The background of the entire page is a dense, overlapping pattern of circular glass lenses. The lenses are arranged in a grid-like fashion, with some overlapping others. The lighting is warm and golden, creating a sense of depth and texture. The lenses are slightly out of focus, giving a bokeh effect.

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Integrity Initiative
Annual Report 2015

siemens.com/integrity-initiative

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Note:

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, 2012, 2013, and 2014 can be found here:

www.siemens.com/integrity-initiative/Report2011

www.siemens.com/integrity-initiative/Report2012

www.siemens.com/integrity-initiative/Report2013

www.siemens.com/integrity-initiative/Report2014

Kindly note that the online version of this Annual Report 2015, available at www.siemens.com/integrity-initiative/Report2015, is complemented by numerous hyperlinks which provide a wealth of additional external information on the projects funded under the Siemens Integrity Initiative.

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 2016

With our first Annual Report on the activities of the Siemens Integrity Initiative in 2011, we informed you about our Collective Action program in **Section A** and set out the background to the Siemens Integrity Initiative, backed today by funding in excess of USD 100 million, in **Section B**. As well as outlining the thinking behind the initiative as it was conceived in 2009, we explained how the First Funding Round worth around USD 40 million was implemented, from the initial planning, through the selection stage, to the awarding of funds to the first projects in December 2010.

In our second, third and fourth reports for the completed years 2012, 2013 and 2014, we reported on the status of the projects and are delighted to have the opportunity once again, in this new, fifth report for 2015, to offer you current and in-depth insights into our projects

in **Section C**, much in line with the continuity we have already embarked upon.

The content of **Section C**, covering the projects from the First and Second Funding rounds, is based on the information supplied by our partners as of the key date March 4, 2016, and has been aligned with and approved by them.

We are pleased to announce that, five years since they came into being, many projects from the First Funding Round have yet again demonstrated gratifying implementation progress and that the 24 new projects from the Second Funding Round, with a total funding volume of USD 35.554 million over 3-5 years, have been signed off successfully after undergoing thorough cross-functional due diligence and passing the “veto right” of the World Bank Group and the “no objection right” of the European Investment Bank.



As reported, the World Bank Group has a right of audit over the use of funds (USD 100 million over 15 years) in accordance with the “Settlement Agreement” dated July 2, 2009, and a right of veto over the selection of Anti-Corruption groups or programs. As part of the agreement between Siemens and the European Investment Bank (13.5 million euro over 5 years), the EIB has the right to reject proposed projects.

This year, too, the Siemens Integrity Initiative Project Office, in collaboration with its locally based Siemens Project Relationship Managers, has kept itself regularly up to date on the progress of the projects via a biannual reporting process which encompasses an overview of the implementation and milestones of the contractually agreed activities as well as a target/actual analysis of the associated budgets and audited financial reports. The Project Office

has also reported regularly to the Steering Committee of the Siemens Integrity Initiative on the results achieved, and has taken part in face-to-face information sessions with the dedicated working groups of the World Bank Group and the European Investment Bank (EIB) in Washington and Luxembourg.

Much of the information available to us has been made transparently accessible to the public via our dedicated web presence www.siemens.com/integrity-initiative, and we hope that this will convince further important allies to sign up to Collective Action and join us in our fight against corruption. The positive external and internal feedback received in response to our reports has strengthened our resolve to extend our program even further, enabling us to highlight more and more anti-corruption success stories across all countries and, in so doing, integrate additional stakeholders and activities.

● A Word from the Siemens Integrity Initiative Steering Committee

A Word from the Siemens Integrity Initiative Project Office

The information provided relates in particular to the framework conditions for the First and Second Funding Round, the application and selection process for the projects, the brief profiles and the individual funds earmarked for the selected projects from the First and Second Funding Round, and the unabridged versions of the Siemens Integrity Initiative Annual Reports for 2011, 2012, 2013, 2014 and 2015.

This Annual Report 2015 was approved by the Siemens Steering Committee on April 6, 2016 and submitted to the World Bank Group in Washington on April 13, 2016 and to the European Investment Bank in Luxembourg on May 4, 2016, supported in each case by an in-depth presentation.

We remain well on track, and look forward with optimism to the continued implementation of our projects, numbering more than 50 in over 25 countries, which is so vital to our cause.

In our activities associated with the First and Second Funding Rounds, we have succeeded in generating the public momentum and attention around the world that will enable us to drive forward the alliance of shared interests in promoting cleaner markets for fairer market conditions in conjunction with our ongoing strategic engagement in this field, for example in the G20/B20 Dialog or the OECD BIAC. We are convinced that the positive impetus emerging within the economic cycle as a result of our global partnerships will continue to underpin



sustainable and equitable action in perfect harmony with our values and what we describe as our "Ownership Culture". The positive external and internal feedback we receive continues to spur us on and we are optimistic that the already set-up system for capturing and evaluating impact will continue to show that projects generate impact on the ground.

We would like to convey our heartfelt thanks to the Siemens Integrity Initiative Project Office for conceiving and shaping the Initiative and its global governance and leadership, and of course to the Project Partners themselves, the Project Relationship Managers, and the Mentors who demonstrate such strong commitment to supporting implementation at the local level.

The Steering Committee has been pleased to support the Project Office in an advisory and supervisory capacity.

Collective Action and the Siemens Integrity Initiative, as members of the global alliance to combat corruption and promote integrity, make an impressive and sustainable contribution to pooling the much needed resources and driving forward the activities. In today's climate of political transformation and market turmoil, commitment to transparency and integrity is more important than ever before. It is in this spirit that we support the global activities of the Collective Action team, which unwaveringly upholds our Vision 2020 and places integrity at center stage.

Steering Committee of the 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 Steering Committee

A Word from the Siemens Integrity Initiative Project Office

A Word from the Siemens Integrity Initiative

Project Office

Dear Readers,

March 2016

Now more than ever companies are called upon to fulfill their role as corporate citizens. As also set out in the [Siemens Sustainability Information 2015](#), sustainability is regarded as one of the most critical and globally relevant topics on the political and economic agenda. More importantly, Joe Kaeser, President and CEO, Siemens AG and Dr. Roland Busch, Member of the Managing Board, Siemens AG, emphasize that we at Siemens accept this role without reservation or restriction. We are convinced that a company is only entitled to exist if it creates sustainable value for society over the long term.

To reinforce sustainability standards worldwide and expand our own knowledge, we support global initiatives. We are firmly committed to the goals and principles of the United Nations Global Compact, and support the enactment of the United Nations Convention against Corruption and the OECD Anti-Bribery Convention.

We also exercise various compliance and anti-corruption mandates, whether as Chair of the Anti-Corruption Taskforce of the Business and Industry Advisory Committee to the OECD (BIAC), a position held by the Chief Compliance Officer of Siemens AG, or through our long-standing involvement in the ICC Commission on Corporate Responsibility and Anti-Corruption, the Pact Against Corruption Initiative (PACI) of the World Economic Forum and the Siemens AG General Counsel's membership of the Global Agenda Council on Transparency and Anti-Corruption of the World Economic Forum.

Since 2011, Siemens has been actively involved in the G20/B20 Task Force on Anti-Corruption, and has contributed continuously to the B20 Recommendations drawn up by the Task Force in France, Mexico, Russia, Australia and Turkey as well as supporting implementation projects in the relevant countries.



[The Siemens Integrity Initiative](#), established in 2009 and backed with funding in excess of 100 million US dollars, is based on the settlements with the World Bank in 2009 and the European Investment Bank in 2013. With it, we have so far launched 55 anti-corruption projects in over 20 countries with a funding volume of more than 70 million US dollars.

Today, we are delighted to be able to present you with our fifth Annual Report on the Siemens Integrity Initiative.

At Siemens, the Siemens Integrity Initiative is driven by the “Collective Action” department, which is embedded as an important part of Legal and Compliance, one of Siemens’ Corporate Core units.

The Initiative is implemented by a global project organization, in conjunction with the relevant countries, in line with the project

management and reporting rules set out in more detail in this report. We submit regular progress reports to our internal Siemens Steering Committee (see also the foreword of the Steering Committee), the World Bank Group and the European Investment Bank.

As announced in our fourth Annual Report 2014, 15 projects from the Second Funding Round had already been successfully launched by the key date March 15, 2015.

As of the key date March 04, 2016 for this 2015 report, we have successfully allocated funding worth 35.554 million US dollars to a total of [24 projects in the Second Funding Round](#). The Second Funding Round is now closed, and the projects illustrated in **Part C** below are now entering the implementation phase, which will last between 3 and 5 years.

A Word from the Siemens Integrity Initiative Steering Committee

A Word from the Siemens Integrity Initiative Project Office

The projects were chosen according to defined [selection criteria and focus areas](#) and underwent a detailed cross-functional due diligence process similar to that followed in the First Funding Round.

Under the terms of the agreement between Siemens and the World Bank, the World Bank has audit rights over the use of funds (100 million US dollars over 15 years beginning in 2009) and veto rights over Siemens' selection of projects and organizations to be supported. Furthermore, the agreement between Siemens and the European Investment Bank (13.5 million euro over 5 years) gives the EIB the right to reject proposed projects.

The results achieved to date are impressive. As you can see from the many examples of our Integrity Partners in **Part C**, the projects have played a key role at the global, regional and sector level in raising awareness of clean

markets (level playing field), promoting transparency, and making education and training available to dedicated stakeholders. But we are not fighting this battle single-handedly: our success depends of course on our cooperation with other international, regional and sector partners.

The projects from the First Funding Round have demonstrated visible success. We are particularly heartened to see more and more committed and networked supporters joining us in our fight against corruption by signing up to "Collective Action". This is the key to establishing clean markets.

The Siemens Integrity Initiative will continue to back organizations and projects that apply for support in the fight against corruption in the Third Funding Round, which we currently plan to announce in 2017. A global, interdisciplinary team will present the successful and



shortlisted applications to the Steering Committee, the World Bank and the European Investment Bank following a careful due diligence process, and the final selection will then be made.

External ratings indicate that we are generally on the right track. In 2015, the Dow Jones Sustainability Index, the most credible and most recognized sustainability ranking, once again recognized Siemens as a particularly sustainable company in our industry.

For us at Siemens, integrity means that we uphold our corporate values – responsible, excellent and innovative – in everything we do and campaign tirelessly for clean business all around the world.

Our Compliance System, globally implemented and valid throughout the Siemens world, helps

our employees make business-relevant, risk-based decisions every day.

In this fifth Annual Report of the Siemens Integrity Initiative, we welcome the opportunity to update you on the progress of our partners' integrity projects in more than 25 countries.

Our heartfelt thanks go to **you**, our Integrity Partners around the world, our Project Relationship Managers, and the Mentors without whose dedication it would not be possible to implement the Integrity Initiative at the local level. We are also indebted, of course, to our Steering Committee, which received many a detailed presentation in 2015 and provided us with valuable advice and supervision at all times.

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

Sabine Zindera heads the Collective Action department and is supported by Birgit Forstnig-Errath, Shawn Teixeira, Michaela Spanner and Sabrina Vetter (until January 31, 2016) as well as the network of Siemens Business Leaders, Siemens Country CEOs, 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

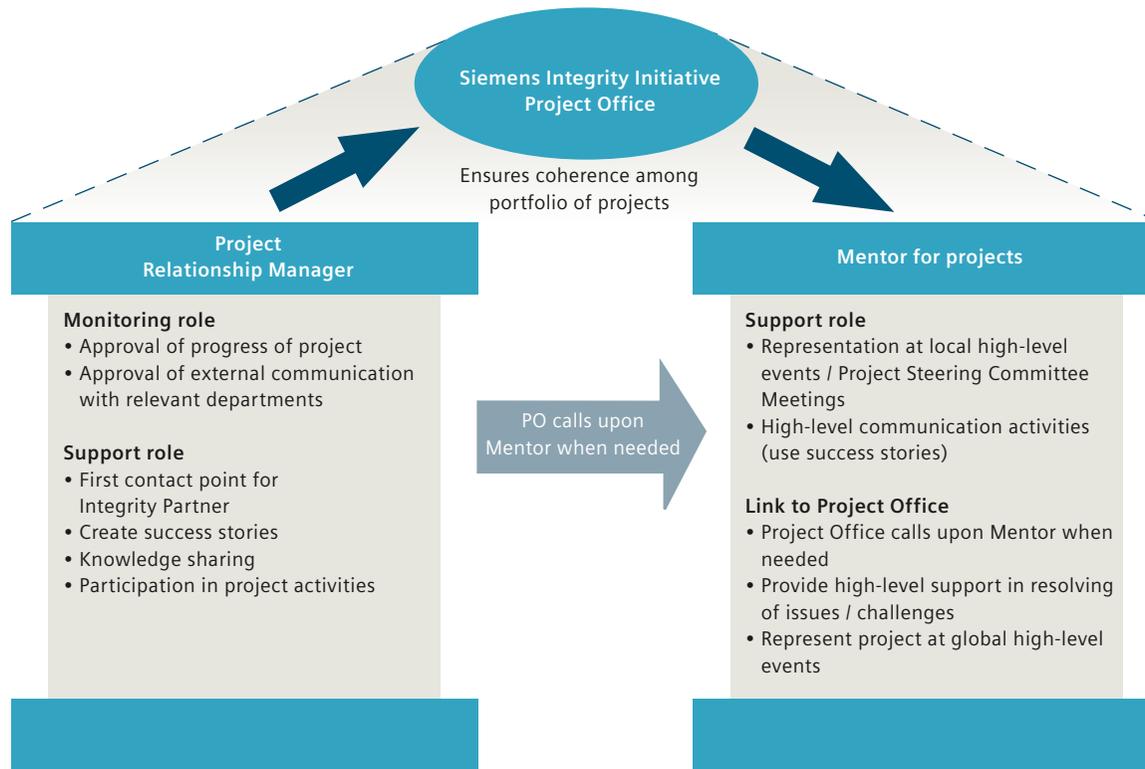
Under the umbrella of the Siemens Integrity Initiative, Siemens will disburse funds to support non-profit organizations worldwide that promote business integrity and the fight against corruption.



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 the Siemens Finance Department
- Siemens has set up an internal project structure for selecting projects and for supporting and monitoring projects during the implementation phase, as well as set-up a system for capturing and evaluating impact
- 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)
- A project completion process is in place which includes the submission of a Final Report, consisting of a Final Progress Report and an Audit Report with project financials prepared by an independent Auditor, as well as the submission of an End of Project Evaluation and a Final Payment Request

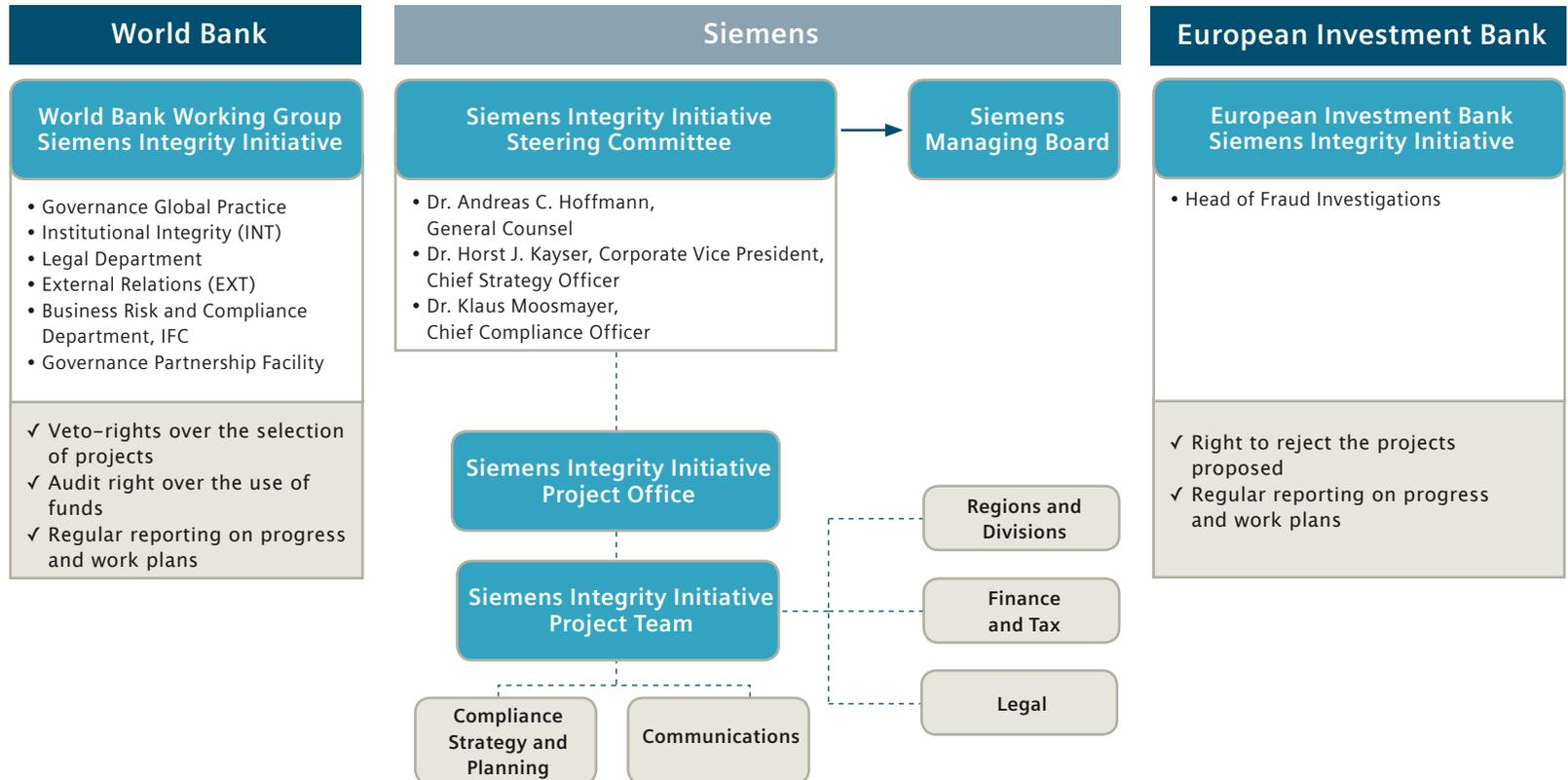
Roles and responsibilities of Project Relationship Managers and Mentors:



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 (Siemens Project Office, Project Team and Project Relationship Managers)
- 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 Siemens Project Office, which comprises four people and is supported by an extended Project Team from various Siemens departments (Legal and Compliance, Finance, Tax, Strategy, 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. It is also the main link to the European Investment Bank (EIB) with regard to their rights to reject projects proposed 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, and the European Investment Bank has the right to reject proposed projects, they have set up a team of experts to liaise with Siemens regarding the Siemens Integrity Initiative, as shown in the chart

Siemens Integrity Initiative project structure with settlement parties:





• 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 a total funding of up to USD 40 million.

As at **March 4, 2016**, **28** projects had completed their scheduled activities. The final overview of activities for the entire project period were reported on for **17** of the 28 projects in our Annual Report 2014. These projects are marked in the table on page 22 and further information on the projects is available on www.siemens.com/integrity-initiative. Only three of the First Funding Round projects are still ongoing, namely Ethics Institute of South Africa – Angola, Instituto Ethos– Brazil and University of Cairo (CEFRS) – Egypt.

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, second, third, and fourth year (2011, 2012, 2013, 2014) was provided in the Siemens Integrity Initiative Annual Report 2011, 2012, 2013 and 2014. (www.siemens.com/integrity-initiative/Report2011; www.siemens.com/integrity-initiative/Report2012; www.siemens.com/integrity-initiative/Report2013; www.siemens.com/integrity-initiative/Report2014)

Key data First Funding Round

Funds committed in the First Funding Round	USD 37.7 M
Disbursements in year 1 to year 6 (2010 – March 04, 2016) (release of provision)	USD 33.5 M*
Funds currently unspent	USD ~4.2 M
Planned disbursement in year 6 (2016)	USD ~1.2 M
Number of projects First Funding Round	31
Thereof projects that have completed their activities	28
Thereof ongoing	3
Countries covered in the First Funding Round	22

Note: Siemens fiscal year (October 1 – September 30)

* The information provided in this table is based on approved Final Reports and Annual Reports as at March 04, 2016

Status of the Second Funding Round

The Second Funding Round applies the same selection criteria and focus areas as the First Round. As the Second Round is also based on the settlement agreements with the World Bank Group and the European Investment Bank, the World Bank Group has audit rights over the use of funds (USD 100 million over a period of 15 years beginning in 2009) and veto rights over the selection of projects by Siemens. The agreement between Siemens and the European Investment Bank (EUR 13.5 million over five years) gives the EIB the right to reject the projects proposed.

The Second Funding Round, with a funding volume of approximately USD 30 million for up to 25 projects plus additional projects funded on the basis of the settlement with the European Investment Bank, was launched on June 27, 2013 with a deadline for submission of proposals in August 2013.

The gradual announcement of the selected projects from the Second Funding Round started in fall 2014 and stretched until spring 2015. With 24 projects funded and USD 35.554 million committed the Second Funding Round is now closed.

The selection was 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. 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.

The announcement, application process and selection criteria were made available transparently on the Siemens Integrity Initiative website. The initial first projects were announced in a joint press release published by Siemens, the World Bank Group and the European Investment Bank on December 10, 2014 (see www.siemens.com/integrity-initiative or Part D of the Annual Report 2014).

More information on the settlements between Siemens and the [World Bank Group](#) and Siemens and the [European Investment Bank \(EIB\)](#) is available online as well as on the Siemens Integrity Initiative website: www.siemens.com/integrity-initiative

Key data Second Funding Round*

Funds committed in the Second Funding Round	USD 35.554 M
Disbursements in year 1 to year 2 (2015 to March 04, 2016)	USD 9.97 M*
Funds currently unspent	USD 25.58 M
Planned disbursement in year 2 (2016)	USD 12.2 M
Number of projects	24
Countries covered Second Funding Round	More than 20

Note: Siemens fiscal year (October 1 – September 30)

* The information provided in this table is based on approved Annual Reports as at March 04, 2016

List of projects funded under the First Funding Round:

Integrity Partner
Basel Institute on Governance, Switzerland
Beijing New Century Academy on Transnational Corporations, China
Central European University, Hungary in cooperation with Integrity Action, United Kingdom
COCIR (European Coordination Committee of the Radiological, Electromedical and Healthcare IT Industry), Belgium
The Convention on Business Integrity, Nigeria
Ethics Institute of South Africa (EthicsSA), South Africa
Federation of Korean Industries-International Management Institute in cooperation with Global Competitiveness Empowerment Forum, South Korea
Foundation for the Global Compact, USA in cooperation with the UN Global Compact and PRME (Principles for Responsible Management Education), USA
Foundation for the Global Compact, USA in cooperation with the UN Global Compact and its local networks
Fundación Universidad de San Andrés (FUdeSA), Argentina
Humboldt Viadrina School of Governance, Germany
International Anti-Corruption Academy (IACA), Austria
International Business Leaders Forum (IBLF), United Kingdom in cooperation with the School of Public Administration of Renmin University, China
Instituto Ethos – Ethos Institute for Business and Social Responsibility, Brazil
Maala Business for Social Responsibility, Israel
Makati Business Club, Philippines in cooperation with the European Chamber of Commerce Philippines
Organisation for Economic Co-operation and Development (OECD), MENA-OECD Investment Programme, France

* completion process ongoing; Annual Report shows activities of Year 5 or summary for entire project period depending on information available (7)

** Summary of Project Activities was reported in Annual Report 2014 (14)

*** Summary of Project Activities was reported in Annual Report 2013 (2)

**** Summary of Project Activities was reported in Annual Report 2012 (1)

= Total number of all summaries 17

	Country of Implementation	Total Funding Volume under the World Bank Group settlement in USD	Total Funding Volume under the European Investment Bank settlement in USD	Project Status
	Global	1.86 M	–	completed as of September 2015*
	China	0.89 M	–	completed as of March 2014**
	Central and Eastern Europe	3.09 M	–	completed as of December 2015*
	Europe, Asia, Russia, South America	0.96 M	–	completed as of September 2014
	Nigeria	1.1 M	–	completed as of December 2014
	Angola, South Africa	1.5 M	–	ongoing (Angola); completed as of September 2015* (South Africa)
	South Korea	0.81 M	–	completed as of March 2014**
	Global	1.48 M	–	completed as of January 2015*
	Brazil, Egypt, India, Nigeria, South Africa	2.87 M	–	completed as of January 2015
	Argentina	0.73 M	–	completed as of September 2014
	Global	1.3 M	–	completed as of May 2014**
	Global	2.02 M	–	completed as of December 2015*
	China, Russia	1.5 M	–	completed as of December 2013***
	Brazil	3.11 M	–	ongoing
	Israel	0.48 M	–	completed as of September 2015*
	Philippines	1.04 M	–	completed as of March 2015*
	Middle East and North Africa	0.75 M	–	completed as of September 2013***

Integrity Partner

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

Partnership for Governance Reform – Kemitraan, Indonesia

POLMED (The Polish Chamber of Commerce of Medical Devices), Poland

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

Transparency International Bulgaria

Transparency International Italy

Transparency International Mexico

Transparency International USA in cooperation with Social Accountability International, USA

United Nations Development Programme Regional Bureau for Arab States, USA

United Nations Office on Drugs and Crime (UNODC), Austria in cooperation with the International Anti-Corruption Academy (IACA), Austria – Incentives to Corporate Integrity

United Nations Office on Drugs and Crime (UNODC), Austria – UNCAC Outreach and Communication

United Nations Office on Drugs and Crime (UNODC), Austria in cooperation with the International Anti-Corruption Academy (IACA), Austria, The 6P's

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

Vietnam Chamber of Commerce and Industry (VCCI) in cooperation with the International Business Leaders Forum (IBLF), United Kingdom

Total Funding Volume in USD

* completion process ongoing; Annual Report shows activities of Year 5 or summary for entire project period depending on information available (7)

** Summary of Project Activities was reported in Annual Report 2014 (14)

*** Summary of Project Activities was reported in Annual Report 2013 (2)

**** Summary of Project Activities was reported in Annual Report 2012 (1)

= Total number of all summaries 17

	Country of Implementation	Total Funding Volume under the World Bank Group settlement in USD	Total Funding Volume under the European Investment Bank settlement in USD	Project Status
	Czech Republic, Slovakia	0.6 M	–	completed as of March 2014**
	Indonesia	1.5 M	–	completed as of December 2014**
	Poland	0.46 M	–	completed as of September 2014**
	China	1.49 M	–	completed as of March 2014**
	Bulgaria	0.45 M	–	completed as of February 2014**
	Italy	0.6 M	–	completed as of March 2014**
	Mexico	0.23 M	–	completed as of May 2014**
	USA, Global	0.66 M	–	completed as of September 2014**
	Arab States Region	1.78 M	–	completed as of December 2014
	India, Mexico	1.12 M	–	completed as of September 2014**
	Global	0.75 M	–	completed as of September 2014**
	India, Mexico	1.22 M	–	completed as of September 2014**
	Egypt	0.85 M	–	ongoing
	Vietnam	0.5 M	–	completed as of September 2012*****
		37.7M	0 M	

Projects funded under the Second Funding Round:

Integrity Partner
Al Akhawayn University in Ifrane (AUI), Morocco
Basel Institute on Governance, Switzerland, in cooperation with the Organisation for Economic Co-operation and Development (OECD), France, and the Foundation for the Global Compact, USA
Beijing New Century Academy on Transnational Corporations (NATC), China
Confederation of Indian Industry (CII), India
Ethics and Reputation Society / Etik ve Itibar Dernegi (TEID), Turkey
Ethics Institute of South Africa (EthicsSA), South Africa, in cooperation with the Institute of Directors Mozambique, Mozambique (IoDMZ)
Ethics Institute of South Africa (EthicsSA), South Africa
European Medical Technology Industry Association (Eucomed), Belgium
Foundation for the Global Compact, USA, in cooperation with the Egyptian Junior Business Association, Egypt
Global Compact Network India (GCNI), India
Global Compact Network Korea (GCNK), Korea, in cooperation with the Global Competitiveness Empowerment Forum (GCEF), South Korea
International Anti-Corruption Academy (IACA), Austria
Organisation for Economic Co-operation and Development (OECD), France
Organisation for Economic Co-operation and Development (OECD), France

	Country of Implementation	Total Funding Volume under the World Bank Group settlement in USD	Total Funding Volume under the European Investment Bank settlement in USD	Project Status
	Morocco	0.55 M		ongoing
	Global	4.00 M		ongoing
	China	1.50 M		ongoing
	India	0.70 M		ongoing
	Turkey	1.76 M		ongoing
	Mozambique	0.55 M		ongoing
	South Africa	0.80 M		ongoing
	Middle East and North Africa	0.85 M		ongoing
	Egypt	1.40 M		ongoing
	India	0.73 M		ongoing
	Republic of Korea (South Korea)	0.90 M		ongoing
	Global		4.98 M	ongoing
	Morocco		0.70 M	ongoing
	Russia	1.55 M		ongoing

Integrity Partner

Pan African Lawyers Union (PALU), Tanzania

Pearl Initiative, United Arab Emirates

The Polish Chamber of Commerce of Medical Devices (POLMED), Poland

Transparency International Secretariat (TI-S), Germany

Transparency International España (TI-España), Spain

Transparency International Italia (TI-It), Italy, in cooperation with the Centro Ricerche e Studi su Sicurezza e Criminalità (RiSSC), Fondazione Centro Studi Investimenti Sociali (CENSIS), Istituto per la Promozione dell'Etica in Sanità (ISPE-Sanità), Italy

United Nations Office on Drugs and Crime (UNODC), Austria

United Nations Development Programme (UNDP), USA

United Nations Development Programme (UNDP), USA

Wirtschaftsuniversität WU, Vienna University of Economics and Business Administration, Austria

Total Funding Volume in USD

	Country of Implementation	Total Funding Volume under the World Bank Group settlement in USD	Total Funding Volume under the European Investment Bank settlement in USD	Project Status
	Africa	0.93 M		ongoing
	GCC countries (United Arab Emirates, Kingdom of Saudi Arabia, Bahrain, Qatar, Kuwait, Oman)	0.88 M		ongoing
	Poland	0.65 M		ongoing
	Global	3.06 M		ongoing
	Spain	1.27 M		ongoing
	Italy	1.12 M		ongoing
	Colombia	1.20 M		ongoing
	Arab Region including Egypt, Morocco and Tunisia		2.27 M	ongoing
	Arab Region including Iraq and Libya	1.52 M		ongoing
	Africa	1.70 M		ongoing
		27.62 M	7.95 M	

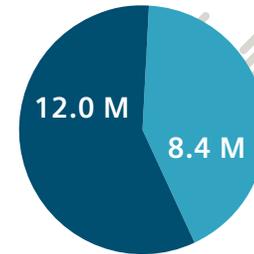
Due to rounding differences, the figures as presented in the table above may not add up exactly to the total Funding Amount of USD 35.554 M for the Second Funding Round.

B.

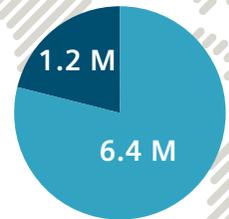
Siemens Integrity Initiative

Siemens Integrity Initiative covers all major growth regions and high-risk countries: around 55 projects with more than USD 70 M

The chart illustrates the regional spread and balance of the First Funding portfolio and the portfolio of the Second Funding Round:



Global Projects
(9 Projects, USD 20.4M)

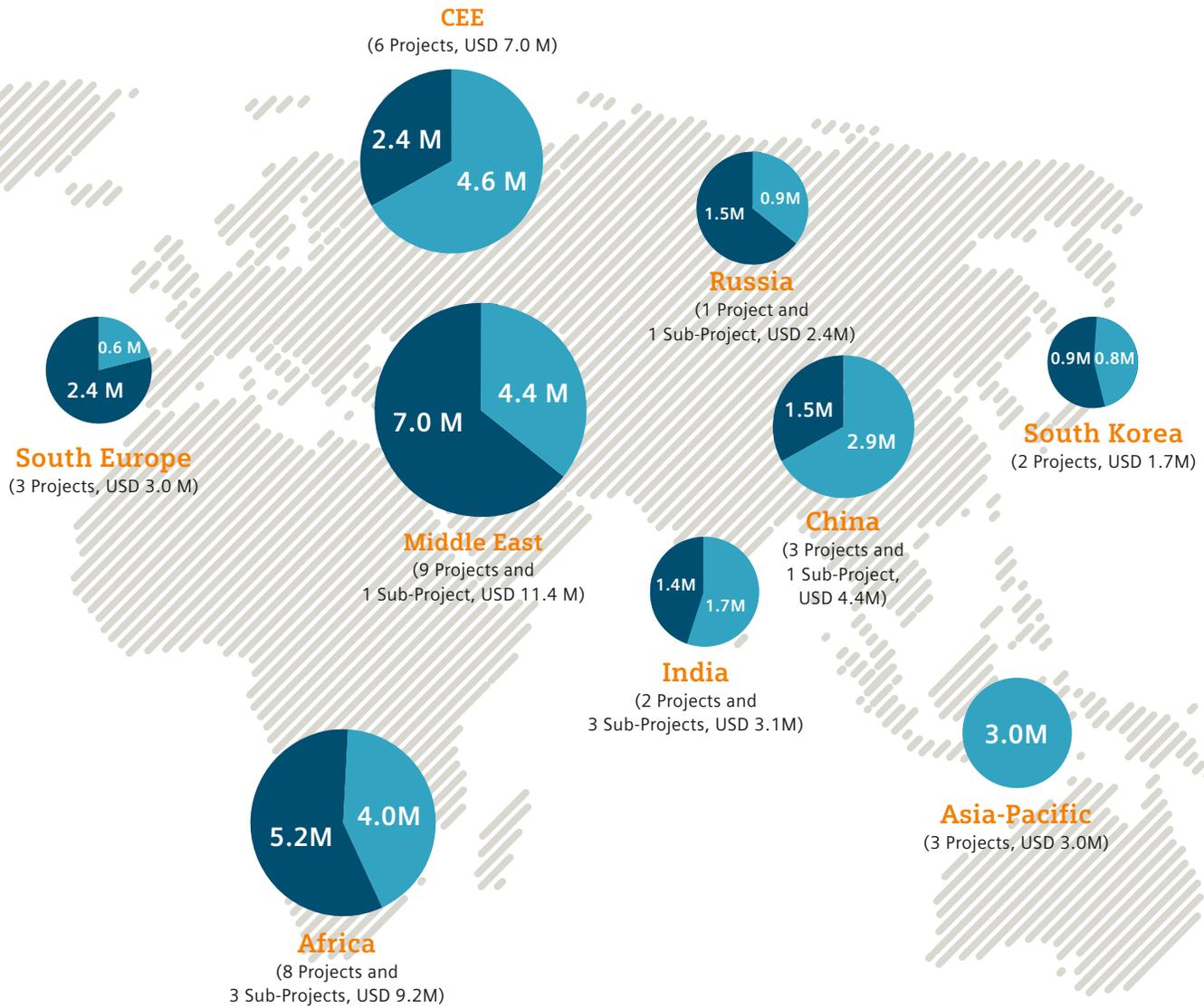


Americas
(5 Projects and
3 Sub-Projects, USD 7.6M)

Region/Country of implementation (number of project proposals)

- First Funding Round
- Second Funding Round
- Bubble size = Approximate value of funding

Note: Due to rounding, numbers presented may not add up precisely to the totals provided.



+ 4 Projects are divided into local Sub-Projects.



Project profiles and highlights of activities in 2015

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

For projects under the First and Second Funding Round the descriptions of activities undertaken in this year (2015) were provided by the Integrity Partners in their respective Annual Progress Report 2015 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 provides an overview of activities undertaken and an assessment of progress made
- Annual Financial Report, which shows 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 verifies the financial report and provides an unqualified audit opinion on the use of funds
- Updated Work Plan and Updated Budget for year 6 (2016)

For Integrity Partners that completed their activities, a Final Report including the following information was provided and used as the basis for review:

- Final Progress Report, which provides an overview of activities undertaken and an assessment of progress made
- Final Financial Report, which shows 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 verifies the financial report and provides an unqualified audit opinion on the use of funds
- Payment and expense overview
- External evaluation of impact

For Integrity Partners that have completed their activities but have not yet submitted a final report, an executive summary on activities undertaken in year 5 was provided.

Siemens Integrity Initiative First Funding Round projects that were completed before 2015 and/or for which key activities over the entire project period were reported on in one of our previous Annual Reports were not included in this Annual Report 2015; to obtain information on these seventeen (17) fully completed projects (Beijing New Century Academy on Transnational Corporations (NATC) I, Federation of Korean Industries-International Management Institute (FKI-IMI), Humboldt Viadrina School of Governance, International Business Leaders Forum (IBLF), Organisation for Economic Co-operation and Development (OECD) – MENA, Oživení, Partnership for Governance

Reform (PGR) – Kemitraan, The Polish Chamber of Commerce of Medical Devices (Polmed) I, Sequa, Transparency International Bulgaria, Transparency International Italy, Transparency International Mexico, Transparency International USA, three UNODC I projects, VCCI) please refer to the previous Annual Reports 2012, 2013, and 2014 of the Siemens Integrity Initiative.

Further information is provided on www.siemens.com/integrity-initiative

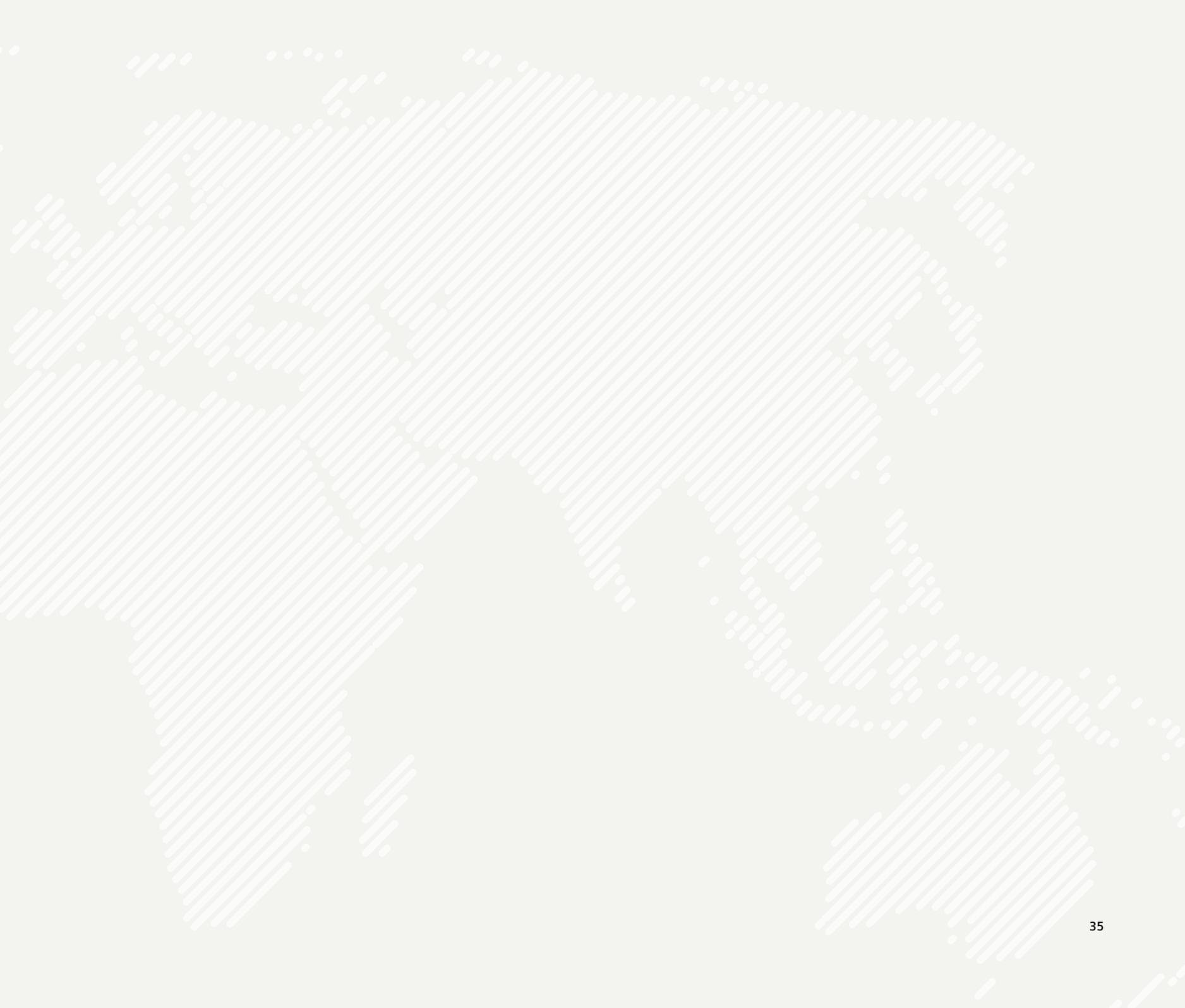
For projects under the Second Funding Round the description of objectives was provided by the Integrity Partners and approved by them for external use. Please note that most of the projects selected in 2014 had only started their activities early or later in 2015; therefore a more detailed description of activities is available in this Annual Report 2015.

C1.

First Funding Round Projects: Project profiles and highlights of activities in 2015

For projects under the First Funding Round the descriptions of activities undertaken in year 5 (2015) were provided by the Integrity Partners in their respective Annual Progress Report 2015 and approved by the relevant Integrity Partners for external use.

Of the 31 First Funding Round projects, 17 have been fully completed and reported on in the Annual Reports of 2012, 2013 and 2014; 14 remaining projects are covered in this part C1.



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.

Name of Integrity Partner:

Basel Institute on Governance

PROJECT:

Promoting Effective Industry Standards

COUNTRY OF IMPLEMENTATION:

Global

DURATION:

5 years

USD (MILLION):

1.86 M

REGISTERED IN:

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 OVER THE ENTIRE PROJECT PERIOD (DECEMBER 2010 – SEPTEMBER 2015)

Three themes predominated throughout the project, influencing the activities carried out and allowing for wide impact among a diverse group of stakeholders, all underpinned by the desire to improve the business environment and reduce opportunities for corruption.

- The project has contributed to the policy and academic discourse through its research and knowledge center, the International Centre for Collective Action, which provides an institutional home for the Basel Institute's activities in these areas and hosts the [B20 Collective Action Hub](#), the latter in collaboration with the UN Global Compact. The project contributed directly to the research agenda through its 2012 publication "[Collective Action: Innovative Strategies to Prevent Corruption](#)", essays from experts and encapsulating Collective Action history, research and practice. The project also generated [articles](#) and [working papers](#) on Collective Action
- The convening power of the project, linking various Collective Action practitioners, academics and others interested is another theme. The B20 Collective Action Hub offers an online repository of initiatives, tools and best practice that stakeholders can access at any time. Building on this, the 2014 conference "[Collective Action: Going Further Together to Counter Corruption](#)" provided networking opportunities and generated new collaborations that have borne fruit via the establishment of new Collective Action ideas and partnerships that have continued after the conference
- The project has involved the Basel Institute facilitating several Collective Action initiatives. This has entailed direct consultation with companies from sectors including metals technology, aerospace and defense, and energy and transport as well as regionally with the Africa Roundtable, developing collaborative approaches to corruption challenges. Through this effort, companies have worked towards improving the business environment benchmarking and raising internal anti-corruption standards, and identifying industry best practice in corruption risk areas and promoting them more widely. In partnership with the OECD, the Basel Institute developed a corruption prevention tool called the [High Level Reporting Mechanism](#), which has since been taken up by the G20 and the B20, and implemented in Colombia and Ukraine. The HLRM project has also generated [analysis](#), and research and policy [guidance](#) for governments

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, 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.

* CEU's project partner Tiri was renamed in Integrity Action

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 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.

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 OVER THE ENTIRE PROJECT PERIOD (JANUARY 2010 – DECEMBER 2015)

- Managing Integrity Executive Training was held for executives from 5 Balkan countries in Romania in June, 2015
- The Integrity Curriculum Framework, which includes special modules for executive education, is completed and is translated into Russian
- ‘Integrity Academy for CEOs’ workshop series was held to discuss integrity related topics in a confidential environment
- The release of a number of publications:
 - › Debates of Corruption and Integrity: Perspectives from Europe and the US, published by Palgrave-MacMillan
 - › The Price of Regional Expansion: The Magyar Telekom corruption case; an innovative multi-media case study
 - › Public Procurement in Bulgaria: The Case of Unfair Competition case study
 - › Integrity Action textbook with integrity-related modules and 4 local country chapters from ECA; an Integrity Glossary; a Collection of Case Studies by ECA academics; Integrity Film (Russian)
 - › English-Russian Business Integrity Glossary
- Integrity Action has 322 partner institutions in the ECA region, forming numerous collaborations
- Integrity Action at CEU’s Summer School and in the 5-year project has prepared 1,167 public officials, practitioners, executives and educators to teach and practice integrity at work
- “Building Integrity and Anti-Corruption Behaviour in a Local Community: Theory to Practice”, in Saratov, Russia: 87 students submitted 56 works: board games, case studies, essays and videos
- ‘Building My Future Business With Integrity’ competition: secondary school students were mentored by business people in Georgia

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:	DURATION:	USD (MILLION):	REGISTERED IN:
Europe, Asia, Russia, South America	3.3 years	0.96 M	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 OVER THE ENTIRE PROJECT PERIOD (FEBRUARY 2011 – SEPTEMBER 2014)

Setting and promotion of anti-corruption standards and best practice

- The [new COCIR Code](#) of Conduct, which establishes the standard for member companies in their interactions with healthcare professionals, entered into force in January 2015. It contains additional guidance on topics such as public procurement of medical technology, industry support of third party conferences, provision of educational grants and interactions with independent third parties (e.g. agents, distributors and consultants); the policy on how to handle gifts, hospitality,

demonstration and evaluation of equipment was updated; section 4 in the new Code of Conduct booklet refers to the practice of how COCIR conducts meetings and teleconferences on the basis of the new guidance

- Supporting material including Questions and Answers and Do's and Don'ts were adjusted to the new code and are now available in six languages: [English](#), [Dutch](#), [French](#), [German](#), [Italian](#) and [Spanish](#). The availability in these languages ease use and help in supporting its enforcement across many countries
- An interactive [e-learning tool](#) for the COCIR Code of Conduct was developed in 2013 (and adapted in six languages) in order to communicate and train the key principles of the Code of Conduct and to encourage greater user uptake and dissemination
- Further expansion of the Code into BRIC countries was initiated. Member companies in Argentina signed the [COCIR Code](#) in December 2013

Collaborating with stakeholders to galvanize outreach and impact

- Relationships were strengthened with local and international associations including hospitals, medical and scientific societies resulting in the COCIR Code being recognized as an example of a standard setting document for healthcare professionals

Impact

- Enlargement of the content of the COCIR Code of Conduct as well as its further geographical spread was supported. The work on the expansion of the code also allowed compliance professionals of the COCIR members to have detailed discussions about their compliance programs and thus helped to build mutual trust and to create a common playing field

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 OVER THE ENTIRE PROJECT PERIOD (FEBRUARY 2011 – DECEMBER 2014)

- In November 2014, Nigeria's Corporate Governance rating System (CGRS), which rates more than 200 companies listed on the Nigerian Stock Exchange (NSE) on their corporate governance and anti-corruption culture, was officially launched with more than 500 senior executives in attendance. The CGRS uses an integrated multi-stakeholder approach and aims to improve the transparency of capital markets and business practices
- The online whistleblower platform on anti-corruption [Egunjedotinfo](#) was developed and officially launched in 2014. The website

serves civil society through anonymous reporting of corrupt practices and case experiences. The aim of this project activity was to get civil society to talk openly about corruption. The website had at reporting date close on 260 000 visits and 291 reports were uploaded on the website. CBI started various social media campaigns such as the "Time to wake Up" twitter campaign to promote the platform, open discussion on corruption and the relevance of transparency

- Road shows, seminars and workshops like EGUNJE.INFO RALLY – Activate your SWAGG (Stand With Accountability and Good Governance (SWAGG)), #TTWU (Time To Wake Up), Stakeholders Briefing Sessions with Listed Companies, Integrity Clubs Workshops and Investigative Journalism Training for Journalists were organized throughout the project to raise the engagement of companies and civil society in promoting business integrity. This can be seen in the response by a number of Nigerian companies who have implemented "gift policies" which prohibit employees from accepting supplier gifts and which promote the reporting of misconduct

Impact

- Important stakeholders relationships were built such as that with the Clean Business Practice Initiative (CBPI), a Nigerian private sector initiative set up to combat Corruption through Collective Action
- The CGRS was well received by companies listed in the NSE and CGRS. Participation in the CGRS process is now mandatory for all 200 NSE listed companies
- 140 directors from 14 pilot companies participated in CGRS training with a further 2,000 directors expected to be trained in the upcoming years
- Overall, the project raised awareness for the need to further improve on the transparency in corporate governance and capital markets and to increase director awareness of their fiduciary responsibility

DESCRIPTION OF INTEGRITY PARTNER

The **Ethics Institute of South Africa** is a not for profit, public benefit organization, which has been active since August 2000. The vision of the Ethics Institute of South Africa is to 'build an ethically responsible society' in South Africa and other African countries, such as Angola, within the scope of this project. The Organization achieves its mission by forming partnerships with the public and private sectors, and serving as a resource through:

- Thought leadership when setting ethical standards
- Research in the field of organizational ethics management
- Assessment of organization's ethics programs
- Training of ethics skills, including certification of Ethics Officers
- Support and advisory services to clients
- Project management on ethics/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 5
(OCTOBER 2014 – SEPTEMBER 2015):**

Angola:

- Two Angolans qualified as certified ethics officer, following the Ethics Officer Programme that took place in July 2014
- With the support of the Angolan Chamber for Commerce and Industry, two training sessions were held for companies on how to manage ethics and anti-corruption in their organization

- One training session took place on business ethics awareness in collaboration with the Industrial Association of Angola for 35 companies
- 15 companies signed up to the Principles for Responsible Business for Angola during 2015. There are now 243 signatory companies
- A 4-day workshop for 33 public officials on ethics and deontology for public administrators was organized in August 2015 and facilitated by the CEO of the Centre for Ethics in Angola
- Further capacity building of the Centre of Ethics in Angola took place to ensure its operational sustainability
- Beliefs and practices in this regard have changed, resulting in and contributing to societal change regarding corruption and business practices

Impact

- The ongoing project has successfully influenced the emergence of a transformation process in Angola with regard to how corruption is perceived and how business should be conducted in an ethical way

Name of Integrity Partner:

Ethics Institute of South Africa (EthicsSA)

South Africa:

Work with Municipalities

MoUs were signed with nine municipalities across South Africa to collaborate on ethics and anti-corruption initiatives. The initiatives in municipalities include the following:

- Ethics and anti-corruption workshops with senior management and municipal councilors were held in all nine municipalities
- Collective Action workshops on the Municipal Procurement Process were held in collaboration with the nine municipalities and local businesses
- Ethics Risk Assessments were conducted in three municipalities
- An assessment of the ethics and anti-corruption management capacity was conducted, and guidance on related policies was given in two municipalities

- Over the five year project span, 145 officials were trained on the Ethics Officer Certification Programme (66 thereof alone in the last year), and 45 were certified as Ethics Officers
- Additionally, 16 municipal officials were trained to facilitate Ethics Workshops

Work with the South African Local Government Association (SALGA)

- 8 SALGA officials were trained to conduct Ethics Workshops for Councilors
- A [toolkit](#) was developed to support the implementation of the Local Government Anti-Corruption Strategy. A subsequent training of eleven officials on the toolkit was organized

Work with other partners

- A public sector ethics survey with 7869 respondents was conducted in collaboration with the national government and SALGA
- Discussions on the professionalization of the Ethics Officer profession were facilitated

Development of resources

- A video series of case studies was developed for the use in trainings
- A plain language guide to businesses on '[Understanding the Municipal Procurement Process](#)' was developed
- The '[Ethics Reporting Handbook](#)' was developed and printed

Impact

- Increased awareness of ethics and ethics initiatives could be achieved in the municipalities with which the Ethics Institute of South Africa co-operated, but also within organized South African local government
- The capacity for providing guidance to municipalities on ethics and anti-corruption initiatives increased in the South African Local Government Association
- Knowledge of the workings of the municipal procurement process and its transparency requirements was created and strengthened among local businesses, allowing for more collective accountability

DESCRIPTION OF INTEGRITY PARTNER

The [Foundation for the Global Compact](#) was established in 2006 and registered as a 501(c) (3) non-profit organization under New York State law. The Foundation is based on the principle that transparency, integrity and public-private collaboration is essential to finding lasting solutions to pressing global problems.

The Foundation supports the activities of the [United Nations Global Compact](#) including fundraising, outreach and engagement with business stakeholders. This is a policy and engagement platform for businesses that are committed to aligning their operations and strategies with the Global Compact's ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

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.

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) developed Anti-Corruption Guidelines for management schools. The Guidelines offer business school's academic modules to address transparency, ethics and anti-corruption. They 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 build upon existing

resources and incorporate input from the web-based and face-to-face meetings and seminars. A pilot phase provided follow up with participating institutions to evaluate the value and effectiveness of the Guidelines and now they have been disseminated to PRME-affiliated universities. Project success will be demonstrated in part by the business school and higher education institutions 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 comprehensive guidelines for anti-corruption curriculum change in higher education institutions

KEY ACTIVITIES OVER THE ENTIRE PROJECT PERIOD (JANUARY 2011 – JANUARY 2015)

- The PRME Working Group on Anti-Corruption (ACWG) developed and tested a unique teaching approach, the [PRME Anti-Corruption toolkit](#), to sensitize business and management school students about anti-corruption and transparency. The flexible guidelines and resources were tested in 14 business schools
- In 2013, the [PRME Anti-Corruption Toolkit website](#) was officially launched. The website provides comprehensive guidelines for anti-corruption curriculum change, including eleven modules with background reading

material, detailed case discussions, and an array of primary sources and scenarios. The available material forms part of the curricula taught within business courses around the world

- In 2015, the PRME ACWG created a [white-board animation video](#) on the state of corruption, the major challenges it poses to the private sector and society, and the role for business schools and management-related academic institutions fighting corruption worldwide
- In 2015, a book was published titled '[Anti-Corruption, Implementing Curriculum Change in Management Education](#)' to further promote the PRME Anti-Corruption Toolkit
- The Working group members promoted the PRME AC Toolkit at high level events around the world such as the UN Global Compact – 10th Anniversary of the 10th Principle Against Corruption, the International Anti-Corruption Conference in Brazil, PRME Chapter meetings as well as at universities

Impact

- For the first time, the PRME ACWG brought together members of business school faculties and representatives of business from around the world to discuss the methodical integration of anti-corruption in curricula at business schools on a large scale basis. The project developed the first publicly available jointly developed teaching material on anti-corruption for use in business school curricula worldwide, and recruited educational institutions that were amenable to engage local and regional business, governmental and NGO leaders in collective approaches against corruption
- Up to 40 PRME signatory business schools are currently using the resources available in the AC Toolkit on an ongoing basis. Furthermore, sustainable programs in Argentina, India, Switzerland and Tanzania are continuously supported by the ACWG members. Access to the material is open to all educational institutions

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Name of Integrity Partner:

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

PROJECT:

Project for the United Nations Global Compact: Promoting Collective Action through 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 established 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 provided 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 aimed 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 emphasized 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 OVER THE ENTIRE PROJECT PERIOD (JANUARY 2011 – JANUARY 2015)

Global

- In December 2014, Global Compact Office (GCO) hosted an event for the [10th anniversary of the 10th Principle](#) where the 5 Collective Action Projects (CAPs) were showcased globally in the presence of more than 100 business participants, investors, ambassadors, government representatives, civil society and international organizations. The aim was to highlight the achievements of the local projects at a global level and to increase the interest of ambassadors and government representatives in Collective Action initiatives

- In January 2015, the publication titled [A Practical Guide for Collective Action Against Corruption](#) was launched, which provides guidance on the initiation and implementation of Collective Action initiatives while showcasing various examples of Collective Action projects on the global level
- Two Collective Action publications were supported by the Global Coordination Project and published by the CAP India titled [Business case for Anti-Corruption in India: Principles, Economies and Application of Transparency Tools](#) and the CAP South Africa titled [Mainstreaming Integrity in Business Practice](#)
- The topic of investor-corporate engagement was explored to understand how to successfully carry out this engagement and contribute to increase the collaboration between companies and investors on anti-corruption issues
- Tools and resources like a risk assessment training for government officials and businesses, which was conducted twice in Nigeria, were developed in cooperation with the UNGC working group to train and to foster capacity building in specific topics, especially anti-corruption risk assessment

Impact

- Through the entire project period, GCO extensively supported the organization of various events and trainings by its local networks e.g. the [Africa Sustainable CEO Business Roundtable Forum](#) in Nigeria. The support ranged from providing substantive feedback to the program agenda, inviting participants, using the Global Compact networks and outreaching to ensure multi-stakeholder participation in the events all of which ensured a greater alignment of activities and spreading of know-how between the chapters
- An exchange platform for key stakeholders was established to learn and to further engage in anti-corruption Collective Action as well as to share experiences, learnings and good practices on local and global level

Name of Integrity Partner:

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

Brazil (in cooperation with Global Compact and Instituto Ethos)

- Two Sectorial Agreements (The Agreement of '[Health Care Equipment Producers](#)' and the '[Sport Sponsors & Sport Entities agreement](#)') were finalized. More than 100 companies from the health sector and 17 companies sponsoring sport events equivalent to 550 million Brazilian Reals in annual investments, signed the agreements. This was a great achievement and lessons learned will be further used to maintain and to establish partnerships in both sectors
- A number of publications and guidance (Guide on '[Fighting Corruption in Sport Sponsorship and Sport Related Hospitalitys: A Practical guide for Companies](#)', the booklet '[Jogo Limpo x Jogo Sujo](#)' and a guidance on reading public contracts) were developed to foster social control by helping citizens to understand how contracts and public management work. Overall, this helped to deepen the understanding for corruption issues and to initiate the debate around political reform in Brazil

- A concrete methodology was developed to present compliance systems in anti-corruption and compliance workshops to companies. The aim was to help companies to spot risky areas and to encourage information exchange on how to address potential issues. The workshops fostered capacity building and helped to improve dialogue between civil society and the private sector

Impact

- The project managed to establish an interactive platform for an alliance between representatives from the public and the private sector, who are interested in advancing the anti-corruption agenda
- The project succeeded to raise awareness about the consequences of corrupt behavior in Brazil through the organization of numerous compliance and anti-corruption workshops, seminars and the active participation in several events such as the 5th session of the Conference of the State Parties to the United Nations Convention Against Corruption in Panama, 2013



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

- Multi-stakeholder workshops were held with participants from the public and the private sector as well as the civil society to discuss corruption challenges within the Egyptian business environment and to identify significant areas for potential improvement
- In total 18 SMEs and six large companies signed the Integrity Pledge developed by the Egyptian Junior Business Association and implemented the first phase (“Commitment and Policy”) of the pledge by attending senior management trainings, drafting anti-corruption policies and appointing compliance managers with the necessary skills, time and resources to oversee the implementation of the pledge

Impact

- The project provided a platform for interaction between SMEs and big companies in Egypt and engaged companies to start implementing anti-corruption standards in their business operations

- It raised awareness on corruption and its impact on business and the economy through external stakeholder meetings and public conferences like e.g. ‘Integrity in Business: Tackling Corruption Challenges in Egypt’, Alexandria 2014, and thereby deepened the understanding for Collective Action approaches
- It fostered capacity building of SMEs with consultation workshops, a [Guidance Manual for Implementing the Integrity Pledge](#), senior management trainings and meetings with large companies to support SMEs

India (in cooperation with Global Compact and Global Compact Network India)

- Three publications were released ([‘Raising the Bar Through Collective Action: Anti-Corruption Efforts in India’](#), [‘Business Case for Anti-Corruption in India: Principles, Economics and Application of Transparency Tools’](#), and [‘Understanding the Demand and Supply Equations of Corruption and Fraud’](#)).
- An expert group consultation was conducted on anti-corruption efforts undertaken in sports and sports related hospitality in India

- A number of conferences, meetings, seminars and workshops were held, such as the Conference on Business Case for Anti-Corruption: Call for Collective Action, to promote multi-stakeholder dialogue on Collective Action and to seek private sector buy-in

Impact

- The project brought together representatives from business, government, civil society as well as media to facilitate active discussions on graft and anti-corruption
- The project facilitated knowledge sharing on anti-corruption initiatives like whistle-blower policies of large private companies in India
- Contributions were made to the promulgation of the amendment to the [Whistle Blower Protection Act](#) in 2014

Name of Integrity Partner:

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

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

- Over the entire project period several national workshops and seminars on anti-corruption were held like the '[Openness and Transparency as Stakeholder Commitment against Corruption](#)' conference in 2012 and the '[Supply Chain Transparency and Business Sustainability](#)' conference in 2014. The aim was to raise awareness of anti-corruption practices and to build capacity of businesses to counter corruption
- Publications were released in cooperation with the Nigerian Economic Summit Group and CSR in Action like the '[Report on Anti-Corruption and Good Governance Efforts in Nigeria](#)' which helped raise awareness on current business anti-corruption practices in Nigeria. This publication is used as a key tool in anti-corruption trainings for the public and private sector
- In 2015, the [Africa Sustainable CEO Business Roundtable Forum](#) was held in cooperation with the Nigerian Economic Summit Group. The roundtable brought together many of Africa's chief executives and leaders in business, government and civil society to discuss how Collective Action efforts supports in driving the new development agenda for Africa. The summit highlighted ways in which business can collectively contribute to the Post-2015 Development Agenda in key areas such as good governance, youth employment and empowerment, infrastructure, peace and security



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

Impact

- The project created awareness and developed crucial skills in the public and private sector around the fight against corruption in Nigeria, and further highlighted the important role of the private sector in the fight against corruption through anti-corruption road shows, publications and workshops
- Trainings for public and private sector representatives helped to develop requisite skills for compliance officers to enforce ethical codes and standards. Companies incorporated best practices into their business operations as well as in their supply chains and Nigerian companies developed a consciousness for sustainable and anti-corruption business practices. Thus, a slight paradigm shift in the anti-corruption landscape can be observed in Nigeria

- A stakeholder mapping was done in the first year of the project in order to understand South Africa's anti-corruption landscape and to identify organizations working on anti-corruption. This helped to create awareness regarding the role of business in promoting anti-corruption and introduced the approach of Collective Action to South African companies
- During the second year the project popularized the concept of Integrity Pacts as a model that South Africa could rely on to inject more transparency into procurement projects and established contacts to the National Treasury as well as key actors in the construction sector
- In the following years the project continued to promote the Integrity Pact and gained the commitment of industry associations in the construction sector. The process is ongoing beyond the funding of the project

- In total 14 case studies from different companies were collected showcasing the implementation and different challenges as well as risk areas in South Africa. The case studies were published in "[Mainstreaming Integrity in Business Practice: Company Case Studies on Anti-Corruption in South Africa](#)" and distributed to over 300 stakeholders

Impact

- The project supported the capacity building of companies to implement and report on their anti-corruption measures. As a result the engagement of companies to reduce corruption risk in their operations and to improve their relationships to stakeholders increased significantly
- The Collective Action project supported the creation of a culture of trust in South Africa in which companies exchange experiences and actively make use of guidance materials

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 Andrés 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 Asociación Civil por la Igualdad y la Justicia and the Centro de Implementación de Políticas Públicas para la Equidad y el Crecimiento, 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 OVER THE ENTIRE PROJECT PERIOD (MARCH 2011 – SEPTEMBER 2014)

Set up of Collective Action initiatives

- An inter-sectoral Collective Action agreement was signed in 2012 with the Argentine-German Chamber of Industry and Commerce to establish a 'Compliance Task Force' for affiliated companies
- An intra-sectoral Collective Action agreement was reached in 2013 to promote integrity in the legal profession which brought together more than 65 in-house corporate lawyers from more than 45 companies at local and multi-national levels

- A collective strategy for stopping facilitation payments solicited by customs officials on receipt of import and export documentation was initiated in 2014. A solid partnership with the [Maritime Anti-Corruption Network](#) and collaboration with the [Centro de Navegación](#) and other key players of the maritime industry was established
- Two subsequent initiatives in the area of 'facilitation payments' within the transport and logistics industry in Argentina were initiated in early 2014

Awareness raising and distribution of lessons learned

- The project facilitated extensive awareness raising on the concept and benefits of Collective Action as a means to reduce corruption and to enhance business transparency. Communication activities included presentations at 14 external conferences, the organization of 3 major annual conferences and 15 workshops, and the publication of 11 op-ed pieces and 3 academic papers

- A new [web-page](#) containing the publications and various audio-visuals was developed to document the achievements and shortcomings of implementing such an initiative in Argentina and to assist with continuity in Collective Action initiatives for the future

Impact

- The debate on anti-corruption and compliance in Argentina was fostered and brought together important key players to collectively take a stand against corrupt practices. Conferences, dialogue platforms and workshops guided discussions on the concept of Collective Action and put it on the agenda of the Argentine business community. This resulted in a transition from absolute lack of awareness to an articulated conceptual framework on how and when to use Collective Action to improve the business environment

DESCRIPTION OF INTEGRITY PARTNER

The International Anti-Corruption

Academy (IACA), an international organization based in Laxenburg, Austria, is a pioneering institution that aims to overcome current shortcomings in knowledge and practice in the field of anti-corruption and compliance. The organization intends to empower and enable professionals for the compliance challenges of tomorrow.

The Academy provides a new, holistic and collective approach to anti-corruption education and research, delivers and facilitates anti-corruption training courses for practitioners from all sectors of society, and provides technical support and assistance to a wide variety of stakeholders.

The IACA became an international organization on March 8, 2011. To date, it comprises a constituency of 66 member states, including three international organizations. In addition, IACA seeks broad partnerships with private sector institutions, international and non-governmental organizations, as well as civil society.

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

Within the overall project of IACA, the International Anti-Corruption Summer Academy (IACSA) aims to ensure the continuation of a well-established process that, among other things, contributes to the fourth pillar of the Academy's programs and activities: acting as a platform for direct dialogue and networking. By means of 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 5 (OCTOBER 2014 – SEPTEMBER 2015):

International Anti-Corruption Summer Academy 2015

- The interdisciplinary program took place from July 2-11, 2015, and in 52 lecture hours focused on trends in anti-corruption activities, prevention and enforcement aspects. It drew on the best range of disciplines, from psychology to economics and political sciences
- 76 anti-corruption practitioners representing 42 countries from all continents participated in the IACA training 2015; 31 scholarships

were granted to participants from 15 least developed countries (LDCs) and 22 internationally renowned academics and practitioners lectured and delivered an interdisciplinary program, linking theoretical anti-corruption concepts and practical action

Alumni Reunion 2015

- In July 2015, the alumni reunion took place and was attended by 31 former students from 20 countries. The program consisted of interactive lectures, networking sessions, and a combined roundtable on prosecuting grand corruption with participants of the International Anti-Corruption Summer Academy 2015

Master in Anti-Corruption Studies (MACS) 2012-2014

- 26 students graduated from the Master in Anti-Corruption Studies program and received their Master's degree. The 2012-14 Master program officially concluded with graduation ceremonies in December 2014 and July 2015

Master in Anti-Corruption Studies (MACS) 2014-2016

- In the second intake of the Master program four full-scholarships and two program fee waivers were granted to participants from LDCs
- Modules I: Concepts and Issues in Corruption, II: Disciplinary Perspectives – Economics, III: Disciplinary Perspectives: Political Science and Sociology, and IV: Anti-Corruption, the Law, and International Initiatives took place during the reporting period

Procurement Anti-Corruption and Anti-Corruption in Local Governance Trainings 2015

- Seven full scholarships were granted to participants from LDCs for the Training in "Procurement Anti-Corruption"
- Five full scholarships were granted to LDC participants for the training "Anti-Corruption in Local Governance"

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:	DURATION:	USD (MILLION):	REGISTERED IN:
Brazil	5 years	3.11 M	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 5
(OCTOBER 2014 – SEPTEMBER 2015):

Influence on the anti-corruption legislation

- Ethos actively supported the enactment of the Brazilian decree ([n° 8.420/2015](#)) which was signed by Brazil's President, Dilma Rouseff in March 2015. The decree aims at regulating anti-corruption Law ([n°12.846/13](#)) by setting the criteria for the calculation of fines where there are violations of anti-corruption Law. The anti-corruption Law is especially important because it sets parameters to evaluate compliance programs that a company should have in place. This has resulted in an increased inter-

est on the part of companies to sign the [Business Pact for Integrity and against Corruption](#) as well as increased interest to improve their own compliance systems

- Launch of [the Thematic Guide: Integrity, prevention and combat corruption](#): a tool to help companies effectively measure, evaluate and improve their compliance programs. The management tool was attached to Ethos Indicators and thus helps to evaluate practices related mainly to integrity
- [Launch of the Pro Ethics Registry](#): a public policy and an initiative of Ethos in cooperation with the Comptroller General Office. The aim of the program is to disclose companies that already have a good compliance system in place and encourage new companies to engage and adopt voluntarily policies and practices to foster integrity in the market as well as to increase the trust in public-private partnerships

Awareness raising and engagement of civil society

- A compliance workshop titled '[Prevention and risk mitigation](#)' was organized in cooperation

with the local branch of the Global compact. The result was a partnership with Sebrae, the most important support organization to small and medium size companies in Brazil. With this partnership, Ethos aimed to further mobilize small and medium size companies in the fight against corruption in Brazil

- More than 250 signatory companies to the Health Ethics – [Sectoral Agreement](#) of Importers, Distributors and Medical Device Manufactures, one of the largest sectoral integrity agreements in the world
- Launch of the first application of Transparent City Indicators with all of the 26 state capitals as well as the Federal District
- Participation in various international plenary meetings and local events like the [5th Session](#) of the Conference of the State parties to the United Nations Convention against Corruption with the view to continue the communication of the importance of the collective fight against corruption and to actively engage companies and important players in the fight against corruption

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 USD 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 5
(OCTOBER 2014 – SEPTEMBER 2015):**

Promoting the Maala Index

- 85 companies were ranked on their CSR performance including ethics and anti-corruption parameters (7 medium size new entrants)
- The Index ranking results [were published on the Maala website](#) alongside a wide spread social media campaign and a public event was held which culminated in a ceremony with CEOs from public participating companies and the Tel Aviv Stock Exchange opening the TASE Trade

Raising awareness in the Israeli business community

- Maala forum was held on March 23, at The Porter School of Environmental Studies at the Tel Aviv University. The Maala annual forum showcased amongst others:
 - › The 'GlobeScan SustainAbility Survey – Israel vs. Global Markets Insight' with results highlighting Israeli public perception of Companies and their social & environmental performance, levels of trust in institutions, sector insights and public perception of integrity and corruption as social issues
 - › A presentation by Aron Cramer, BSR's CEO: A guest of Maala for the Maala Forum 2015 on transparency, integrity and CSR emphasizing the link between risk management and social innovation. 180 participants, mainly business representatives attended the event
- By announcing the second national 'Social Responsibility Day' in Israel on June 9, 2015, Maala aimed to raise awareness of and exposure to Corporate Social Responsibility

amongst large medium and small enterprises, employees and the general public. The 'Social Responsibility Day' included the publication of the results of the Maala 2015 CSR Index and Special Diversity in Business Awards

The 'Integrity in the Procurement and a Responsible supply chain' Toolkit

- The [toolkit](#) has been published and is an integral part of the Maala CSR index. It is comprised of six chapters, namely Ethics & Integrity, Health & Safety, Employees Working relations, Diversity in the Workplace, Environmental Performance and Social Investment
- The [toolkit](#) is relevant to the Israeli market and is designed for large companies who wish to raise the ethical norms and standards of their suppliers

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
- 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 OVER THE ENTIRE PROJECT PERIOD (DECEMBER 2011 – MARCH 2015)

- An “Integrity Pledge” for both the public and private sector has been created. It provides key measures and control activities intended to ensure transparency and integrity in business transactions. Signatories to the pledge commit themselves to the performance of these measures and controls by adopting a “Unified Code of Conduct” for doing business
- An [Online Integrity Assessment Tool](#) for signatories to assess the level of compliance and gaps in their integrity management systems, policies and practices was developed. It has been used by up to 260 signatory companies and has been adopted by Indonesian-based Indonesia Business Links
- Learning modules as well as an integrity planning workshop to help companies address gaps and achieve advanced status in their integrity assessment and validation have been developed. A system for third party validation of company self-assessment has also been developed and 13 signatory companies have been validated as ‘advanced’
- An Integrity Consortium (ICon) comprised of 202 organizations working with the private sector has been established
- An Annual Integrity Nation Now Campaign was organized. This consisted of an annual Integrity Summit as well as various activities such as concerts, films festivals and fun runs
- Partnerships have been established with other international, regional and local organizations and enterprises to promote sharing of information, research capabilities and financial and technical resources
- [Integrity Initiative, Inc.](#) was incorporated to sustain the SHINE project’s goals and to manage the established integrity standards and partnerships with other private sector led networks. A sustainability roadmap was prepared for signatories to become institutional members of [Integrity Initiative, Inc.](#) Membership fees will be collected, sponsorship opportunities for annual activities will be offered and income will also be earned for various services in partnership with existing partner institutions

DESCRIPTION OF INTEGRITY PARTNER

UNDP is the UN's global development network. It operates in 177 countries and territories, 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.

UNDP's activities in the Arab States region build on UNDP's new Strategic Plan (2014-2017), with additional emphasis placed on addressing the main impediments to human development in the region as identified by the Arab Human Development Report series.

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, United Nations

The project is a major component in a broader regional initiative that generates context-specific knowledge and supports inclusive policy reform in Arab countries in the area of anti-corruption and integrity. It developed 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 across the region.

Key activities include:

- Training leading non-governmental practitioners (NGPs), using specially developed material
- Supporting CSOs and businesses to formulate and advocate joint policy positions on various anti-corruption and integrity themes and engage governments in direct dialogue
- 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 OVER THE ENTIRE PROJECT PERIOD (JULY 2011 – DECEMBER 2014)

- Training material on anti-corruption was developed with a focus on business transactions in close cooperation with four regional business associations. The material was dedicated to representatives of SMEs and included a course book, power point presentations and a user guide for deployment. The material was piloted in 2014 through local seminars in Tunis, Sfax, Casablanca, Rabat, Cairo and Alexandria
- Educational material on anti-corruption was developed in cooperation with four regional law faculties. The material includes a Course book and a user Guide for deployment covering the main sections a) background

on corruption; b) general approaches against corruption; c) selected legal tools to prevent and combat corruption; and d) state of legal tools to prevent and combat corruption

- Four position papers on 1) recovery of assets derived from corruption; 2) fighting impunity against corruption; 3) corruption in public lands, and 4) access to information were completed and circulated to members of the Arab Anti-Corruption and Integrity Network (ACINET), a non-governmental group which consist of 20 independent organizations from civil society, the private sector and academia
- Regional and country level dialogues on the implementation of the United Nations Convention against Corruption (UNCAC) attracted more than 300 non-governmental practitioners from at least 18 Arab countries e.g. Lebanon, Palestine, Morocco and Tunisia
- During the years 2012 to 2013 three regional workshops on UNCAC and Business in the Arab Region were organized. The workshops helped to increase the capacity building and regional specific knowledge sharing of over 300 governmental and non-governmental practitioners

Impact

- The project enabled concrete progress towards the implementation of the UNCAC including article 12 with the development and the dissemination of regional specific training material
- Empowered non-governmental practitioners, especially business associations and CSOs, to become more active in monitoring and informing related reforms and bringing more focus on key vulnerable sectors
- Promoted closer collaboration among key stakeholders thus establishing stronger ground for Collective Action

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:

Egypt

DURATION:

5 years

USD (MILLION):

0.85 M

REGISTERED IN:

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 5
 (OCTOBER 2014 – SEPTEMBER 2015):**

Awareness Raising Seminars

- Two rounds of four training Workshops (totaling eight workshops) on Corporate Governance in cooperation with the International Finance Corporation (IFC) were conducted
- One Graduation Ceremony (Conference) for the 108 participants of the Corporate Governance workshops was hosted. The event was attended by students, parents, faculty, specialists in corporate governance and the media
- A conference on 'the Fight against Corruption' took place, bringing together more than 120 participants representing various stakeholders, the faculty of Economics and Political

Science, 24 public universities in Egypt, more than twenty ministries in Egypt, the donor community, the University of Hamburg, the business community and students

**Extra Curricular Activities /
 Educational Curricula**

- Case Study Based Student Competitions on Corporate Governance in cooperation with the International Finance Corporation (IFC) were held in two rounds and eight workshops, followed by one final competition for the best first round teams. Another final competition will be held for the best second round teams
- Within a simulation model on the UNCAC treaty, three workshops were held by the Center for Governance in Egypt. An opening ceremony of the SAC Model, was attended by 100 students in the faculty of Economics and Political Science, Cairo University. Another three workshops followed for students to train members on the UNCAC. In an actual UNCAC meeting simulation a number of resolutions were passed
- Five 'Meet the Investor, meet the Regulator and Supervisor' discussion forums were organized

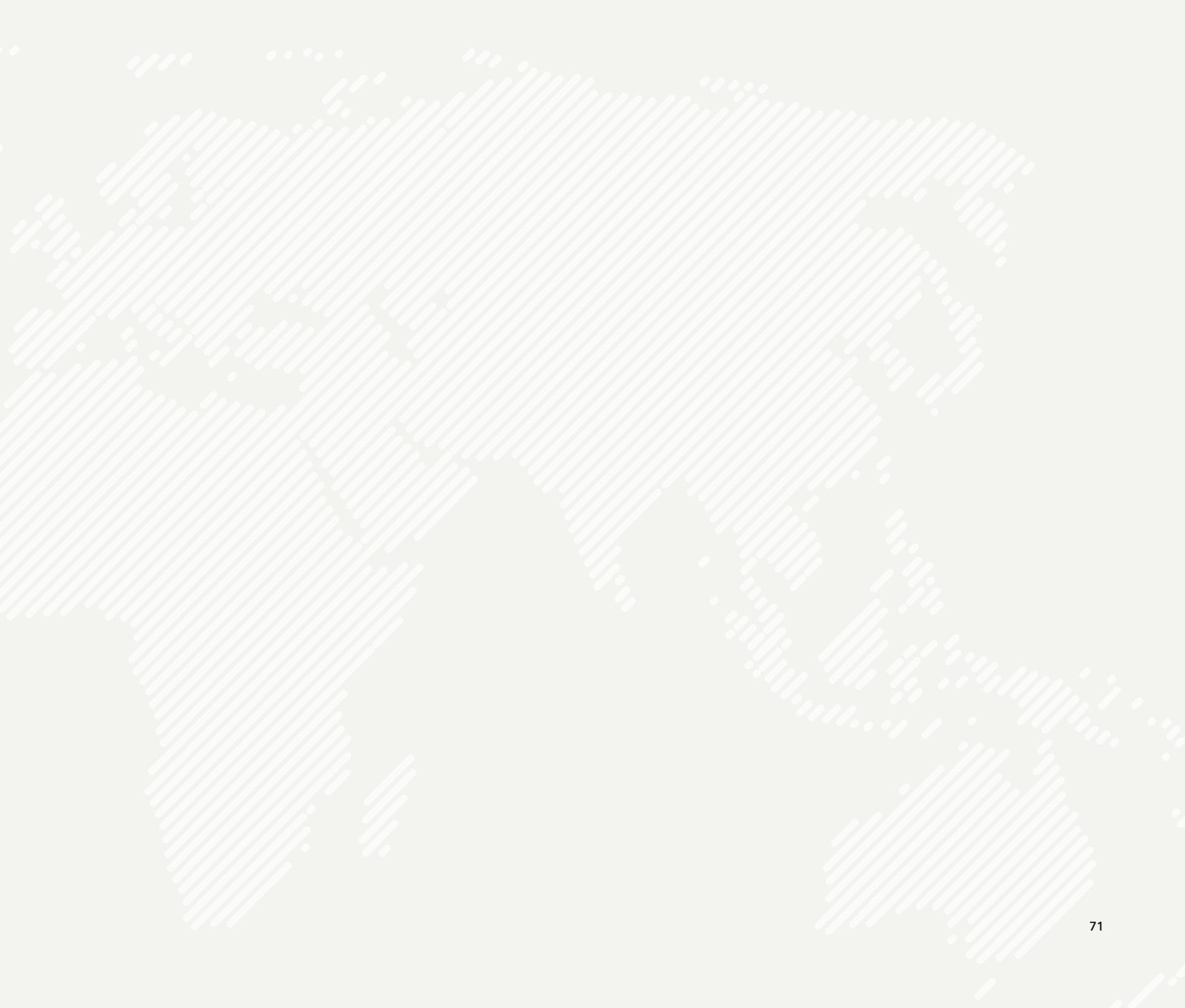
- Faculty members were encouraged to integrate anti-corruption related topics into their relevant curricula, such as public finance, economics of finance, and public administration. Faculty members also assessed the case studies during the competitions and participated in the jury of the last competition. This enhanced their engagement with students in discussions related to governance, anti-corruption and clean business, even outside the class room
- A survey to evaluate the perception among the University Students on the Concept of Corruption was conducted
- A short one hour presentation for first year students on the concept of corruption, the causes and the costs, the regulatory bodies in Egypt, the national strategy for the fight against corruption and the international treaties for the fight against corruption was prepared
- Staff at the faculty of Economics and Political Science was trained in 3 sessions on the Code of Conduct for staff as part of the process of finalizing the Code of Conduct for students and faculty

C2.

Second Funding Round Projects: Project profiles

For projects under the Second Funding Round the descriptions of activities undertaken in year 1 (2015) were provided by the Integrity Partners in their respective Annual Progress Report 2015 and approved by the relevant Integrity Partners for external use.

The application and selection process for the Second Funding Round of the Siemens Integrity Initiative started on June 27, 2013. The gradual announcement of the selected projects from the Second Funding Round has started in fall 2014 and stretched until spring 2015. With 24 projects funded and USD 35.554 million committed the Second Funding Round is now closed.



DESCRIPTION OF INTEGRITY PARTNER

Al Akhawayn University in Ifrane is an independent, public, not-for-profit, coeducational Moroccan university committed to educating future citizen-leaders of Morocco and the world through a globally oriented, English-language, liberal-arts curriculum based on the American system.

The University enhances Morocco and engages the world through leading-edge educational and research programs, including continuing and executive education, upholds the highest academic and ethical standards, and promotes equity and social responsibility.

The university is composed of three schools: School of Business Administration, School of Science and Engineering and School of Social Sciences and Humanities. Al Akhawayn University has approximately 2100 undergraduate and graduate level students in a residential campus environment.

Name of Integrity Partner:

Al Akhawayn University in Ifrane

PROJECT:

Center for Business Ethics (CBE)

COUNTRY OF IMPLEMENTATION:

Morocco

DURATION:

3 years

USD (MILLION):

0.55 M

REGISTERED IN:

Morocco

The main objective of this project is to enhance integrity in the Moroccan business environment through the creation of a center for business ethics. The mission of the center is to raise awareness and promote clean business in different sectors, namely energy, healthcare, industry and infrastructure and cities. The Center for Business Ethics will constitute a major player in the fight against corruption through training of professionals, students, and educators as well as conducting research projects and developing teaching case studies.

The Center's activities will revolve around the following objectives:

- Good Governance Practices: Help businesses

to implement anti-corruption initiatives and adopt good governance practices through seminars and training courses for executives

- Curricula Development and Seminars: Integrate business ethics into undergraduate and graduate programs. Offer training dedicated to how to integrate business ethics in different disciplines
- Research: Conduct relevant applied research in the areas of business ethics. The goal of these research projects is to advance knowledge and best practices
- Auditors training: Develop and deliver training dedicated to auditors and compliance officers

PROJECT AT A GLANCE:

The project aims to create a center for business ethics to enhance Moroccan business environment (Energy, Industry, Healthcare, Infrastructure and Cities sectors) through training, executive education and research

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Developing a framework of effective code of conducts

- Development of a framework for creating and implementing codes of conduct in Moroccan enterprises
- An [English](#) version of this framework is being disseminated and it is also translated into [French](#)

Training auditors' content development

- Background reading and research has been completed for the development of the auditors' workshop content which included
 - › A review of various codes of conduct and whistle-blower protection mechanisms
 - › A review of various corporate governance mechanisms that influence ethical decision making
 - › Research on the potential ethical dilemmas experienced by auditors
 - › Research on situations where auditors may experience unintentional bias

Establishment of Communication channels

- A new [website](#) was designed and launched. The web page is available in English and French, and aims at communicating the center's activities
- A brochure and advertising materials were designed and printed to raise awareness of the project and to strengthen the corporate identity of the center
- A press release was disseminated on the launch of the center. Five newspaper [articles](#) were published in representative newspapers
- The CBE has expanded its social media presence on platforms such as Facebook and LinkedIn

DESCRIPTION OF INTEGRITY PARTNER

The Basel Institute on Governance is an independent not-for-profit competence center working worldwide with the public and private sectors to counter corruption and other financial crimes and to improve the quality of governance.

Through its International Centre for Collective Action (ICCA), the Institute works with companies and other stakeholders to develop and facilitate anti-corruption Collective Action initiatives in a variety of industry sectors. The ICCA also supports research and analysis on Collective Action.

In 2014, the B20 awarded the ICCA with the mandate, together with the UN Global Compact, to establish the B20 Collective Action Hub as a knowledge platform and advisory center on anti-corruption Collective Action in the G20 countries and beyond. The ICCA, together with OECD, further leads the global promotion and implementation of High Level Reporting Mechanisms (HLRMs).

Name of Integrity Partner:

Basel Institute on Governance in cooperation with the United Nations Global Compact (UNGCG) and the Organisation for Economic Co-operation and Development (OECD)

PROJECT:

Scaling up the B20 Collective Action Hub

COUNTRY OF IMPLEMENTATION:

Global

DURATION:

3 years

USD (MILLION):

4.00 M

REGISTERED IN:

Switzerland

In support of the mandate of the Basel Institute on Governance and the UN Global Compact to develop and maintain the B20 Collective Action Hub, this project aims to assist interested stakeholders in employing the Collective Action methodology to reduce corruption risks and to consistently and coherently apply anti-corruption compliance programs throughout their global operations. A three-pronged strategy is employed:

- The project will document existing initiatives on the B20 Hub website and analyze these to gain information about factors that may influence the effectiveness of Collective Action initiatives. The website will also enable moderated interactive discussions (e.g. webinars, blogs) to allow interested parties to take

stock of current policy and research and discussions surrounding Collective Action

- The project will continue to develop and provide guidance for new Collective Action initiatives, and expand the scope and remit of existing initiatives moderated by the B20 Hub. This also includes enhanced promotion of the High Level Reporting Mechanism (HLRM) in collaboration with the OECD
- The project will address the dissemination of Collective Action research, best practices and initiatives globally by enhancing the capacity of selected UN Global Compact Local Networks to support Collective Action initiatives, with the aim of reaching substantive regional coverage

PROJECT AT A GLANCE:

The goal of the project is to improve the business environment by enabling companies to engage proactively and jointly tackle bribery and corruption by initiating, promoting and supporting Collective Action initiatives

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

**Bringing together stakeholders through
Collective Action**

- The [B20 Collective Action Hub](#) is establishing a global community of practice through partnerships with national and regional Centres of Excellence starting with the Turkish Integrity Center (TICE)
- A memorandum of understanding (MOU) that outlines shared integrity principles was developed by the members of one core Collective Action Initiative. A joint work plan

for 2016 was set up by member companies which will continue to foster these principles within their individual businesses

- Extensive consultation between UNGC and selected Global Compact Local Networks (LNs) as well as other stakeholders took place to develop a strategy for enhancing the knowledge and capacity of LNs to promote anti-corruption Collective Action
- A Learning Review of TI's Integrity Pact, one of the pioneering forms of Collective Action, has started during the reporting period, with the results expected to be made publicly available in 2016

High Level Reporting Mechanisms

- [A comparative study](#) on first experiences with operating High Level Reporting Mechanisms (HLRM) was conducted. It draws preliminary lessons for business, governments and other stakeholders from the experiences in Colombia and Ukraine
- OECD and the Basel Institute continued to explore with Panama and Peru the feasibility of establishing such a HLRM. Scoping missions took place and recommendations were issued, which in Peru are currently being reviewed by the Government, while in Panama the chosen concept was further refined and finalized during a visit in November 2015

DESCRIPTION OF INTEGRITY PARTNER

NATC is a non-profit organization, duly formed in 2005. Prior to this, it was part of the Chinese Ministry of Commerce. In January 2005, the Ministry of Commerce's Chinese Academy of International Trade and Economic Cooperation and the Beijing Fazheng Group co-founded the newly structured NATC. Its employees consist of researchers, retired government department heads, and other professionals and consultants. In general, NATC's research is focused on new trends in the areas of corporate governance, management structures and corporate philosophy/social responsibility of foreign and Chinese transnational corporations (TNCs). NATC has gained recognition from government agencies and from foreign and domestic companies for its research work in areas such as the objective assessment of the role of TNCs in China and for promoting sustainable socio-economic developments in China. Drawing upon its research capability, NATC submits policy recommendations to government agencies on the one hand and offers consulting advice to Chinese and foreign TNCs on the other. In addition, NATC also runs a full line of complementary services such as consulting, publishing, conference and training. All these services support and reinforce one another.

Name of Integrity Partner:

Beijing New Century Academy on Transnational Corporations (NATC)

PROJECT:

Strengthen compliance capacity building of all market participants in China

COUNTRY OF IMPLEMENTATION:

China

DURATION:

3 years

USD (MILLION):

1.50 M

REGISTERED IN:

China

The project will focus on developing the compliance capacity in Chinese companies. NATC's in-house research shows that while Chinese companies are highly motivated to comply with corporate rules on ethics, there is still a diverse range of Chinese companies which lack the ability to establish and implement such a compliance system.

In concrete terms, the project will focus on attaining the following objectives to contribute to building a clean and fair business environment in China:

- Undertaking in-depth compliance-related research which will help Chinese companies to establish a workable compliance system

- Continuing to advocate and engage policy makers through the submission of ethics-related policy recommendations to the public sector
- Operating the Compliance Club which will be expanded to involve more market participants and include more compliance-related activities
- Implementing the Compliance Knowledge Sharing project and enhancing the Chinese Compliance Website to reach a wider audience
- Convening Semi-Annual Forums to exchange ideas, disseminate examples of best practice that have been identified and create synergies

PROJECT AT A GLANCE:

The project aims to create fair and clean business environment in China by submitting policy recommendations and building compliance capacities of all market participants

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Publications:

- Finalization of the fourth publication in a series of compliance books which touches on the most current compliance topics
- An internal report titled '[Reinforcing Compliance Culture: a New Goal for the Reform of State Owned Enterprises](#)' was drafted for the state-owned Assets Supervision and Administration Commission of the State Council, which encourages state-owned enterprises to improve their compliance systems in line with internationally accepted standards
- A [compliance brochure](#) aimed at improving corporate behavior was drafted

Trainings and seminars:

- A seminar involving several industry associations aimed at promoting a strong compliance culture in enterprises in order to improve the business environment was held in August 2015
- Several training programs were conducted including a three-day session which equipped over 30 trainees with practical knowledge and skills to deal with compliance management and problem solving challenges
- Two semi-annual forums on the topics of 'Enhancing Corporate Compliance, Promoting Corporate Management by Laws' and

'Strengthening the Compliance Control and Guarding against the Compliance Risks' were held. These forums, each with well over 80 participants, not only gave participants valuable insight into the findings of the projects but provide an ideal platform for information exchange and knowledge sharing

DESCRIPTION OF INTEGRITY PARTNER

Today the world is grappling with environmental and social problems and businesses are increasingly being scrutinized with regard to these issues. Against this background, the **Confederation of Indian Industry (CII)** set up the Centre of Excellence.

CII, founded over 117 years ago, is India's premier business association and has played a proactive role in the country's development process. It is a non-government and a not-for-profit organization, which is industry-led and industry-managed. CII set up the Environmental Management Division in 1992, which was renamed the 'Centre of Excellence for Sustainable Development' (CII-CESD) in 2006.

As the country and the business community gears itself toward achieving sustainability, the CII-CESD provides the fundamental principles and the direction in which to move. It enables the government and business to engage with the myriad of sustainability issues facing the country.

Name of Integrity Partner:

Confederation of Indian Industry (CII)

PROJECT:

Promotion and adoption of responsible business practices by corporates in India

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
India	4 years	0.70 M	India

The abundant potential of the Indian domestic market, driven by its emerging middle class, cost-competitiveness and large talent pool, continues to make the country one of the most preferred destinations for investments and businesses. Nevertheless, instances involving multibillion dollar irregularities have tarnished India's public image in the international business community.

A comprehensive framework is required to help curtail corruption at higher levels. Promotion and adoption of responsible business practices by corporations in India will aid understanding of how corruption and unethical business practices are corroding not only the economy but also the corporate environment.

The project is aimed at increasing awareness of current anti-corruption laws and regulations and promoting healthy business practices that are sustainable and replicable. Also, increasing the scope of the existing legislations may also effectively prevent problems for the payer.

Strong law enforcement and a zero tolerance approach toward unethical business practices is the most effective way to combat corruption. Since the global environment is rapidly changing, it will only be a matter of time before Indian regulations align themselves with internationally acceptable ethical business practices and anti-corruption laws and practices.



PROJECT AT A GLANCE:

The goal of the project is to sensitize, capacitate and help large companies to adopt responsible business practices and influence their supply chains as well as involve local stakeholders and Indian government agencies to create awareness

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

- A seven member Project Steering Committee was established with the first meeting convened in September 2015
- Preparation for the 'Indian Integrity Study' Online Survey was completed. The five largest companies in 20 sectors were identified to make up the 100 corporates selected to participate in the survey which examines voluntary standards, process and practices in ethics, integrity and corporate governance. The survey results will be made available in March 2016
- Training modules based on Indian Standards have been prepared, but consideration will be given to adapting the training modules to include international standards such as ISO, ANSI and BSI in order to better assist companies in setting up integrity frameworks
- A working group for designing the training modules has been formed and the training modules are expected to be ready by March 2016

DESCRIPTION OF INTEGRITY PARTNER

The **Ethics Institute of South Africa** is a not for profit, public benefit organization, which has been active since August 2000. The vision of the Ethics Institute of South Africa is to 'build an ethically responsible society' in South Africa and other African countries, such as Mozambique, within the scope of this project. The Organization achieves its mission by forming partnerships with the public and private sectors, and serving as a resource through:

- Thought leadership when setting ethical standards
- Research in the field of organizational ethics management
- Assessment of organization's ethics programs
- Training of ethics skills, including certification of Ethics Officers
- Support and advisory services to clients
- Project management on ethics/anti-corruption for the public and private sectors

Name of Integrity Partner:

Ethics Institute of South Africa (EthicsSA) in cooperation with the Institute of Directors Mozambique (IoDMZ)

PROJECT:

Collective Action for fighting corruption in Mozambique

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Mozambique	5 years	0.55 M	South Africa

The project aims to reduce corruption and facilitate clean business and fair market conditions in Mozambique.

In an initial phase, the project focuses on the provision of technical assistance in the implementation of corporate ethics standards within the private sector in Mozambique. Initial activities will build upon and extend the scope of the good governance standards already in existence, for example, the Code of Corporate Governance and the Code of Ethics for Business.

Based on the anti-corruption training experience gained during the work carried out in South Africa, the Ethics Institute will create a similar local ethics, anti-corruption training and advisory capacity for the public sector, as

well as the private sector in Mozambique. The capacity-building approach of EthicsSA vis-à-vis its partner organization IoDMZ in Mozambique will enhance the sustainability of this Initiative even once the project has come to an end.

Ultimately, a Collective Action approach is most suitable when addressing corruption problems which cannot be tackled by one party alone as there are always two or more parties involved when corrupt practices occur. This is why the Ethics Institute will engage with a number of companies who are concerned about cross-border corruption when entering the Mozambique market, as well as with companies deterred from conducting further business in Mozambique.

PROJECT AT A GLANCE:

The project aims to fight corruption in Mozambique by capacitating the private sector to implement anti-corruption initiatives and good practices while building local ethics management capacity

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

**Best Practices and Ethical Business
Conduct Code**

- A business seminar to introduce the ‘best practices and ethical business conduct code’ to the business sector in Mozambique was co-hosted by the Ethics Institute of South Africa and the Institute of Directors in Mozambique

- Over 50 companies were represented at this function
- Ten leading businesses became signatories to abide by a Business Code of Ethics. The Code of Ethics was co-developed by the IoDMZ and the Ethics Institute of South Africa and launched to the Mozambican private sector during the business seminar

Ethics Officer Trainings

- Five high potential Mozambican nationals received training as Ethics Officers. The new Ethics Officers employers signed a Memorandum of Understanding as part of their commitment to fighting corruption in Mozambique

DESCRIPTION OF INTEGRITY PARTNER

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- Assessment of organization's ethics programs
- Training of ethics skills, including certification of Ethics Officers
- Support and advisory services to clients
- Project management on ethics/anti-corruption for the public and private sectors

Name of Integrity Partner:

Ethics Institute of South Africa (EthicsSA)

PROJECT:

Collective Action for fighting corruption in Gauteng Province (South Africa)

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
South Africa	5 years	0.80 M	South Africa

The project aims to address corruption in the Gauteng Province of South Africa in three ways:

Firstly, the Ethics Institute of South Africa will provide ongoing thought leadership to the Gauteng anti-corruption Forum – a newly launched Collective Action anti-corruption initiative involving government, business, civil society and labor. Its purpose is to explore synergies to consolidate anti-corruption efforts across the various sectors, focusing on specific risk areas.

Secondly, the Ethics Institute of South Africa will collaborate with seven municipalities in the province to strengthen their ethics and anti-corruption management capacity. This will include setting up necessary governance

structures and assisting the municipalities during the first few years of implementation of their ethics management programs. Various projects will be undertaken, from the development of leadership involvement to the setting up of an ethics-based policy environment and the institutionalizing of ethics programs. A key outcome is the development of a technically competent and dedicated cadre of Ethics Officers to drive these programs forward.

Lastly, the Ethics Institute will create information and training resources for encouraging fair and competitive behavior, especially in the construction industry. Following the implementation of the project in the Gauteng Province, the results will be distributed and will reach the rest of the country.

PROJECT AT A GLANCE:

The project aims to fight corruption in Gauteng Province by providing thought leadership to the existing provincial Collective Action initiative, capacitating municipalities to fight corruption, and addressing anti-competitive business practices

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

- An Ethics Officer Certification Programme for 12 participants from a number of Gauteng municipalities was completed
- Work was contributed to the Gauteng Anti-Corruption Working Group. These activities are now regaining momentum
- Unfortunately, the strategy of targeting the municipalities collectively through the Premiers Coordinating Forum (a meeting that includes the Gauteng Premier, the Head of Department of Gauteng CoGTA, and the Municipal / City Managers of all Gauteng municipalities) to get them to sign MoUs has not been successful to date. This has caused delays in the project implementation
- To mitigate risk and drive the process, meetings with the Head of Department of the Gauteng Department of Cooperative Governance and Traditional Affairs, and the Director General of the Office of the Premier have been set up with the aim of getting political support and direct introductions to municipal managers

DESCRIPTION OF INTEGRITY PARTNER

The Ethics and Reputation Society

"TEID" is a non-profit organization which was founded in May 2010, and which aims to develop and encourage adherence to universally recognized business ethics principles in the Turkish business environment.

TEID acts as a point of reference for the private sector companies, assisting them in incorporating the principles of business ethics. It also works closely with the legislator in the pursuit of a more ethical socio-economic environment in which companies are enabled to act in compliance with those ethical principles, without losing their competitiveness, and instead thereby gaining advantages.

TEID acts as a platform for sharing knowledge, experience and best practices. It also assists its members in preparing training courses for their local partners and suppliers to ensure that they share a common understanding and language as far as compliance with codes of ethics, integrity risk management and reputation risk management systems are concerned.

Name of Integrity Partner:

Ethics and Reputation Society / Etik ve İtibar Derneği (TEİD)

PROJECT:

Leveling the playing field with Turkish Integrity Center of Excellence – TICE

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Turkey	3 years	1.76 M	Turkey

The project addresses the needs and possible actions required to effectively manage integrity risks in Turkey, and to fight corruption in the private sector, while enhancing the country's potential to implement the existing international ethics standards.

Within the scope of the project, the Turkish Integrity Center of Excellence (TICE) will be created to conduct regular sectoral and cross-sectoral surveys relating to the effects of corruption on the economy on the basis of coherent data. The Center will serve as body to certify and train compliance officers and to facilitate and lead Collective Action initiatives. It will also serve as a knowledge-sharing platform for professionals working in integrity risk management-related areas.

Much of the existing research material, shows that companies often lack expertise to implement internationally developed anti-corruption and good governance guidelines and standards. It is currently almost impossible to conduct an objective assessment of improvements in this area since there is a lack of coherent data regarding the socio-economic effects of corruption on leading sectors of the local economy in Turkey.

Many companies have ethical standards but no compliance program for integrating these standards into their corporate culture or guidelines on how to manage integrity risks efficiently. Consequently, particularly for family-owned companies and SMEs in Turkey, business ethics remain a soft skill rather than a value and an asset to be measured, reported, communicated and effectively managed.

PROJECT AT A GLANCE:

The project aims at leveling the playing field, by inclusion of the private sector into combating corruption through actions set forth by the “Turkish Integrity Center of Excellence”

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Establishment of the Turkish Integrity Center of Excellence

- The Turkish Integrity Center of Excellence was set up and established
- [INschola](#) has been created as the first business ethics research and training center in Turkey. In collaboration with Bilgi University a course with three components has been established: a certification center for business ethics professionals, academic research on business ethics, and training of trainers (ToT)

Awareness of business ethics was increased through publications and events

- Surveys (corruption perception survey with more than 800 participants from the private sector)
- [INplatform](#) Business Ethics professionals’ meetings with bi-monthly roundtables to deal with different aspects of the profession and its evolution
- [International Ethics Summit](#) of June 2015 with the participation of 286 delegates and around 1500 followers via live streaming
- Turkey’s first business ethics related magazine, [INmagazine](#), is in distribution since January 2015. A hard copy publication is available to 2000 institutions in both the private and public sector, while soft copy versions are available to the public at large
- Business ethics books (INbooks) and guides for business ethics professionals (INguide) have been distributed

Advocacy

- TICE has taken the lead in two B20 Anti-Corruption Taskforce work streams (Combatting Corruption in SMEs and Combatting Corruption in Customs) and supports the taskforce with policy recommendations
- TEID is the co-writer of two tangible deliverables of the Turkish B20 Anti Corruption Taskforce: [Combatting Corruption in Customs with Collective Action Toolkit](#), [Combatting Corruption in SMEs Toolkit](#)
- TICE is the initiator and co-leader of [‘Ethical League of NGOs’](#) which will use the top-down approach for a wider cross-sectoral Collective Action in the Turkish private sector
- Sectoral Collective Action with Customs Brokers has become part of the [UN Global Compact Guide on Collective Action](#) as a best practice which also signifies success in initial Collective Action activities

DESCRIPTION OF INTEGRITY PARTNER

Eucomed represents the medical technology industry in Europe. Their mission is to make modern, innovative and reliable medical technology available to more people. Eucomed funds the Conference Vetting System initiative.

Name of Integrity Partner:

Eucomed – The European Medical Technology Industry Association

PROJECT:

Extension of the Conference Vetting System to Middle East

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Middle East and North Africa Region	3 years	0.85 M	Belgium

The project's goal is to adapt and replicate the Conference Vetting System, which was initiated in Europe, within the Middle East & North Africa region and to promote this system as a gold standard among internal and external stakeholders.

Two years after its inception in Europe in 2012, the Conference Vetting System is recognized as a compliance standard for the industry and a quality label for third-party conferences in Europe.

The Conference Vetting System is an independently managed and unique initiative in the healthcare industry. It reviews the compliance of third-party educational conferences with the

Eucomed 'Code of Ethical Business' to determine whether it is appropriate for companies to sponsor Healthcare Professionals in terms of e.g. conference registration, travel or other conference related expenses. The decision is binding on Eucomed corporate and national associations members.

Through this initiative, Eucomed expects to reinforce general understanding of compliance and associated competences in the Middle East & North Africa region. Furthermore, it will contribute to harmonization across and beyond its membership as well as to greater knowledge and adoption of ethical and compliance-oriented behaviors and standards.

PROJECT AT A GLANCE:

The project's aim is to create a level playing field in the healthcare sector with an ethical gold standard for medical technology companies' sponsorship of Healthcare Professionals to third-party educational conferences in the Middle East

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

- A Middle East Compliance Officer was appointed to manage the daily activities. The primary objective of the compliance officer is to ensure the adoption of the conference vetting system by members and to facilitate its promotion in the geographic region covered by Mecomed as well as to set ground for the system's sustainability after 2017
- The [EthicalMedTech](#) website and administration tools have been modified to enable the Middle East countries to be available and visible to all participants in the European and Middle East system
- Face-to-face meetings have been organized with major stakeholders in Dubai. Education tools have been developed and these, along with the open dialogue, are being implemented with the five countries that host the biggest international and cross-border educational events in the region
- Key corporate members of Mecomed have volunteered to participate in the project pilots. A total of 34 submissions were received over the three-month pilot period, 58% of which were compliant with the code

DESCRIPTION OF INTEGRITY PARTNER

The **Foundation for the Global Compact** was established in 2006 and registered as a 501(c) (3) non-profit organization under New York State law. The Foundation is based on the principle that transparency, integrity and public-private collaboration is essential to finding lasting solutions to pressing global problems.

The Foundation supports the activities of the **United Nations Global Compact** including fundraising, outreach and engagement with business stakeholders. This is a policy and engagement platform for businesses that are committed to aligning their operations and strategies with the Global Compact's ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

Name of Integrity Partner:

Foundation for the Global Compact in cooperation with the United Nations Global Compact and the Egyptian Junior Business Association (EJB)

PROJECT:

Developing a corporate Anti-Corruption ecosystem in Egypt

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Egypt	3 years	1.40 M	USA

The goal of the project is threefold:

- Establish a sustainable multi-stakeholder and business-led Integrity Network in Egypt. The Integrity Network will engage in multi-stakeholder dialog and provide public policy recommendations on major anti-corruption issues in Egypt. Information about the Integrity Network in Egypt will be disseminated and global outreach will be undertaken by means of a well-designed communications strategy
- Encourage Egyptian small and medium-sized enterprises (SME) to commit to advancing their anti-corruption practices and sign an Integrity Pledge which takes into account their needs and challenges. Signatories will be provided with capacity-building training on anti-corruption. This will be carried out

through awareness raising, tailored training for senior management and the Ethics & Compliance officers, as well as the provision of a central support function with regard to the implementation of the Integrity Pledge. An independent assessment process will also be developed for participating SMEs to assess their performance in connection with anti-corruption programs

- Provide tangible business advantages and incentives to SMEs in Egypt which demonstrate ethical leadership and to motivate them to join the fight against corruption. Efforts will be made to convince SMEs that fighting corruption has business value. This will not only motivate individual enterprises to establish anti-corruption practices within their operations, but also increase the relevance of the Integrity Network

PROJECT AT A GLANCE:

The aim of the project is to establish a sustainable multi-stakeholder, business-led Integrity Network in Egypt, build capacity of SMEs to implement anti-corruption compliance programs and link their efforts with tangible business incentives

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

- A [new website for the project](#) was established and updated to enhance outreach efforts and to provide all relevant documents from the preceding project to the public
- The Initiative was presented at the Cairo University Integrity Conference (“The Fight Against Corruption”, on September 14, 2015, Cairo) to resume outreach efforts and to introduce the initiative to interested parties. First contact with potentially interesting stakeholders was established (e.g. ACA, DAAD) and a follow-up invitation was extended to present the initiative at Cairo University/ University of Hamburg workshop in October
- Pilot companies and other stakeholders involved in the previous Collective Action project were contacted to communicate the new project plan
- A project management plan was set up and necessary documents and processes were established to facilitate the day-to-day monitoring of the project’s progress (financial tracker, work plan etc.)

DESCRIPTION OF INTEGRITY PARTNER

Global Compact Network India is the Local Network of United Nations Global Compact (UNGC) operating in India.

The UNGC is a global policy and engagement platform for businesses that are committed to aligning their operations and strategies with the ‘ten universally accepted principles’ in the areas of human rights, labor, environment and anti-corruption.

At present, the Local Network in India ranks among the top three out of the 102 Global Compact Local Networks in the world, and has emerged as the largest corporate citizenship and social responsibility organization in the country with a pan-Indian membership.

Comprising 182 member organizations and 338 signatories, including some of the most prominent industries in the country, GCN India provides a forum to support the “ten principles” of the UNGC and promote these among its various members in India. It also aims to build strong interconnected networks to foster sustainable and positive corporate citizenship within its own milieu.

Name of Integrity Partner:

Global Compact Network India (GCN India)

PROJECT:

Center of Excellence for Strengthening Transparency and Ethics in Business: Scaling Up the Collective Action Agenda in India

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

The Indian business community practices a multitude of anti-corruption initiatives in silos. The Center of Excellence would encourage a shared focus among the business stakeholders in India and provide a platform for greater coordination, thereby increasing the reach and impact of business transparency initiatives.

Essentially, the Center aims to:

- Develop pragmatic approaches around UNGC Principle 10 to challenging business decisions
- Provide an enabling platform to businesses, policy makers, civil society, industry associations, UN agencies and academia

- Improve organizational decision making through a stakeholder management framework that integrates transparency and integrity

The Center of Excellence will be developed on a collaborative model and develop new approaches and techniques by engaging a diverse range of stakeholders, focusing on both the supply and the demand side of corruption.

PROJECT AT A GLANCE:

The aim of the project is to establish a premier knowledge repository that conducts innovative research and training, provides a platform for dialogue, and facilitates policy initiatives for strengthening transparency and ethics in business

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Center of Expertise Website

- The homepage design and mockups of the Center of Expertise website are ready. The website will be the key platform for communication with stakeholders and will be launched in early 2016 in New Delhi

Baseline Assessment

- An extensive baseline assessment was conducted to explore existing transparency and ethics knowledge gaps in business and to assess what stakeholders would require from a Centre of Excellence in India

- A benchmarking questionnaire has been developed and piloted as level two of the baseline research. There is a need to conduct a survey on specific issues, methods and tools since such empirical data is still absent
- In the next year, the questionnaire will be sent to a larger stakeholder base

Knowledge Bank

- In the interests of transparent business in India, the Global Compact Network India Knowledge Bank aims at being a one-stop knowledge sharing platform as well as an interactive interface for brainstorming and idea generation
- The Knowledge Bank will provide information on laws, policies, and good practices in the business sector relating to anti-corruption, transparency and ethics and will be available to stakeholders in government, business, CSOs and academia

- Partnerships will be established with credible legal institutions that will support with the collation and classification of existing laws, guidelines and directives vis-à-vis transparency and ethics in business

Transparency in Procurement

- The Center of Excellence is actively involved in the advocacy of a Public Procurement Act in India that would facilitate greater transparency in public procurement and drive a level playing field in business

DESCRIPTION OF INTEGRITY PARTNER

The Global Compact Network Korea

(GCNK), affiliated organization of the United Nations Global Compact (UNGC) in New York, aims to promote the UNGC Ten Principles in the areas of human rights, labor, environment and anti-corruption. The GCNK has played a key role in disseminating those values to the UN Global Compact participants in Korea from the public, private and non-profit sectors by holding various workshops, symposiums and conferences, conducting CSR projects, translating UN Global Compact & CSR related materials, and promoting social dialogue since 2007.

The GCNK specializes in developing cooperative partnership among various stakeholders, especially companies, industry associations, embassies and local and foreign chambers of commerce. One of the key activities of GCNK is to gather, shape and develop collective voices of private and public sector organizations for further collaborative dialog to advance corporate responsibility in the areas of human rights, labor, environment and anti-corruption.

Name of Integrity Partner:

Global Compact Network Korea (GCNK) in cooperation with the Global Competitiveness Empowerment Forum (GCEF)

PROJECT:

Fair Player Club			
COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
South Korea	3 years	0.90 M	South Korea

The Fair Player Club endeavors to provide business participants and stakeholders with knowledge, skills, strategies, and resources to promote anti-corruption dialogue and Collective Action as well as to advance ethical practices and transparency in business operations within their industry, region, and country by engaging with industry associations, local and foreign chambers of commerce, central and metropolitan city governments, and foreign embassies in South Korea throughout the three-year project.

The project also raises awareness and competence of companies on business integrity, ethics, and compliance system through the various activities on workshops, Fair Play Pledge, Fair Play Competence Assessment as well as dissemination of the unified codes of conduct, Fair Play guidelines and case studies.



PROJECT AT A GLANCE:

The project aims to create fair and clean market conditions in South Korea as a public-private platform for anti-corruption by mobilizing the commitments of all market players

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Developing a public-private sector platform for collaboration building – Council

- [The 1st Joint Council Meeting of Fair Player Club's Public-Private Collective Action](#) was held in conjunction with [the FPC Launching Ceremony](#) on May 19, 2015 with public sector representation from [The Ministry of Trade, Industry & Energy](#) and [the Anti-Corruption & Civil Rights Commission](#), as well as private sector representation from the [Korea Railway Association](#), the [International Contractors Association of Korea](#), the Korea Association of Machinery Industry, the [Korea Electronics Association](#), and the [Korea Automobile Manufacturers Association](#)

Empowering companies for capacity building – Research & Workshop

- The [FPC Seminar for Compliance and Business Ethics of Railway Industry](#) was held on June 11, 2015 as a side event at the Korea Railways & Logistics 2015 Expo. This was the first time for the Korea Railway Association to convene a meeting on anti-corruption issues for their corporate members
- [The Fair Play Rule Compliance Package and workshop materials for Railway Industry](#) including the unified codes of conduct, guidelines and practices of clean and fair business were distributed to all participants

Raising awareness for fair play in businesses for consensus building – Pledge & Outreach

- A MoU was co-signed by representatives from the five industry associations represented at the [FPC Launching Ceremony](#) on May 19, 2015
- Cooperation with [industry associations](#) has been initiated to reach the corporate members of the Fair Player Pledge and to promote the spirit of fair play in business

- FPC was introduced to multinational corporations, international organizations and NGOs during the UN Global Compact's [XIII Annual Local Network Forum](#) and the [16th Meeting of the Working Group on the 10th Principle against Corruption](#) on June 24, 2015 in New York
- Outcomes of the Launching Ceremony and FPC seminars were widely introduced to the public through [news articles](#), the [website](#), newsletters, and [social networks](#)

DESCRIPTION OF INTEGRITY PARTNER

The International Anti-Corruption Academy (IACA)

(IACA), an international organization based in Laxenburg, Austria, is a pioneering institution that aims to overcome current shortcomings in knowledge and practice in the field of anti-corruption and compliance. The organization intends to empower and enable professionals for the compliance challenges of tomorrow.

The Academy provides a new, holistic and collective approach to anti-corruption education and research, delivers and facilitates anti-corruption training courses for practitioners from all sectors of society, and provides technical support and assistance to a wide variety of stakeholders.

The IACA became an international organization on March 8, 2011. To date, it comprises a constituency of 66 member states, including three international organizations. In addition, IACA seeks broad partnerships with private sector institutions, international and non-governmental organizations, as well as civil society.

Name of Integrity Partner:

International Anti-Corruption Academy (IACA)

PROJECT:

Professorship on Collective Action, compliance and (private sector) Anti-Corruption & grants for IACA participants from Least Developed Countries and Emerging Markets

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Global	4 years	4.98 M	International Organization, Austria

The IACA is dedicated to overcoming current shortcomings in knowledge and practice in the field of compliance and anti-corruption. The organization's holistic and collective research and training programs for the private and public sectors as well as civil society strive to enhance the understanding of each other's approaches, intentions, and methodologies, while also providing the opportunity to explore common problems from different angles with joint academic rigor.

Compliance, private sector anti-corruption programs, and especially Collective Action are relatively new areas in the fight against corruption. The "Professorship on Collective Action, compliance and (private sector) anti-corruption" will contribute to meeting the demand for in-depth analysis in these fields. It will develop

and offer an academic two-year masters degree program, seminars and conferences focusing on the needs of the private sector, and also develop benchmarks for anti-corruption activities in the private sector in order to promote fair market conditions.

Grants for students and participants from least developed countries and emerging markets:

In accordance with the inter-regional approach of IACA, students and participants from all over the world should have the opportunity to study and work at the Academy. In order to be able to provide training to those participants who would otherwise not be able to afford it and enable them to attend courses, grants and tuition fees will be provided.



PROJECT AT A GLANCE:

IACA's "Professorship on Collective Action, Compliance and (private sector) Anti-Corruption" will research, lecture, train, and provide technical assistance in these fields in order to promote fair market conditions

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

As the project only started on October 1, 2015, details will be reported in subsequent Annual Reports.

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 OECD provides a forum in which governments can work together to share experiences and seek solutions to common problems.

The Organisation benchmarks best practice 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 business integrity and gives high priority to the issue, ensuring for example the effective implementation and enforcement of the OECD Principles of Corporate Governance, Guidelines for Multinational Enterprises and the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Name of Integrity Partner:

Organisation for Economic Co-operation and Development (OECD)

PROJECT:

Business Integrity in Morocco: Creating an alliance between private sector and government

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Morocco	3 years	0.70 M	International Organization, France

To fight corruption in Morocco, government and business associations declared their will to implement obligations under the United Nations Convention against Corruption (UNCAC).

The project will assist government, business partners and civil society in Morocco in enabling change and promoting business integrity in selected sectors by:

- Building policy and institutional framework for promoting integrity
- Strengthening government processes by introducing anti-corruption measures in procurement
- Facilitating the development of Collective Action initiatives against corruption

The project will bring together senior government and business representatives to identify sources of and measures against integrity risks in selected sectors and to adhere to a policy

statement committing both sides to designing and implementing integrity measures, including pilot Collective Action projects.

Capacity-building through trainings for Moroccan officials, will be key to implementing the commitments initially endorsed. These trainings will focus on public procurement.

Round tables will be organized to identify proposals for pilot Collective Action projects. Individual coaching, tailor-made advice and support from consultants will be provided.

The project will build political support for the implementation of practical business integrity measures and influence the practice of decision-makers in procurement in both the public and private sector. The gained practical experience will enable reform-oriented experts in government, the private sector and civil society to replicate this experience in other sectors.

PROJECT AT A GLANCE:

The project aims to promote clean business and fair market conditions in Morocco through supporting an anti-corruption policy framework, Collective Action and integrity training in public procurement

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Draft and Review of the sectorial study on business integrity

- A draft study, aimed at establishing the state-of-play and development strategy in three sectors identified as critical for Morocco's economic and social development, namely energy, transportation and health, was prepared with input from partners in Morocco such as the Moroccan Agency for Investment Promotion and the Ethics Commission of the private sector association CGEM. The study includes a general review of the main anti-corruption policy reforms initiated by the Government and other stakeholders in the wake of the 2011 Constitution, and will serve as a working document for the High-

Level Conference on Business Integrity to be held at the end of 2015. It will also be circulated to private sector representatives of the target sectors with a view to collecting input on sectorial key players and existing Collective Action initiatives in those areas

Preparatory consultations with the Government of Morocco and private sector roundtable on Collective Action

- Consultation with the Government of Morocco was organized in the context of the launch of the OECD Morocco Country Programme, in order to inform stakeholders in relevant Ministries, including sectoral ministries, about the project activities, define next steps and gather momentum in view of the High-Level Conference on Business Integrity
- A round-table with the private sector was organized in collaboration with the Ethics Commission of the private sector association CGEM. An international legal advisor from the International Chamber of Commerce, Mr. François Vincke, spoke on the definition of Collective Action and the potential for implementing such private sector-led initiatives in Morocco

Bilateral consultations with government representatives and other stakeholders

- Since May 2015, a series of bilateral consultations took place with key international stakeholders such as the EBRD, the Basel Institute on Governance and the International Center for Collective Action as well as the ICC Commission on Anti-Corruption, to discuss the project and explore further synergies
- Exploratory discussions were held with the Government of Morocco to build synergies with the project components and the national anti-corruption strategy which is in preparation. Government is interested to do so but the expectations of the private sector need to be taken into account

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 OECD provides a forum in which governments can work together to share experiences and seek solutions to common problems.

The Organisation benchmarks best practice 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 business integrity and gives high priority to the issue, ensuring for example the effective implementation and enforcement of the OECD Principles of Corporate Governance, Guidelines for Multinational Enterprises and the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

Name of Integrity Partner:

Organisation for Economic Co-operation and Development (OECD)

PROJECT:

OECD Russia Corporate Governance Roundtable

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Russia	3 years	1.55 M	International Organization, France

The project aims to strengthen the corporate governance framework of Russian companies in line with international compliance standards in order to promote best practices of corporate governance and business integrity.

A robust and accountable corporate governance system with sound risk management, transparency requirements and control mechanisms should reduce the scope for corrupt behavior by and within corporations.

Good corporate governance and cleaner business will contribute to economic efficiency through risk reduction and increased investor confidence, promoting value creation, jobs and growth.

The objectives of the project are threefold:

- To promote international standards and best practices of corporate governance and business integrity within large companies in Russia,

thereby underpinning the accountability and transparency needed for enhanced business integrity. This will be achieved mainly through OECD-driven policy dialogue and sharing of good practices, culminating in large annual meetings involving Russian and international high-level policy makers, experts and representatives from key companies in Russia

- To build the capacity of managers and board members of large Russian companies to foster the implementation of good corporate ethics practices
- To enrich the corporate governance and business integrity debate through the production of high-quality reports and training materials which will be developed for this project and will be disseminated to a wide audience

PROJECT AT A GLANCE:

The aim of the project is to work with businesses, policy makers and stakeholders to sustainably improve Russian corporate governance practices so as to promote business integrity and prevent misconduct

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

- A network consisting of high-level representatives from listed companies in Russia was established. Members of the network will receive targeted support in their efforts to implement the Russian Code of Corporate Governance approved in 2014, in the form of trainings and workshops
- The project team continues to spread knowledge of international corporate governance standards among Russian corporate leaders and policy makers, with a special focus on links between better governance and business integrity
- A study on key areas for improvement in corporate governance practices in Russia and a survey report on the views of international investors on recent developments in the country's corporate governance were conducted. These studies will be used to develop tailored training material for technical workshops for Russian companies taking part in the project network
- The annual OECD Russia Corporate Governance Roundtable took place on October 22, 2015 with over 400 participants, including high-level representatives from leading Russian companies, public authorities, regulators, investors and stock exchanges. Updated information about the conference is distributed through a dedicated [web page](#)
- To guarantee visibility of the project, a [website](#) has been established and is regularly updated with information about the project activities and latest research material

DESCRIPTION OF INTEGRITY PARTNER

The **Pan African Lawyers Union** (PALU) is a continental membership forum for African lawyers and lawyers' associations. PALU was founded in 2002, by African Bar leaders and eminent lawyers, to reflect the aspirations and concerns of the African people and to promote and defend their shared interests.

It brings together the continent's five Regional and 54 National Lawyers Associations, whose Presidents constitute the PALU Council. It is the vision of PALU to see a united, just and prosperous Africa, built on the rule of law and good governance.

Its mission is to advance the law and the legal profession, rule of law, good governance, human and peoples' rights and socio-economic development of the African continent.

Name of Integrity Partner:

Pan African Lawyers Union, PALU

PROJECT:

African Lawyers Initiative on compliance in business relations

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Africa	3 years	0.93 M	Tanzania

This project intends to enhance the level of transparency and accountability in business transactions in the energy sector in Africa. The goal of the project is two-fold:

- Strengthen the rule of law and good governance through the development and use of an Africa-wide Code of Ethics on anti-corruption efforts and compliance standards which is developed, implemented and championed by African lawyers in the public and private sectors for the benefit of local and international business, in particular in the energy sector in Africa
- Training of private and public sector lawyers across Africa, primarily those employed in the energy sector, in the systematic application of the anti-corruption and compliance standards and the new Code of Ethics in business transactions.

Initially, it is planned to conduct comprehensive research and mapping to create a knowledge base for the development of a comprehensive list of anti-corruption and compliance instruments, as well as actors working in this field. This research, together with the support of experts and the establishment of an African Lawyers Anti-Corruption Steering Committee, will lead to the development of anti-corruption and compliance standards for African Lawyers, as well as a curriculum for a series of training courses on international, African regional and sub-regional anti-corruption instruments and methods of ensuring compliance. Through the Pan African Lawyers Initiative's interactive website, African lawyers will be able to pledge their adherence to the above-mentioned and new anti-corruption standards

PROJECT AT A GLANCE:

The project aims to strengthen the rule of law and good governance through the use of a continental Code of Ethics on anti-corruption and compliance standards for business and public sector African lawyers

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

- Comprehensive research, mapping and compilation of anti-corruption and compliance instruments applicable to Africa were undertaken
- An interactive website on anti-corruption initiatives in Africa was launched
- A consultancy was commissioned to develop a draft of the Continental Code of Ethics on anti-corruption and Compliance Standards for African Lawyers. Consecutively, an inclusive, consultative process involving African Lawyers in the development of a Code of Ethics on anti-corruption and Professional Compliance Standards for African Lawyers was initialized and the first Experts Meeting on the development of the code was convened
- A Continental Conference under the theme "[Combating Corruption: The Role of the Legal Profession in Africa](#)" was held and included focus group discussions on the scope and content of the proposed Code

DESCRIPTION OF INTEGRITY PARTNER

The [Pearl Initiative](#) is the leading, independent, not-for-profit, by-business for-business organization working across the Gulf Region of the Middle East to improve corporate accountability, governance and transparency.

The Pearl Initiative, with its growing network of Partner Companies, is committed to positively influencing the entire regional business and student community towards implementing higher standards in corporate governance, anti-corruption, ethical business, leadership, gender diversity and reporting.

Founded in 2010, the Pearl Initiative carries out its objectives through:

- Regional Insights, Case Studies and Research-based Reports
- Task Force Initiatives and Interactive Roundtable Forums
- University Collaborations to enhance the capabilities of future business leaders

Name of Integrity Partner:

Pearl Initiative

PROJECT:

Implementing integrity practices in GCC private and public businesses

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
United Arab Emirates, Kingdom of Saudi Arabia, Bahrain, Qatar, Kuwait, Oman	3 years	0.88 M	United Arab Emirates

The aim of the project is to influence the behavior of business leaders, government representatives and students across the Gulf Region through education and incentivization, and by building a local community that is sharing good integrity practices, leading the way in the implementation of better standards, and actively encouraging others to do so.

To facilitate higher levels of integrity and transparency in businesses in the Gulf Region, the project is developing practical tools to help companies, and particularly first-time adopters of such higher levels of integrity and transparency, to implement better practices.

The project has three key objectives:

- Develop a GCC Integrity Measure and publish it widely to provide businesses with a tool to measure integrity and thereby foster integrity and transparency within businesses in the region
- Facilitate the creation of a Collective Action community, and enhance dialogue between the business community, civil society and government, highlighting the business benefits to align interests and incentives in implementing higher standards
- Reach out to future business leaders by encouraging universities in the region to include practical experience of integrity practices in their curricula and by actively engaging students with activities such as projects and case study competitions



PROJECT AT A GLANCE:

The project will incentivize and help Gulf Cooperation Council (GCC) business leaders (and future leaders) to implement more rigorous integrity practices, with direct business benefits for doing so

KEY ACTIVITIES YEAR 1 (OCTOBER 2014 – SEPTEMBER 2015):

- Preparatory work on 'A Practical Guide to Promoting Clean Business in the Gulf Region' commenced with publication expected in November 2015. The aim is to raise awareness of the importance of higher integrity standards and to make the business case for better implementation of integrity standards in the Gulf Region
- Initial desktop research on index methodologies that will serve as the basis for the Integrity Indicator Methodology was carried out; an initial outline defining the Integrity Indicator was drafted
- Senior executives were approached to form a task force; a document outlining the tasks and responsibilities of the task force was drafted
- The development of a local network of experts that will be able to support the work going forward was started – the responses were very positive; identification of companies that have started to implement 3rd party due diligences was managed
- An interactive roundtable event was held with the Asharqia Chamber of Commerce in Eastern Province, Saudi Arabia, on September 13, 2015. It was titled '[Corporate Integrity, Transparency & Competitiveness Forum](#)' and was attended by 80 people with press coverage in 10 online and print news outlets in Saudi Arabia
- The preparation for the Pearl Initiative and World Economic Forum Anti-Corruption Round Table which took place in Dubai on October 28, 2015 was carried out. The event enjoyed balanced participation from government agencies, state-owned companies, academia, NGOs and local and international private sector organisations
- Press material about the Integrity Project was prepared
- Preparation work to build the online resource center was carried out; an initial outline was drafted and web design agencies were requested to provide quotes
- The initial structure of the Project Management Office was set up

DESCRIPTION OF INTEGRITY PARTNER

POLMED is one of the largest and most highly recognized chambers of commerce in Poland which represents manufacturers 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 that members operate in a business-friendly, ethical and fair market environment.

POLMED provides training courses and consultations necessary for their members' business operations. It focuses on promoting the rules and advantages of professional ethics and honesty in business practices among its members. The 'Code of Business Practice' has led to a significant improvement in the quality of its member's interactions within the medical environment.

Up until September 2014, POLMED was successfully implementing the forerunner project MedKompas I, which aimed to promote ethical cooperation between representatives of the medical devices market and healthcare professionals.

Name of Integrity Partner:

The Polish Chamber of Commerce of Medical Devices (POLMED)

PROJECT:

MedKompas Poland II

COUNTRY OF IMPLEMENTATION:

Poland

DURATION:

4 years

USD (MILLION):

0.65 M

REGISTERED IN:

Poland

In the framework of the MedKompas project II, the anti-corruption activities of the previous MedKompas project I toward clean business and fair market conditions in the medical device market will continue in addition to the introduction of new and more advanced activities which will enhance the impact achieved so far.

During the MedKompas project II, POLMED intends to:

- Educate the Polish healthcare system participants (e.g. medical doctors, hospital directors and management staff, etc.) about ethical business conduct and how to set up transparent relations between doctors and medical companies, combined with awareness raising

activities among the medical device system participants (e.g. decision makers, doctors, hospital directors, representatives of medical device companies)

- Build the first model compliance system for public healthcare institutions in Poland and implement this in three selected Polish hospitals

POLMED believes that if the gap between the legislation and people's values and social norms is too large, then even the most restrictive legal regulations will not help to fight corruption. This is why the activities are geared towards shaping ethical values in the public and private healthcare sectors.

PROJECT AT A GLANCE:

The project concentrates on reducing corruption risk in the Polish healthcare sector through education, promotion of compliance policy, development and popularization of anti-corruption tools tailored to the needs of Polish health-care facilities

KEY ACTIVITIES YEAR 1 (OCTOBER 2014 – SEPTEMBER 2015):

Training

- 15 [training sessions](#) on healthcare sector and medical industry related ethical issues were organized
- Over 361 healthcare employees including hospital directors and management, public procurement staff, medical doctors and nurses participated in the trainings at 13 healthcare facilities. Two hospitals that

hosted training sessions provided formal letters of recognition and recommendation. In addition, the participants [rated](#) the training as fully meeting their requirements and expectations

Development of a Compliance System

- Documentation and guidelines which set out the basis for the implementation of a compliance system in any healthcare facility were drafted and completed. This has attracted high levels of interest in the healthcare sector
- MedKompas has commenced with the adaptation of the model compliance system documentation for the first of three selected healthcare facilities

Impact

- There has been growing interest in ethical issues in the healthcare sector with an increased willingness to engage in public discussion on the topic

- Healthcare institutions have become more aware of the importance of educating employees on the risks of corruption and the benefits of ethical behavior, and consequently public healthcare institutions have shown increasing interest in MedKompas training sessions and material
- Legal firms have started to offer compliance system implementation services as a result of the new market demand for compliance programs

DESCRIPTION OF INTEGRITY PARTNER

As part of the global [Transparency International Movement](#) leading the fight against corruption, the Transparency International Secretariat tackles corruption on a regional and global stage.

Based in Berlin, the Secretariat provides leadership for the Movement's international initiatives, supports national chapters and coordinates the regional work through knowledge sharing, advocacy and building coalitions.

In collaboration with the more than 100 national chapters and national contact groups, the Secretariat produces numerous research tools and policy positions. It serves as a knowledge centre, offering valuable insight into the dynamics of corruption and new approaches to tackling this.

Name of Integrity Partner:

Transparency International Secretariat (TI-S)

PROJECT:

Collective Action for Clean Business			
COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Global	3 years	3.06 M	Germany

The Transparency International Secretariat will promote business integrity at three levels (individual businesses, groups of businesses, and the business environment), all of which are underpinned by Collective Action.

In order to achieve the objective of facilitating change at scale, the project will improve the capacity of Transparency International to work as a catalyst for Collective Action at national level in multiple countries and advocate improved standards, norms and practices within international fora and initiatives.

This will involve:

- Developing evidence bases for Collective Action at national level through "Transpar-

ency in Corporate Reporting Assessments" and "Business Integrity Country Assessments"

- Evaluating the effectiveness of and providing support for the replication of Integrity Pacts for procurement at a new scale
- Disseminating learning and expertise within the TI Movement on Collective Action for clean business
- Increasing international advocacy to help strengthen the development, promotion and enforcement of global standards in existing and new areas relating to business integrity

PROJECT AT A GLANCE:

The overall goal is reduced corruption through improved transparency, integrity and accountability in business practices around the world

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Piloting a new business integrity tool

- A [pilot of TI's new tool](#) – the Business Integrity Country Agenda (BICA) – has been conducted by the TI Chapter in Mozambique. This new tool seeks to assess a country's business environment and set an agenda for reform
- A National Advisory Group drawn from stakeholders in government, industry associations and civil society was set up to provide advice on the research process and develop joint recommendations for reforms

Taking stock of the Integrity Pact

- A learning review to take stock of the Integrity Pact model as a tool for clean public procurement has been conducted. The review assesses whether Integrity Pacts had achieved their intended goals, what challenges and failures have been experienced, and what overall changes or country-specific adaptations to the Integrity PACT model might be called for

Creating a community of practice

- A business integrity workshop with TI Chapters from 41 countries was held to develop the capacity of the TI movement to be a catalyst for Collective Action. The three-day cross-regional workshop was the first dedicated business integrity workshop in TI

Collaborating with Collective Action initiatives to promote clean business

- Advocating for clean procurement practices through workshops with the UN Global Compact. Through participation in the B20 task force on beneficial ownership, TI is engaged in efforts to engage companies in a dialogue about the business case for beneficial ownership transparency, and how to implement it

DESCRIPTION OF INTEGRITY PARTNER

Transparency International España is the Spanish national chapter of the global Transparency International Movement of non-governmental organizations universally devoted to combating corruption. The Movement brings civil society, private sector and governments together and forms a global coalition against corruption.

The work of Transparency International España is in line with the overall Transparency International strategy and is based on the assumption that transparency constitutes a major goal of modern society. It is a powerful tool for fighting both political and corporate corruption and thereby also inherently linked to the “Right to know” of citizens in Spain.

Transparency International España is an organization committed to promoting and increasing the level of information and openness of information of the various Spanish public institutions, fighting all types of corruption, generating knowledge and promoting good practices in the public and private sectors.

Name of Integrity Partner:

Transparency International España (TI-España)

PROJECT:

Implementing and evaluating corporate integrity policies in the Spanish private sector: A holistic approach

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Spain	4 years	1.27 M	Spain

The project aims to prevent corruption and create fair market conditions in Spain by improving corporate governance in the private sector and enhancing transparency in public services and procurement. The expected impact of this project is an improvement in quality of the corporate governance system. Throughout implementation, the project will look at:

- Improving corporate governance in target companies, through the design and implementation of a Compliance and Ethics Program, including a model report, based on the obligations and recommendations set out in European and Spanish legislation
- Promoting integrity in public contracting through “integrity pacts” as a way to minimize corruption in public procurement, starting with a pilot project relating to certain tenders of the Spanish Central Public procurement system
- Fostering transparency in the delivery and management of contracted public services through the implementation of the new Transparency Law

PROJECT AT A GLANCE:

The project aims to improve corporate governance in the private sector and enhance transparency in public services and procurement, to prevent corruption and create fair market conditions

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Advocacy

- After a Launch Seminar, two sessions with companies and public sector representatives were held
- An [Integrity Forum](#) was created, open to target companies as a platform for joint work and advocacy to ensure the development of relevant and up-to-date models and guides for companies

Courses/training

- A first business workshop on the Spanish Transparency Law and its consequences for the private sector was organized

Publications

- Three internal stock-take and recommendations reports were written. In addition, a [position paper](#) and an executive summary were specifically published and disseminated

Outreach/alliances

- Around 80-100 people, representing 20 companies and ten public institutions, have been involved in the work of TI Spain so far. Relations with organizations such as the pharmaceutical industry association and an association of compliance professionals could be established

- With regard to integrity in public procurement, meetings with the National Commission for Markets and Competition and the Court of Auditors were organized
- In close collaboration with the Observatory of Public Procurement, an Advisory Committee was formed to develop Integrity Pacts in Spain. Moreover, a formal partnership with the Council for Transparency and Good Government has been established

DESCRIPTION OF INTEGRITY PARTNER

Transparency International Italia (TI-It), the Italian chapter of Transparency International, founded in Milan in 1996, promotes transparency, integrity, accountability and the fight against corruption.

TI-It interacts with the public and private sectors, academia, and researchers. Its main activities are:

- Promotion of improved laws and practices for preventing corruption and misuse of resources
- Raising awareness in public opinion on the urgency of fighting corruption and related crimes
- Increased focus on ethics in schools and universities, encouraging the public and private sectors to fix and implement ethics principles and codes
- Support of Italian whistleblowers through the specific 'ALAC' online platform

Name of Integrity Partner:

Transparency International Italia (TI-It) in cooperation with the Centro Ricerche e Studi su Sicurezza e Criminalità (RiSSC), Fondazione Centro Studi Investimenti Sociali (CENSIS), Istituto per la Promozione dell'Etica in Sanità (ISPE-Sanità), Italy

PROJECT:

Healthcare Integrity Action

COUNTRY OF IMPLEMENTATION: DURATION: USD (MILLION): REGISTERED IN:

Italy

3 years

1.12 M

Italy

The project aims to enforce a "Healthcare Integrity System" in the Italian healthcare sector to improve the national healthcare sector's efficiency and to reduce the risk of corruption through transparency, integrity and accountability. The project will increase the awareness of corruption, educate and train, and implement and test innovative anti-corruption tools and organizational models through Collective Action initiatives with hospitals, Local Health Authorities (LHA), civil society and companies.

The main objectives of the project are:

- To develop specific and innovative measurement, monitoring and assessment tools to identify structural and geographical vulnerabilities
- To improve the legal and cultural framework through Collective Action and engagement of all relevant stakeholders in the healthcare sector, to promote good practices of transparency, accountability and integrity and to raise awareness in order to increase civil society's understanding of the phenomenon of corruption
- To enhance competences and skills in the field of anti-corruption through specific training courses and coaching for executives and other staff
- To test and implement tools, practices, procedures and organizational models designed for the Italian healthcare sector in five selected Local Health Authorities (LHA) in order to reduce the risk of corruption

PROJECT AT A GLANCE:

The project aims to strengthen fair market rules in the Italian healthcare sector through enforcing a healthcare integrity system

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

- An advisory board was established and the first meeting was convened in October 2015 with representatives from the Italian healthcare sector in attendance including members of Confindustria, Federsanità, the Italian law enforcement Agency and the University of Turin
- Research and analyses of scientific literature on corruption and the criteria for determining an Annual Corruption Risk Index was conducted
- Instruments and methodologies for data collection as well as the sample selection for the Health Integrity Assessment survey were finalized. 50 healthcare managers had responded to the national consultation by October 2015
- Experts from the 'Public-Private Table' were identified and invited to a first meeting. The group includes representatives of academia (University Cattolica), national and local authorities (Prime Minister's Council, ministry of Health, National Institute for Health, Region Calabria), local public health authorities (Trento, Bari, Melegnano, Siracusa), a private hospital (Ismeet Palermo), healthcare associations (Federsanità, Anao Assomed, IPASVI, Assobiomedica), CSOs (Lodenuncio), religious and business associations (CEI, Confindustria and Farmindustria), and the media
- The healthcare authorities of Bari, Siracusa and Melegnano were selected to pilot the first test
- A logo and a project-specific website were created www.curiamolacorruzione.it

DESCRIPTION OF INTEGRITY PARTNER

UNDP is the UN's global development network. It operates in 170 countries and territories, helping to develop policies, leadership skills, partnering abilities and institutional capabilities and build resilience in order to sustain development results. UNDP is the lead agency on democratic governance in the UN system supporting efforts to advance related results in four main areas:

- Expanding people's opportunities to participate in political decision-making, particularly those of women and the poor
- Making democratic institutions more accountable and responsive to citizens, supporting national parliaments, public administrations and rule of law
- Promoting the principles of democratic governance – in particular, anti-corruption, human rights, women's empowerment and equal opportunity
- 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 (UNDP)

PROJECT:

Anti-Corruption and Integrity in the Arab Countries – Phase II – Egypt, Morocco and Tunisia

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Arab Region including Egypt, Morocco, Tunisia	3 years	2.27 M	International Organization, USA

The project will support non-governmental parties, including businesses, in Egypt, Morocco and Tunisia to participate in formulating and monitoring national anti-corruption reforms by providing them with specialized training programs and specific tools to:

- Advance concrete action to reduce corruption risks in healthcare and customs
- Integrate Collective Action concepts and practices into programs of national anti-corruption authorities

The objective is to facilitate the generation of actionable knowledge and the transfer of new skills that will help stakeholders to foster innovative Anti-Corruption solutions.

Ultimately, the impact would be increased levels of transparency and accountability in the two targeted sectors and enhanced effectiveness of anti-corruption authorities. As such, the project will strengthen the capacity of 60 non-governmental stakeholders in Egypt, Morocco and Tunisia to disseminate information and monitor anti-corruption in healthcare and customs by March 2017 and support the development of related actionable regional declarations, enabling these to be incorporated in the national action plans of at least two of the three project countries by December 2017. It will also seek to integrate Collective Action tools in programs of national anti-corruption authorities in at least two of the three project countries by March 2018.



PROJECT AT A GLANCE:

The project aims to support non-governmental actors including businesses to integrate their perspectives in national anti-corruption strategies emphasizing action on healthcare and customs

KEY ACTIVITIES YEAR 1 (OCTOBER 2014 – SEPTEMBER 2015):

The development of training materials to enhance national anti-corruption capacities in the health and customs sectors was started:

- The preparations to set up the two regional expert groups that will be informing the development of the training materials in the two sectors were completed
- A draft guide on assessing corruption risks and integrity challenges in the health sector and another one for the customs sector were prepared

- Commitment to integrate the health and customs sectors in actions plans of national anti-corruption strategies in Egypt, Morocco and Tunisia was secured

The development of the training package to integrate Collective Action in programs of national anti-corruption authorities was started:

- The preparations to set up the regional expert group that will be informing the development of the training package were completed

- A draft mapping of anti-corruption and integrity Collective Action initiatives in the Arab region with focus on Egypt, Morocco and Tunisia was prepared
- Commitment from top decision makers in Morocco and Tunisia to integrate Collective Action tools in the programs

DESCRIPTION OF INTEGRITY PARTNER

UNDP is the UN's global development network. It operates in 170 countries and territories, helping to develop policies, leadership skills, partnering abilities and institutional capabilities and build resilience in order to sustain development results. UNDP is the lead agency on democratic governance in the UN system supporting efforts to advance related results in four main areas:

- Expanding people's opportunities to participate in political decision-making, particularly those of women and the poor
- Making democratic institutions more accountable and responsive to citizens, supporting national parliaments, public administrations and rule of law
- Promoting the principles of democratic governance – in particular, anti-corruption, human rights, women's empowerment and equal opportunity
- 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 (UNDP)

PROJECT:

Anti-Corruption and Integrity in the Arab Countries – Phase II – Iraq and Libya

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Arab Region including Iraq, Libya	3 years	1.52 M	International Organization, USA

The project will support non-governmental parties, including businesses, in Iraq and Libya to participate in formulating and monitoring national anti-corruption reforms by providing them with specialized training programs and specific tools to:

- Advance concrete action to reduce corruption risks in healthcare and customs
- Integrate Collective Action concepts and practices into programs of national anti-corruption authorities

The objective is to facilitate the generation of actionable knowledge and the transfer of new skills that will help stakeholders to foster innovative Anti-Corruption solutions.

Ultimately, the impact would be increased levels of transparency and accountability in the two targeted sectors and enhanced effectiveness of anti-corruption authorities. As such, the project will strengthen the capacity of 40 non-governmental stakeholders in Iraq and Libya to disseminate information and monitor anti-corruption in healthcare and customs by March 2017 and support the development of related actionable regional declarations, enabling these to be incorporated in the national action plans of at least two of the three project countries by December 2017. It will also seek to integrate Collective Action tools in programs of national anti-corruption authorities in at least two of the three project countries by March 2018.



PROJECT AT A GLANCE:

The project aims to support non-governmental actors including businesses to integrate their perspectives in national anti-corruption strategies emphasizing action on healthcare and customs

KEY ACTIVITIES YEAR 1 (OCTOBER 2014 – SEPTEMBER 2015):

The development of training materials to enhance national anti-corruption capacities in the health and customs sectors was started:

- The preparations to set up the two regional expert groups that will be informing the development of the training materials in the two sectors were completed
- A draft guide on assessing corruption risks and integrity challenges in the health sector and another one for the customs sector were prepared

The development of the training package to integrate Collective Action in programs of national anti-corruption authorities was started:

- The preparations to set up the regional expert group that will be informing the development of the training package could be completed
- A draft mapping of anti-corruption and integrity Collective Action initiatives in the Arab region with focus on Iraq and Libya was prepared

- Commitment from top decision makers in Iraq and Libya to integrate Collective Action tools in the programs of their respective national anti-corruption authorities was secured

DESCRIPTION OF INTEGRITY PARTNER

UNODC is mandated to assist Member States in their efforts to fight illicit drugs, crime and terrorism through

- Field-based technical cooperation projects to enhance the capacity of Member States
- Research and analytical work to increase knowledge and understanding of drugs and crime issues and expand the evidence base for policy and operational decisions
- 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 178 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)

PROJECT:

On the level: Business and Government against Corruption in Colombia

COUNTRY OF IMPLEMENTATION: DURATION:

Colombia

3 years

USD (MILLION):

1.20 M

REGISTERED IN:

Austria

This project aims to increase public and private sector dialogue and knowledge sharing, with a view to strengthening the development and implementation of corruption prevention, criminalization and enforcement measures in line with the United Nations Convention against Corruption (UNCAC).

The project seeks to strengthen the legal framework for the prevention of and fight against corruption in Colombia, with particular emphasis on corporate liability and corruption in the private sector, and to enhance public and private sector dialogue in preventing corruption and promoting transparency. The project also seeks to strengthen the ability of companies to identify processes susceptible to corruption and implement actions to protect themselves.

This will be achieved by:

- Improving public-private sector dialogue and introducing a more coordinated approach to anti-corruption issues in Colombia through the establishment of a working group consisting of public and private sector stakeholders as an ongoing forum for anti-corruption issues
- Strengthening the legal regime relating to private sector corruption by providing input from relevant private and public sector stakeholders to the new legislation on corporate liability and, once adopted, supporting its implementation
- Providing capacity building for stakeholders from the public and private sectors, based on concrete cases of corruption; and establishing a network of trainers to interact with small and medium sized companies and promote the use of the tools developed by the project and the UN Global Compact in Colombia

PROJECT AT A GLANCE:

The project aims to reduce opportunities for corruption by enhancing public-private sector dialogue, improving government's anti-corruption frameworks and legislation, and creating a culture of integrity in the private sector

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

Comment: As the project only started on October 1, 2015, details will be reported in subsequent Annual Reports

DESCRIPTION OF INTEGRITY PARTNER

The **Wirtschaftsuniversität** (WU) in Vienna, Austria (Vienna University of Economics and Business) is Europe's largest Business and Economics University offering degree programs, organization and administration as well as a wide range of specialization areas and research opportunities.

The Institute for Austrian and International Tax Law will bear responsibility for this project. This Institute is one of the world's largest academic institutions engaged in the research and teaching of tax law. The Institute has a long-standing tradition in organizing international conferences and training courses for tax administration practitioners and professionals alike.

Name of Integrity Partner:

WU Vienna University of Economics and Business Administration

PROJECT:

Tax and Good Governance

COUNTRY OF IMPLEMENTATION:	DURATION:	USD (MILLION):	REGISTERED IN:
Focus on Nigeria, Ghana, South Africa (and other African countries)	3 years	1.70 M	Austria

The project aims to identify links between corruption, the lack of business and political integrity and tax crimes. In this context, it will also try to explore the reasons why the relationship between tax administrations and multinationals is often confrontational.

The project will promote the concepts of good tax governance and the importance of a corrupt-free and transparent tax system in achieving economic development. It will also cover how law enforcement agencies and tax authorities can cooperate to counter corruption and bribery.

In particular, the project aims to:

- Identify and mobilize stakeholders in national tax administrations and the private sector
- Draft model national tax legislation and international tax agreements to improve the effectiveness of tax administrations in

undertaking controls and audits, and to foster better cross-border cooperation between tax authorities

- Build up institutional capacity in the three focus countries and other African countries and ensure sustainability by creating a network of "ambassadors" of key institutions in Africa apt to disseminate and promote the acquired knowledge on the role of tax authorities in detecting corrupt practices

To achieve these objectives, a research and training agenda is planned which, together with high level conferences, will raise awareness of the crucial role of tax administrations in countering corruption. While the geographical focus of the project is on Ghana, Nigeria and South Africa, the material developed during the project could be replicated throughout the entire African continent.

PROJECT AT A GLANCE:

The project aims at improving law enforcement and cooperation between law enforcement agencies and tax administrations in Ghana, Nigeria and South Africa to counter corruption, bribery, money laundering and tax crimes

**KEY ACTIVITIES YEAR 1
(OCTOBER 2014 – SEPTEMBER 2015):**

The main activities undertaken during this reporting period were focused on laying a sound foundation to permit the effective execution of the project in subsequent periods, including the publicity required to garner support and participation from the focus countries in particular and African countries in general.

- Contacting and in some cases visiting the focus countries to assess their interests in and expectations of the project
- Launching the project formally and preparing [press releases](#) for publication
- Designing a [website](#) to provide information about the project
- Attendance by the project team in external conferences and meetings with external stakeholders to gain broader insights into related work on the issues to be covered by the project and to raise awareness about the project
- Releasing a [position paper](#) to raise increased awareness about the project, with particular reference to the three focus countries
- Preparing for the first conference which took place in October and which brought together 51 participants from within and outside Africa

So far, commitment of key officials in the region to change the business environment could be achieved. Different government departments were also encouraged to cooperate and the project has brought together a number of research institutes and international organizations working in this area.

D.

Annex

Annex – Additional Siemens Reports



Annual Report 2015

Siemens has published the [Annual Report](#) for the fiscal year 2015. It provides detailed information about the business development of the company, its earnings, assets, and finances.



Sustainability Information 2015 as addendum to Siemens Annual Report

The ["Sustainability Information 2015 as addendum to the Siemens Annual Report"](#) describes the strategy, organization, initiatives and goals for ensuring sustainability. Guided by the GRI G4 reporting guidelines it sums up our performance with regard to the 10 principles of the United Nations Global Compact and serves as our annual progress report on implementing the United Nations CEO Water Mandate.

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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.

This Siemens Integrity Initiative Annual Report 2015 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 04, 2016.

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About Siemens

Siemens is a global powerhouse focusing on the areas of electrification, automation and digitalization. One of the world's largest producers of energy-efficient, resource-saving technologies, Siemens is a leading supplier of systems for power generation and transmission as well as medical diagnosis. In infrastructure and industry solutions the company plays a pioneering role. As of September 30, 2015, we had around 348,000 employees in more than 200 countries. In fiscal 2015, they generated revenues of €75.6 billion.

