic by the Business for Society platform. Transparency and compliance were among the areas in which Siemens gained the respect of the jury.”

Dr. Eduard Palisek (2014)



CEO Czech Republic: Dr. Eduard Palisek

Examples of Collective Action in CZ:

Oziveni, an NGO funded by the Siemens Integrity Initiative, together with the Coalition for Transparent Business fostered the enactment of a robust Public Procurement Act in the Czech Republic.

Establishment of the Coalition for Transparent Business, which is open to all companies that share the same ethical values and want to contribute to the creation of transparent and clean business environment including public procurement.

“I am proud that Siemens championed, promoted and contributed to the concept of Collective Action against corruption which fosters clean and ethical business practice in Egypt.”

“Despite the difficult recent situation in Egypt, we are using each possible opportunity to raise the awareness of the often neglected issue of corruption for the sustainable development in Egypt.”

“I am delighted to see that the Siemens Integrity Initiative is providing financial support for independent civil society organizations such as the Cairo University and the Egyptian Junior Business Association to attract the Egyptian youth who are the future leaders of Egypt to the issue of corruption and to encourage them to set anti-corruption high up on their agenda.”

Mohamed El-Mahdi (2014)



CEO Egypt: Mohamed El-Mahdi

Examples of Collective Action in Egypt:

Cairo University, together with the Egyptian Junior Business Association, managed to raise awareness about the need to combat corruption, to establish compliance measures in companies and to promote the idea among the future young leaders in Egypt.

Moreover, they succeeded in supporting SMEs with tools and trainings to enable clean business.

A network of enterprises and youth was used to reach out to a diverse range of many different stakeholders and promote ethical standards in business

A dialogues between students and senior government officials was established to discuss compliance

“I am proud that we were awarded the ‘Telenor Ethical Company 2013’. This decision was made by Transparency International Hungary mainly for our Integrity Initiative. Siemens is ready and able to show the pathway also for other companies in creating fair market conditions.”

Dale A. Martin (2014)



CEO Hungary: Dale A. Martin

Examples of Collective Action in Hungary:

Central Eastern European University of Budapest established the ‘Center for Integrity in Business and Governance’ and developed the ‘Integrity Curriculum Framework’ in cooperation with Siemens, thus we can shape the ethical behavior of future generations.

We strongly support the Hungarian Initiative of the Prince of Wales – the Hungarian Business Leaders Forum – in providing practical guidance for companies to promote the ‘Level Playing Field’.

"I am worried to see that corruption is a major obstacle to a country's growth and social development, in particular in the context of emerging economies. Corruption clearly adds an additional burden and high costs to an already struggling economy."

"I noticed that while companies in India are individually contributing to the fight against corruption in their own ways, a sustainable and meaningful change towards clean business can only be achieved if civil society including NGOs, companies and the Government work collectively together to combat corruption and to drive better governance. This is no longer a luxury but the need of the hour!"

"At Siemens India, we continuously focus towards creating a fair market and combating corruption through Collective Action, education & training."

Sunil Mathur (2014)



CEO India: Sunil Mathur

Examples of Collective Action in India:

The Siemens Integrity Initiative supports various independent non-profit organizations in their fight against corruption:

- The United Nations Global Compact Network in India, United Nations Organization on Drugs and Crime, the Confederation of Indian Industry and various other bodies are sensitizing the public and private sector about corruption.
- As part of CAP [Collective Action Project], a series of Forums were held across India with Corporates, Bureaucrats, Academia's and Professionals to discuss, evolve strategies and take concrete and visible actions to fight corruption.

"Siemens is well positioned in the Indonesian business environment as a driver for Anti-Corruption initiatives through its Collective Action activities."

"Siemens becomes the role model for its anti-corruption initiative from the business sectors in Indonesia. The stakeholders understand that Siemens only does clean business."

"Dealing with Siemens means no involvement in bribery. The fact that helps in growing Siemens business in Indonesia."

Josef Winter (2014)



CEO Indonesia: Josef Winter

Examples of Collective Action in Indonesia:

Siemens has multi-stakeholder partnerships which comprise government (e.g. KPK, UKP4), business associations (KADIN, APINDO, GAKESLAB), and civil societies (IBL, TII, Kemitraan, KNKG).

Through the Siemens Integrity Initiative, the awareness on the importance of integrity in public procurement keeps increasing.

Cooperation with TI creates the opportunity to work together with state-owned utility PLN, one of most important customers of Siemens Indonesia, in building their CLEAN Program.

Building Integrity in the Healthcare Sector is currently initiated with Indonesia Business Link.

Facilitation payment issues are tackled via the Committee to Address Facilitation Payments.

"I am pleased to observe that with the support of the Siemens Integrity Initiative (which provides financial support for anti-corruption projects of non-profit organizations) the awareness for ethical behavior in Israel rose and the issue of corruption started to be discussed in public fora."

"I am proud that the Siemens Integrity Initiative is financially supporting the well known and independent local NGO, Ma'ala, which helps foster clean business in Israel."

"I am content to notice that new ethics standards including against corruption were set in the business community after Israel joined the OECD in 2009 and with the help of companies like Siemens and other non-profit stakeholders partly funded by the Siemens Integrity Initiative."

Eliezer Tokman (2014)



CEO Israel: Eliezer Tokman

Example of Collective Action in Israel:

Ma'ala uses its reputable Corporate Social Responsibility (CSR) index to reach out to a wide range of organizations to alert about corruption.

In detail, Ma'ala extended the CSR index chapter of ethical behavior with new questions which put the spotlight on areas with a high corruption risk such as the approval of business partners, providing gifts and hospitality, approval of donations and training of employees.

The publication of the Index including the results of the new questions generated a vibrant public discussion and helped implementing anti-corruption standards.

"Ethics & Business: Integrity pays!"

"I am delighted to see that the project funded by the Siemens Integrity Initiative (1st round) has changed the behavior of market participants in the green sector in Italy."

"The Italian Ministry of Environment, Italian companies specialized in renewable energy sector, and environment-related NGOs are sensitized about possible risks of corruption in the sector and developed opportunities to do clean and fair business."

Federico Golla (2014)



CEO Italy: Federico Golla

Examples of Collective Action in Italy:

During the National Forum of Green Clean Market and in association with Transparency International Italy we presented to the Italian Government our research on the risks and opportunities of the renewable energy market.

Workshops at schools and universities in order to promote our Educational Program.

“I feel proud of the results achieved in Compliance topics, strengthening our relation and commitment with our business partners and the industry in general, continuing promoting a transparency culture and fair and equitable market conditions in the region.”

“Through integrity initiatives such as the ‘Ethics & Compliance Forum’ where more than 60 organizations took part, and the work teams focused to reach the application of the international agreements against corruption in local legislation according to the Siemens Integrity Initiative, we actively keep fostering a corporate integrity culture and clean businesses.”

Louise Goeser (2014)



CEO Siemens Mesoamerica: Louise Goeser

Examples of Collective Action in Mexico:

Most of key-customers participating in Channel Talks. ‘Ethics & Compliance Forum’ over 60 members (organizations), including participation of key customers (December 4, 2012 and May 9, 2013).

Active participation in ‘Second Latin American Conference in Corporate Compliance’ Siemens named President of Honor (October from 08 to 10, 2012) Siemens Integrity Initiative at Mexico:

- Incentives to Corporate Integrity and Cooperation in accordance with the UN Convention Against Corruption
- The 6 P’s: Public Private Partnership for Probity in Public Procurement

“When I look back at what we have been able to achieve in partnership with the Integrity Partners which are funded by the Siemens Integrity Initiative in the past year, I am proud to say that we have made substantial progress in advancing the concept of Collective Action against corruption in Nigeria. A positive change towards clean business and fair market conditions is visible.”

“I am delighted to see that a collaborative and unified anti-corruption approach of different stakeholders in Nigeria including non-profit organizations, Governmental anti-corruption agencies and business associations has paid off and led to increased public awareness about the issue of corruption in Nigeria.”

“I am confident that this will take the Nigerian business terrain to the next sustainable business level, underlined by good governance practices.”

Michael Lakota (2014)



CEO Nigeria: Michael Lakota

Examples of Collective Action in Nigeria:

A Corporate Governance Rating System (CGRS) for listed companies in the Nigeria Stock Exchange (NSE) was developed by the organization Convention and Business Integrity with the support of the Nigeria Stock Exchange.

Workshops on Ethics and Compliance for Companies across the country were developed and implemented by the United Nations Global Compact (UNGC) together with the Nigerian Economic Summit Group (NESG).

“The ‘Shine’ project implemented by the Makati Business Club and funded by the Siemens Integrity Initiative has come a long way and made a real difference in the Philippine private sector since it started 3 years ago.”

“I am happy to say that more than 1,800 companies and organizations in the Philippines have expressed their commitment to abide by ethical business practices by signing the integrity pledge. Siemens’ support to this project made this possible.”

“The Philippines has seen a consistent improvement in its ranking in the Corruption Perception Index of Transparency International. The country rank improved from place 129th in 2011 up to the 94th place in 2013. To sustain this improvement, Siemens must continue to support anti-corruption campaigns and efforts.”

Jacky BT Chan (2014)



CEO Philippines: Jacky BT Chan

Example of Collective Action in the Philippines:

Local and foreign business enterprises in the Philippines have signed the Integrity Pledge to prohibit bribery and corruption with the ultimate objective of being certified and accredited, like ISO, for their compliance practices.

The ‘Shine’ project is funded by the Siemens Integrity Initiative and implemented by the Makati Business Club and the European Chamber of Commerce of the Philippines to create fair market conditions for all market participants.

“For many years we have been focusing on the promotion of ethics in business in Poland. The initial projects in the framework of the Siemens Integrity Initiative addressed the healthcare market, which belongs to the most sensitive market segments with a relatively high risk of corruption.”

“With many thanks to our Collective Action initiatives we were able to create integrity alliances engaging different stakeholders including NGOs, universities and even some of our corporate competitors against corruption.”

“The new alliances contribute to a clean business environment in Poland and it enables us to position the unique and exemplary Compliance system of Siemens as a kind of a benchmark for other companies in Poland.”

Peter Baudrexl (2014)



CEO Poland: Peter Baudrexl

Examples of Collective Action in Poland:

For the first time, Polish healthcare facility staff as well as medical device suppliers were sensitized about ethical standards and the risk of corruption in the healthcare sector in the context of the MedKompas project funded by the Siemens Integrity Initiative.

Ethics and compliance standards were promoted in the healthcare diagnostics market through the DiagKompas project which is a local Collective Action based on the positive MedKompas experience.

Compliance Post-Graduate Studies at Kozminski Academy – local collective action in cooperation with one of the largest business schools in Poland.

Participation in Compliance related conferences, committees and workshops in Poland.

“We went a long way in solving the compliance-related issues in Russia.”

“Now, Siemens in Russia & Central Asia is at highest level in terms of compliance with legal and ethical norms. I would even say that we are number one in Russia. As we continue to grow and expand in this region, we must maintain the effort in order to remain at the top level. Our Collective Action initiatives are great examples of such successful efforts.”

Dr. Dietrich G. Möller (2014)



CEO Russia & Central Asia: Dr. Dietrich G. Möller

Examples of Collective Action in Russia:

Open and constructive dialogue with the Government of the City of Moscow on optimization of tender procedures. Siemens along with 17 other companies submitted its recommendations on increasing transparency of tender process to the City Government. This project was funded under the Siemens Integrity Initiative and was administered by the International Business Leaders Forum in Russia.

Siemens currently chairs the Compliance Working Group of the Russian-German Chamber of Commerce (AHK) and regularly shares its experience with other companies including SMEs.

“Having been one of the pioneers of Compliance among major transnational corporations in Singapore, Siemens Singapore had signed the Anti-Corruption Declaration with the Singapore Institute of International Affairs way back in Sept. 2009. This was the platform where 17 organizations came together and declared their commitment towards clean business practices. With our robust Compliance organization worldwide we in Singapore continue to keep Compliance as one of our top priorities. By keeping in constant touch with industry peers, we are able to manage compliance risks with a focus on mitigation measures and ensure a ‘no surprises’ approach.”

Dr. Armin Bruck (2014)



CEO Singapore: Dr. Armin Bruck

Examples of Collective Action in Singapore:

Currently, we are part of the following external Compliance groups where industry best practices are shared and all common issues addressed:

- Compliance & Ethics Networking Group
- Asia Pacific Healthcare Compliance Group
- Australasian Compliance Institute
- Emerging Markets Risk and Compliance Council
- Data Protection Group

"I am pleased that Collective Action demonstrates our commitment to clean business in Southern Africa and highlights our role as a trusted business partner for public and private enterprises in the region."

"In an environment where there is growing civil and investor concern with transparency, misappropriation and effective service delivery, both NGO projects which are financially supported by the Siemens Integrity Initiative have contributed significantly to raising awareness and to improving administrative skills and governance in municipal administration and public procurement. While there is a long way to go yet, these incremental steps are without doubt the building blocks for a leveled playing field in Southern Africa."

"Our highest priority is to ensure the long-term competitiveness of Siemens and the Southern African economy by helping to fight corruption and promoting clean markets beyond the boundaries of our local company, together with our customers and business partners."

Siegmar Proebstl (2014)



CEO Southern Africa: Siegmar Proebstl

Examples of Collective Action in S. Africa:

Angola: The Ethics Institute South Africa created the first 'Ethics Institute' in Angola which is a Center that provides trainings and sets the stage for a public commitment of various Angolan business leaders to ethical business behavior. The Chairman of the Center emerged as anti-corruption champion and is today a recognized opinion leader on ethics in the Angolan society.

South Africa: The Ethics Institute South Africa undertakes activities to raise the awareness of the public about the issue of corruption and provides trainings to improve the administrative skills and governance in municipal administration, in particular in the area of public procurement.

"I feel proud of what Siemens has achieved in Korea in support of our Collective Action activities."

"Now, Korea is at an important juncture to get to the next level with sustainable backwind in a road to reach sustainable, clean business environment. Korea and Siemens Korea have achieved a lot, but we need to continue with our integrity initiatives and should not miss the perfect moment."

Dr. Jong Kap Kim (2014)



CEO South Korea: Dr. Jong Kap Kim

Examples of Collective Action in South Korea:

South Korean students are sensitized about corporate ethics and risk of corruption through the Northeast Asia Business Integrity School (NABIS), funded by the Siemens Integrity Initiative to foster a clean and transparent business environment.

Siemens Korea is Co-founder of the Business Compliance & Ethics Forum and Co-Chair of the B.E.S.T Forum; both provide companies a forum for learnings, discussions and best practice sharing.

Siemens Korea continuously presented on Compliance topics at CEO Forums, universities and conferences as well as per benchmarking request to numerous major Korean companies.

“We are proud to promote the spirit of integrity towards our customers, partners and employees to jointly combat corruption in our country and to foster fair market conditions to support long-term success for our company.”

“Siemens Thailand seeks to promote Collective Action practices to enhance integrity and clean business involving the private and the public sector. We will continue to share ideas and best practice with other coalition members and business partners to champion clean business practices.”

“We are convinced that our Collective Action initiative will contribute to increase Thailand’s overall competitive edge and make business in Thailand more transparent and ethical.”

Anthony Chay (2014)



CEO Thailand: Anthony Chay

Examples of Collective Action in Thailand:

Siemens Thailand has joined the Integrity Pacts Initiative of the Public Sector and Collective Action Coalition against Corruption (CAC) in the Private Sector, which aim to foster ethical and clean business activities in Thailand.

One key achievement was the increase of signatory companies which signed the declaration of CAC from 27 in 2010 to 242 companies (81 listed companies) in 2013.

Siemens Thailand was awarded the ‘Thailand’s Private Sector Collective Action Coalition against Corruption’ Certificate 2013 by the Thailand Institute of Directors.

“To work for Siemens is a huge responsibility. For the last 165 years we were known in Turkey to be the pioneer in many engineering fields as well as social responsibilities.

Our stakeholders know us as a responsible, reliable and innovative partner. It always made me proud to keep our values at a high level.

I see the Collective Action initiative as an umbrella initiative to ensure that we take our beliefs and values, for clean business, to all levels. For this reason we are a tireless key driver in Business Ethics in the country and we are proud to live and act on our values”.

“The Collective Action framework of Turkey has 3 key elements which are:

- 1) Stakeholder process and map.*
- 2) Turkish Ethics and Reputation Society.*
- 3) Cooperation with public / governmental bodies.”*

Hüseyin Gelis (2014)



CEO Turkey: Hüseyin Gelis

Examples of Collective Action in Turkey:

Founding members of Ethics and Reputation Society ‘TEID’, a nonprofit organization aiming to develop and encourage adherence to universally recognized business ethics principles and disseminating them in the Turkish Business environment. TEID has now 85 members including major leading Turkish companies.

‘The Ethics and Compliance Certification Program’ is organized at Bilgi University two times by RCO.

Collaboration with Koç University regarding corporate governance is established in 2013.

“Siemens is leading by example in order to raise the awareness and adoption of Collective Action as a best practice in the UAE and Middle East.”

“UAE’s winning Expo 2020 bid will further spur regional development. At the same time we are seeing strong growth in countries like Qatar, Iraq and others. With this growth comes the responsibility for Siemens to work even more closely with its partners to expand Collective Action, supporting the creation of efficient, competitive and healthy markets. We must ensure that with Siemens, clean business is the only business conducted here in the Middle East. Let’s move forward all together on this road.”

Dietmar Siersdorfer (2014)



CEO Middle East & UAE: Dietmar Siersdorfer

Examples of Collective Action in the Middle East:

Together with the UNDP we help to enable non government organizations to develop, implement and monitor national anti-corruption strategies in Arab countries.

With the University in Cairo we aim to raise awareness and to enhance knowledge through training and activities with the students about how to fight corruption.

Initiative together with OECD, to raise awareness of principles and best practices in combating corruption in the Middle East and North Africa.

Launching and implementing together with the UN anti-corruption and Collective Action initiatives in Egypt.



More information on Collective Action is available on www.siemens.com/collective-action

In addition to this report, Siemens publishes information on its activities in this field in its comprehensive Annual Report (www.siemens.com/financialreports) at the end of the fiscal year. From 2013 Siemens has embedded its Sustainability Report into the Siemens Annual Report.

This Siemens Integrity Initiative Annual Report 2013 has been compiled to the best of our knowledge and includes information that has been submitted to the Siemens Integrity Initiative Project Office through March 14, 2014.

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