

Collective Action

Siemens has launched a global Siemens Integrity Initiative with more than 100 million US-Dollars which will support organizations that fight corruption and fraud through Collective Action, education and training.

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What is Collective Action? Building alliances against corruption

In the face of the widespread and deep-rooted corruption problem that affects society in general, governments, 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 advantages of Collective Action:

- Collective Action describes various methods of combating corruption. It is a matter of acting collectively and forming alliances against corruption. Collective Action calls for cooperation on the part of participants from the worlds of politics, business and society at large.
- The ultimate goal is thereby to create fair and equitable market conditions, that is a "Level Playing Field", for all marketplace participants and to eliminate the temptation of corruption for all those concerned.
- Collective Action helps to set up the conditions for fair competition within a corrupt environment.
- Collective Action promotes innovation, as the bidder is selected solely on the basis of price, quality and capacity to innovate.
- Observance of anti-trust law when collaborating with other companies must be ensured by a neutral monitor (e.g. in the form of a non-governmental organization).
- Collective Action can, if necessary, cover gaps in legislation or replace or augment inadequate local law.

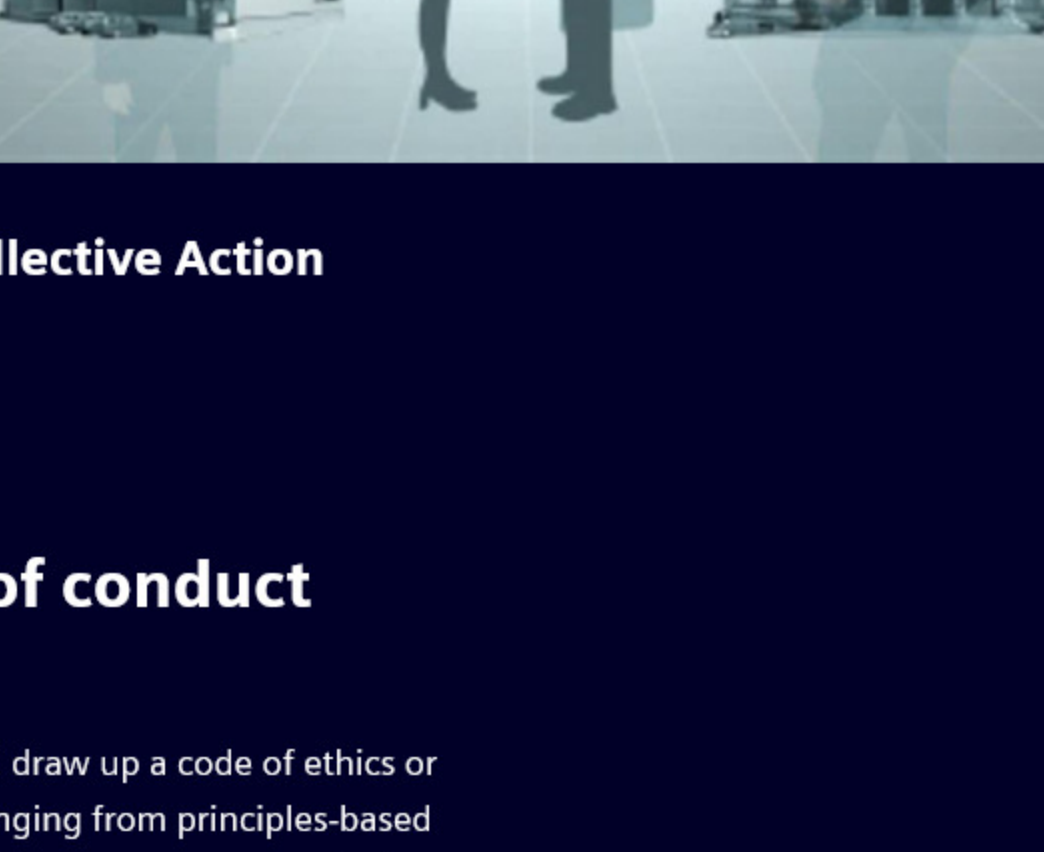
Our Approach: Project-specific methods – Integrity Pacts

At Siemens, the Collective Action methods encompass project-specific, sector-wide and long-term initiatives.

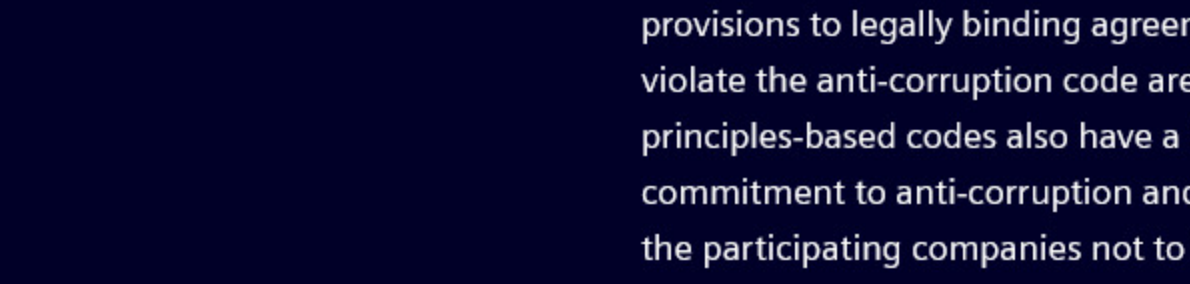
Integrity Pacts ensure that the award of orders in the case of public-sector contracts is free from corruption. They were developed by the non-governmental organization "Transparency International", and are intended to guarantee transparency in the order-awarding process and to rule out bribery in the awarding of public-sector contracts.

Following an invitation to tender from a public-sector customer, the bidding companies sign legally binding contracts, and commit themselves to behave with integrity from the start of the tender process until the end of the project. If the contract is breached, sanctions are imposed which can be as severe as the exclusion of the company from further invitations to tender. An independent monitor supervises the contract-awarding process and observance of the Integrity Pact.

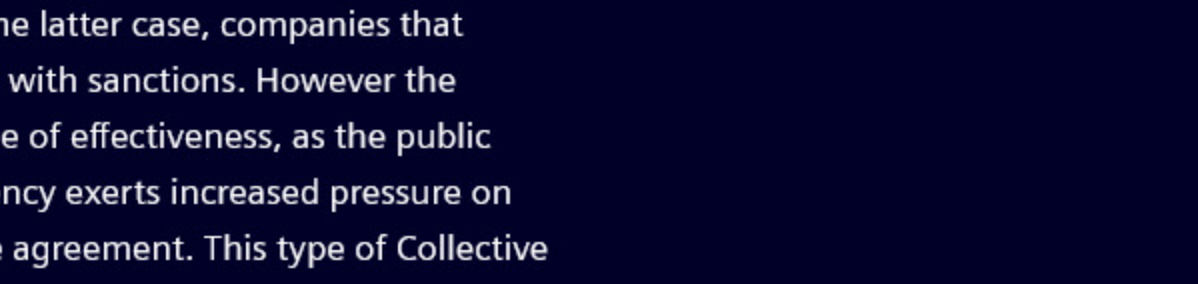
The Integrity Pact ensures that the bidder is selected on the basis of fair criteria, and serves all the stakeholders as a means of protecting the integrity of the project.



Silke Zedler, Vice President Legal and Compliance, Siemens AG in a panel discussion at One Young World 2012, Ethical Business Special Session



Why we all should act



Collective Action

Sector-wide codes of conduct

Companies from the same sector get together and draw up a code of ethics or code of conduct. There can take various forms, ranging from principles-based provisions to legally binding agreements. In the latter case, companies that violate the anti-corruption code are penalized with sanctions. However the principles-based codes also have a high degree of effectiveness, as the public commitment to anti-corruption and transparency exerts increased pressure on the participating companies not to breach the agreement. This type of Collective Action is particularly suitable in oligopolistic markets.

The uncompromising support of senior management within the companies concerned is critical to the success of the initiative. In order to avoid breaches of anti-trust law, it is vital to enlist the services of an external, independent monitor.

Long-term initiatives

Long-term initiatives are particularly effective in states rated as being prone to corruption, as they pave the way to the establishment of an anti-corruption culture. Collaboration between government, commercial companies and society in the fight against corruption contributes to the raising of awareness among politicians and the general public. The acknowledgment that bribery and corrupt behavior damage the entire economy of a state brings long-term benefits for all stakeholders.

Long-term initiatives set out the fundamental conditions that will enable project-specific Integrity Pacts and industry-specific Compliance Pacts to come to fruition and achieve general acceptance. Their success contributes towards a world free of corruption and helps to direct the investment of many millions of dollars and other resources towards their intended destination.

Our Learnings: Executive Summary

Learn more about our Compliance System, our learnings and see how Siemens aims to face future challenges.

1. We at Siemens have internalized Integrity and Compliance.
2. Our business decisions are based on the Siemens values "responsible", "excellent" and "innovative".
3. Acting responsibly means that only clean business is Siemens business.
4. We have received high scores in "compliance category" of the Dow Jones Sustainability Index.
5. We have to make the Siemens values our own and practice them every day.



Two Walgal interviews in 2012: End of moonlanding

Siemens Integrity Initiative: How we put Collective Action into practice

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.

Status of funded projects

The funds provided by Siemens will be allocated in several funding rounds over 15 years. Each funding round will be announced separately.

Over 30 projects from more than 20 countries were selected for funding in the First Funding Round and will receive overall funding of up to US\$ 37.7 million. More than 300 project proposals from more than 66 countries were submitted. The response to the call for proposals exceeded expectations by far in terms of number, quality and relevance of applications.

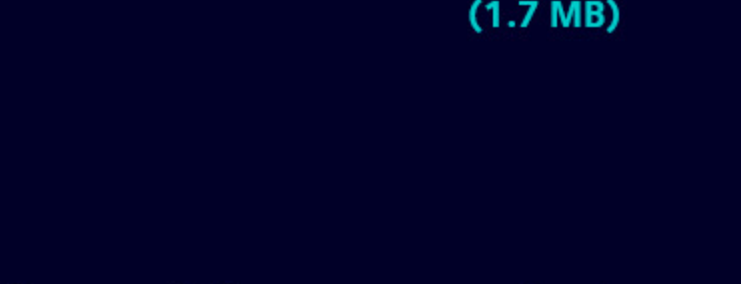
24 projects from more than 20 countries were selected for funding in the Second Funding Round of the Siemens Integrity initiative and will receive funding of up to US\$ 35,354 million. Funding applications were received from more than 180 well-known non-profit organizations from about 60 countries.



First Funding Round (2009)

Over 30 projects from more than 20 countries were selected for funding in the First Funding Round and will receive overall funding of up to USD 37,7 million.

» Status of projects funded in the First Funding Round



Second Funding Round (2013)

24 projects from over 20 countries were selected for funding in the Second Funding Round and will receive up to USD 35,354 million.

» Status of projects funded in the Second Funding Round



Third Funding Round (2018) and Golden Stretch Round (2021)

22 projects from more than 40 countries were selected for funding in the Third Funding Round and will receive up to USD 25,2 million in funding.

Applications for the Third Funding Round closed on May 8, 2018. For more information on Eligibility and Selection Criteria please see "Third Funding Round: All you need to know". Building on the Third Funding Round, selected short-listed candidates were invited in December 2020 to submit applications for additional funding. 8 projects covering more than 27 countries were selected for this Golden Stretch Round and will receive up to USD 20,5 million in funding.

In addition, UNESCO and Siemens AG signed a funding agreement to support the Global Media Defence Fund of an amount of EUR 100,000 on April 13, 2023.

» Status of projects funded in the Third Funding Round

» Status of projects funded in the Golden Stretch Funding Round

» Third Funding Round: All you need to know

» Siemens AG commits financial support to UNESCO's Global Media Defence Fund

Siemens Integrity Initiative



Key information, eligibility and selection process

Projects will be selected according to the published selection criteria and to support a balance in topics, size of organizations and in the regional distribution of funds.

The World Bank Group has audit rights over the use of funds and veto rights over the selection of projects and organizations receiving funds.

Some projects may be funded on the basis of the European Investment Bank (EIB) – Siemens AG settlement which was published on March 15, 2013. As part of this commitment, the EIB has the right to reject the projects proposed.

Details will be specified in the relevant Standard Funding Agreements.

Download the PDF with all relevant information (1,7 MB)

Reporting: Siemens Integrity Initiative Annual Reports

Funding Recipients are to submit regular progress reports. The Annual Reports of the Siemens Integrity Initiative provide a summary of their activities and outcomes.

Siemens Integrity Initiative Annual Report 2023 PDF of the Report 2023 →	Siemens Integrity Initiative Annual Report 2022 PDF of the Report 2022 →	Siemens Integrity Initiative Annual Report 2021 PDF of the Report 2021 →
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Siemens Integrity Initiative Annual Report 2011 PDF of the Report 2011 →		

Relevant information: Downloads

Here you can find detailed information on the various stages and topics of the Siemens Integrity Initiative.

Siemens Business Conduct Guidelines Our Business Conduct Guidelines contain the fundamental principles and rules governing the way we act within our company and in relation to our partners. PDF for download	United Nations' Collective Action brochure The brochure contains practical examples and statements from Antonio Guterres and Joe Kaeser. PDF for download	Press Release on the launch of the Siemens Integrity Initiative On December 9, 2009, Siemens and The World Bank announced the launch of a US\$ 100 million initiative for anti-corruption. PDF for download	Press Release on the start of the First Funding Round Announcement of initial projects for the First Funding Round of the Siemens Integrity Initiative: Press Release by Siemens and The World Bank of December 9, 2010. PDF for download
Press Release on the start of the Second Funding Round Announcement of the first group of projects for the Second Funding Round: Press Release by Siemens, World Bank and European Investment Bank, December 10, 2014. PDF for download	Press Release on the start of the Third Funding Round Announcement of the Third Funding Round: Press Release by Siemens, March 13, 2018. PDF for download	Press Release on the Implementation of the Third Funding Round Announcement of the first group of projects for the Third Funding Round: Press Release by Siemens, December 16, 2019. PDF for download	Press Release on the projects for the Golden Stretch Round Press Release by Siemens, July 7, 2021. PDF for download

Contact: General questions

Please contact us, via the contact button, if you have general questions about the Siemens Integrity Initiative.

Contact us

Related Links

World Bank Group settlement with Siemens World Bank Press Release of July 2009 →	Cooperation with the World Bank World Bank Institute promotes Collective Action →	Cooperation with the EIB European Investment Bank and Siemens Settlement Agreement →
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