

The Siemens logo, consisting of the word "SIEMENS" in a bold, blue, sans-serif font, is positioned in the top left corner of the page. The background of the entire page is a repeating pattern of overlapping circles, resembling a honeycomb or a grid of lenses, with a yellow-green color scheme.

SIEMENS

Ingenuity for life

Siemens Integrity Initiative Annual Report 2018

[siemens.com/integrity-initiative](https://www.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, Second and Third Funding Rounds and highlights of activities: www.siemens.com/integrity-initiative.

The Siemens Integrity Initiative Annual Report 2011, 2012, 2013, 2014, 2015, 2016, 2017 and 2018 can be found here:

www.siemens.com/integrity-initiative/Report2011 www.siemens.com/integrity-initiative/Report2015

www.siemens.com/integrity-initiative/Report2012 www.siemens.com/integrity-initiative/Report2016

www.siemens.com/integrity-initiative/Report2013 www.siemens.com/integrity-initiative/Report2017

www.siemens.com/integrity-initiative/Report2014 www.siemens.com/integrity-initiative/Report2018

Kindly note that the online version of this Annual Report 2018, available at www.siemens.com/integrity-initiative/Report2018, 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 Reader,

March 2019

After a decade of promoting Collective Action, which is building alliances against corruption around the world, we are pleased to present to you the Annual Report 2018 of the Siemens Integrity Initiative, which is an important pillar of our Siemens compliance system.

For us in Siemens, the responsible business conduct we commit to is based on integrity, fairness, transparency and responsibility. This builds the core principles for all our compliance and anti-bribery, supply chain management and human rights-related activities. Collective Action is a prominent activity field in our Compliance System, and through our engagement with external stakeholders in the private sector, government and civil society, we continue to drive and enable sustainable and transparent market conditions for the benefit of all.

The Siemens Integrity Initiative was established in 2009 and is backed by funding in excess of USD 100 million out of settlements with the World Bank in 2009 (USD 100 million over 15 years) and the European Investment Bank in 2013 (EUR 13.64 million over 5 years).

Since the first Siemens Integrity Initiative projects were launched in December 2010, we have held to our longstanding commitment of transparency and continuity through eight Annual Report editions covering the activities, outcomes and status of our First and Second Funding Round projects.

Once again, we are pleased to show-case the most recent accomplishments of the Integrity Initiative in this Annual Report 2018, with an exciting and impressive summary of project activities and outcomes in **Section C** based on information provided by our Integrity Partners as of key date March 1, 2019.



The narrative of accomplishments once again emphasizes and demonstrates the importance of Collective Action in levelling playing fields, and the ever-increasing aggregation of contributions to the global fight against corruption.

Looking ahead, we are confident that the Third Funding Round which we launched on March 13, 2018 will build – with some 25 new projects and up to USD 30 million in funding – on the solid and far reaching accomplishments backed with more than USD 70 million to date.

We would like to express the following sentiments of thanks:

Firstly, we wish to acknowledge the commitment and engagement of our Integrity Partners who have not only individually addressed important anti-corruption issues at the highest

levels of government and/or with their strategic local stakeholders in their respective countries of implementation, but have also collectively advocated for and placed responsible business conduct themes on the international agenda through platforms such as the World Economic Forum and the G20/B20 process.

Secondly, we would like to thank Sabine Zindera and the Munich based Project Office of the Siemens Integrity Initiative who at the outset in 2010 designed the program and its governance structures. Supported by a motivated network of local in-country Mentors on CEO level and Project Relationship Managers from our local Compliance Organization, the Project Office has under her leadership maintained the highest standard of professional guidance, support and oversight.

The Project Office has kept the Steering Committee, the World Bank Group and the European Investment Bank up to date on emerging developments and the status of projects. As before, it has been a pleasure for the Steering Committee to provide supervisory and advisory support to the Project Office, where needed.

Our final sentiment of thanks is to Dr. Klaus Moosmayer, who served as the Chief Compliance Officer of Siemens AG and the Integrity Initiative Steering Committee member until November 2018, and who has in addition contributed to the global fight against corruption in various distinguished capacities.

● A Word from the Siemens Integrity Initiative Steering Committee

A Word from the Siemens Integrity Initiative Project Office

His strong belief that business can and must make a difference in fighting corruption through clear tone from the top, effective compliance systems and constructive collaboration with civil society and the public sector has well informed his invaluable contributions to the Siemens Integrity Initiative, the Siemens Compliance system and Collective Action.

This Annual Report was approved by the Siemens Steering Committee on **March 18, 2019** and submitted together with a comprehensive presentation to the World Bank Group in Washington on **March 20, 2019** and to the European Investment Bank in Luxembourg on **April 25, 2019**.

**Steering Committee
of the Siemens Integrity Initiative:**

Dr. Andreas Christian Hoffmann
General Counsel, Siemens AG

Dr. Klaus Moosmayer
(until November 2018)

Martina Maier
(from December 2018)
Chief Compliance Officer, Siemens AG

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



Much of the information available to us is transparently accessible to the public and can be viewed on our dedicated web site www.siemens.com/integrity-initiative.

The information provided relates in particular to the framework conditions for the First, Second and Third Funding Rounds, 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, 2015, 2016, 2017 and 2018. Two editions stand out and merit further mention:

Our very first 2011 edition introduced to you the Siemens Collective Action program, and in Sections A and B of the report provided insight into the conceptualization, planning, project selection, award of funds and project implementation relating to the First Funding Round tranche of USD 37.7 million.

Our seventh 2017 edition signaled the half-way mark of the 15-year World Bank settlement period and featured **a Summary Report of the external Mid-term Review of the Integrity Initiative in Section D**. The Mid-term Review was independently conducted by the Canadian Universalis Management Group who found there to be “strong evidence” that projects have “achieved their intended short-term results” and have made “significant contributions to change within their respective contexts”.

We hope that this will encourage additional 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, and especially to our externally conducted Mid-term Review 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

Project Office

A Word from the Siemens Integrity Initiative Steering Committee

A Word from the Siemens Integrity Initiative Project Office

Dear Reader,

March 2019

“Even with a 171-year history, we at Siemens keep asking ourselves: What kind of company do we want to be? What is it that drives our 379,000 employees to give their best every day? The answers to these questions lie in our purpose. We defined that purpose as our aspiration to provide innovations that improve quality of life and create value for people all over the world. We make real what matters. And every Siemens business will serve this purpose, for all our stakeholders – for investors, employees, customers, partners, and societies alike.”

This purpose – as stated by Joe Kaeser, President and CEO, Siemens AG and Dr. Roland Busch, Member of the Managing Board, Siemens AG in the opening words of their foreword to the Siemens Sustainability Information 2018 – is placed at the center of our Vision 2020+ company concept and enforces

Siemens’ commitment to sustainable practices using the United Nations Agenda 2030 and its 17 Sustainable Development Goals (SDGs) as a guideline measure to the value we create for society.

Specific to responsible business practices, Joe Kaeser and Roland Busch emphasize our zero-tolerance approach to corruption, money laundering and violations of fair competition, data privacy, export control and human rights principles, as well as other breaches of applicable law.

They say: “In one area, there’ll be no compromises or changes – the area of integrity and compliance. Only clean business is Siemens business. Clarity and integrity: These are the responsibilities of each and every one of us. They’re what we stand for as a company. Our integrity will never be negotiable. Compliance with the law will always be the foundation of



all our businesses. This also applies to the integrity of our accounting processes and related functions.

Beyond the boundaries of our company, we are committed to Collective Action, an alliance to fight corruption collectively and promote fair competition. In its Mid-term Review in the summer of 2017, the Canadian Universalis Management Group acknowledged how the Siemens Integrity Initiative has positively promoted Collective Action agendas against corruption and fraud around the world by creating organizational capacities, enabling knowledge exchange, expanding alliances, strengthening the rule of law and ultimately demonstrating the business case for Collective Action.

We will continue to support the Siemens Integrity Initiative by executing the Third Funding Round in the spring of 2019.”

These principles of integrity and compliance guide our way and are well anchored in our compliance system which includes Collective Action as a central activity field with global governance responsibility.

Looking back over eight years of the Siemens Integrity Initiative – established in 2009, and based on the settlements with the World Bank in 2009 and the European Investment Bank in 2013, and backed with funding in excess of USD 100 million – the Project Office is encouraged by the substantial advances made in anti-corruption Collective Action initiatives through the 55 projects implemented in over 20 countries with a funding volume of more than USD 70 million.

A Word from the Siemens Integrity Initiative Steering Committee

● A Word from the Siemens Integrity Initiative Project Office

All projects of our First Funding Round have come to a scheduled end and the final report of activities over the entire project period was presented in previous Annual Report editions, which means that we have focused this year on our active Second Funding Round projects, which are included in this report.

Of the 24 projects worth USD 35.554 million in the Second Funding Round, final reports on activities over the entire project period for the Beijing New Century Academy on Transnational Corporations (NATC) and the Pan African Lawyers Union (PALU) were reported in last year's Annual Report 2017. In this year's Annual Report 2018, a further 10 projects as detailed in **Section C** have submitted their final reports on activities for the entire project period.

When looking at the aggregate accomplishments we can in many ways proudly say that

Collective Action has come of age as a meaningful and effective instrument of change in the global fight against corruption and the pursuit of transparent markets and levelled playing fields for all. This was also and very certainly the consensus at the very engaging and well represented Collective Action Conference hosted by the Basel Institute on Governance's International Center for Collective Action in November 2018.

Please do read more about the Collective Action Conference 2018 and the encouraging comments from anti-corruption champions from all around the world in our special feature in **Section D.1** of this Annual Report.

Another significant 2018 highlight was the long-anticipated launch of the Third Funding Round of the Siemens Integrity Initiative with a targeted volume of up to USD 30 million for



approximately 25 new projects. We published the call for submissions on March 13, 2018 through a Press Release, a copy of which you can find in **Section D.2**, together with all eligibility criteria and focus countries (the so-called “green booklet”, on our website www.siemens.com/integrity-initiative).

Having received approval from the Steering Committee as well as the World Bank non-veto and the European Investment Bank no objection decisions for short-listed projects under consideration, followed by a detailed Full Proposal due diligence conducted by the Project Office together with a global interdisciplinary team, we are confident that the first Funding Agreements will be finalized from around spring 2019.

Naturally, we are faced with a difficult choice in selecting up to 25 projects to achieve a balanced portfolio that takes various aspects

into consideration such as regional, global and thematic mix, follow on projects from previous funding rounds and the ratio of large and small organizations.

For more information on the Status of the Third Funding Round, please see **Section B** of this Annual Report 2018.

The Third Funding Round presents a real and significant beacon of opportunity for a wide reaching and incremental push to the anti-corruption agenda by anchoring Collective Action as an instrument of change, and by further elevating the importance of Collective Action as a driving force for higher level outcomes, more evidence of change and sustainable results. It’s no longer only about “keeping the fires burning”, it’s now all about intensifying the dynamics of real and long-lasting change!

A Word from the Siemens Integrity Initiative Steering Committee

● A Word from the Siemens Integrity Initiative Project Office

A word of heartfelt thanks goes to our Integrity Partners for their ongoing commitment and multi-faceted work, to our Project Relationship Managers for their continuous support on the ground, to our high-level Mentors for their local insight and guidance.

We also would like to thank our outgoing Chief Compliance Officer, Dr. Klaus Moosmayer, for his active, sincere and hands-on support of Collective Action and the Siemens Integrity Initiative over the years, and in turn we look very much forward to continuing the Collective Action journey by extending a very warm word of welcome to Martina Maier, the new Chief Compliance Officer in charge.

Finally, a very special word of thanks and appreciation goes to our Steering Committee who have throughout 2018 received regular and detailed updates of the Integrity Initiative, and who have continued to support us with valuable advice and supervision, which helps us to optimistically think ahead with clear direction and to align our actions accordingly, even in stormy times.



The Collective Action and Strategy Team is headquartered in Munich, Germany:

Sabine Zindera, Vice President, heads the Collective Action and Strategy department in the Siemens Legal and Compliance Organization and is supported by Shawn Teixeira, Stephanie Wagner and Monika Besel, as well as the network of Siemens Business Leaders, Siemens Country CEOs, Compliance Officers, Controlling and Finance and legal and tax experts all around the world.

Under the terms of the agreement between Siemens and the World Bank, the World Bank has audit rights over the use of funds (USD 100 million 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 (EUR 13.64 million over 5 years) gives the EIB the right to reject proposed projects.

The projects were chosen according to defined selection criteria and focus areas and underwent a detailed cross-functional due diligence. More information is available on our dedicated web site www.siemens.com/integrity-initiative.

The Siemens Integrity Initiative is managed by a global project organization with in-country presence and support where relevant and is subject to project management rules as detailed in Section A of this report.

The Project Office regularly updates the Siemens Steering Committee, the World Bank Group and the European Investment Bank on the status and progress of the Siemens Integrity Initiative.



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.

Moving beyond the boundaries of our company, Collective Action continues as a priority in Siemens Legal and Compliance. This is evidenced by our long-standing involvement in the ICC Commission on Corporate Responsibility and Anti-corruption, the Pact Against Corruption Initiative (PACI) of the World

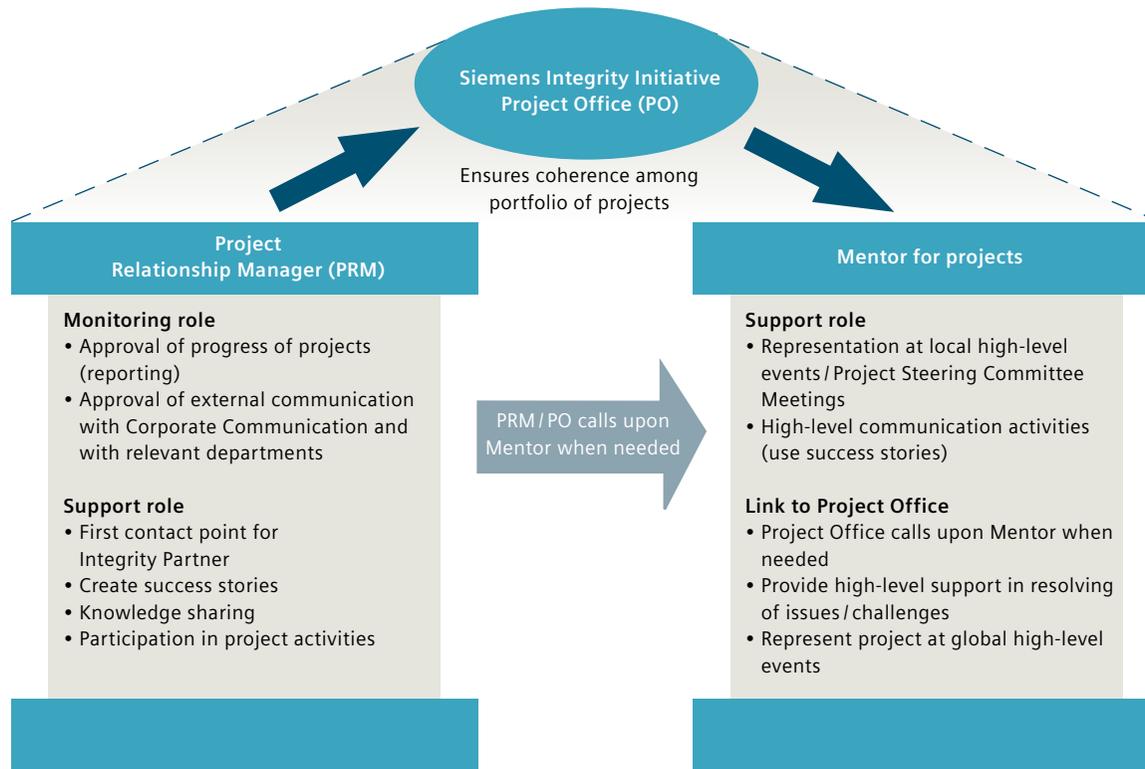
Economic Forum and, since 2011, our active involvement in the G20/B20 Task Force on Anti-corruption and the drafting and implementation support of B20 Recommendations drawn up in France, Mexico, Russia, Australia, Turkey, China, Germany and Argentina.

We remain committed to the 10 principles of the United Nations Global Compact, and support the implementation of the United Nations Convention against Corruption, as well as the OECD Anti-Bribery Convention. These principles and conventions guided our thematic considerations in project designs which were taken up by our Integrity Partners for implementation through certain modules in our Siemens Integrity Initiative projects.

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

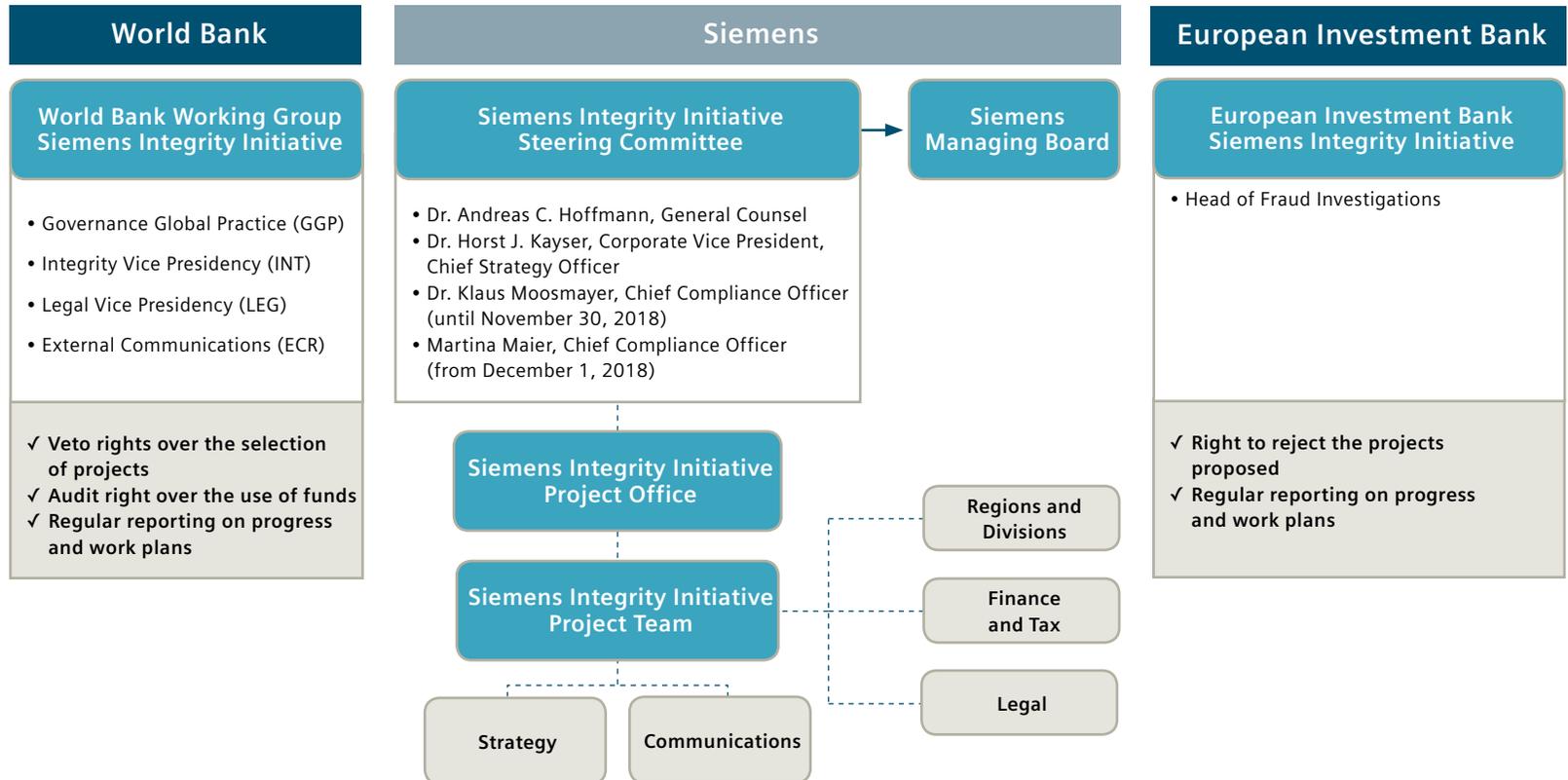
Roles and responsibilities of Project Relationship Managers and Mentors:



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 fields of Siemens have been integrated into the structure of the Initiative
- The main operational contact for this Initiative is the Siemens Project Office in Munich, 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 until November 2018 and Martina Maier from December 2018, both as 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.

This funding was complemented on March 15, 2013 by a separate settlement with the European Investment Bank (EIB), worth EUR 13.64 million over five 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 reported in our Annual Report 2016, as at **March 3, 2017**, all **31** projects had completed their scheduled activities.

The final overviews of activities for the entire project period were reported on in various Siemens Integrity Initiative Annual Reports from 2011 to 2017.

These projects are marked in the table on page 28 and further information on the projects is available on www.siemens.com/integrity-initiative.

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 to the seventh year (2011 to 2017) was provided in the Siemens Integrity Initiative Annual Report 2011, 2012, 2013, 2014, 2015, 2016 and 2017.

Key data First Funding Round	
Funds committed in the First Funding Round	USD 37.7 M
Disbursements in year 1 to year 8 (2010 – June 30, 2018) (release of provision)	USD 34.8 M ¹⁾
Disbursement for Mid-term Review of the Siemens Integrity Initiative performed by Universal Management Group finalized and presented to the World Bank on December 6, 2017 covering the First and Second Funding Rounds	USD 0.18 M
Funds unspent	USD ~2.7 M
No further planned disbursements	USD 0.0 M
Number of projects First Funding Round	31
Thereof projects that have completed their activities	31
Thereof ongoing	0
Countries covered in the First Funding Round	22

Note: Siemens fiscal year (October 1 – September 30). Due to rounding, numbers presented may not add up precisely to the totals provided.

¹⁾ The information provided in this table is based on all approved First Funding Round Final Reports

www.siemens.com/integrity-initiative/Report2011
www.siemens.com/integrity-initiative/Report2012
www.siemens.com/integrity-initiative/Report2013
www.siemens.com/integrity-initiative/Report2014
www.siemens.com/integrity-initiative/Report2015
www.siemens.com/integrity-initiative/Report2016
www.siemens.com/integrity-initiative/Report2017
www.siemens.com/integrity-initiative/Report2018

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 13.64 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. **24 projects** were selected for funding in the Second Funding Round with a total committed capital of **USD 35.554 million**.

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 demonstrate a clear impact on the business environment and results in sectors and countries of where Siemens is present. 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 Section D of the Annual Report 2014).

The final overviews of activities for the entire project period were reported on for 2 of the 24 projects in our Annual Report 2017. These projects are marked in the table on page 32 and further information on the projects is available on 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 5 (2015 to March 01, 2019) - release of provision	USD 31.9 M ¹⁾
Funds currently unspent	USD ~ 3.7 M
Further planned disbursement in year 5 (2019)	USD ~ 2.4 M
Number of projects	24
Countries covered Second Funding Round	More than 20

Note: Siemens fiscal year (October 1 – September 30). Due to rounding, numbers presented may not add up precisely to the totals provided.

¹⁾ The information provided in this table is based on approved Annual and Final Reports as at March 01, 2019

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.

Status of the Third Funding Round

The Siemens Integrity Initiative announced the launch of the **Third Funding Round** in its Press Release on **March 13, 2018**.

As part of the July 2009 settlement between Siemens and the World Bank and the March 2013 settlement between Siemens and the European Investment Bank (EIB), the third funding tranche will ultimately see the selection of some 25 new projects, with funding of up to USD 30 million in total over a period of three to five years.

The first two funding rounds with 55 projects and committed capital totaling more than USD 70 million have at the request of the World Bank undergone an external evaluation by the Universal Management Group, who conclude that “the overall findings of the Mid-term Review are positive”. Detailed information on the external evaluation by Universal Management Group can be found in our Annual Report 2017 at www.siemens.com/integrity-initiative/Report2017.

Although the Third Funding Round applies the same selection criteria and focus areas as in the first two funding rounds, it also encourages new themes reflected on in the global anti-corruption discourse, such as systematic

linkages between human rights and anti-corruption compliance, linkages between export control and anti-corruption compliance, and/or technological advances (e.g. digitalization), and the extent to which technological advances could be used in the fight against corruption (e.g. Big Data, Social Media).

Open to applications from legal entities such as non-governmental organizations, international organizations, business associations, and academic institutions, the Siemens Integrity Initiative selection process is made on a competitive basis in two stages (initial Expression of Interest phase and the later Full Proposal phase), and favors project proposals that have a direct impact on the private sector and strengthen compliance standards and legal systems.

Entities that submitted Expressions of Interest for the first two funding rounds as well as entities that received funding in the first two funding rounds were also eligible to submit proposals for funding in the Third Funding Round.

The Project Office was truly encouraged by around 140 Expressions of Interest received by the May 8, 2018 deadline. These Expressions of Interest were submitted by local and global

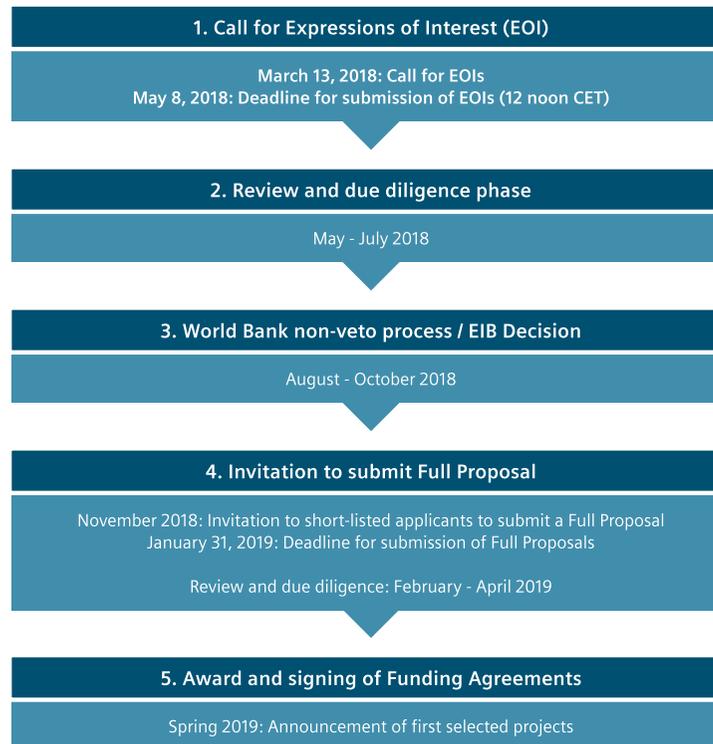
organizations dedicated to the fight against corruption and covered a wide range of Collective Action and Education and Training initiatives with very interesting and relevant activities proposed in over 50 countries.

The total funding of more than USD 280 million applied for exceeded available funds by a factor of 9.

Siemens conducted a cross functional review and due diligence of all Expressions of Interest with reference to the stated Eligibility and Selection Criteria available at www.siemens.com/integrity-initiative.

After receiving **approval from the Steering Committee** as well as the **World Bank non-veto** and the **European Investment Bank no objection** decisions for short-listed projects under consideration, around 30 applicant organizations were invited in November 2019 to submit Full Proposals by January 31, 2019.

The outcome of the final selection, award and signing of Funding Agreements will be communicated in a staggered approach from spring 2019.



More information on the **eligibility and selection criteria** as well as the **application and selection process** is available on our web site at www.siemens.com/integrity-initiative.

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
The Ethics Institute, 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

¹⁾ Summary of Project Activities was reported in Annual Report 2017 (1) = University of Cairo

²⁾ Summary of Project Activities was reported in Annual Report 2016 (4) = Ethics Angola, IACA, Ethos, Maala

³⁾ Summary of Project Activities was reported in Annual Report 2015 (9) = Basel, CEU, COCIR, CBI, PRME, UNGC, San Andres, Makati, UNDP

⁴⁾ Summary of Project Activities was reported in Annual Report 2014 (14)

⁵⁾ Summary of Project Activities was reported in Annual Report 2013 (2)

⁶⁾ Summary of Project Activities was reported in Annual Report 2012 (1)

= Total number of all summaries 31

	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 ³⁾
	China	0.89 M	–	completed as of March 2014 ⁴⁾
	Central and Eastern Europe	3.09 M	–	completed as of December 2015 ³⁾
	Europe, Asia, Russia, South America	0.96 M	–	completed as of September 2014 ³⁾
	Nigeria	1.1 M	–	completed as of December 2014 ³⁾
	Angola, South Africa	1.5 M	–	completed as of September 2016 (Angola) ²⁾ ; completed as of September 2015 (South Africa)
	South Korea	0.81 M	–	completed as of March 2014 ⁴⁾
	Global	1.48 M	–	completed as of January 2015 ³⁾
	Brazil, Egypt, India, Nigeria, South Africa	2.87 M	–	completed as of January 2015 ³⁾
	Argentina	0.73 M	–	completed as of September 2014 ³⁾
	Global	1.3 M	–	completed as of May 2014 ⁴⁾
	Global	2.02 M	–	completed as of December 2015 ²⁾
	China, Russia	1.5 M	–	completed as of December 2013 ⁵⁾
	Brazil	3.11 M	–	completed as of June 2016 ²⁾
	Israel	0.48 M	–	completed as of September 2015 ²⁾
	Philippines	1.04 M	–	completed as of March 2015 ³⁾
	Middle East and North Africa	0.75 M	–	completed as of September 2013 ⁵⁾

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

¹⁾ Summary of Project Activities was reported in Annual Report 2017 (1) = University of Cairo

²⁾ Summary of Project Activities was reported in Annual Report 2016 (4) = Ethics Angola, IACA, Ethos, Maala

³⁾ Summary of Project Activities was reported in Annual Report 2015 (9) = Basel, CEU, COCIR, CBI, PRME, UNGC, San Andres, Makati, UNDP

⁴⁾ Summary of Project Activities was reported in Annual Report 2014 (14)

⁵⁾ Summary of Project Activities was reported in Annual Report 2013 (2)

⁶⁾ Summary of Project Activities was reported in Annual Report 2012 (1)

= Total number of all summaries 31

	Country of Implementation	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 ⁴⁾
	Indonesia	1.5 M	–	completed as of December 2014 ⁴⁾
	Poland	0.46 M	–	completed as of September 2014 ⁴⁾
	China	1.49 M	–	completed as of March 2014 ⁴⁾
	Bulgaria	0.45 M	–	completed as of February 2014 ⁴⁾
	Italy	0.6 M	–	completed as of March 2014 ⁴⁾
	Mexico	0.23 M	–	completed as of May 2014 ⁴⁾
	USA, Global	0.66 M	–	completed as of September 2014 ⁴⁾
	Arab States Region	1.78 M	–	completed as of December 2014 ³⁾
	India, Mexico	1.12 M	–	completed as of September 2014 ⁴⁾
	Global	0.75 M	–	completed as of September 2014 ⁴⁾
	India, Mexico	1.22 M	–	completed as of September 2014 ⁴⁾
	Egypt	0.85 M	–	completed as of February 2017 ¹⁾
	Vietnam	0.5 M	–	completed as of September 2012 ⁶⁾
		37.7 M	0 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 37.7 M for the First Funding Round.

List of 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
The Ethics Institute, South Africa, in cooperation with the Institute of Directors Mozambique, Mozambique (IoDMZ)
The Ethics Institute, South Africa
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
MedTech Europe ³⁾ (formerly Eucomed), Belgium
Organisation for Economic Co-operation and Development (OECD), France
Organisation for Economic Co-operation and Development (OECD), France

¹⁾ Summary of Project Activities was reported in Annual Report 2017 (2) = NATC, PALU

²⁾ Completion process ongoing: Annual Report shows activities of Year 4 or summary for entire project period depending on information available
= Al Akhawayn University, MedTech, OECD Russia, POLMED, TEID, TI Italy, TI Secretariat, UNGC Egypt, UNGC Korea, WU Vienna (10)

³⁾ Transfer from Eucomed to MedTech effective January 1, 2017

	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	–	completed as of May 2018 ²⁾
	Global	4.00 M	–	ongoing
	China	1.50 M	–	completed as of September 2017 ¹⁾
	India	0.70 M	–	ongoing
	Turkey	1.76 M	–	completed as of November 2017 ²⁾
	Mozambique	0.55 M	–	ongoing
	South Africa	0.80 M	–	ongoing
	Egypt	1.40 M	–	completed as of June 2018 ²⁾
	India	0.73 M	–	ongoing
	Republic of Korea (South Korea)	0.90 M	–	completed as of March 2018 ²⁾
	Global	–	4.98 M	ongoing
	Middle East and North Africa	0.85 M	–	completed as of May 2018 ²⁾
	Morocco	–	0.70 M	ongoing
	Russia	1.55 M	–	completed as of June 2018 ²⁾

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

¹⁾ Summary of Project Activities was reported in Annual Report 2017 (2) = NATC, PALU

²⁾ Completion process ongoing: Annual Report shows activities of Year 4 or summary for entire project period depending on information available
= Al Akhawayn University, MedTech, OECD Russia, POLMED, TEID, TI Italy, TI Secretariat, UNGC Egypt, UNGC Korea, WU Vienna (10)

³⁾ Transfer from Eucomed to MedTech effective January 1, 2017

	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	–	completed as of September 2017 ¹⁾
	GCC countries (United Arab Emirates, Kingdom of Saudi Arabia, Bahrain, Qatar, Kuwait, Oman)	0.88 M	–	ongoing
	Poland	0.65 M	–	completed as of September 2018 ²⁾
	Global	3.06 M	–	completed as of September 2018 ²⁾
	Spain	1.27 M	–	ongoing
	Italy	1.12 M	–	completed as of September 2018 ²⁾
	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	–	completed as of March 2018 ²⁾
		27.62 M	7.95 M	

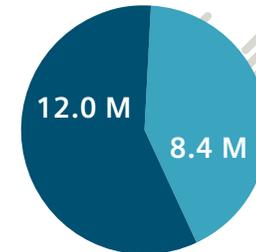
Due to rounding differences, the figures as presented in the table above may not add up exactly to the total Funding Amount of USD 35.554 M for the Second Funding Round.

B.

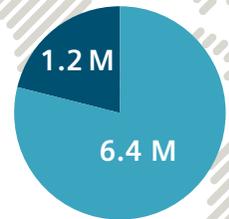
Siemens Integrity Initiative

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, 20.4 M)



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

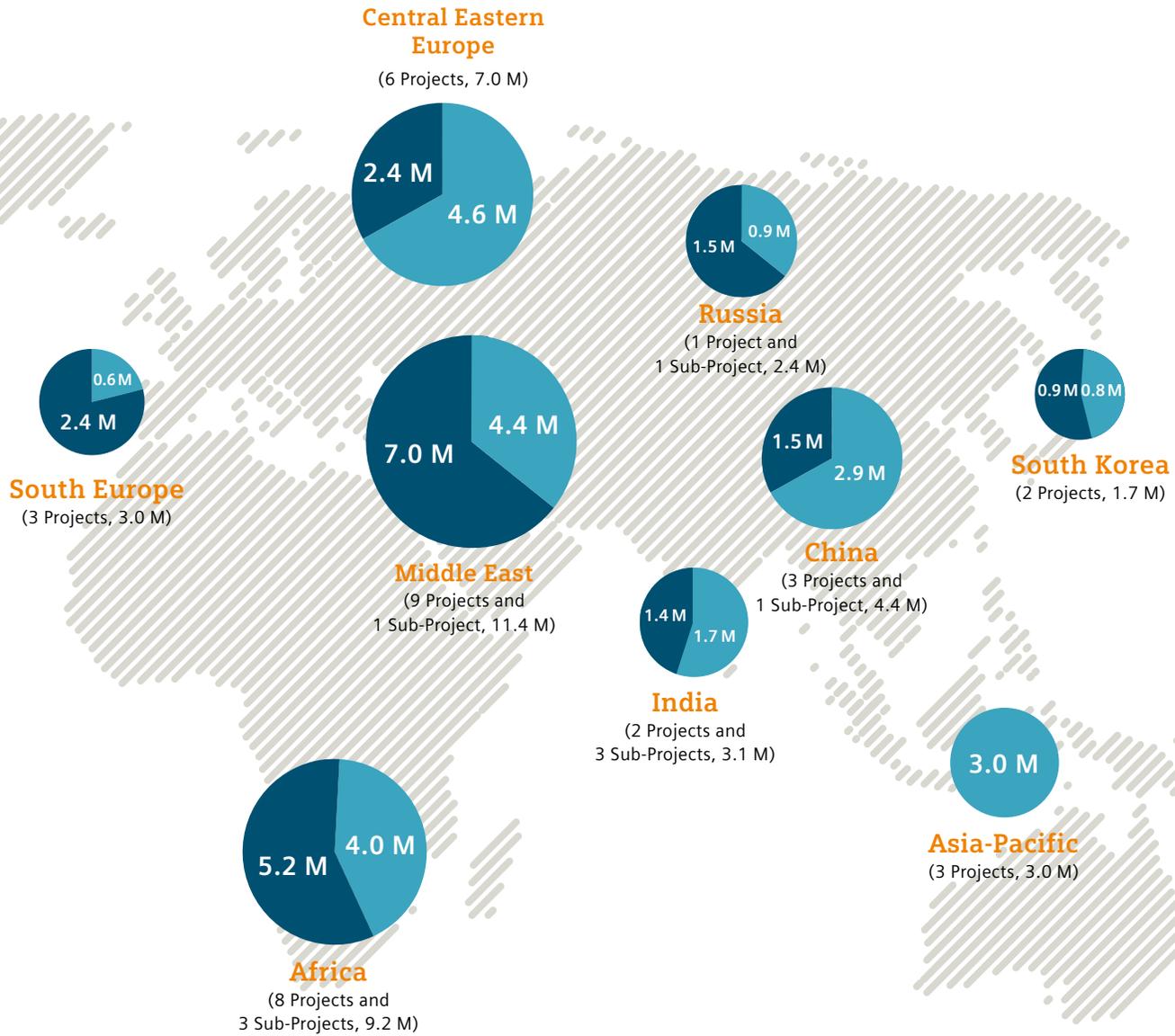
+ 4 Projects are divided into local Sub-Projects

Region/Country of implementation (number of project proposals)

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

Note: Schematic illustration.

Due to rounding, numbers presented may not add up precisely to the totals provided; Status: September 10, 2015 (unchanged in March 2017 and November 2017 and March 2019)





Project profiles and highlights of activities in 2018

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

For ongoing projects under the Second Funding Round the descriptions of activities undertaken in this year (2018) were provided by the Integrity Partners in their respective Annual Progress Report 2018 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 2019

For Integrity Partners that have 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



All **31** Siemens Integrity Initiative **First Funding Round** projects were completed by March 3, 2017. Key activities over the entire project period were reported on in one of our previous Annual Reports and therefore no First Funding Round Projects are included in this Annual Report 2018.

To obtain information on the thirty-one (**31**) fully completed projects please refer to the previous Annual Reports 2012, 2013, 2014, 2015, 2016 and 2017 of the Siemens Integrity Initiative.

The respective projects are: Basel Institute on Governance, Beijing New Century Academy on Transnational Corporations (NATC) I, Central European University (CEU), COCIR, Convention on Business Integrity (CBI), Federation of Korean Industries-International Management Institute (FKI-IMI), Foundation for the Global Compact (UN PRME), Foundation for the Global

Compact (UNGC/5 countries), Fundación Universidad de San Andrés (FUdeSA), Humboldt Viadrina School of Governance, International Anti-Corruption Academy (IACA), Austria, International Business Leaders Forum (IBLF), Instituto Ethos – Ethos Institute for Business and Social Responsibility, Brazil, Maala Business for Social Responsibility, Israel, Makati Business Club (MBC), 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, The Ethics Institute, South Africa, Transparency International Mexico, Transparency International USA, United Nations Development Programme (UNDP), University of Cairo, three UNODC I projects, and VCCI.

Siemens Integrity Initiative **Second Funding Round** projects that were completed before 2018 and/or for which key activities over the entire project period were reported on in one of our previous Annual Reports are not included in this Annual Report 2018.

To obtain information on the two (**2**) fully completed projects please refer to the Annual Report 2017 of the Siemens Integrity Initiative.

The respective projects are: Beijing New Century Academy on Transnational Corporations (NATC) and Pan African Lawyers Union (PALU).

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

For all projects the Project Profiles in Section C were provided by the Integrity Partners and approved by them for external use.

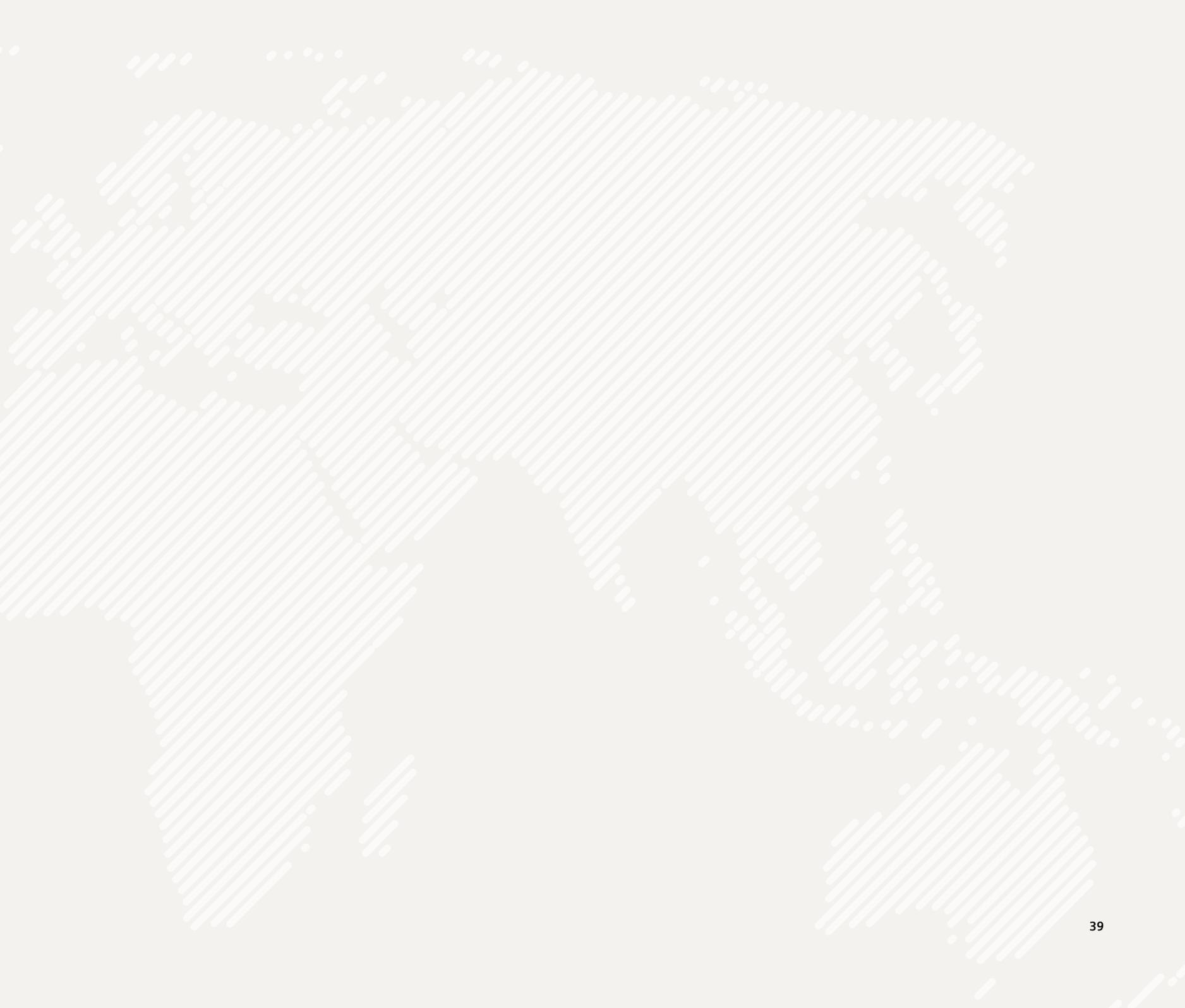
C1.

First Funding Round Projects: Project profiles and highlights of activities in 2018

For projects under the First Funding Round the descriptions of activities undertaken over the entire project period were provided by the Integrity Partners in their respective Final Progress Reports and approved by the relevant Integrity Partners for external use.

All 31 First Funding Round projects have been fully completed and reported on in the Annual Reports of 2011, 2012, 2013, 2014, 2015, 2016 and 2017.

No First Funding Round projects are covered in this Section C1.



C2.

Second Funding Round Projects: Project Profiles and highlights of activities in 2018

For projects under the Second Funding Round the descriptions of activities undertaken in year 4 (2018) were provided by the Integrity Partners in their respective Annual Progress Report 2018 or Final Report as the case may be, and approved by the relevant Integrity Partners for external use.

Of the twenty-four (24) Second Funding Round projects, two (2) have been fully completed and reported on in the Annual Report of 2017.

22 remaining projects are covered in this Section C2.



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 OVER THE ENTIRE PROJECT PERIOD (APRIL 2015 – MAY 2018):

- 9 guest lectures were organized on ethics and ethical conduct in 8 higher education institutions in 8 different cities reaching over 600 students
- 50 faculty members from 12 institutions across the country committed to including business ethics concepts in their respective courses after participating in 5 workshops teaching business ethics and developing ethics case studies
- An estimated 1000 students were reached through awareness seminars and courses delivered by faculty who benefited from the faculty Development program
- Over 200 professionals were reached through 3 seminars and panel discussions on the importance of ethics and integrity in fostering clean business
- 73 professionals were trained on the development of effective codes of conduct
- 7 companies developed and presented their codes of conduct at a workshop and several others have started the process
- Two papers were published, one titled "[Framework for developing effective codes of conduct](#)" which was downloaded 745 times, and another titled "[Adoption of e-procurement in the health sector: the role of transparency](#)"
- CBE research was presented to an international audience at a Scopus indexed international conference
- The award winning Ethics Curriculum "Giving Voice to Values" was translated into Arabic
- [A Center for Business Ethics](#) (CBE) web site was launched with information about CBE's activities and to improve CBE's outreach
- An online Business Ethics course was developed as well as [7 case studies](#) addressing ethical issues in local organizations
- [News coverage](#) of CBE's event on national TV and [10 press releases](#) in print and digital media were received

Impact

- Ethical concepts are now covered in more business courses through various institutions than before, with more students exposed to ethical dilemmas in the classroom, leaving them better prepared than before to deal with such dilemmas
- This project has helped to place Al Akhawayn University and the Center for Business Ethics as a key contributor to the Moroccan National Anti-Corruption strategy 2016

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 (UNGIC) 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 OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

Promoting Collective Action Research and Peer-Learning

- The Basel Institute was invited to explain Collective Action at 12 international conferences and led a global [peer learning](#) process to analyse Collective Action success factors
- The [Collective Action Hub](#) website was used extensively and resources were further expanded

Promoting Collective Action in the Global Policy Arena

- Numerous inputs provided by the Basel Institute were integrated into the recommendations of the B20 Argentina Integrity & Compliance Task Force and other global policy forums

Engaging Companies in Collective Action

- Four industry-specific Collective Action initiatives facilitated by the Basel Institute made progress; a growing number of other initiatives reached out for advice

High-Level Reporting Mechanism (HLRM)

- The Basel Institute and OECD advanced the HLRM through technical advice to [Argentina](#) (pilot HLRM); [Colombia](#) (signed a [Memorandum of Understanding](#) and advised on expanding the HLRM); Peru (ongoing government consultations); and published a [comparative paper](#) analysing these recent HLRM developments

Promoting Collective Action through the UN Global Compact (UNGC)

- [UNGC provided support to Local Networks in Brazil, Japan, Kenya, and Nigeria](#), resulting in enhanced knowledge of anti-corruption Collective Action among the networks and their business members
- 4 Roadmap Reports were developed where the Local Networks established a strategy to continue efforts towards Collective Action at local level

Impact

- The [B20 Argentina Integrity & Compliance Policy Paper](#) recommends Collective Action and the HLRM in infrastructure projects
- The [UK Anti-Corruption Strategy \(2017-2022\)](#) that was published in December 2017 includes the UK's commitment to promote anti-corruption Collective Action and the HLRM

DESCRIPTION OF INTEGRITY PARTNER

Confederation of Indian Industry (CII),

founded over 123 years ago, is India's premier business association and has played a proactive role in the country's developmental process. CII is a non-government, not-for-profit, industry-led and industry-managed organization, playing a proactive role in India's development process. CII charts change by working closely with Government on policy issues, interfacing with thought leaders, and enhancing efficiency, competitiveness and business opportunities for industry through a range of specialized services and strategic global linkages.

CII set up the Environmental Division in the year 1992, which was renamed CII-ITC Centre of Excellence for Sustainable Development (CESD) in 2006. CESD is a not-for-profit, industry-led institution that helps business become sustainable organizations. It is on a mission to catalyze innovative ideas and solutions, in India, and globally, to enable business, and its stakeholders, in sustainable value creation.

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 Corporates 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 effective implementation of existing legislations may prevent problems for the payer and businessmen.

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 governmental agencies to create awareness

KEY ACTIVITIES OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- Over 200 participants were reached through sessions on Business Ethics at the 13th Sustainability Summit, 2018. A session on Promoting Business Ethics for Sustainable Businesses was organized and included a panel discussion with representatives from the International Anti-Corruption Academy, Nokia India, Hindustan Coca-Cola, and Mahindra & Mahindra
- Over 100 participants were reached in 5 Webinars on the subject of the 'Promotion and Adoption of Responsible Business Practices by Corporates in India' which covered

topics such as the India Supply Chain Transparency Initiative, Transparency in the Construction Sector, Business Ethics and Sustainability Disclosures, the Role of Risk Management in Promoting Business Ethics, and the Ethical Dimension of responsible business

- [The CII Model Code of Conduct - Ethical Business Practices](#) was signed by 100 more companies with over 400 companies having signed in total
- Interaction and meetings were held with the Bureau of Indian Standards (BIS) to promote the adoption of ISO 37001 as an Indian Standard, and a separate guidance document for implementation of ISO 37001 in India was drafted
- Advocacy work with Ministry of Corporate Affairs (MCA), the Government of India, and the Indian Institute of Corporate Affairs (IICA) focused on incorporating ethics and responsible business practices in National Guidelines

- A MoU was signed with Niti Aayog to promote the integration of Sustainable Development Goals (SDG) - including SDG 16.5 on anti-corruption - into corporate business models and the government action plan
- Companies such as Adani Ports and Special Economic Zone Ltd (APSEZL), POWERGRID, Hindustan Zinc Limited (HZL), GMR, and Reliance Cement Company Private Limited (RCCPL) were trained on the Global Reporting Initiative (GRI) standard for disclosures on ethics and integrity
- 3 newsletters were distributed i.e. editions VII (Oct-Dec), VIII (Jan-Jun) and IX (July-Sep)

Impact

- Engagement with the Bureau of Indian Standards resulted in the acceptance of ISO 37001 as national standard in India

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 (TEID)

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 OVER THE ENTIRE PROJECT PERIOD (NOVEMBER 2014 – NOVEMBER 2017):

- Since the start of the Ethics and Compliance Managers’ Certification Program - [INscuola](#) - in November 2016, two editions with Istanbul Bilgi University have seen the certification of 40 Ethics and Compliance Managers in Turkey. The third edition with the well-known Boğaziçi public university started in March 2018
- Together with [the Turkish Republic’s Profession Standardization Institution](#), standards of the Ethics and Compliance Manager profession were drafted. On ratification, the Ethics and Compliance Manager will be recognized as a profession by the Turkish authorities
- Annual private sector corruption perception surveys were conducted in [2015](#), [2016](#), and [2017](#)
- Publications such as [INmagazine](#), [INbooks](#), and [INguide](#) were distributed free of charge to more than 1 500 stakeholders
- The Annual [International Ethics Summits - INsummit](#) - secured the participation of more than 1 000 delegates and 6 500 online followers over 3 years, with international speakers from the public sector, private sector, NGOs and academia
- 16 Awareness raising and professional networking events such as the Compliance Officers’ roundtables - [INplatform](#) - attracted more than 500 attendants over 3 years
- TICE contributed to the Combatting Corruption in SMEs and Combatting Corruption in Customs work streams of the B20 Anti-Corruption Taskforce, and the preparation of policy recommendations 18 and 19 under the B20 Turkish presidency in 2015
- As part of the Turkish B20 Anti-Corruption Taskforce, TEID co-wrote the Combatting Corruption in Customs with Collective Action Toolkit and the Combatting Corruption in SMEs Toolkit
- Various cross-sectoral Collective Action initiatives were initiated with and through the Ethical League of NGOs, [the Turkish Business Network Dialogue](#), the [Declaration of Integrity](#), the [professional ethics standards of the Investors Relations professionals](#), and the Sectoral Collective Action on Customs Brokers, with the latter cited as best practice in the [UN Global Compact Guide on Collective Action](#)

Impact

With strengths in local and international advocacy and influence, TICE has become the Centre of Excellence on Ethics and Compliance in Turkey and had success in raising awareness, building skills and capacity, and promoting professional standards and recognition over 3 years through the project activities

DESCRIPTION OF INTEGRITY PARTNER

MedTech Europe is the European trade association representing the medical technology industries, from diagnosis to cure. It represented Diagnostics and Medical Devices manufacturers operating in Europe. MedTech Europe started as an alliance in October 2012 of Eucomed, representing the European medical devices industry and EDMA, the European in vitro Diagnostic Manufacturers Association. Its mission is to make innovative medical technology available to more people, while helping healthcare systems move towards a sustainable path.

Name of Integrity Partner:

MedTech Europe 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 and 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 system which reviews the compliance of third-party educational events with [MedTech Europe Code of Ethical Business Practice](#) and [Mecomed Code of Business](#)

[Practice](#) (the "Codes") to determine the appropriateness for companies which are members of [MedTech Europe](#) and Mecomed to provide financial support to such events in the form of educational grants or commercial activities (booths, advertising, satellite symposium). The decision is binding on MedTech and [Mecomed](#) corporate and national association members.

Through this initiative, MedTech 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 OVER THE ENTIRE PROJECT PERIOD (FEBRUARY 2015 – MAY 2018):

- The [Conference Vetting System](#) (CVS) is a self-regulatory initiative of the Medical Devices industry which applies the principles of the Mecomed Code of Ethics and assesses the risks inherent to the support by industry manufacturers of Healthcare Professionals through the financial support of third-party educational conferences and training
- Over the last 3 years, the establishment and development of the CVS in partnership with [Mecomed](#) in the Middle East region has shaped compliance and ethical rules on how Industry supports medical education of Healthcare Professionals
- Since its inception in the Middle East region, the CVS received the full endorsement of the Mecomed Board, who decided to formalize the CVS in their Code of Business Practice adopted in May 2017, making it a mandatory reference tool for Mecomed members. This means that all Mecomed members and their third-party intermediaries would need to take into account all CVC decisions prior to making any financial commitments to support a third-party educational event
- The second implementation year focused on outreach to external stakeholders such as professional conference organizers (PCOs) and scientific societies. Both stakeholder groups are directly impacted by the industry self-regulation, adhere to the Mecomed Code of Ethics principles, and total 50% of all CVS users
- In its last implementation year, CVS submissions increased by 130%, which is beyond the direct stakeholder base of the industry. Mecomed released a new Code of Ethics which formalized CVS as the gold compliance reference for any kind of support provided by the industry to third-party education events, regardless of their magnitude and outreach. The United Arab Emirates, The Kingdom of Saudi Arabia and Pakistan adopted Codes of Ethics and Guidelines on transparency
- The impact of the CVS in the region is tremendous. It has helped in shaping the Compliance landscape and in establishing common jargon and methodology with stakeholders. Mecomed will capitalize on the increased awareness and interest of authorities in raising Compliance standards to develop other initiatives such as a disclosure platform
- With over 5000 people and 200 organizations trained on the principles of the Mecomed Code and the CVS, this project has helped in raising stakeholder knowledge about and adherence to self-regulatory initiatives at the same level as that in other regions

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 (www.unglobalcompact.org) 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 OVER THE ENTIRE PROJECT PERIOD (MAY 2015 – JUNE 2018):

- 108 SMEs and 22 Supporting Partners joined the [Integrity Network Initiative](#) (Initiative) as members
- Around 500 attendees participated in 5 conferences and signing ceremonies aimed at raising awareness on the importance of countering corruption, and to showcase the commitment of members and partners of the Initiative and to grow its outreach
- In addition to the high-level events, content-focused workshops and expert roundtables were held on relevant topics in the field of anti-corruption and to advance the Initiative itself. One guideline was produced out of the workshops and a further document is in development
- 129 participants from 62 individual SMEs and other stakeholders attended 10 Introductory Sessions in Cairo, Alexandria and Port Said
- 57 participants from 42 SMEs attended 8 Senior Management Training sessions in Cairo and Port Said
- Another 375 participants from 290 individual SMEs and other stakeholders attended 20 combined sessions of introduction and Senior Management Training in Cairo, Aswan, Mansoura, Alexandria and Hurghada
- 117 Participants of 102 companies attended 11 Ethics & Compliance Manager Training Sessions
- A Procurement Training Tool for SMEs was developed and a first training session was attended by 21 SME representatives
- The Initiative continued its outreach and communication activities by presenting at a variety of national and international events (e.g. at the American University in Cairo, Cairo University, OECD Integrity Week, UNDP ACIAC Project, Basel Institute of Governance, Conference of the State Parties to the UN Convention against Corruption, UNGC's Making Global Goals Locals Business event)
- An Assessment Process (self-assessment and external assessment) to monitor SME's compliance with the Integrity Pledge was developed and is being piloted

Impact

- [108 SMEs have adopted the Integrity Pledge, appointed Ethics & Compliance Managers, and submitted Anti-Corruption Policies](#)
- Over 500 SMEs are equipped with knowledge about the core concepts of corruption and with the capacity to mitigate key corruption risks
- Attendees at public events, media attention, and social media engagement have grown substantially. Members use these events and platforms to spread awareness, to network, and to encourage others to join

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 (GC Network 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 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 OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- The [Framework for Governance of Smart Cities](#) was launched in December 2017 and it was shared with the relevant government agencies and smart city leadership. This framework establishes a business case for the governance of smart city projects, and it lays down a roadmap for a sustainable process in the long run
- A [Public Private Partnership handbook](#) (PPP) was developed to assist businesses and policy makers in the selection of a suitable model of PPPs for individual projects
- Risk Assessment and Mitigation Toolkits were developed to assist government and businesses in assessing their individual risks in the infrastructure sector, and to ascertain strategies for mitigating risks in infrastructure projects
- A [Business Roundtable](#) for smart cities was held in Delhi in September 2018 with the National Institution for Transforming India (Niti Aayog) – a policy think tank of the Government of India – to facilitate a Collective Action platform to address city challenges and sustainable business solutions
- Knowledge Partnership MoUs were signed with the [International Bank for Reconstruction and Development \(IBRD\)](#) and the [UN Global Compact Cities Program \(UN-GCCP\)](#)
- [Collaboration efforts](#) were formalized with UN Habitat, Niti Aayog, NIUA and RCUES to enhance, scaleup and sustain the project's intervention in the Smart City Mission of India
- The [Smart Republic 2018 Conference](#) was organized in collaboration with the World Bank and other partner agencies in February 2018 where around 200 delegates from 9 countries and Smart City leaders of India shared knowledge, innovation and best practices

Impact

- The Project has improved transparency in the bidding process of Pune Smart City and has contributed to a more level playing field in procurement
- The Project was able to identify a cluster of cities with needs and a cluster of businesses with solutions, and is now able to explore Collective Action strategies to facilitate appropriate interventions
- The Project's publications are well appreciated and vetted by businesses, and are being applied in cities like Pune, Dharamshala, and Chennai

DESCRIPTION OF INTEGRITY PARTNER

The **Global Compact Network Korea** (GCNK), the Local Network of the United Nations Global Compact (UNGC) operating in Korea, 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 UNGC participants in Korea from the public, private and non-profit sectors by holding various workshops, symposiums and conferences, conducting CSR projects, translating UNGC & 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.

The Project Partner Global Competitiveness Empowerment Forum (GCEF) is a nonprofit organization to promote corporate social responsibility, creating shared value, sustainability and business integrity of public, private and social enterprises, specialized in research, education, seminar, policy analysis and multi-stakeholder dialogs by nurturing Collective Action and cross sector cooperation.

Name of Integrity Partner:

Global Compact Network Korea (GC Network Korea) 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 OVER THE ENTIRE PROJECT PERIOD (MARCH 2015 – MARCH 2018):

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

- The strong endorsement from government and various ministries has stimulated active support from and engagement with 7 industry associations, 7 metropolitan cities and chambers of commerce and industry, and 7 foreign embassies and chambers of commerce

Empowering companies for capacity building – Research, Workshop, Assessment

- Research work resulted in the development of [5 anti-corruption guidelines](#) specific to [larger businesses and SMEs](#), and specific to different regions such as [Europe](#), [Asia / China](#), [ASEAN / Vietnam](#), and [Indonesia](#)
- [21 workshops](#) on compliance and business ethics targeted various industries, regions and countries with over 1 100 attendees. These workshops facilitated the sharing of compliance system best practices from and between 21 Korean and international experts and 28 corporate executives and managers
- Assessment questions for compliance system analysis were developed and 2 reports were published

Commitment to creating fair playing business environment and consensus building – Pledge and Summit

- [Annual Fair Player Club Summits and Pledge Ceremonies](#) were held with support from the Office for Government Policy Coordination, the Ministry of Trade, Industry & Energy and the Anti-Corruption & Civil Rights Commission

- [228 corporate and non-corporate representatives](#) from various sectors signed the Fair Play Pledge in their commitment to fair play principles

Reaching out to various stakeholders in Korea and abroad – Outreach

- The Fair Player Club featured as one of the best Collective Action practices in the Responsible Business Conduct and Anti-Corruption [policy recommendation paper](#) under the German presidency of the B20 in 2017

Impact

- The Fair Player Club is acknowledged by partner organizations and participants as having provided the most comprehensive and effective public-private platform on compliance and business ethics in Korea. It has brought together [a wide range of market players in Collective Action initiatives](#), and has demonstrated how public-private platforms can effectively promote anti-corruption culture by raising corporate awareness and building capacity

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 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.

IACA became an international organization on March 8, 2011. To date, it comprises a constituency of 70 parties, including 67 states and 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 Organizational, 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 Master's degree program, seminars and conferences focusing on the needs of 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 OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- The Professorship on Collective Action, Compliance and (Private Sector) Anti-Corruption (PCAC) team carried out several academic activities, published 5 articles, and reached around 1 100 professionals
- 3 modules of the International Master in Anti-Corruption Compliance and Collective Action (IMACC) 2017 class were implemented and received a highly positive evaluation from students
- The IMACC 2019 program is open for applications
- 2 seminars were conducted for compliance professionals and also received a very positive evaluation from participants
- The benchmarking study was reoriented in 2018 toward systematization of guidelines and standards, and the definition of a new data collection approach
- The project continued to provide scholarships to students from Least Developed Countries or Emerging Markets. These scholarships have far-reaching outcomes in reducing corruption
- 2 research fellowships were awarded. Fellows are disseminating their research findings at prestigious conferences and other professional events
- The Regional Summer Academy – East and Southeast Asia program took place in Beijing. The program increased understanding of compliance systems, anti-corruption policies, and implementation

Impact

- Academic activities by the PCAC team, such as lecturing, conference contributions, compliance seminars, and article publications, reached a large audience. Research fellows are sharing their research outcomes in academic and professional fora. These activities raise awareness and provide practical insights
- Participants of IACA's programs are using their newly acquired skills to prevent corruption, and to generate positive initiatives towards clean business environments in their home countries

DESCRIPTION OF INTEGRITY PARTNER

The Organisation for Economic Co-operation and Development (OECD) is an inter-governmental organization bringing together 36 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 training for Moroccan officials, will be key to implementing the commitments initially endorsed. This training 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 OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- Anti-corruption support in procurement as well as the facilitation of the development of Collective Action initiatives was organized as planned, with satisfactory feedback received from participating representatives
- Political momentum was achieved with the High Level Integrity meeting, held in July 2018 in Rabat. High ranking delegates from the OECD, the Ministry for Public Administration, and La Confédération Générale des Entreprises du Maroc (CGEM) addressed over 120 participants and reaffirmed the critical importance of fighting corruption for Morocco's development, and the need for further action in this regard
- Proposals were made for the implementation of the recommendations of the [OECD Integrity Scan](#) and the [OECD Baseline Sector Study](#), both launched on the occasion of the High Level Integrity meeting. In addition, the need to establish adequate criminal anti-corruption legislation was highlighted
- A [draft manual on integrity and public procurement](#) prepared and developed in this project was presented at the High Level Meeting, and covers a wide range of topics including transparency, risk management, controls, remedies system, sanctioning system, e-procurement, and exceptions to competitive tendering

Impact

- OECD and Moroccan stakeholders held extensive consultations on furthering integrity in Morocco. The government, including the Head of Government, expressed a keen interest to enhance knowledge with the longer-term view of moving closer to the OECD anti-bribery standards
- The CGEM is determined to benefit from OECD's support in enhancing the institutionalization of public-private dialogue
- Businesses from the Energy, Health and Transport sectors are seriously contemplating the establishment of Collective Action frameworks

DESCRIPTION OF INTEGRITY PARTNER

The Organisation for Economic Co-operation and Development (OECD) is an inter-governmental organization bringing together 36 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 good practices of corporate governance and business integrity.

A robust and accountable corporate governance system with sound risk management, transparency requirements and control mechanisms helps to prevent 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 good practices of corporate governance and business

integrity within large companies in Russia, thereby underpinning the accountability and transparency needed for enhanced business integrity. This is 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 developed for this project and 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 OVER THE ENTIRE PROJECT PERIOD (FEBRUARY 2015 – JUNE 2018):

- Organised three annual high-level [Corporate Governance Roundtable](#) events with the Moscow Exchange and the Bank of Russia that streamlined the topic of business integrity. Each Roundtable gathered 300-400 participants
- Hosted [10 business integrity seminars](#) in collaboration with Deloitte CIS and the Federal Antimonopoly Service of Russia. In total, the seminars gathered over 450 participants. Seminar themes included, but were not limited to, strengthening of internal control and audit, reporting and whistleblowing, antimonopoly compliance and integrity in state-owned companies
- Hosted an international consultation on the development of new international guidance for states as enterprise owners. The Roundtable and business integrity seminars were thus not only an opportunity for experts to promote business integrity and equal market conditions in Russia, but also for Russian experts to lend their expertise to the development of new international guidance on the subject
- Provided capacity-building beyond the Russian capital. In addition to hosting the business integrity seminars in Moscow, four seminars were held in Kazan and St Petersburg to ensure that key messages, background materials and engagement opportunities were offered to a wide range of practitioners and experts. Many participants registered their attendance as part of their training on integrity and compliance
- Background materials, including OECD standards and new research, were provided during the events in English and in Russian, and were subsequently made available on the dedicated websites along with summaries of event proceedings

Impact

- The OECD standards and good-practice approaches of OECD countries that were consistently shared in annual events and seminars have been used in the development of individual company codes of corporate governance and in the practices established to monitor the implementation of the 2014 Russian Corporate Governance Code
- The topic of business integrity was sustainably integrated into discussions on corporate governance in Russia that have continued beyond the project close with respective project partners
- The dialogues were used to encourage companies to implement good practices in business integrity. Companies' sharing of good practices has helped to raise expectations for the collective group. Further, the exchanges between companies, policy-makers, regulators and associations or organisations that monitor company compliance and disclosure has helped to cultivate a greater collective sense of accountability for corporate governance and business integrity

DESCRIPTION OF INTEGRITY PARTNER

The **Pearl Initiative** is the only, 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.

With over 40 regional and international partners, the Pearl Initiative brings together business, government, and civil society decision-makers to share best business practices and to help maximize the economic opportunities available to companies within the region. The Pearl Initiative also supports Gulf-based university students to identify and embrace strong ethics as they embark on their careers.

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 project aims to influence the behavior of business leaders, government representatives and students across the Gulf Region through education, and Collective Action. Knowledge sharing is a key means to meeting this objective, and the Pearl Initiative is building a local community that is sharing and promoting good integrity practices, while actively encouraging others to lead the way in the implementation of improved standards.

To facilitate higher levels of integrity and transparency in businesses in the Gulf Region, practical tools are being developed as part of the project to support companies, in benchmarking their policies against best practices, while also facilitating the implementation of higher levels of integrity and transparency.

The project has three key objectives:

- Develop a Gulf Region focused 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 and promoting the business benefits to aligning interests in implementing higher standards
- Engage future business leaders by encouraging universities in the region to include the practical angle with respect to the implementation of integrity practices in their curricula and by actively reaching out to students with activities such as projects and case study competitions



PROJECT AT A GLANCE:

The aim of the project is to incentivize and support business leaders (and future leaders) in the Gulf Region towards implementing more rigorous integrity practices, while recognizing the direct business benefits for doing so

KEY ACTIVITIES OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- The pilot phase of the Gulf Integrity Indicator (GII) across the United Arab Emirates and the Kingdom of Saudi Arabia was completed and valuable input and feedback on potential areas of improvement and key incentives to bring companies on board was obtained
- The GII assessment methodology was revisited to ensure scalability and applicability for different organizations operating within diverse sectors and industries with multiple operating models
- A profiling tool was developed to assess key integrity metrics within organizations and ensure a consistent and objective scoring framework within the GII that reduces personal discretion when scoring organizations
- The public phase of the GII was rolled out across the Gulf Region
- The overall media engagement in relation to the program and the roll out of the GII and program was increased through various events, print and online press releases and social media posts
- 4 roundtable events were held in [Khobar](#) and [Riyadh](#), Saudi Arabia, and [Abu Dhabi](#) and [Dubai](#), United Arab Emirates with over 100 business professionals and media agencies in attendance
- '[Volume 1: The Company's Integrity Framework](#)' was published, which focuses on the main elements to be considered when developing an integrity framework, and the 'Business Case for Integrity Practices' was published, which seeks to identify the benefits, progress to date and potential challenges with respect to improving integrity practices in Gulf firms
- The Gulf Region Wide Student Case Study Competition was completed and it engaged 3 761 students across 35 universities, building case studies on 123 companies. The students promoted the best practices of these organizations through the case studies
- The [Gulf Region Wide Student Case Study Competition Awards Ceremony](#) was held at Sultan Qaboos University in Muscat, Oman

Impact

- Through its activities, events and engagement of students, the program has been able to convene like-minded business professionals to initiate a dialogue and share knowledge on integrity best practices while also educating students and executives alike around the practical application of integrity practices

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 members' 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 II project, the anti-corruption activities of the previous MedKompas I project 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 II project, 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 healthcare facilities

KEY ACTIVITIES OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2014 – SEPTEMBER 2018):

- The MedKompas team organized 81 training sessions on ethical business conduct and transparent doctor – medical company relations in the healthcare sector (MedKompas training map available [here](#))
- 2 374 healthcare employees including hospital directors, hospital management, public procurement staff, medical doctors, and nurses participated in the above mentioned training
- The MedKompas training was organized in 68 different hospitals and healthcare facilities. In some hospitals training was organized twice due to high employee interest in the subject matter
- The first set of model documents for the implementation of compliance systems suitable for healthcare facilities were developed
- MedKompas experts carried out the full implementation of compliance systems in 5 hospitals using the model documents
- 70 press and internet publications were used to provide information about the project activities and ethical business conduct
- At 24 healthcare conferences and medical exhibitions, the project and ethical cooperation was promoted through panel sessions and the distributing of promotional materials
- 9 public debates on ethical business conduct in the healthcare sector were organized
- 2 press conferences were held with prominent speakers, such as the Director of Business Ethics & Social Innovation Centre at Kozminski University and a Fraud Investigation and Dispute Services partner from EY, Poland. The www.medkompas.pl website saw a total of 28 150 page views with around 13 149 visitors

Impact

- Thanks to the Project a substantial number of healthcare institutions recognized the need to educate their employees on the benefits of ethical cooperation and the dangers of corrupt behavior. With so many individuals trained on ethical business conduct, POLMED has made a huge step towards changing the mindset of many people, which can lead to a change in social norms and plays an important role in shaping values and business practices. This can be seen in the interest that hospitals have shown in implementing and institutionalizing the model compliance system

DESCRIPTION OF INTEGRITY PARTNER

The Ethics Institute is a not-for-profit, public benefit organization, which has been active since August 2000. The vision of The Ethics Institute 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 organizations' 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:

The Ethics Institute in cooperation with the Institute of Directors Mozambique (IoDMZ)

PROJECT:

Collective Action for fighting corruption in Mozambique

COUNTRY OF IMPLEMENTATION:

Mozambique

DURATION:

5 years

USD (MILLION):

0.55 M

REGISTERED IN:

South Africa

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

In an initial phase, the project focused on the provision of technical assistance in the implementation of corporate ethics standards within the private sector in Mozambique. Initial activities built 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 The Ethics Institute 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 main aim of the project is to reduce corruption and facilitate the ease of doing business in Mozambique by building ethics management capacity in both the public and private sectors

KEY ACTIVITIES OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- An ethics investigations workshop was hosted in October 2017 in Maputo with 51 delegates in attendance
- At the annual [ethics awareness event](#) hosted in October 2017 in Maputo, a former first lady of Mozambique addressed 106 delegates as keynote speaker
- A business ethics workshop was presented in Maputo in October 2017 with 14 delegates in attendance
- A 3-hour ethics awareness training session was held in March 2018 in Maputo with 38 business representatives in attendance
- A cross-border anti-corruption round table on identifying critical corruption related issues was held in May 2018 in Maputo
- [Ordem dos Contabilistas e Auditores de Moçambique \(OCAM\)](#) delivered 4 ethics management training sessions to 179 accountants and auditors in Beira and Nampula in July 2018
- A forum addressing identified cross-border corruption challenges with 28 key stakeholders was hosted in Manzini, Eswatini in July 2018
- Ethics training for Mozambican Tax Authority representatives was held in Maputo in August 2018
- An Ethics and Compliance Conference was co-hosted in collaboration with Associação de Comércio, Indústria e Serviços (ACIS) in Maputo in August 2018 with 128 business representatives in attendance. Mozambique's Chief Justice served as plenary speaker and attended all sessions
- [TEI](#) reviewed and provided commentary to the Confederation of Trade Association (CTA) regarding their new Code of Ethics
- A total of 54 delegates successfully completed the Ethics Officer Training Program in April and August 2018 in Maputo

Impact

- Requests to The Ethics Institute for engagements related to ethics and anti-corruption interventions by key Mozambican institutions increased significantly
- Cross-border stakeholders, Mozambican Tax Authority and Cross-Border Road Transport Agency (South Africa) have actively demonstrated their commitment to address anti-corruption issues
- OCAM included an Ethics Management module in nationwide compulsory professional training for accountants and auditors during 2018
- Mozambican Universities committed to include business ethics in their curriculum

DESCRIPTION OF INTEGRITY PARTNER

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- Thought leadership when setting ethical standards
- Research in the field of organizational ethics management
- Assessment of organizations' 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:

The Ethics Institute

PROJECT:

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

COUNTRY OF IMPLEMENTATION:

South Africa

DURATION:

5 years

USD (MILLION):

0.80 M

REGISTERED IN:

South Africa

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

Firstly, The Ethics Institute 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 will collaborate with nine municipalities in the province to strengthen their ethics and anti-corruption management capacity. This will include setting up necessary governance structures and assist-

ing 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 to address "ethics and anti-corruption issues in supply chain management" in the South African procurement environment. The resources will be aimed at SME suppliers of large companies in South Africa.



PROJECT AT A GLANCE:

The project aims to fight corruption in Gauteng Province by providing thought leadership to the existing provincial anti-corruption Collective Action initiative, capacitating municipalities to fight corruption, and developing an anti-corruption training platform for small and medium-sized enterprises (SMEs) in supply chains

KEY ACTIVITIES OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- [The Ethics Institute's](#) CEO was appointed to the Gauteng Ethics Advisory Council, established by the Gauteng Premier in December 2017
- Relationships with, and between, ethics role-players in the [Gauteng Provincial Government](#) and 9 Gauteng municipalities were strengthened
- An additional 14 ethics officers were trained through the Ethics Officer Certification Program
- An [Ethics Champion Learning Forum](#) in partnership with the Gauteng Provincial Government, and a Rules and Ethics Committee workshop in partnership with the Gauteng Provincial Legislature were hosted
- Ethics Risk Assessments and Ethics Management Maturity Assessments for 8 municipalities were completed
- Findings of the Ethics Risk Assessments and Ethics Management Maturity Assessments were presented to leadership structures in 7 municipalities
- Ethics strategy planning sessions were facilitated in 3 municipalities
- A further 17 officials were trained on the train-the-trainer program. These (and previously trained trainers) independently trained 1218 municipal officials
- A further 228 Councilors were trained, bringing the total number of trained Councilors to 417 (40% of all Councilors)
- The 2018 Public Sector Ethics Survey was conducted with 8,713 respondents
- The content for the Supply Chain Ethics and Anti-corruption Program piloted in November 2018 was developed
- The project received the gold award in the Integrity Category at the 2018 Premier of Gauteng's Service Excellence Award Ceremony, which further heightened awareness of the project

Impact

- There are now more formalized ethics management structures and a strong group of ethics champions and ethics officers in Gauteng municipalities
- Provincial Government is increasingly involved in municipal ethics ensuring informed oversight by them in future

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 promotes 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 aims to 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 involves:

- Developing evidence bases for Collective Action at national level through 'Transparency in Corporate Reporting Assessments' (TRAC) and 'Business Integrity Country Assessments' (BICA)
- 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 Transparency International 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 OVER THE ENTIRE PROJECT PERIOD (JANUARY 2015 – SEPTEMBER 2018):

68 companies in Russia, Lithuania and Brazil improved their public reporting practices on anti-corruption

- As part of an assessment of transparency in public reporting on anti-corruption, accompanied by exchanges between Transparency International chapters and companies, and by raising public awareness about the importance of transparent reporting and accountability, 8 companies in Russia, 23 companies in Lithuania and a record 43 companies in Brazil improved their practices

Advocacy activities around BICA results in Brazil and Italy were integrated in election campaigns in both countries

- Results of BICA Brazil were fed into the “Novas Medidas”, currently the most comprehensive package of anti-corruption laws worldwide, developed by TI Brazil in a Collective Action process. The chapter sees high potential for the implementing of these measures in the coming legislative period. TI Brazil launched its BICA report in August 2018 at the International Chamber of Commerce (ICC) Brazil in São Paulo and reached 78 participants, of which 53 were companies, raising significant interest among communities of both auditors and investors
- As a result of BICA Stage 2, advocacy activities focusing on political financing in the run-up to the Italian elections in March 2018 saw 33 MPs publish information on the funds they received and spent on the electoral campaign. TI Italy was also invited to Parliament to participate in a public hearing on a new anti-corruption law, and presented the BICA findings on political financing

For the first time, the B20 calls for public registers on beneficial ownership and integrity of State Owned Enterprises (SOEs)

- As concept partner of the B20 Integrity and Compliance Taskforce, Transparency International ensured that the topics of SOEs and Beneficial Ownership Transparency were included as B20 policy priorities, and significantly contributed to advanced policy recommendations on both. In addition, for the first time, the B20 and C20 published three joint policy statements

Impact

- A total of 68 companies in three countries improved their public reporting practices on anti-corruption, some of them considerably, from no disclosure to good practice.
- BICAs in four countries have led to business and public-sector interest, and encouraged stakeholders to work with Transparency International in Collective Action on different issues of business integrity
- Integrity in State-Owned Enterprises and Transparency in Beneficial Ownership feature high on the global anti-corruption agenda thanks to Transparency International and other partners’ activities in international fora such as the B20

DESCRIPTION OF INTEGRITY PARTNER

Transparency International España

is the Spanish national chapter of the global Transparency International movement of non-governmental organizations 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 Spanish and international legislation and best practices
- Promoting integrity in public contracting through 'integrity pacts' as a way to prevent corruption and increase transparency in public procurement, starting with a pilot project relating to certain public tenders
- Fostering transparency in the delivery and management of contracted public services through the promotion and monitoring 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 OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

Tools and Publications

- The ‘Guide to implement Integrity Pacts in Spain’ and the ‘Transparency Law and large listed companies in Spain – 2018’ report were published
- An online version of the Compliance Guide was created together with an interactive platform to consult to companies on the Transparency Law, and to public administrations

Courses and Training

- 25 students participated in the 3rd edition of TI Spain’s Expert Diploma

- This year a program of workshops was opened to external participants with over 70 participants in attendance
- Training sessions on Integrity Pacts for public officials in Valencia were organized, and the Compliance Guide was presented in Madrid, Barcelona and Bilbao

Integrity Pacts

- TI Spain is the appointed monitor of 4 public tenders from administrations in Madrid City, Valencia region, and Castilla La Mancha region

Collaboration

- Collaboration continues with public bodies such as the National Commission on Markets and Competition, the Council for Transparency and Good Government, the General Comptroller of the State Administration, and the Spanish Federation on Municipalities and Provinces.
- 3 companies were supported by TI Spain in their implementation of the Compliance Guide

Outreach

- Over 340 people participated in project activities through events such as presentations of the compliance Guide (257 participants) and the new report on the Transparency Law and Spanish companies (40 participants), and the training workshop on Transparency Portals (40 participants)
- Further information is available on [TI Spain’s webpage](#), the [Integrity Project’s webpage](#), [YouTube](#), LinkedIn, Twitter, and Facebook

Impact

- The Compliance Guide is being implemented by several companies
- TI Spain is the only institution that has raised awareness on the obligations set out in the Transparency Law for the private sector, with many institutions using TI Spain’s guidelines and implementing their recommendations
- The public institutions involved in Integrity Pacts are interested in continuing with this instrument to improve integrity in public procurement

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 OVER THE ENTIRE PROJECT PERIOD (APRIL 2015 – SEPTEMBER 2018):

- 6 private-public round table meetings were convened with 28 stakeholders who contributed to Policy Statements and the drafting of a Policy Paper on integrity in the health sector which was presented at a public event in Rome in December 2017 and signed by 9 stakeholders
- 25 training sessions on integrity were held with around 700 executives and managers and 1070 staff members from 5 local health authorities and 3 regional areas in attendance
- On the National Healthcare Anticorruption Day of April 6 at the Adriano Templum in Rome, public conferences took place in 2016 with around 400 participants and 2017 with around 300 participants. In 2018, a public social campaign was organised
- 2 comprehensive research papers which analysed the perception of corruption and assessed risk and economic waste in Italian health authorities were published in April 2016 and 2017
- Whistleblowing platforms were implemented in 13 local Health Authorities in Trento, Melegnano, Bari, Siracusa, Catania, Catanzaro, Ragusa, Salerno, Sardegna, Brotzu / Cagliari, Pavia, Toscana and Orbassano
- An online access to information tool was made available to the 3 local Health Authorities in Melegnano, Bari and Siracusa
- Communication activities during the project saw 35 posts on the website, 241 posts on Facebook and 142 posts on Twitter. Civil society has increasingly engaged in the online campaign with 1 600 signatories to the online petition, 1 333 followers and 421 150 interactions on Facebook, and 320 followers and 144 470 interactions on twitter

Impact

- 65 irregularities were reported through [the whistleblowing](#) platform during the pilot phase
- TI-Italy was approached by government for [consultation](#) on a national reform on transparency of funding in the health sector (Sunshine Act), and Assobiomedica reformed the code of ethics of its members to strengthen the prevention of conflict of interests between sponsors and professionals
- The quality of [anti-corruption plans](#) has increased significantly, with only 13.7% of Healthcare Units receiving negative assessment scores in 2017 compared to 39.9% in 2016

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 June 2018 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 March 2019. 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 December 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 OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- The project finalized the development of training packages for Egypt, Morocco and Tunisia on corruption risk management including implementation guides for the health and customs sectors. It also set up and trained a regional team of trainers who can rapidly deploy across the three countries to enhance related national capacities in the two sectors
- The project focused its efforts this year in Morocco where it organized a national workshop and two trainings on anti-corruption in health, as well as a national workshop and training on anti-corruption in customs
- In June 2018 in Marrakesh, UNDP organized a high-level regional conference on anti-corruption in the health sector that was attended by concerned governmental and non-governmental practitioners in the three countries facilitating peer learning and leading to the development of policy and program recommendations that will inform related reforms at the country level
- An anti-corruption Collective Action process is established in Morocco to promote anti-corruption in the health and customs sectors as part of the national strategy, with the participation of the business community

Impact

- Transparency and accountability increased in the health sector in Tunisia through the establishment of a national committee that brought together key stakeholders, produced corruption risk assessments and proposed responses, and successfully implemented selected measures

DESCRIPTION OF INTEGRITY PARTNER

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- 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
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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 June 2018 and support the development of related actionable regional declarations, enabling these to be incorporated in the national action plans of at least one of the two project countries by March 2019. It will also seek to integrate Collective Action tools in programs of national anti-corruption authorities in at least one of the two project countries by December 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 OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- The project finalized the development of training packages for Iraq and Libya on corruption risk management including implementation guides for the health and customs sectors. It also set up and trained a regional team of trainers who can rapidly deploy across the two countries to enhance related national capacities in the two sectors
- The project organized two training sessions on anti-corruption in health in Iraq and one training session in Libya, as well as one training session on anti-corruption in customs in each of the two countries

- The project provided advisory support and technical assistance throughout a series of country missions to Iraq and Libya leading to the conceptualization and endorsement of new platforms for Collective Action in the two countries
- In June 2018 in Marrakesh, UNDP organized a high-level regional conference on anti-corruption in the health sector that was attended by concerned governmental and non-governmental practitioners in Iraq and Libya facilitating peer learning and leading to the development of policy and program recommendations that will inform related reforms at the country level

Impact

- The Commission of Integrity began to revise its national anti-corruption strategy to gear it towards Collective Action and stronger engagement with non-governmental partners, including 3 new initiatives that are already underway in this regard

- The Presidential Council in Libya endorsed a decision to establish an Integrity and Transparency Office to coordinate the implementation of the UN Convention against Corruption in the country and promote Collective Action to this effect

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 186 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: USD (MILLION): REGISTERED IN:

Colombia

3 years

1.20 M

Austria

The project is enhancing 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 is also strengthening 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. Finally, the project is empowering companies to identify processes susceptible to corruption and implement actions to protect themselves from corruption.

This is achieved by:

- Improving public-private sector dialogue and introducing a more coordinated approach to

anti-corruption efforts in Colombia through establishing 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 supporting its implementation
- Holding capacity building workshops for stakeholders from the public and private sectors, based on concrete cases of corruption
- Establishing a network of trainers who work with Small and Medium Enterprises (SMEs) to promote the use of the [tools](#) developed by the project and the UN Global Compact (UNGC) 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 OVER THE ENTIRE PROJECT PERIOD (OCTOBER 2017 – SEPTEMBER 2018):

- In February 2018, at a public event attended by over 60 SME representatives, the project launched a Strategy for SMEs. The Strategy seeks to build SMEs' capacity to identify corruption and implement Principle 10 of the UNGC
- In May 2018, a technical round-table with 55 SME representatives was held to assess the assistance SMEs need for developing UNGC Communications of Progress (COPs). Based on the needs identified, three capacity building workshops were held in July 2018 in Bogotá and Medellín, and were attended by 57 SME representatives

- 7 Train-the-Trainer (ToT) workshops were held in 6 cities (Bogotá, Cartagena, Medellín, Cali, Barranquilla & Bucaramanga) to establish and train a network of compliance officers and practitioners who will promote anti-corruption policies and training within their companies and supply chains. The resulting nation-wide network currently includes 166 business representatives and is growing
- To strengthen the project's network of compliance officers and provide a space for dialogue and sharing of good practices, two expert webinars were delivered under the project in August and September 2018
- As part of the website visibility strategy, and to encourage public and private sector experts to exchange ideas about anti-corruption, the opinion space '[Reflections for Integrity](#)' was launched in August 2018, and has so far featured 4 articles

Impact

- Increased awareness of private sector actors in Colombia, including SMEs, of their key role in preventing and fighting corruption
- Enhanced capacity of SMEs to support the fight against corruption through preparing UNGC COPs and adhering to UNGC principle 10
- Deeper knowledge and abilities of companies to implement tools for managing corruption risks

DESCRIPTION OF INTEGRITY PARTNER

The **Wirtschaftsuniversität Wien** (WU) (Vienna University of Economics and Business) based in Vienna, Austria is one of Europe's biggest, most modern Universities of Economic Sciences with high quality standards in research and education approved by international quality seals.

The Institute for Austrian and International Tax Law is one of the world's largest academic institutions engaged in the research and teaching of tax law. It has a long-standing tradition in organizing international conferences and training courses for tax administration practitioners and professionals alike. The Institute for Austrian and International Tax Law was responsible for running this project together with research support from the African Tax Institute (ATI) at the University of Pretoria's Faculty of Economic and Management Sciences. The ATI is one of the leading tax research centers in Africa.

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 OVER THE ENTIRE PROJECT PERIOD (APRIL 2015 – MARCH 2018):

Over the 3 year period of the program there were 9 conferences, workshops and researchers meetings held in South Africa, Nigeria, Ghana and Austria. These events brought together over 300 participants from governments, business, international and regional organizations and academia representing 35 African countries. Representation from governments were made up of politicians (members of Parliament), heads of tax and customs administrations, heads of financial intelligence units and other law enforcement agencies, senior judges and representatives from Central Banks.

The main achievements include:

- raising the awareness of the need for African countries to reinforce the efforts to counter all forms of illicit financial flows
- developing a truly whole of government approach to countering money laundering, bribery, corruption and other financial crimes
- getting governments to accept that solutions to these issues requires a dialogue with business
- building up a community of committed officials from different law enforcement agencies and breaking down the legal, regularity and cultural barriers to better cooperation between these departments
- providing best practice guidelines on how to use tax and anti-money laundering treaties to achieve international cooperation
- putting the issue of identifying ultimate beneficial ownership at the centre of the debate and initiating the process of eliminating barriers to achieve this

- getting an unanimous agreement from governments, business, non-governmental organisations, regional and international organisations that the project needed to continue

Each of the conferences produced an agreed communique and at the final conference held in Vienna, Austria in February 2018 an [overview report on the outcomes from the project was presented](#).

Impact

The project established more effective detection tools of illicit financial flows, thereby discouraging businesses and governments from engaging in such schemes. It contributed to a more informed debate on the issue of transfer pricing, with a clearer and acceptable distinction between what is acceptable or unacceptable. It also changed the nature of the dialogue between business and tax administrations, with 3 African countries committing to implementing pilot studies on cooperative compliance.

D1.

Annex – International Center for Collective Action (ICCA)
Collective Action Conference 2018: Evolution to Revolution

Annex – International Center for Collective Action (ICCA)

Collective Action Conference 2018: Evolution to Revolution

Over 200 business leaders and representatives from government, civil society, international organisations and academia came together in November 2018 for the Basel Institute's 3rd International Collective Action Conference: Evolution to Revolution.

The diverse panels and presentations confirmed that companies worldwide are increasingly engaging in Collective Action to tackle shared corruption challenges and raise standards of integrity through creative, multi-stakeholder efforts. The conference demonstrated the growing evidence base of Collective Action's effectiveness in driving tangible and lasting change in the global fight against corruption. It also highlighted various ways Collective Action can evolve as a global norm and reach its full potential.

This positive revolution in Basel, Switzerland, on 14–15 November 2018, came alive and was evident in plenty of lively discussion during the panel sessions and on the margins of the Basel Institute's 3rd International Collective Action Conference.

More than 200 participants from 40 countries across five continents came to share their wide-ranging experience in using Collective Action to tackle corruption and prevent bribery. Despite the diverse participant mix, there was strong agreement around several key themes.

First, there was strong consensus around the compelling business case for Collective Action against corruption. Of the 95 business representatives present, several speakers supported the idea that Collective Action can help companies "go above and beyond" regulations to raise standards of integrity across a sector. For the CEO of one multinational company, the value of doing business with integrity – and so maintaining the trust of customers, employees and governments – far surpasses any short-term gains from participating in problematic tenders.

Stakeholders from outside the private sector also displayed growing openness towards working with businesses in the context of various forms of Collective Action initiative.

The audience heard spirited discussions on topics ranging from how to facilitate collaboration between law enforcement agencies in different countries to how new insights from behavioural ethics might be implemented in corporate anti-corruption systems. Speakers from international organisations and NGOs emphasised how they are working to understand the specific needs of SMEs and support these through Collective Action initiatives around training and outreach.

Several sessions cast light on how Collective Action is helping to solve corruption and bribery issues in challenging regional contexts. Presentations on Collective Action initiatives from India, China, Nigeria, Ghana and other countries revealed promising developments in this area, from the drafting of industry standards and guidelines to creative pilot projects around collaborative social accountability and e-government. These on-the-ground examples were given deeper resonance with a panel discussion on how fighting corruption is fundamental to mitigating risks around human rights and achieving the Sustainable Development Goals.

Several sessions addressed how Collective Action can be used to address both demand and supply-side bribery. One panel reported on the expansion of the High Level Reporting Mechanism (HLRM) as a tool for procurement

authorities to demonstrate political will to set a high standard of integrity for all bidders in important high-risk public tenders. The success of the HLRM concept in Colombia and Argentina was discussed, as well as its adaptation in Ukraine. Another session explored the benefits and challenges of using Integrity Pacts in Spain and other European Union countries to raise integrity standards in public procurement and new social science research on factors contributing to “islands of integrity” in public governance to the benefit of all.

Technology’s role in supporting anti-corruption Collective Action and related initiatives was also very much on the agenda. A joint presentation by Microsoft and the World Bank illuminated how artificial intelligence and big data could help predict potential corruption issues in public procurement. As well as a breakout session focused on the potential of emerging technologies such as blockchain, there was a live demonstration of the new Basel Open Intelligence tool for streamlining open-source searches in corruption-related due diligence.

With anti-corruption Collective Action still a movement in evolution, participants were eager to exchange experiences and explore strategies for creating sustainable and successful initiatives. A session on lessons learned

from Integrity Partner workshops, featuring examples of Collective Action initiatives developed with support from the Siemens Integrity Initiative in Brazil, South Korea, Mauritius and Egypt, emphasised the importance of clearly mapping the issues, stakeholders and risks in any new project.

During the Conference, short interviews were filmed with leading voices in the field of anti-corruption Collective Action. Their insights were collated into five short YouTube videos on different aspects of Collective Action. The videos are embedded on the B20 Collective Action Hub with subtitles and transcripts in English, German, Spanish and French.

See www.collective-action.com/conference2018/videos.

The conference was funded by the Siemens Integrity Initiative with support from KPMG and Hughes, Hubbard & Reed. Full information, photos, videos and a summary of the proceedings are available on the B20 Collective Action Hub, www.collective-action.com.

D1.

International Center for Collective Action (ICCA)
Collective Action Conference 2018: Evolution to Revolution

“Collective Action increases the effectiveness of compliance and helps businesses to flourish. Healthy businesses are good for this world. Fighting corruption will improve economic growth and prosperity.”

Gretta Fenner, Managing Director,
Basel Institute on Governance

“A success strategy for any new Collective Action initiative is to prepare the groundwork thoroughly. That means closely analysing and mapping the issues, stakeholders and risks in that particular context.”

Gemma Aiolfi, Head of Compliance,
Corporate Governance and Collective Action,
Basel Institute on Governance



Panel discussion on Compliance and Collective Action in emerging markets, featuring (left to right) Stephen Zimmermann, Senior Adviser to the Governance Global Practice Group, World Bank, Guan Fu, General Manager, Legal & Compliance, China Communications Construction Company International; Liu Yuyang, Beijing New-Century Academy on Transnational Corporations, China; and Soji Apampa, CEO, Convention on Business Integrity.



Gemma Aiolfi, Head of Compliance, Corporate Governance and Collective Action at the Basel Institute on Governance, opens a panel discussion on success factors in Collective Action initiatives.

“The beauty of this conference is that it brings together public sector, private sector and civil society to talk about how we can all come together through a Collective Agenda to find new and innovative ways to tackle corruption.”

Stephen Zimmermann, Senior Adviser to the Governance Global Practice Group, World Bank Group

“Collective Action seems to have come of age. It's not a fad. It's not a nice-to-have. It's putting the private sector bang in the middle of anti-corruption work.”

Soji Apampa, CEO, Convention on Business Integrity

“In order to have a level playing field, you need to have all the relevant actors playing by the same rules. And that's where Collective Action can come in.”

Lisa Miller, Head, Integrity Compliance Office, World Bank Group

D2.

Annex – Third Funding Round
Press Release by Siemens

Annex – Third Funding Round Press Release by Siemens

SIEMENS

Press

Munich, March 13, 2018

Siemens Integrity Initiative enters Third Funding Round

- Latest funding round backed with US\$30 million
- Siemens Integrity Initiative promotes projects seeking to prevent and combat corruption and fraud

The Siemens Integrity Initiative promotes projects around the world that seek to combat corruption and fraud, supporting educational and training programs as well as Collective Action, which is building alliances against corruption in a joint effort between business and institutions to establish clean markets and ensure fair competition. The selection process favors projects that have a direct impact on the private sector and strengthen compliance standards and legal systems.

The Siemens Integrity Initiative is open to applications from legal entities including non-governmental organizations, international organizations, business associations, and academic institutions. The Siemens Integrity Initiative is part of the July 2009 settlement between Siemens and the World Bank and the March 2013 settlement between Siemens and the European Investment Bank (EIB). The third tranche will see the selection of some 25 new projects receiving around US\$30 million of funding in total over a period of three to five years.

"We have made good progress with the Siemens Integrity Initiative. The projects from the first two funding rounds have demonstrated visible success, and have been assessed by an external evaluator, the "Universalia Management Group". I've been particularly heartened to see more and more committed and well-connected supporters joining us in our fight against corruption by rallying to the banner of "Collective Action". The external study has shown that commitment to clean markets

Siemens AG
Communications
Head: Clarissa Haller

Reference number: PR2018030198COEN

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Germany

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pays off in economic terms, too. It's the key to success for sustainable business", said Sabine Zindera, who heads the Initiative within the Compliance organization at Siemens.

The World Bank has audit rights over the use of these funds (US\$100 million over 15 years, beginning in 2009). It also has veto rights over Siemens' selection of projects and organizations receiving funds. The agreement between Siemens and the European Investment Bank (€13.5 million over five years, beginning in 2013) gives the EIB the right to review and provide "no-objection" to the projects proposed.

The first two funding rounds with 55 projects and committed capital totaling more than US\$70 million have at the request of the World Bank undergone an external evaluation by the Universalia Management Group, who conclude that "the overall findings of the Mid-term Review are positive".

The Third Funding Round will give preference to projects with activities in countries such as the Adriatic Region, Angola, Argentina, Brazil, China, Colombia, Egypt, India, Indonesia, Iran, Iraq, Ivory Coast, Kenya, Korea, Libya, Morocco, Mozambique, Myanmar, Nigeria, Pakistan, Russia, Saudi Arabia, Spain, South Africa, Syria, Tunisia, Turkey, United Arab Emirates, and the Ukraine in order to enhance the portfolio. Projects will be selected with a view to achieving a balanced portfolio of topics and ensuring the regional distribution of funding.

A summary of the results of the external evaluation will be included in the Siemens Integrity Initiative annual report 2017, and detailed information about the criteria for selecting and supporting projects are available via the following link:
www.siemens.com/integrity-initiative

This press release is available at: www.siemens.com/press/PR2018030198COEN

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Siemens AG (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for 170 years. The company is active around the globe, focusing on the areas of electrification, automation and digitalization. Siemens is one of the world's largest producers of energy-efficient, resource-saving technologies. The company is one of the leading providers of efficient power generation and power transmission solutions, and a pioneer in infrastructure solutions as well as automation, drive and software solutions for industry. The company is also a leading provider of medical imaging equipment – such as computed tomography and magnetic resonance imaging systems – and a leader in laboratory diagnostics as well as clinical IT. In fiscal year 2017, which ended on September 30, 2017, Siemens generated revenue of 683.0 billion and profit after tax of €6.2 billion. At the end of September 2017, the company had some 377,000 employees worldwide. Further information is available on the internet at www.siemens.com.

D2.

Annex – Eligibility and Selection Criteria for the Third Funding Round

("Green Booklet") as published together with the Press Release

- Annex – Eligibility and Selection
Criteria for the Third Funding
Round
("Green Booklet") as published
together with the Press Release



Third Funding Round: All you need to know.

Important Information on the Siemens Integrity Initiative

Siemens has launched a global Siemens Integrity Initiative that supports organizations and projects fighting corruption and fraud through Collective Action, education and training with over US\$ 100 million.

Objective and project categories
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, education and training with over US\$ 100 million. 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. Siemens will consider those projects in the business sectors and countries in which Siemens is active.

Project proposals can be submitted for the following two sub-themes and must demonstrate a clear link to the fight against corruption and fraud.

- **“Collective Action”**: Raise compliance standards and create awareness by creating alliances between the public and the private sector

- **“Education & Training”**: Build capacity, foster a culture of integrity and promote knowledge sharing between institutions and stakeholders

The Siemens Integrity Initiative aims to support a mix of global, regional and country-specific projects and projects of various sizes. At least two-thirds of the funds will be allocated to the sub-theme “Collective Action”. During the First Funding Round an initial tranche of around US\$ 40 million was committed to about 30 projects from more than 20 countries. The Second Funding Round covered 24 projects with a funding volume of US\$ 35,554 million. The Third Funding Round foresees a funding volume of up to US\$ 30 million for up to 25 projects.

The Siemens Integrity Initiative seeks to attract proposals that include a portfolio of activities rather than one-time activities, and proposals with a time horizon of 3 to 5 years. The maximum funding per project proposal is US\$ 5 million. Applications from projects for amounts below this maximum are welcome provided that the requested funding exceeds the mini-

mum amount of US\$ 500,000. Applicants may submit several projects, although Siemens may introduce a funding limit per organization in the course of the selection process.

Please see page 3 for eligibility criteria.

Application for funds from the Siemens Integrity Initiative is generally open to non-profit organizations, such as non-governmental organizations (NGOs), international organizations, business associations and academic institutions.

The Siemens Integrity Initiative and the World Bank Group

On July 2, 2009, the World Bank Group announced a comprehensive settlement with Siemens. As part of the settlement, Siemens agreed to co-operate to change industry practices, clean up procurement practices and engage in Collective Action with the World Bank Group to fight fraud and corruption. As a result of this commitment, Siemens has set up the Siemens Integrity Initiative and committed to fund projects and organizations fighting corruption and fraud through Collective Action, education and training with US\$ 100 million over 15 years. The World Bank Group has audit rights over the use of these funds and veto rights over the selection of anti-corruption groups or programs receiving funds.

Siemens and the European Investment Bank (EIB)

On March 15, 2013 the European Investment Bank (EIB) and Siemens announced that they had entered into a settlement agreement. As part of this settlement, Siemens has committed itself to providing funds, totaling 13.5 million euros over five years to international organizations, inter-governmental organizations, non-governmental organizations (NGOs), business asso-

ciations, and academic institutions that support projects or other initiatives promoting good governance and the fight against corruption. The EIB has the right to reject the projects proposed.

Why Siemens supports

Collective Action – building alliances against corruption

In the face of the widespread and deep-rooted corruption problem that affects society in general, governments and their procuring entities and the private sector in equal measure, it seems highly unlikely that individual activities alone will be sufficient to bring about significant ethical changes and improve the transparency of business processes.

This is precisely where Collective Action methods become important
Collective Action enables corruption to be fought collectively, with various interest groups, working together and building an alliance against corruption so that the problem can be approached and resolved from multiple angles.

The ultimate aim of these joint efforts is to create fair and equal market conditions – a “level playing field” – for all market players and to eliminate the temptations of corruption for all of them.

Collective Action promotes a fair competitive situation in which a transparent process based exclusively on market economic criteria (such as quality, price, innovation and service) ensures that the contract is awarded to the best bidder. It prevents competition from being distorted and destroyed by corruption, and ensures that companies acting honestly and morally are not disadvantaged.

The available methods range from integrity pacts for individual procurement transactions right through to

industry-specific codes of conduct and compliance pacts, as well as joint measures implemented as part of a long-term initiative to raise a country's public awareness and tighten up its regulatory system and procurement guidelines. Ideally, such action should involve competitors, authorities, non-governmental organizations (NGOs) and other interest groups working jointly for the common good. It is also crucial to examine the anti-trust aspects in each individual case.

Further information as separate PDFs for download

[FAQs Third Funding Round](#)

[Expression of Interest \(EOI\)
Form for submitting applications
for the Third Funding Round](#)

[Supporting documentation
Annex 3 “Project Budget” to the
Expressions of Interest \(EOI\)
of the Third Funding Round](#)

[Term sheet](#)
Key terms and conditions of the
Standard Funding Agreement

Eligibility and selection criteria

Eligibility criteria – Who can apply?
The Siemens Integrity Initiative is open to applications from legal entities that fulfill the following eligibility criteria:

- Recognized non-profit organizations, including, but not limited to: non-governmental organizations (NGOs), international organizations, in particular inter-governmental organizations, business associations, and academic institutions
- Ability and willingness to sign the Standard Funding Agreement
- Experience in combating corruption and fraud
- Capacity to implement projects of a similar size (start-up organizations are eligible for funding if the individuals acting on behalf of such organizations can demonstrate that they have the relevant experience)

Individuals and for-profit organizations or organizations with no established legal entity, and political and religious organizations, including churches are not eligible for funding from the Siemens Integrity Initiative. Any organization pertaining or closely related to Siemens or institutions of the World Bank Group or the EIB will not be considered for funding.

Applicants may submit joint applications with other organizations that also fulfill the eligibility criteria, provided that

- one organization assumes a leading position,
- the merit of the joint application is clearly described and compelling,
- the partnership does not introduce unnecessary complexity into the project,
- if funding is awarded, this organization assumes responsibility for administering the distribution of funds

between those participating in this joint application/project. In the case of joint applications Siemens retains the right to make any pay out of funds conditional upon all partners of the project meeting the relevant milestones.

Selection criteria
Siemens intends to award funds to the most promising and innovative project proposals submitted. The quality of the project proposals and the capacity of the applicant organization to perform the proposed activities will be assessed against a set of predefined selection criteria, as outlined below. The assessment will be based on the information provided in the Expression of Interest form, and further due diligence in the course of the selection process.

The Siemens Integrity Initiative seeks project proposals that

- can demonstrate a clear fit with the objective of the Initiative,
- have a direct impact on the business environment,
- can demonstrate objective and measurable results, and
- have the potential to be scaled up and replicated.

Project proposals can be submitted for the following two sub-themes and must demonstrate a clear link to the fight against corruption and fraud. Please refer to the table below (content fit) for further details of the project categories.

- **“Collective Action”:** Raise compliance standards and create awareness by creating alliances between the public and the private sector
- **“Education & Training”:** Build capacity, foster a culture of integrity and promote knowledge sharing between institutions and stakeholders

At least two-thirds of the funds will be allocated to the sub-theme “Collective Action”.

Siemens will consider those projects in countries where Siemens has a local office to ensure effective in-country project support and monitoring, and which complement Siemens’ business fields, in order to enable projects to draw on Siemens’ expertise during the implementation phase.

The Siemens Integrity Initiative aims to support a mix of global, regional and country-specific projects and projects of various sizes.

Therefore, in order to achieve an overall geographically balanced portfolio of projects in the Third Funding Round, preference will be given to projects with activities in the following countries: Adriatic Region, Angola, Argentina, Brazil, China, Colombia, Egypt, India, Indonesia, Iran, Iraq, Ivory Coast, Kenya, Korea, Libya, Morocco, Mozambique, Myanmar, Nigeria, Pakistan, Russia, Saudi Arabia, Spain, South Africa, Syria, Tunisia, Turkey, United Arab Emirates, Ukraine.

The Third Funding Round foresees a funding volume of up to US\$ 30 million for up to 25 projects.

The Siemens Integrity Initiative seeks to attract proposals that include a portfolio of activities rather than one-time activities, and proposals with a time horizon of 3 to 5 years. The maximum funding per project proposal is up to US\$ 5 million. Applicants from projects for amounts below this maximum are welcome provided that the requested funding exceeds the minimum amount of US\$ 500.000. Applicants may submit several projects, although Siemens may introduce a funding limit per organization in the course of the selection process.

Content fit

	Main objective
Siemens Integrity Initiative	<ul style="list-style-type: none"> • Creating fair market conditions for all market participants • Fighting corruption and fraud through Collective Action and education and training
Category	Main objective
I. Collective Action	<p>Raising compliance standards and creating awareness by establishing alliances between the public and the private sector</p> <p>Projects in the Collective Action category can cover one, several or all sub-categories described hereunder. All the projects must be based on a collective approach.</p>
Sub-categories	Type of project we support
a) Creating alliances	<p>Establishment of platforms for ongoing dialogue between the public and the private sector on the fight against corruption and fraud with the aim of</p> <ul style="list-style-type: none"> • strengthening national legal systems and voluntary standards, • creating incentives for good performers, • identifying the need for reforms and capacity building.
b) Strengthening the rule of law	<p>Strong anti-corruption laws which follow internationally accepted frameworks such as the UN Convention Against Corruption and the OECD Anti-Bribery Convention help to create a level playing field. Projects will be supported</p> <ul style="list-style-type: none"> • that help to strengthen and coordinate anti-corruption laws relating to the private sector, • that provide incentives to the business community to cooperate with law-enforcement authorities, such as measures by governments to mitigate penalties for such cooperation and for adopting anti-corruption programs, • that support the inclusion of anti-corruption standards and the concept of Integrity Pacts into procurement laws.
c) Strengthening voluntary standards	<ul style="list-style-type: none"> • Strengthening of existing efforts to develop anti-corruption and compliance standards and promote coherence between standards; • Development of new industry-specific standards on anti-corruption and compliance; • Strengthening of standards for Integrity Pacts and their use in public procurement; • Development of monitoring and certification systems for voluntary standards.

Sub-categories	Type of project we support
d) Creating incentives for good performers	<p>To encourage more companies to invest time and resources in fully functioning anti-corruption and compliance systems, we will support projects that work towards the creation of incentives for good performers, e.g.</p> <ul style="list-style-type: none"> Integration of anti-corruption standards into investment decisions and evaluation of companies by financial institutions; Creation of tax incentives; Consideration of corporate anti-corruption programs and compliance systems in bidding processes.

Category	Main objective
II. Education & Training	<p>Build capacity, foster a culture of integrity and promote knowledge sharing between institutions and stakeholders</p> <p>Projects in the category "Education & Training" should cover at least two sub-categories, include provisions for students from emerging markets and developing countries and, most importantly, aim to reach a maximum number of students.</p>

Sub-categories	Type of project we support
a) Curricula development	<ul style="list-style-type: none"> Development of curricula on measures to prevent, detect, investigate and prosecute corruption and fraud and measures to foster a culture of integrity, Incorporation of such curricula into standard courses of academic educational institutions such as business, law and engineering schools.
b) Capacity building	Education and training of future and current managers, engineers, government officials and civil society leaders through short-term and long-term courses.
c) Platform for dialog	Facilitation of an exchange of knowledge between practitioners from all sectors with the aim of advancing knowledge in the area of anti-corruption and of enriching curricula and training courses.
d) Knowledge sharing	<ul style="list-style-type: none"> Support for students from emerging markets and developing countries or students from low-income backgrounds through the establishment of scholarship funds or special financing schemes to enable them to attend courses or studies related to anti-corruption; Support of knowledge exchange and standardization of curricula between universities and training institutions

5

Impact on business environment

Sub-categories	Description
Business sectors and countries	<p>To ensure effective in-country project support and monitoring, Siemens will consider those projects that</p> <ul style="list-style-type: none"> have activities in countries where Siemens has a local office have activities in business fields where Siemens has experience and expertise <p>Preference will be given to projects with activities in the following countries: Adriatic Region, Angola, Argentina, Brazil, China, Colombia, Egypt, India, Indonesia, Iran, Iraq, Ivory Coast, Kenya, Korea, Libya, Morocco, Mozambique, Myanmar, Nigeria, Pakistan, Russia, Saudi Arabia, Spain, South Africa, Syria, Tunisia, Turkey, United Arab Emirates, Ukraine.</p>
Impact on business environment	<p>Projects</p> <ul style="list-style-type: none"> should have a clear impact on the business environment, and aim to contribute to the creation of fair market conditions.

Quality of projects and implementing organizations

Selection Criteria	Description
Innovation	<p>The approach and project</p> <ul style="list-style-type: none"> should demonstrate a new and innovative way of countering corruption and fraud should go beyond existing efforts in its respective field should take into account new technologies where possible should consider, if and where possible, topics reflected on in the global anti-corruption discourse, such as systematic linkages between human rights and anti-corruption compliance, linkages between export control and anti-corruption compliance, and/or technological advances (e.g. digitalization), and the extent to which technological advances could be used in the fight against corruption (e.g. Big Data, Social Media).
Sustainability	<ul style="list-style-type: none"> Applicants must describe how they intend to achieve long-term financial and organizational sustainability beyond the funding received through the Siemens Integrity Initiative, and how outputs and outcomes in and of themselves can remain sustainable. For organizational sustainability, proposals should outline how the organization's capacity and the capacity of potential partner organizations will be built in order to sustain the results of the project. For financial sustainability, projects should outline how they intend to attract additional funds or develop financing schemes to cover the future costs of the project; this should include a realistic strategy for sustaining the project's results after termination of support from the Siemens Integrity Initiative.
Growth potential	<p>A premium is put on projects</p> <ul style="list-style-type: none"> that have the potential for large scale impact, and can be replicated in other areas and regions.

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Selection Criteria	Description
Objective & measurable results	<ul style="list-style-type: none"> The project should have clear and measurable results that will have a direct impact on the business environment. The planned results should be supported by relevant and measurable baseline data relating to the higher level ('bigger') issue(s) that project achievements are likely to contribute to, and relevant and measurable baseline data relating to the specific immediate issue(s) that the project is aiming to address. The project should clearly describe what it will do to address the higher level ('bigger') and immediate issue(s). The expected results/outcomes should be achievable within the time frame of implementation of the funding from the Siemens Integrity Initiative. The quality of proposed indicators to measure results/outcomes and project success will be examined.
Project design and organizational capacity	<ul style="list-style-type: none"> The project should set out a basic theory of change concept explaining how the project activities plan to bring about medium to long-term change and how the project will measure this change against the baseline data at the start of the project. The project should have a realistic plan with concrete steps/activities to achieve the project objective within the implementation timespan of 3 to 5 years. The organization's, and if applicable, its partner's capacity and characteristics to implement the project will be assessed.

Selection Criteria	Description
Type of funding	<ul style="list-style-type: none"> No indirect funding: Organizations that are interested in funding must apply directly for funds (no intermediaries) The maximum amount an organization can apply for per project is US\$5 million. Proposals with lower funding requirements are welcome provided that the requested funding exceeds the minimum amount of US\$ 500,000. For applicants submitting more than one project/application, Siemens may introduce a funding limit per organization in the course of the selection process The Siemens Integrity Initiative seeks project proposals that include a portfolio of activities rather than one-off activities and proposals with a time horizon of 3 to 5 years Project proposals may not include funding of general expenses or general administration of entities, unless these are clearly linked to the project and do not exceed 10% of the total cost of activities proposed for financing through the Siemens Integrity Initiative.



Summary of the application process

Siemens intends to award funds to the most innovative and promising project proposals submitted. The selection and review process comprises two steps:

1. Call for the submission of Expressions of Interest (EOI) including supporting documentation; performance of a thorough due diligence on the applicants' implementation capabilities, their financial management capabilities, their legal structure and their compliance background.

The short-listed projects will be presented to the World Bank Group, which has a veto-right over the selection of projects, and to the European Investment Bank, EIB, which has the right to reject proposed projects.

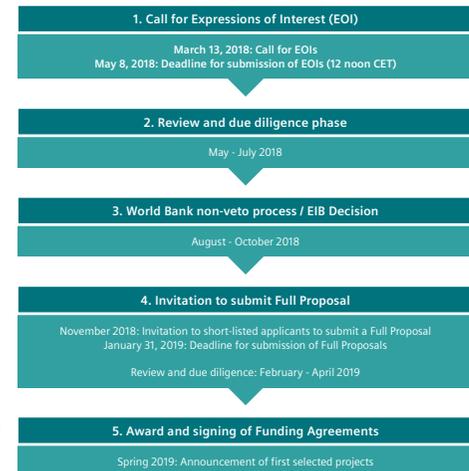
2. Thereafter, invitation by Siemens to short-listed applicants to submit a more detailed Full Proposal; review and assessment of documents.

The applicants selected for funding will be invited to enter into a Standard Funding Agreement with Siemens.

3. Funding decisions are communicated in a staggered approach starting from spring 2019.

Timetable for the Third Funding Round – Siemens Integrity Initiative*

*Dates are subject to change



Siemens reserves the right to involve third parties, and in particular the World Bank Group and the EIB, in the review and selection process at any time. The World Bank Group has audit rights over the use of the funds and veto rights over the selection of anti-corruption groups or programs receiving funds. The EIB has the right to reject project proposals.

To avoid any uncertainty, Siemens reserves full discretion in the selection of the organizations that will be awarded funds from the Siemens Integrity Initiative until the Standard Funding Agreement is signed. The decision whether or not to move ahead with any of the applicants in the selection process is therefore not subject to any judicial review or scrutiny of any kind. Siemens may decide at its sole discretion to fund proposed projects at lower amounts than those asked for, or only selected parts of a project and the proposed activities. Siemens is not

obliged to state reasons for any selection decision, including but not limited to the grounds for its decision not to move forward with any particular applicant organization at any stage of the selection process.

Participation in the selection process and/or successful review does not entitle the applicant to be selected for the award of any funds. Successful participation in prior funding rounds and the award of funds to any applicant does not entitle or qualify such applicant to be awarded further funds in any subsequent funding round.

The selection process is governed exclusively by German law, excluding any conflict of law provisions. Judicial review of the selection process or Siemens' decisions during the selection process is excluded.

Expression of Interest (EOI)

Applicants must submit the EOI form filled out in full, in English, with all the

required information and supporting documentation.

Please note that the deadline for submitting applications for the Third Funding Round is May 8, 2018, 12 noon CET via e-mail only.

The EOI form includes an overview of the project goals, a baseline assessment, a theory of change, a summary of activities, a budget plan and time frame for the project as well as background information on the applicant and on project partners, if any, in the case of joint applications. For details, please refer to the EOI form.

Next steps (Third Funding Round):

Step 1:

Fill in Expression of Interest form and gather supporting documentation

All applicants must fill in the EOI form in English and provide the required supporting documentation; where two or more organizations intend to submit a joint application, Annex 1 to the EOI form as well as the information and documentation outlined in Annex 1 must be submitted for EACH project partner organization.

Step 2:

Send signed EOI form to Siemens

The EOI form, including its annexes, must be signed by an authorized representative of the applicant organization and sent – via e-mail only – together with the required supporting documentation to the following e-mail address: application.integrityinitiative@siemens.com by **12 noon CET, May 8, 2018**.

D3.

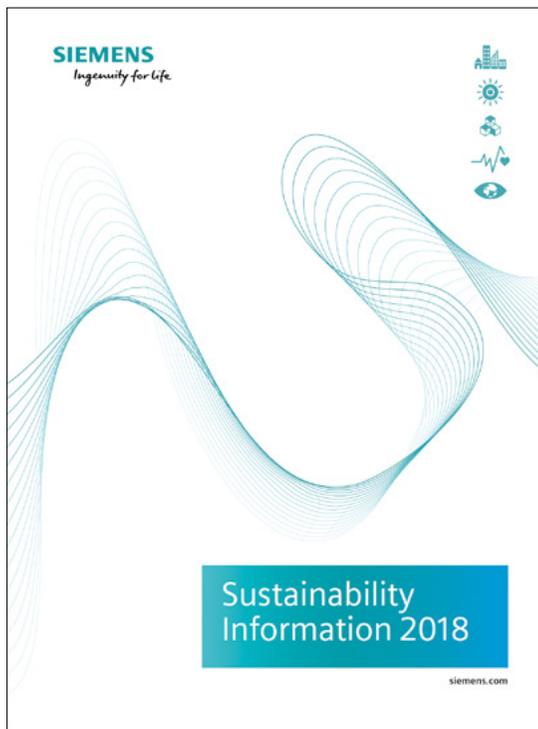
- Annex – Additional Siemens Reports

Annex – Additional Siemens Reports



Annual Report 2018

Siemens has published the Annual Report for the fiscal year 2018. It provides detailed information about the business development of the company, its earnings, assets, and finances.



Sustainability Information 2018 as addendum to the Siemens Annual Report

Improved governance is one of the goals for sustainable development, and a key to success is the fight against corruption.

The 'Sustainability Information 2018 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 at the end of the fiscal year. This Siemens Integrity Initiative Annual Report 2018 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 01, 2019.

Information provided in Section C is created and approved for external use by each Integrity Partner, and in Section D.1 is created and approved for external use by the Basel Institute on Governance. This document contains links to other websites. Siemens is not responsible for the privacy practices or the content of other websites or information provided by its Partners.

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About Siemens

Siemens AG (Berlin and Munich) is a global technology powerhouse that has stood for engineering excellence, innovation, quality, reliability and internationality for more than 170 years. The company is active around the globe, focusing on the areas of electrification, automation and digitalization. One of the largest producers of energy-efficient, resource-saving technologies, Siemens is a leading supplier of efficient power generation and power transmission solutions and a pioneer in infrastructure solutions as well as automation, drive and software solutions for industry. With its publicly listed subsidiary Siemens Healthineers AG, the company is also a leading provider of medical imaging equipment – such as computed tomography and magnetic resonance imaging systems – and a leader in laboratory diagnostics as well as clinical IT. In fiscal 2018, which ended on September 30, 2018, Siemens generated revenue of €83.0 billion and net income of €6.1 billion. At the end of September 2018, the company had around 379,000 employees worldwide.

Read more about Siemens at www.siemens.com/about-siemens

