

Journal

Alliance for

Integrity

2021



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"We are constantly asking ourselves, which topics and trends will guide us in the future. The era of digital transformation offers numerous opportunities and challenges for the strengthening of transparency and integrity."



Norbert Barthle

Parliamentary State Secretary, Federal Ministry
for Economic Cooperation and Development

Dear Reader,

The world's developing and emerging economies are losing 1.26 trillion US dollars a year – through corruption, bribery and tax evasion. This is more than eight times the volume of global official development assistance which is 150 billion US dollars.

Corruption makes services and goods more expensive and it discourages investment. It fuels divisions and inequality in society. It undermines confidence in institutions and distorts free competition. Corruption prevents the sustainable development of economies and societies. It is only good for a few individuals and bad for everyone else!

That is why, more than six years ago, we launched the Alliance for Integrity, together with the Global Compact Network Germany and the Federation of German Industries (BDI). Our goal is to fight corruption and foster integrity and the rule of law, for example by developing corruption-prevention strategies together with all stakeholders, by carrying out practice-oriented training programmes, and by providing advice on the introduction of compliance systems, especially for small and medium-sized enterprises in developing and emerging economies where there is a lack of resources.

More than 260 trainers are currently active in the Alliance for Integrity, which brings together hundreds of organisations from all social sectors from 14 partner countries. This is a success story for which I sincerely thank all the members. Without the involvement of the private sector, the SDGs cannot be reached. In the current pandemic, the work of the Alliance for Integrity is more important than ever before. Players have been forced to reinvent business models, operation processes and procedures. In some instances, huge amounts of money were mobilised extremely quickly in order to buy masks and drugs and reduce the impact of the pandemic. This has massively increased the risk of corruption. Many of you know such cases – and me too.

In order to prevent corruption, we need Collective Action. Policymakers, the private sector and civil society – they all need to fight corruption! So, I want to invite all of you to play an active part, share your ideas and build networks! Let us jointly create a fair and corruption-free future that benefits all. Have a pleasant read.

Norbert Barthle
Parliamentary State Secretary, Federal Ministry
for Economic Cooperation and Development

Disclaimer: This is an excerpt of the video statement given by Mr. Norbert Barthle at the opening of the 4th Global Conference of the Alliance for Integrity.

Alliance for Integrity

Businesses Take Action

Corruption is a substantial obstacle to sustainable development. Preventing corruption therefore contributes to reducing inequalities; it strengthens the rule of law, enables investments and improves the business environment.

To successfully prevent corruption, the involvement of all relevant stakeholders from the private sector, the public sector and civil society is necessary. Collective Action curbs corruption in a sustainable manner at the regional as well as at the international level.

The private sector assumes a crucial role in the prevention of corruption: On the one hand, legal trends towards stricter punishment of crimes associated with corruption demand effective measures by companies – both internally

and externally. On the other hand, compliance can be a competitive advantage. Business is less expensive and more predictable without corruption.

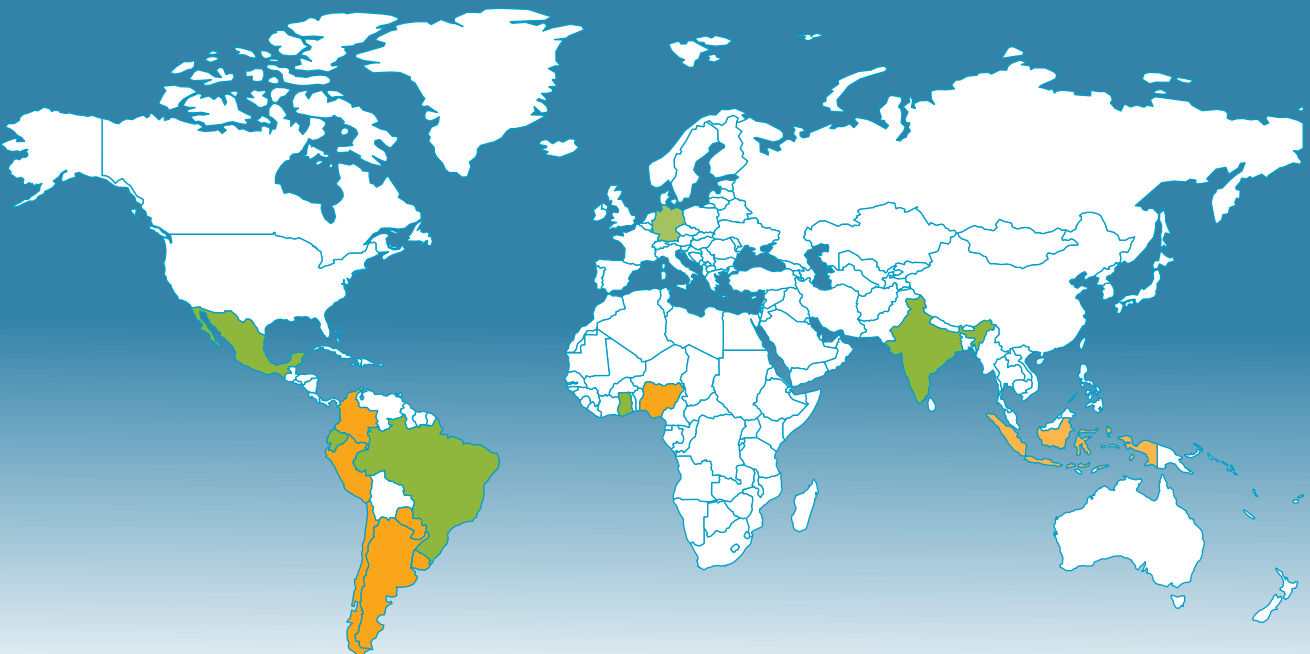
The aim of the Alliance for Integrity is to promote integrity among companies, their business partners, and other relevant actors in the economic system by increasing capacities to effectively prevent corruption. The cooperation at the Alliance for Integrity is based on a comprehensive approach of how to promote corruption prevention in the economic system and follows the recommendations of the OECD and the United Nations (UN) Global Compact, among others. The strategy goes beyond a pure compliance approach; it addresses integrity as a fundamental

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Regions

The Alliance for Integrity is a global initiative operating in the following countries:

- Countries with regional hubs
- Countries with networks



element of an organisational culture for sustainable development according to the UN Sustainable Development Goals (SDGs) and to substantially reduce corruption and bribery in all their forms as outlined in SDG 16.5. In this sense, the Alliance for Integrity not only supplies a platform for building capacities among companies, but also addresses the business environment by promoting incentives and policies among all stakeholders to create a level playing field.

The vision reflects unique selling points and values of the initiative taking into account national and international efforts for future development:

“The Alliance for Integrity aims to be the global game changer for enhancing business integrity through multi-stakeholder collaboration by 2025.”

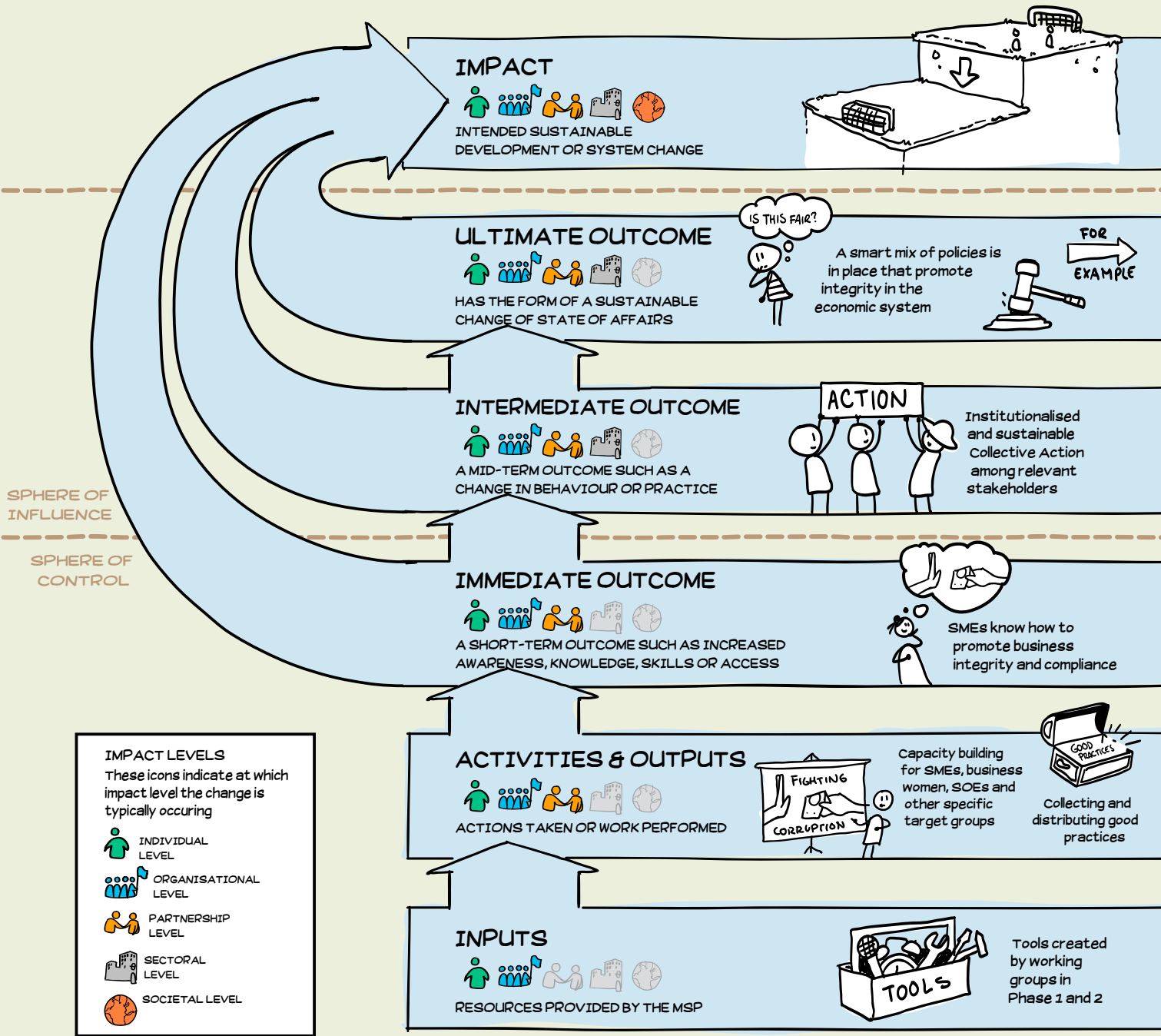
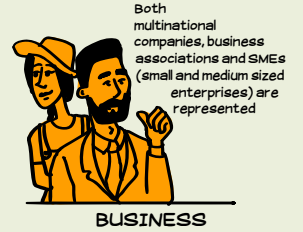
With this vision in mind, the initiative has developed and compiled a variety of services on the topics of anti-corruption and compliance, including TheIntegrityApp, a digital tool for self-assessment of compliance programmes, business integrity trainings for SMEs, peer-to-peer learning, and interregional exchange formats as well as public-private dialogues. Solutions successfully tested in one country are replicated in other regions and fed into the global political discourse.



Alliance for Integrity

Impact Narrative

ALLIANCE FOR INTEGRITY CONSISTS OF:



IMPACT LEVELS
These icons indicate at which impact level the change is typically occurring

- INDIVIDUAL LEVEL
- ORGANISATIONAL LEVEL
- PARTNERSHIP LEVEL
- SECTORAL LEVEL
- SOCIETAL LEVEL



Represented by the United Nations Office on Drugs and Crime (UNODC) and the Organisation for Economic Co-operation and Development (OECD)

INTERNATIONAL ORGANISATIONS



Civil society organisations such as the German Global Compact Network and Transparency International Germany.

CIVIL SOCIETY

The playing field is levelled: equal opportunities for everyone in a fair and transparent economic system



SPHERE OF INTEREST



Incentives for companies to promote integrity

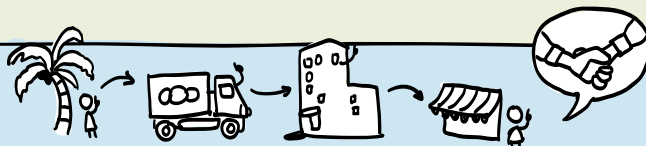


Policies in companies end in countries that promote and incentivise integrity



Good practices are anchored in international processes (OECD, UNCAC and B2O)

SPHERE OF INFLUENCE



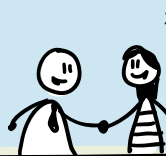
Creating incentives and capacity for business integrity and compliance along global supply chains



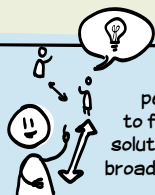
Dialogue platforms are established and actively used



Increased awareness of the benefits of cooperation



Increased trust between stakeholders




Facilitating peer exchange to find shared solutions and broadcast successes




Writing publications, organising events and trainings



Organising a mentoring programme for businesses



Trust building methodologies and publications on integrity



Support from local governments

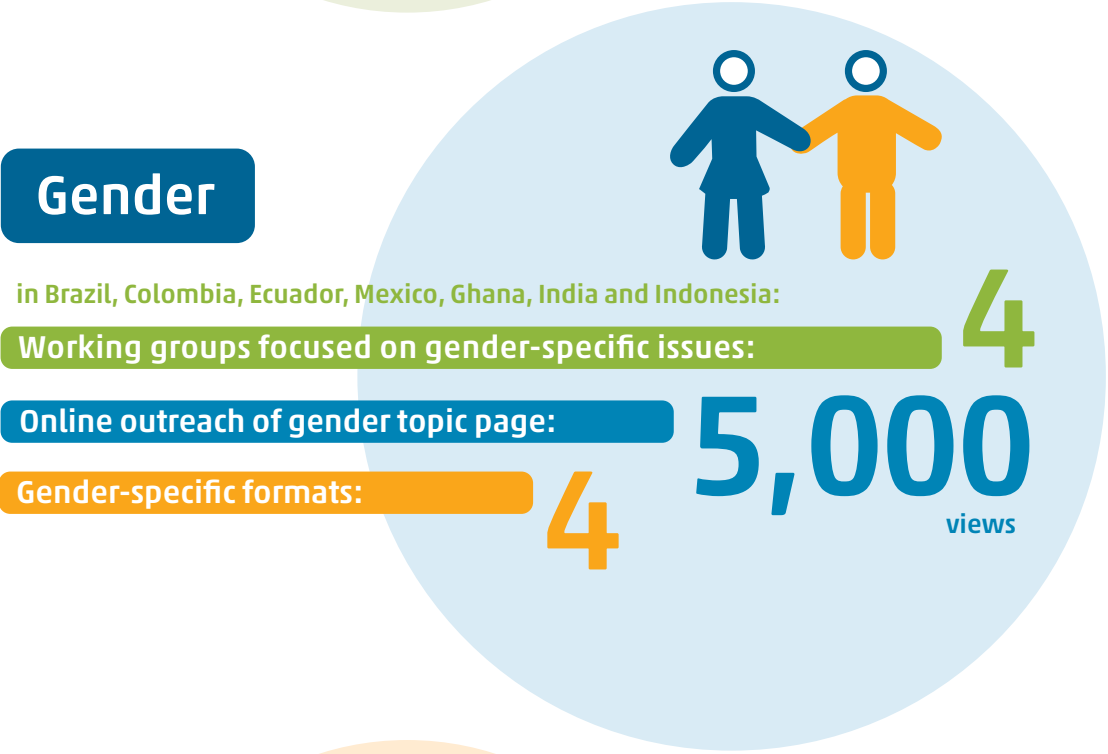
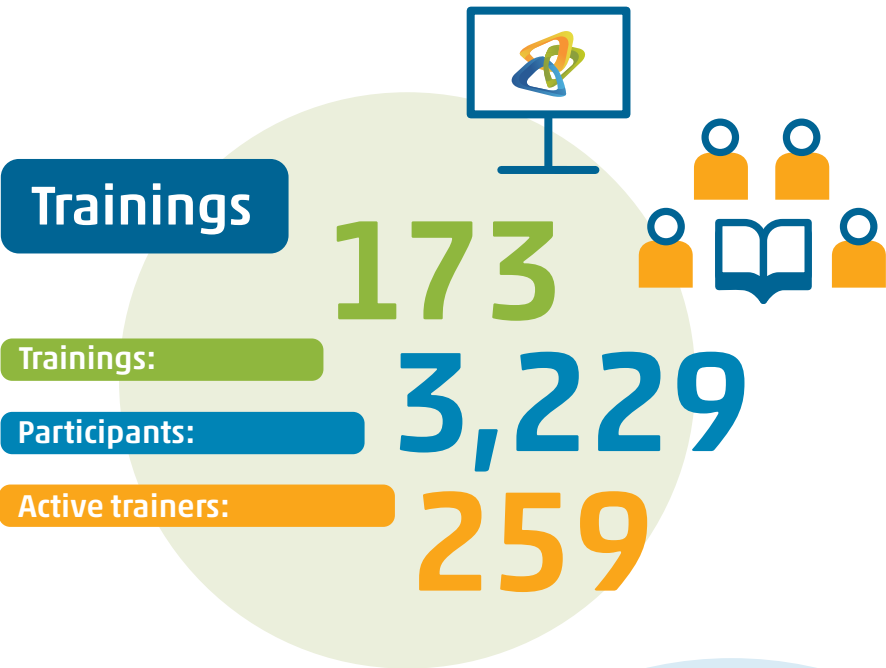
TheIntegrityApp for capacity building



Facts and Figures

Capacity Building on a Global Scale





Success Story

Argentina – Securing Jobs by Complying with High Integrity Standards

by Carolina Irigoien

Vice President of ICOM Salud de Sedesa S.A.

ICOM Salud de SEDESA S.A.

Health products and services, including orthopaedic and surgical instruments

- Operates via online channels and country-wide distributors
- Established in 1974
- Approximately 60 employees
- Carolina Irigoien is Shareholder, Vice President, Financial Administrative Manager and Compliance Officer
- At ICOM since 2007, graduated with honours from University of Buenos Aires in 2000, started her career at Ernst & Young in the audit area and later worked at Siderca SAIC as a tax specialist for almost five years

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An audit leads to new approaches

When Johnson & Johnson, which accounts for 70 % of our business, announced to audit their two main Argentinian suppliers, I realised it will be essential to work on our company's compliance programme. As a family business it was paramount to show how we follow all anti-corruption measures to make sure our company will be able to continue its operations and secure the jobs of our employees.

Building up integrity

While ICOM had some processes in place to manage compliance risks before collaborating with the Alliance for Integrity, these were not as developed as they are today. We had never completed a risk assessment or looked at specific areas within the company with the highest corruption risks. The leadership team based decisions on market knowledge and experience without a well-defined compliance system in place. While I personally

knew that ICOM was in full compliance, the difficulty was showing and proving to our partners that we act with integrity not only in words, but also through recognised and well-established processes.

I met with various stakeholders who all recommended Alliance for Integrity. After taking part in the one-day training programme, "De Empresas para Empresas" (DEPE – "From Companies to Companies"), I joined the Integrity Journey to continue our efforts and define tangible standards. The Alliance for Integrity and their implementation partner in Argentina, AHK Argentina, were great allies, providing me with a network of support and different perspectives.

Open and flexible for a deep dive

One of the major benefits of the Integrity Journey is that it provides companies with fundamental knowledge and with the tools to implement an effective compliance system, yet it was also adaptable allowing to go deeper, providing more content, and reviewing documents and policies.

Professionalising the family business

During the Integrity Journey I successfully improved ICOM's compliance programme. I conducted two staff trainings, developed and implemented a bidding policy, and set up a reporting channel. The diverse exchanges with the AHK Argentina gave me a broader understanding

The Integrity Journey is a mentoring programme specifically designed to train small and medium-sized enterprises (SMEs) in corruption prevention. The Journey comprises ten stages, including a kick-off event, online seminars and a DEPE corruption prevention training. Upon successful completion of the programme, participants are able to set up, implement and continuously monitor an effective compliance management system. Experienced compliance experts support the participating SMEs on their Integrity Journey.

of compliance. It was also the first time I conducted a risk analysis. I could now see where the risks were and start an inter-divisional dialogue bringing in different perspectives to make sure that all risks were addressed.

Improving compliance created a sense that the company was being professionalised and becoming more robust giving employees the security of a long-term perspective.

Implementing cost-effective compliance standards

The biggest challenges have been to incorporate the procedures into the company's daily routine. As compliance programmes have the reputation of being expensive, it is particularly important to make it easier for SMEs to understand that compliance is affordable and accessible if implemented with the correct orientation and targeting. The next biggest challenge is consistency and continuity: the measures must not just be a paper kept in a drawer for audits. The tone set by management is key for implementing an effective compliance programme, especially in SMEs, where it is close to the operation.

Working with integrity is good for business

ICOM's steps towards more compliance and integrity improved our relationship with our stakeholders. By leading by example, we successfully created a culture of compliance within our supply chain and are viewed as a better supplier ourselves.

We can now start conversations with other companies and speak from a different vantage point than our competitors. This has allowed us to grow more, to enter new areas and transactions. Our company today is more secure and stronger thanks to the new systems which ensure transparency and clarity in all business transactions. We have diversified our supply chain, choosing those with better compliance programmes and support our existing suppliers in further developing their integrity measures.

Opening doors to new opportunities through integrity

Collaboration is key. The support of larger companies and multinationals who have been implementing such measures for some time is particularly important as they share expertise, knowledge and experience and help put the topic of compliance on the agenda of SMEs.

Management must clearly communicate the reasons and values behind compliance to the employees: what type of company do we want to be, what legacy do we want to leave behind, and what kind of example do we want to set? This can only be strengthened with time as integrity is breathed within the company. It has been a year of growth and satisfaction for me, both for ICOM and on a personal level. The development of the integrity programme has been a big part of this, and I am incredibly grateful for the journey we have embarked on.



Success Story

Brazil – A Wholehearted Commitment to Compliance, Integrity and Ethics

by Mirian Cidral

Finance Manager, Controller and Supply Manager

Global Estratégias Financeiras

Financial services

- Call centre setting
- Debt settlements
- +400 employees in seven large departments
- Mirian Cidral leads a team of sixteen in the Finance and Controllershship Department and is a member of the company's Ethics Committee.

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Leading the way with a new programme

In our country the financial sector in general has a negative image because many companies behave in a harmful and corrupt manner. Global, however, has always worked on the pillar of transparency with its customers and stakeholders. Due to the nature of our business, we handle large amounts of sensitive financial data from our clients, and we wanted to stand out as a company that operates with transparency and integrity by creating our own compliance programme and integrity policies.

TheIntegrityApp: Connecting Global with the Alliance for Integrity

During our search for ways to improve our compliance programme we found TheIntegrityApp and loved its functionalities. This tool allowed us to measure our own compliance level, which in turn served as an opening of doors for the connection between the Alliance for Integrity and Global. We designed ethics and integrity standards and publicised these internally. We then embarked on the Integrity Journey which showed us the far-reaching impact of corruption and how a multisectoral approach will help achieve the best results possible.

Learning the ABCs of compliance

On the Integrity Journey we learnt the foundation of a compliance programme. One of the main activities was to create a Code of Ethics with enough elements and

resources for a complete living document that would be accepted internally and applied throughout the company. This required studying the most important concepts to build the foundations of our compliance programme and business value.

A game to implement the new compliance system

We noted a considerable increase of interest by our top management who then worked on writing the Code of Ethics collaboratively, following all our daily scenarios. It was essential to engage everyone in Global in the topic. We hired a consultancy to develop a scenario-based compliance game with twelve situations in which our staff had to deal with various ethical dilemmas.

The elements that helped us the most in our process towards compliance were the practical lessons and exercises during the Integrity Journey. The DEPE corruption prevention training was extremely valuable since it included the most relevant case scenarios for our company.

Launching the Code of Ethics in the middle of a pandemic

This was a serious challenge, with communication being the most difficult part. It was hard to make it appealing, to get people interested and engaged and to reach a broad

audience within the company. The Integrity Journey was a turning point in terms of attitude towards ethics and integrity in our company. Today these topics are at the centre of our daily activities, in meetings and in our strategic planning. Our employees started to feel proud of our integrity standards and reputation which makes us very happy and encourages us to keep working on our compliance programme.

Publicising the new compliance policies

An essential task is communicating the new compliance standards to our suppliers and external partners. We are still assessing our suppliers' feedback on how more compliance and integrity will impact our relationship with them. We hope to influence our partners and spark a fire towards the construction of a more ethical business environment in our region and turning it in a cultural feature.

Compliance and Integrity: A tiebreaker in business deals

Our commercial department staff, too, has achieved great changes after implementing these steps towards more integrity. The department which is in direct contact with clients realised how clients value this distinction in compliance which will be a deciding factor to close contracts. The reputability of the company has experienced the biggest impact from the strengthening of our integrity programme which has allowed us to feel more confident and more at ease when it comes to the security of our

clients' information. Since we deal with confidential data, we focused on communicating the development of our compliance products (e.g. policies in line with Brazil's upcoming General Personal Data Protection Law (LGDP), compliance measures and more) to our customers and our employees. This helps us to show how we can handle all these operations in a very safe, secure and formal manner and simultaneously grow our business, particularly with large corporations and multinationals.

Integrity and compliance cannot be done half-right

The biggest lesson we learnt through working on our compliance programme is that as a company you must be 100% dedicated to compliance, integrity and ethics and continue to strengthen these values. I am proud of our collaborative approach in developing our Code of Ethics and the implementation of innovative approaches such as the compliance game. These were our success stories. The participation in the Integrity Journey was essential to give us clarity and be able to implement compliance effectively.

My recommendation for other companies is to not look for a one-size fits all solution. Each company has its own requirements and should assess how robust its compliance programme must be, taking into consideration financial resources, time and know how. It will then be able to choose the right priority actions within the scope of integrity and compliance.





Success Story

Ghana – Re-aligning Staff Mind-Set to Embrace the New Organisational Culture

by Anita Compah-Keyeke
Executive Director

HH Nominees Ltd.

Corporate secretarial and administrative assistance to businesses

- Working with start-ups and well-established companies
- In operation since 2014
- Five part-time staff members

Fighting corruption with integrity

Having dealt with corruption problems in our company, I wanted to find out more about how to fight the issue. After seeing an advertisement about the Alliance for Integrity's corruption prevention training in the *Daily Graphic* newspaper, the idea of working on a company-wide compliance programme to provide guidelines for staff and clients in dealing with and reporting compliance breaches sparked my interest. Before collaborating with the Alliance for Integrity the handling of compliance issues was left to the discretion of employees. This created a lot of friction between the employees and our customers. Staff were caught in the usual Ghanaian confusion of not knowing where to draw the line between a gift, a bribe, and appreciation.

Compliance training to help define clear guidelines

I attended the Alliance for Integrity's corruption prevention training in 2018. The one-day session was focused on how to work together with government agencies in a professional manner but also with integrity. We developed a structured document with clear rules for dealing with compliance cases which had been a challenge for us before the training. It helped us set up the framework for an anti-corruption policy within our company which simultaneously improves our attractiveness to our clients.

Roadblocks to integrity

The primary obstacle to developing an anti-corruption policy was the initial resistance from our staff who saw the entire process as new and alien. They were used to working in a certain way and resented the process because they felt it was going to prevent them from taking up opportunities to make some extra income. It was challenging to break the status quo while trying to implement the new integrity policy. Our employees, our clients, and other stakeholders, all did not really understand what we were trying to achieve. It took a lot of sensitisation to educate them about what we as a company wanted to stand for.

A new set of rules to fight corruption

Through the "From Companies to Companies" corruption prevention training we developed a document that formalises the HH Nominees' zero-tolerance approach to bribery and corruption. Today, our employees know what to do and what not to do when working with government agencies and other private companies. The document clearly specifies the following main points:

- HH Nominees' definition of all common facets of corruption including bribery;
- Guidelines for handling grey areas or difficult situations;
- Consequences for the breach of policy guidelines.

Furthermore, HH Nominees has put in writing its commitment to act professionally, fairly and with integrity in all business dealings and relationships with both internal and external stakeholders.

Standing out doing the right thing

Today our staff are well trained and committed to taking a stance against facilitation payments. We make sure our work is efficient by getting results without bribery or gifts. While we understand that this is how people have done business for a very long time, we also know that changing our way of working is the way to go if we want to prosper as a private owned business with integrity. Our goal is to have our work stand out for all the good reasons and not be tainted by a bribe or a gift.

Working towards a corruption-free business environment

More compliance and integrity have enhanced the transparency in the company's dealings with our suppliers. Through the programme, I succeeded in emphasising the benefits of a corruption-free business environment for the individual, the business, and the country at large. Our staff is now equipped with the tools to deal with corruption, especially in the grey areas. We were able to implement all these goals thanks to the training materials and other online sources of the Alliance for Integrity.

While we have not yet assessed the overall impact of the integrity programme, it has helped streamline the company's approach to compliance. Today employees know how to refer to the guidelines to minimise case by case variations. We are now gathering data which will then be analysed to determine the extent to which compliance has contributed to the growth of the business.

Changing set patterns of behaviour

My advice to other companies is to re-align the mind-set of the employees to adapt and implement the new policies and the new organisational culture.

It is critical to reinforce what has been taught. The Alliance for Integrity helped us develop intensive orientation exercises outlining the fundamentals of anti-corruption policies. Everyone learnt what their boundaries are within which to work every day. We highlight this by displaying notices and posters at vantage points to serve as regular reminders to both staff and clients about the business culture.

A significant amount of training, such as the one from the Alliance for Integrity, and the reinforcement of rules are necessary to change set patterns of behaviour and to create a sustainable business environment with equal opportunities for all.

"We developed a structured document with clear rules for dealing with compliance cases which had been a challenge for us before the training. It helped us set up the framework for an anti-corruption policy within our company which simultaneously improves our attractiveness to our clients."

Anita Compah-Keyeke

Success Story

Indonesia – The Power of Collective Action: Stronger Together

by Diah Ivoniarty

Business Owner of VOY Collection

Birama Cipta and Voy Collection in Bandung, West Java

Operates in the fashion and architectural landscape industries

- Four permanent staff members
- One consultant expert
- One architecture landscape with three permanent staff members

- Diah Ivoniarty is the owner of the fashion and craft company VOY Collection and of a landscape architecture consultancy called Birama Cipta. Among her many roles she is also Chair of the Regional Board of the Indonesian Muslim Women Entrepreneurs Association (IPEMI) West Java and a member of Women in Integrity (WIN), the Alliance for Integrity's Working Group for female professionals and entrepreneurs in West Java, Indonesia.

Bribery: A systemic problem

After receiving an unofficial payment request by a public official and realising how wrong and illegal it was, I decided to work on my company's compliance programme. At the time, we did not have clear guidelines on how to deal with compliance. While I had always instructed my staff to act with integrity, we had no specific platform that promoted those values and no safe place to exchange ideas about how to respond to unofficial requests. Employees made their decisions based on their conscience, wanting to keep growing profits, and this often entailed an ethical dilemma: on the one side the employees felt compelled to go along for the business' sake, on the other side their conscience kept telling them it was not the right thing to do. The solution back then was not to manage compliance, and only to try and avoid such requests.

Unity is strength

The Alliance for Integrity conducted a Dari Usaha Ke Usaha (DUKU) corruption prevention training for small and medium-sized enterprises (SMEs) in Bandung providing practical knowledge on how to implement anti-corruption mechanisms. The workshop confirmed that the unofficial monetary demands we received were indeed illegal, and I was obliged to learn about the options we have to handle such requests. The compliance programme also helped me understand all ramifications of bribery and how I can change

the situation and support businesses and public officials become more honest. Under the guidance of the Alliance for Integrity I learnt how to set up an effective compliance programme and how to refute illegal requests. In the course of the training, I became more and more aware that I also want to encourage other companies and organisations to act with integrity in order to contribute to a sustainable business environment.

Ethics guidelines with a personal approach from the top

Following the DUKU training we decided to set up our ethics guidelines which required defining our vision first. Today, when the employees go into the field, they follow our Code of Ethics. In addition, the tone from the top is essential. As owners of small companies, we have direct access to our employees. Thus, it is my responsibility to act as a role model and always remind my employees, otherwise the Code of Ethics is only a mere document without any real meaning. I continue to make sure that the staff fully understand the values and norms of integrity and implement these every day in the business.

How to refuse bribery

The biggest challenge we had to overcome was to deny all unofficial requests for payment. Many of our staff were reluctant to change. They doubted that avoiding paying

bribes would help the business thrive. They worried that if they did business with integrity, they would lose a project or that it would take longer to get a permit. However, with the assistance of the Alliance for Integrity, I was able to encourage my staff to apply our new methods and deny any unofficial demand. It took time, but they are now convinced of the many advantages of acting with integrity.

Our company offers two kinds of trainings for employees: one is related to the business operation; the other aims to communicate our corporate values in personal meetings. It gives employees the tools to decline bribes. This is not an easy task, but we teach them how we can all defend the value of integrity.

Compliance strategies for all business areas

One added benefit of the compliance programme is the on-going education. By targeting both the public and the private sector in its awareness raising activities, the Alliance for Integrity has a much greater reach in helping us fight corruption across the board. Since stakeholders such as banks and financial institutions require a high degree of compliance, our relationship with them has improved considerably thanks to our compliance programme. In the general community, too, there is increasing support for business integrity.

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Strengthening our company's integrity programme has had the bonus of being regarded as a positive brand. We are now recognised for our integrity and compliance by other stakeholders. This also relates to faith and morale: by doing business with integrity, the company has implemented its values.

Together we can fight corruption!

After completing the DUKU corruption prevention training, I was eager to join forces with other women to establish Women in Integrity (WIN). WIN, which is now part of the Regional Advocacy Committee (RAC) West Java, is a safe platform for female entrepreneurs and professionals where we discuss key challenges related to corruption in day-to-day business. We are committed to promoting business integrity and raising awareness of the importance of anti-corruption efforts among women. As female entrepreneurs who are particularly affected by corruption, we are actively engaged in promoting business integrity and sustainable change within our trade associations and in the Indonesian economic system.

Our joint power in fighting corruption was proven when we were invited to an exhibit abroad which required us to pay "additional costs" to participate. However, our entire group of female entrepreneurs refused, and the host had to abandon its illegal demands. Through Collective Action all members of the community won. The Alliance for Integrity's focus on the power of Collective Action showed me that together we have a stronger standing and a much bigger impact.

Upholding integrity every day

WIN as a safe platform supports the promotion of business integrity and institutionalises it. It helps strengthening business integrity and keeps the company on a positive path. It may require a big effort, but the spirit and motivation keep the members positive about the future of anti-corruption in Indonesia if not the world.

"Under the guidance of the Alliance for Integrity I learnt how to set up an effective compliance programme and how to refute illegal requests."

Diah Ivoniarty



Partner Report – Gender

Casting a Light on the Issue of Integrity and Gender



Erika Díaz Ulloa

Head LIPC
Covestro Mexico

Gender stereotypes and prejudices prevent people from living more ethical lives. Both men and women are at risk of discrimination and oppression, but the difference between the sexes is predominantly detrimental to women. The feminist approach was created to combat such unconscious prejudices and biases.

Historically, women have long been portrayed as the physically weaker sex, involved mostly in domestic activities and caregiving. As consequence, women were often denied access to elemental rights and further opportunities. A situation that can be exacerbated by the confluence of various factors, such as socio-economic conditions, age, ethnicity, or race.

The United Nations Sustainable Development Goals (SDGs), especially SDG 5 (Gender Equality) and SDG 16 (Peace, Justice and Strong Institutions), have prompted companies to take a closer look at this issue. As a result, existing prejudices and unconscious stereotypes are now more reflected, which in turn leads to restructuring processes, trainings, new organisational cultures and quotas necessary to create effective change at the micro (employee), meso (company) and macro (society) levels.

How do women differ from men in terms of integrity and corruption?

Due to their traditional role as lady of the house who is taking care of the family, women are affected by corruption in different ways than men. For example, they are at risk of having to pay bribes to access public services. In some cases, this goes as far as forcing them to pay bribes to access basic goods such as health, education, water, social programmes, and subsidies. There is also evidence that sexual or other favours can be used as a form of corruption, such as in schools or universities where a high percentage of teachers demand sexual favours from their female students in exchange for good grades; or in government offices as well as in companies where some supervisors demand sexual favours in exchange for employment or a salary increase. In this context, we speak of sextortion.

Some examples of integrity and gender issues in the private sector include:

- Lack of equal pay;
- Sexual harassment and sexism;
- Job interviews in which women are judged more critically than men;



"An important aspect to strengthen the role of women in the long term is the willingness and determination of all relevant actors to bring about positive change across all sectors. In line with this, it is also essential to include a gender perspective in all compliance efforts."

Erika Díaz Ulloa

- Studies show that job advertisements with more male-associated terms such as “leading, dominant, ompetitive” reinforce gender inequality through unconscious bias, as women tend not to apply for such positions.

Recommendations for the private sector

- Recognising the problem;
- Creating job profiles according to the required skills and competences of a person, regardless of gender;
- Developing trainings that raise awareness of the issue (among both men and women) and offer practical solutions;
- Offering trainings specifically aimed at women enabling them to aspire to leadership and decision-making positions;
- Establishing an internal Diversity and Inclusion Committee in which the Compliance Officer participates;
- Conducting surveys to determine women’s perceptions on issues such as diversity, inclusion, and non-discrimination;
- Laying the groundwork for respect in the workplace, e.g., prohibiting unwanted physical contact, sexually connotative language, or inappropriate compliments;
- Creating a better place for those who are vulnerable and need more support;
- Integrating a gender perspective in the company’s principles and all compliance efforts.

Practice

A best practice example how companies and organisations can collaborate to tackle the nexus between gender and corruption is the *Integrity Coffee*, which is organised by the Alliance for Integrity and supported by companies such as Covestro. The *Integrity Coffee* is a two-hour meeting of female entrepreneurs and businesswomen that takes place every two or three months. The event offers an informal and protected environment to openly discuss corruption-related challenges and possible solutions.

Participants share experiences, learn from each other, and develop a deep understanding of best practices in fighting corruption. The further aim of the event is to find out what additional tools women entrepreneurs need and how the Alliance for Integrity can support them. So far, the format was organised in Mexico and Colombia and adapted as *Integri-Tea* in India.

Some of the main challenges mentioned by the female participants were:

- Lack of knowledge of existing laws and not enough budget to hire internal or external legal advisors;
- The many types of corruption lead to uncertainty; bribes can range from cash transfers, gifts, travel costs and sexual favours;
- SMEs often have extremely limited resources and cannot afford to keep their business closed for long periods of time; especially with regard to licensing, this often leads to dilemma situations;
- Business partners sometimes have a different understanding of ethical principles and integrity; in some cases, this even leads to the termination of existing partnerships;
- SMEs do not have the organisational structure and resources of large companies which makes it difficult to appoint a compliance officer that solely takes care of the implementation of integrity measures.

Conclusion

It is important to recognise that while there has been much progress in the drive for gender equality, these efforts are not yet enough. An important aspect to strengthen the role of women in the long term is the willingness and determination of all relevant actors to bring about positive change across all sectors. In line with this, it is also essential to include a gender perspective in all compliance efforts. Only by doing so, can we create an inclusive and fair environment with equal opportunities for all.

Read more on the subject:

<https://www.allianceforintegrity.org/en/offer/gender-and-corruption/>

See a video on the subject:

<https://www.youtube.com/watch?v=vKn8wUtc8qs&t=54s>



Partner Report – Digitalisation

How Digital Tools are Shaping the Future of Integrity



Beatriz Elena Londoño Patiño

Secretary of Transparency of the Presidency of the Republic of Colombia

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“The competitive advantage that a corrupt company can gain is unsustainable and very costly in the medium and long term.” This is a quote taken from the study “The Fight against Corruption: A Business Perspective” by Ricardo Morel and Antonio Argandoña, which clearly illustrates that implementing best practices and principles of good governance is more profitable than taking shortcuts and engaging in actions of corruption.

Transparency, building a solid foundation, credibility and high quality of services are elementary prerequisites for sustainable business growth. Neglecting these aspects is fatal in the long run: corruption only leads to fleeting results and the illusion of success, but greatly hinders real growth.

When talking about corruption, we are talking about a global problem that has significant political, economic, and social consequences. Corruption affects the functioning of public institutions, subverts democratic principles, reduces investments, and thus increases the level of poverty and inequality. In short, corruption undermines the development and progress of society.

An investment in a country with a high risk of corruption is estimated to be 20% more expensive than in a country with a low risk¹. According to the World Bank, countries that fight corruption and strengthen the rule of law increase their national income by up to 400%. This has

a positive impact not only on the ecosystem, but also on the quality of citizens’ life.

Major corruption scandals in the private sector over the last years have shown that corruption is far from a problem that only implicates the public sector. It is instead a problem that involves all parts of society, including companies of all sizes.

In the National Development Plan the Government of Colombia has committed to “zero tolerance towards corruption and lack of transparency”. Realising this goal, relevant stakeholders from the private sector, the Vice-Presidency and the Secretariat for Transparency of the Presidency of the Republic have jointly developed strategic measures to fight corruption in all its forms, such as the signing of integrity pacts. To speak in numbers, since 2019, 56 trade unions representing 37,061 businesses have already signed integrity pacts; most recently on 14 January 2021 the Bogotá Chamber of Commerce has joined, which represents more than 449,000 companies.

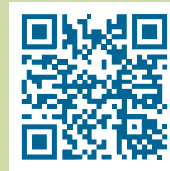
Trade unions that sign an integrity pact confirm their strong commitment to actively promote transparency and business integrity within their sectors and beyond. Together with their affiliates they foster the implementation of concrete corruption prevention measures, such as the use of digital tools that shape the future of integrity.

"The use of TheIntegrityApp has already proven to be highly successful in Colombia and the implementation in the country is advancing steadily. Companies that have adopted TheIntegrityApp on a regular basis have demonstrably strengthened their integrity standards and compliance programmes."

Beatriz Elena Londoño Patiño

Read more on the subject:

<https://theintegrityapp.com/download/>



One of those tools is TheIntegrityApp, an application developed by the Alliance for Integrity together with its partners which allows companies to self-assess their compliance programmes. The digital tool specifically aims at small and medium-sized enterprises (SMEs) that have little or no experience in countering corruption. By answering a short questionnaire, they receive a score between 0 and 100 which indicates the status quo of their business or institution in terms of compliance. To work on the identified areas for improvement, the app provides free access to training materials that offer support to further implement policies to promote integrity and transparency.

The use of TheIntegrityApp has already proven to be highly successful in Colombia and the implementation in the country is advancing steadily. Companies that have adopted TheIntegrityApp on a regular basis have demonstrably strengthened their integrity standards and compliance programmes. To encourage more companies to use the app, participating associations have offered more than 30 online seminars explaining how TheIntegrityApp can help to improve their compliance measures. A concrete example shows that transparency and business integrity do not only pay off in theory: According to the Chamber of Commerce of Bogotá, in the wake of the pandemic,

more than 50,000 businesses went bankrupt in Bogotá, the capital of Colombia. However, the Secretary of Economic Development of Bogotá explained that those that established good integrity standards and built effective compliance measures survived, regardless of their size.

The companies that were clear about their regulations, risk management, compliance and corporate governance processes had a big advantage over those that were not. Their integrity standards allowed them to adequately handle contractual processes as well as negotiations with banks and suppliers. In the end, they succeeded and proved that a company with good compliance can survive any crisis.

The fight against corruption will always be challenging, but the experience in Colombia shows that technology can be a key element in fostering public-private dialogue, unifying efforts, and creating Collective Action with all relevant stakeholders. Only by doing so can we successfully strengthen integrity and transparency throughout the ecosystem at national, regional, and global levels.

¹ Kaufmann, D. (1997). *Economic Corruption: Some Facts*. 8th International Anti-Corruption Conference 1997

Partner Report – Covid-19

The Impact of Covid-19 on Small and Medium-Sized Enterprises (SMEs)



Dr Rajesh Chitre

Chief Compliance Officer
Merck India

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Certain calamitous events in a country's history shape its future. With regard to the ongoing Covid-19 pandemic, the first and foremost concern is the health of the population. However, the crisis also has a crucial impact on the economy, affecting businesses of all sizes. Fundamental processes are disrupted leading to production stops, supply shortages, less consumption, and a lack of confidence¹.

To evaluate the impact on the economy, special attention must be paid to SMEs as they are the engine of national job creation. Stringent measures had to be taken to contain the spread of the virus, such as a nationwide lockdown, shifting work to home office and strict quarantine regulations. These measures set in train a series of follow-up reactions. They have affected the labour supply, which in turn has reduced production capacities and has led to disruptions in the supply chain. The longer these measures take, the higher the risk that working capital will become scarce. Labour and material shortages as well as lower demand from customers can lead to decreased turnover. This applies to companies of all sizes, but especially to SMEs. A significant loss in demand and turnover has restricted their ability to function. As consequence, employees were laid off and salaries were not paid on time. This, of course, affects consumption: a vicious circle starts that might result in even far-reaching crises.

The example of India can be used to demonstrate the consequences. SMEs are the driver of the national economy and employ the majority of the workforce. The Covid-19 pandemic and resulting restrictions led to supply chain disruptions as raw materials could no longer be procured, production processes were delayed, and employees were absent due to illness or quarantine measures. Many SMEs faced challenges of not being able to pay outstanding wages, loans, and taxes. Small businesses, located in rural areas far from metropolitan centres, suffered particularly hard.

To cope with the economic consequences of the pandemic, governments around the world have taken measures to help offset financial losses, reduce layoffs, prevent bankruptcies, and boost investments². The immediate provision of subsidies without bureaucratic hurdles is essential to ensure the survival of entire sectors. However, we must guarantee that emergency funds reach those who need them the most instead of opening opportunities for corruption and losing hard-fought gains. Important structural reforms have been put in place by the Indian Government to save people's lives and livelihoods. On 12 May 2020, the Indian Prime Minister raised a clarion call to the nation giving a kick start to the *Atmanirbhar Bharat Abhiyaan* (Self-reliant India campaign) and announced the economic and comprehensive package of INR 20 lakh crores – equivalent to 10% of India's

GDP – to fight Covid-19 pandemic in India. The aim is to make the country and its citizens independent and self-reliant in all senses. As part of the *Atmanirbhar Bharat* package, the definition of SMEs has been widened to cover almost 99% of all enterprises. The modified definition facilitates expansion and business growth without the fear of losing governmental incentives.

In addition to government aid, SMEs can count on many other support services. The platform of the United Nations Industrial Development Organisation (UNIDO), for example, aims to help SMEs rebuild business from crisis (B3C). To achieve this, they have developed a five-step plan for business recovery and revitalisation. UNIDO's approach focuses on rebuilding supply chains to ensure that all inputs a business needs are available promptly. Proposed measures include the optimisation of operations, efficient use of materials, continuous monitoring to reduce costs, focus on improving the quality of products, and protection of employees' health while deploying (wo)manpower to ensure efficient processes when business resumes³. Moreover, it is essential to create transparency within the supply chain to gain an overview of where which materials can be produced and procured.

In the early stages of the pandemic, it became clear that promoting business integrity is a crucial prerequisite to overcome the crisis, build resilience and improve the individual economic situation. Companies with high ethical standards tend to outperform others financially demonstrating the connection between good ethical practices and performance that is valued in the marketplace. Especially in times of crisis, compliance is not a choice but rather a question of business survival: having a strong compliance programme can be the catalyst for several business opportunities and thus creates an

enormous advantage over others. Another important aspect when talking about the impact of Covid-19 is the rapid digitalisation of all parts of everyday life. Businesses, institutions, and governments need to adapt to the new normal which requires innovation and the adoption of technological tools for business engagements. This no doubt poses many risks, known and unknown, to business operations and systems, and can be turbulent for organisations with static structures.

With this in mind, we must ensure that no one is left behind. Technical assistance, capacity building and infrastructural support are needed to ensure that the digital transformation is inclusive and equitable⁴. With an eye to compliance the accelerating digitalisation of operations underlines the need to update corruption risk assessments and adapt compliance policies and regulations. Collective Action is especially helpful in this regard. SMEs benefit from the pooling of resources, peer-learning, and the sharing of knowledge. Good practice examples from other companies can provide impulses to implement digital and innovative approaches in SMEs.

As is often the case with crises, Covid-19 has put the spotlight on those who are already economically disadvantaged, such as women, migrants, and workers in the informal sector. But every crisis also holds the opportunity for a new beginning. It is now up to us to build a sustainable future with a level playing field and equal opportunities for everyone.

- ¹ OECD (2020). *Coronavirus (COVID-19): SME Policy Responses*
- ² INTRACEN (2020). *COVID-19: The Great Lockdown and its Impact on Small Business*, p. 16
- ³ UNIDO (2020). *Micro, Small and Medium Enterprises (MSME) Support to Building Back Business from Crisis*
- ⁴ INTRACEN (2020). *COVID-19: The Great Lockdown and its Impact on Small Business*, p. 17

"It is now up to us to build a sustainable future with a level playing field and equal opportunities for everyone."

Dr Rajesh Chitre

Read more on the subject:

<https://www.allianceforintegrity.org/en/offer/integrity-in-times-of-crisis/>



Partner Interview

Jorge Bermúdez Soto in an Interview with the Alliance for Integrity on the Role of Public-Private Dialogue

Jorge Bermúdez Soto

Chile

General Comptroller of the Republic

Executive Secretary of OLACEFS (Organización Latinoamericana y del Caribe de Entidades Fiscalizadoras Superiores)

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What is the role of Supreme Audit Institutions (SAIs) in the field of corruption prevention in the economic system?

SAIs play a very relevant role in preventing corruption. Despite the fact that all SAIs have a different mandate depending on the legal system of each country, there are certain areas common to all SAIs and in which their control measures are key to integrity. A very sensitive sector is public procurement as there is an interaction between the public and private world, with investments of large amounts of public money (approximately 20% to 25% of the GDP).

The Chilean Supreme Audit Institution, the Contraloría General de la República (CGR), has developed from controlling formal aspects to controlling substantive aspects that support the prevention of corruption, such as conflicts of interest or the effective fulfilment of public contracts.

You have been working with the Alliance for Integrity since 2015. What would you say were the most relevant achievements of this cooperation?

The collaboration between the CGR and the Alliance for Integrity has been greatly beneficial – I think, for both parties. It has made us reflect that to combat corruption it is always necessary to consider all actors, both public

and private. In addition, we value the vision and experience that the Alliance for Integrity brings to the table, especially in terms of global best practices. As part of our cooperation, the initiative has reached a good part of Chilean private companies with its positive approach towards integrity.

Some milestones in our relationship can be seen in the following examples:

- International Anti-Corruption Seminar: Since 2016 we have hosted four editions of the “International Anti-Corruption Seminar” reaching more than 400 participants every year. The seminar has become a recognised platform in Latin America where experts from the public and private sectors share their experiences, knowledge and perspectives on integrity and anti-corruption.
- Training Programme “From Companies for Companies” (DEPE): Within the last two years, we have collaborated to adapt the DEPE training programme to the needs of state-owned enterprises in Chile.
- Chilean Anti-Corruption Alliance (CAA): Since 2012, the CGR has led the CAA that aims at advancing the implementation of the UN Convention against Corruption (UNCAC). Sponsored by CGR, the Alliance for Integrity joined the CAA in early 2020 and is now part of the main anti-corruption forum in Chile.



CGR is a role model in the region and beyond for its actions in the fight against corruption. Could you share with us what the main activities are and what role regional cooperation plays?

First of all, it is important to emphasise that all compliance measures are only effective if the head of the institution is firmly committed to them. As one of the milestones in our 2016-2020 Strategic Plan, the Comptroller's Office has declared to promote the "tone from the top" by establishing a culture of zero tolerance against corruption in all areas of activity. Today, with our new Strategic Plan 2021–2024, we want to integrate innovation into all our operations to transform our institution into a true "data-driven organisation". We can already show progress. The analysis of massive data and the incorporation of analytical models based on the use of algorithms has enabled us to improve our anti-corruption work and provide timely warnings in areas where irregularities could take place.

In Latin America, the anti-corruption landscape is very diverse, with many good and some bad examples. In this sense, I really appreciate our collaboration with the Alliance for Integrity. It has allowed us to learn more about other best practices in the region and to share our own experiences. Moreover, we have brought these learnings to OLACEFS (Organisation of Latin

American SAIs) and supported many capacity building activities, workshops and coordinated audits.

Chile is in a moment of historical transition because the country will draw up a new constitution. What should be considered in terms of integrity and anti-corruption in this framework?

From a general perspective, I hope that the new Constitution includes the principles of integrity and transparency in a transversal context. All public institutions should explicitly apply these principles, including the courts of justice and the public prosecutor.

With regard to the role of the CGR, a discussion is taking place on changes to its functions and the form of governance. Since its foundation almost 100 years ago, the CGR has had a unipersonal hierarchy with a Comptroller General elected by the Senate every eight years. In contrast, other SAIs in the region are composed of several members. It is clear that a SAI with a one-person government runs the risk that the head will put good relations before conflict and thus oversight will not be carried out neutrally and properly as required.

From my personal perspective as Comptroller General for the last five years, the one-person government is also an

advantage. I was able to make quick and effective decisions in situations where we found a lack of integrity and corruption in the public sector. Sometimes we had to go against existing perceptions and lower standards of integrity, and I received attacks from sectors that were not used to being controlled in this way. In doing so, we have made real progress in our work and in raising public awareness.

Regardless of whether the Comptroller's Office in the new Constitution is led by one comptroller general or a board, I hope that it will continue to be an effective instrument in the fight against corruption.

2020 was also a historic year due to the Covid-19 pandemic. How can public-private dialogue contribute to making the economic recovery transparent and sustainable?

2020 was a truly exceptional year that forced us to significantly adjust our work as an audit institution. At the beginning, many anti-corruption procedures and safeguards had to be suspended to provide timely assistance to the population, which led to numerous irregularities and corruption cases. We also had to adapt our work mainly to the home office and modify our audit plan for the pandemic.

Inequality has grown. To quote the Secretary General of the United Nations, Antonio Guterres: "We are facing the same storm, but we are not all in the same boat."

Therefore, during and after the pandemic, both the public and private sectors, must make sincere efforts to achieve a sustainable recovery over time. We also need to make use of the learnings from the crisis to solve the challenges that led to demonstrations in October 2019. In my opinion, the public sector must allocate public funds more efficiently. The provision of subsidies and aid must reach the most disadvantaged groups and especially small and medium-sized enterprises.

The private sector will also have to make an effort. First and foremost, companies must fulfil their obligations to society and the state, such as complying with employee and social security obligations, but also paying the appropriate taxes and contributing to building a fairer society. To achieve this, public-private dialogue and the participation of Collective Action initiatives like the Alliance for Integrity are more important than ever.

Thank you very much.



"The collaboration between the CGR and the Alliance for Integrity has been greatly beneficial – I think, for both parties. It has made us reflect that to combat corruption it is always necessary to consider all actors, both public and private. In addition, we value the vision and experience that the Alliance for Integrity brings to the table, especially in terms of global best practices. As part of our cooperation, the initiative has reached a good part of Chilean private companies with its positive approach towards integrity."

Jorge Bermúdez Soto

Partner Interview

Mariam Estigarribia in an Interview with the Alliance for Integrity on Peer-to-Peer Learning

Mariam Estigarribia

Paraguay

Central S.A. de Seguros

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One of the main activities of the Alliance for Integrity is peer learning. What do you think are the most significant benefits of this approach?

Peer learning is a great opportunity to interact with professionals from different economic sectors and countries. This adds to a much broader view of our perceived reality and expands our locally shaped horizons. The exchange with peers contributes significantly to developing new perspectives, rethinking old ones, adapting the experiences of others to our own situation and thus generating new good practices. The diversity among compliance professionals who join the various peer learning formats helps to develop high-level strategies that are applicable to all. Moreover, the exchange encourages the participants to continue training and professionalising themselves; and there is the satisfaction of contributing by sharing knowledge and helping others.

Could you highlight some examples where you have shared your knowledge and others where you have received it?

As part of the Regional Working Group in Latin America, I contributed to the development of the “Matrix for Business Ethics – Comparative Regulation”.

The publication presents the relevant norms and legislation regarding corruption prevention in the private sector in Latin American countries. By joining the preparation meetings, I was not only able to bring in the Paraguayan perspective, but the matrix also helped me to visualise our local needs. It provided important inputs for the preparation of a draft law on integrity standards for state suppliers, which we are working on in the Compliance and Anti-Corruption Working Group of the AHK Paraguay.

In addition, the Regional Working Group has developed the publication “Ethical Dilemmas in Times of Crisis”. The interactive guide to business ethics and integrity sheds light on complex decision-making during the Covid-19 crisis in Latin America. I contributed with a case dealing with public procurement during the pandemic. The dilemma situation is based on a true case from Paraguay, which became public when a report from the Comptroller’s Office revealed irregularities in public procurement by the Ministry of Health. The guide has been extremely useful for dealing with dilemmas also in my organisation as it contains very realistic situations and practical tips. During the drafting phase, I was able to learn a lot from my colleagues from the different countries and sectors. I have gained a whole new perspective for which I am very grateful.



Considering that you have been working with the Alliance for Integrity since 2015. How did you apply your learnings in your company and to the supply chain?

In Paraguay, anti-money laundering regulations have been on the rise recently, putting compliance models in companies and even in the government itself to the test. Compliance has become enormously important within all sectors. This is an excellent opportunity for companies to foster transparent and efficient processes, increase their competitiveness, raise the organisational level and create a sustainable business environment.

In light of this, I have applied my learnings from the peer-to-peer exchange not only in my organisation but also beyond. For instance, I bring my experience to the PLAFT committee of the Paraguayan Association of Insurance Companies and work to support other compliance officers in adapting their management systems. My learnings are also relevant to my relationship with the control authorities. Regarding my company's supply chain, we have developed a code of conduct and we are building closer relationships by getting them more engaged.

As you have already mentioned, you are also very active at the regional level, both in the working groups and in the different events and even in training sessions that go beyond borders. Why do you think regional cooperation is relevant in this area?

The exchange between compliance professionals from different countries with similar socio-economic characteristics helps us to get a more comprehensive view of the current situation. This contributes to the development of solutions and the implementation of measures that are applicable to all. In addition, we are promoting Collective Action measures that involve the private and public sectors as well as civil society. The dialogue across all sectors adds to the efficiency of our activities, as all relevant stakeholders are actively engaged in the solution-finding process. In this way, we can transfer lessons learnt and best practices from one country to another. I am convinced that collaboration at the regional level is key to create a sustainable business environment with equal opportunities for all.

"In Paraguay, anti-money laundering regulations have been on the rise recently, putting compliance models in companies and even in the government itself to the test.

Compliance has become enormously important within all sectors.

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This is an excellent opportunity for companies to foster transparent and efficient processes, increase their competitiveness, raise the organisational level and create a sustainable business environment."

Mariam Estigarribia

During 2020, an association of compliance professionals was formed, led by you and other partners of our initiative in Paraguay. Why did you decide to create this association?

Several DEPE trainers from Paraguay also participate in the Compliance Working Group of the Paraguayan-German Chamber of Commerce and Industry. We all agreed that our regular exchange is so valuable for our daily work that it should be extended and opened to more participants.

Based on this idea, the plan was born to join forces to carry out larger activities. In our opinion only Collective Action can achieve bigger and better results towards integrity.

Thus, on 21 September 2020 we founded the Paraguayan Compliance Association (APAC). Twenty-one compliance experts were part of the founding team.

What are its main objectives?

- Our main objectives can be summed up as the following:
- Strengthening the recognition of compliance professionals;
 - Promoting the adoption of best practices in integrity, ethics and compliance;
 - Providing quality standards to the professional practice of compliance, developing codes of ethics, certifications for competencies, guides, manuals and professional recommendations.

APAC is the first association created in response to the need for a platform where compliance professionals can exchange ideas, experiences and best practices, where they can discuss lessons learnt and jointly work on new approaches. At the same time, the association increases the visibility of compliance issues in the public. This is a historic milestone for compliance at the national level. It motivates us even more to join forces with others to create a fair and sustainable society.

Thank you very much.



Partner Interview

Shabnam Siddiqui in an Interview with the Alliance for Integrity on the Need for Collective Action

Shabnam Siddiqui

India

UN Global Compact
Network India

Executive Director

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The UN Global Compact Network India has vast working experience in the field of Collective Action. Can you share your experiences about the implementation process?

The work of UN Global Compact India (GCNI) on Collective Action started ten years ago when we initiated exchanges between public and private sector organisations. To involve all relevant actors, we organised dialogue platforms across all geographical regions, from the north to the south of the country, and invited business leaders, academics, policy makers and civil society representatives.

When we started, we faced the challenge of building both understanding and acceptance of Collective Action. In the first phase, we identified key areas that kept the stakeholders apart. Secondly, we set up an Urban Committee and brought all actors together to discuss and prioritise the Sustainable Development Goals (SDGs) that were critical for their region. Our approach was in line with the World Bank's Anti-Corruption Collective Action (ACCA) definition of a "collaborative and sustained process of cooperation between stakeholders".

Our experience has shown that the essential prerequisite for Collective Action and its sustainability is to determine a business case for anti-corruption and the establishment

of integrity pacts, codes of conduct as well as robust governance and transparency frameworks for the public and private sectors.

How effective do you consider Collective Action initiatives in combating corruption?

Corruption is a complex problem that cannot be solved by governments or companies alone. As the private sector is part of the problem, it has to be part of the solution, too. Collective Action initiatives can be formed either solely in the private sector (e.g. SMEs requesting consistent supplier standards from larger companies) or involve public-private partnerships (e.g. collectively addressing individual challenges such as facilitation payments).

Accordingly, Collective Action initiatives can take various forms, ranging from short-term agreements to long-term initiatives, such as the Alliance for Integrity. Companies that participate in such initiatives can pursue their common goals in a joint and concentrated effort much more effectively than they could do individually.

What are the main success factors?

From my point of view, the most important success factors are:



- cultivating policies that lead to legal and regulatory change;
- setting clear and attainable goals;
- putting an emphasis on achieving meaningful results and outcomes;
- understanding stakeholder groups and their incentives and
- developing sustainable initiatives.

What are the advantages of Collective Action, and why should big companies get engaged?

The benefits of Collective Action can be summarised under two overarching aspects: big goals and tangible benefits. A business environment based on high integrity standards leads to improved business conditions and a level playing field with equal opportunities for everyone. Companies can thereby avoid the political and economic costs of non-compliance and additionally gain a reputational advantage by being proactive and cooperative.

Businesses are both sources and victims of corruption and therefore have a common interest in compliance policies. GCNI had presented a Business Case for Anti-Corruption in 2015, which highlighted that companies of all sizes can become meaningful agents of change through small and large decisive actions. Business-tailored self-assessment guidelines and compliance toolkits can be important incentives for companies to improve their integrity standards.

What are the challenges that you have faced in the implementation process?

Most of the challenges of Collective Action initiatives occur at the very beginning, when they are set up. The biggest hurdle is the unwillingness of companies of all sizes to participate in such initiatives. Their reluctance to talk about corruption and take the first step stems from the fear that others would not follow or that participation in Collective Action would brand them as someone who needs to improve their business practices. Furthermore, it remains a challenge to comprehensively map the stakeholders, define a common strategy and agree on the who and how of implementation. Once the initiative is established, there is the additional question of how success and sustainable impacts can be measured and communicated.

What have been the strategies used to overcome these hurdles?

In our daily work we focus on the following strategies:

- building strong networks of allies;
- using the power of international institutions to catalyse activities;
- considering different strategies for stakeholder engagement (depending on the context);

- using the language of compliance and corporate social responsibility when a softer approach is needed; and
- communicating broadly about big and small achievements.

Do you think that Collective Action can play a role to overcome the effects of the Covid-19 pandemic?

The Covid-19 crisis has increased financial pressure on companies and put compliance programmes under scrutiny. Businesses face increased fraud and corruption risks both internally and with regard to their supply chain, including for example risks related to illicit financial flows, organised crime, conflicts of interest, price-fixing, fraudulent financial reporting, counterfeit products and bribery. In a challenging economic situation, the need for cost-effective solutions to compliance issues is more urgent than ever. Collective Action not only between the private sector and governments, but also between private sector actors themselves, can provide opportunities to address issues of common interest in a cost-effective and pragmatic manner. Collective Action initiatives help ensure fair competition and support all stakeholders pool knowledge as well as financial and technical resources to achieve greater impact.

How do you see the future of Collective Action initiatives, not only in India but on the global level?

In future, getting in close contact with young leaders and conceptualising new approaches to Collective Action that

better reflect the diversity of current initiatives will be critical to promote integrity and transparency in the ecosystem. Corporate readiness and top-down commitment from CEOs will set a positive tone and inspire others to follow. Moreover, building trust is at the core of any Collective Action, so strong partnerships with policymakers should be a focus.

Mainstreaming the understanding and acceptance of Collective Action can only be done through a clear diagnosis of a country's corruption landscape, including conducting a situation analysis of laws, policies, courts, challenges and opportunities, identifying relevant actors and experts, and exploring appropriate Collective Action and other multi-stakeholder efforts to fight corruption.

Moreover, training, raising awareness among stakeholders and clear communication are essential for implementing successful Collective Action initiatives. Playbooks, which are step-by-step guidelines, are a fantastic way to promote our values. Innovative forms of communication, including animated videos, regular updates, and short reports on best practices, are necessary to build trust and credibility. The Alliance for Integrity has developed such a video that briefly summarises Collective Action and its benefits.

In short, we can only create a sustainable future if all actors involved clearly commit to transparency and integrity. Let's do it together!

Thank you very much.



“Mainstreaming the understanding and acceptance of Collective Action can only be done through a clear diagnosis of a country's corruption landscape, including conducting a situation analysis of laws, policies, courts, challenges and opportunities, identifying relevant actors and experts, and exploring appropriate Collective Action and other multi-stakeholder efforts to fight corruption.”

Shabnam Siddiqui

Partner Interview

Solomon Tettey-Akpeng in an Interview with the Alliance for Integrity on Capacity Building and Compliance Trainings

Solomon Tettey-Akpeng

Ghana

UN Global Compact Ghana

Governing Board Member at Ecobank Ghana and Compliance Trainer at Alliance for Integrity

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You have been engaged as a trainer with the Alliance for Integrity providing corruption prevention training courses for the business community during the last four years. How would you describe the methodology?

The methodology being used is very effective. It is very engaging and participatory. I summarise my experience of the methodology as follows:

- It tests participants' knowledge of what corruption is in theory and provides an introduction of the general legal framework that has been put in place to combat corruption.
- It uses some simple and relatable case studies for participants to have an appreciation of what is generally deemed as corruption.
- It offers practical tools on how to put in place a compliance mechanism in organisations.
- It ensures that participants leave the training prepared and willing, with the right mindset and attitude, to fight corruption in their workplaces.

What would you say are the main success factors?

SMEs have shown interest in the programme because they are often the victim of corrupt practice from

government and quasi-government institutions. Also, big corporate entities who already have a compliance framework in place are interested that their vendors and service providers practice compliance due to reputational risk. Corruption is a cankerworm in the Ghanaian society and people are curious to know how it can be combated. The efforts of trainers cannot be over-emphasised in the success of the training programme. Finally, the Alliance for Integrity is doing excellent work in advertising the programme. Thus, a large number of SMEs are aware of the free training offer that will help them to further develop their compliance measures.

The current pandemic has significantly disrupted the way businesses operate. The Alliance for Integrity has recently introduced a virtual training offer in Ghana. What do you think should be the way forward about using digital tools for training?

Some topics may be tough to master over the internet without additional help. In the absence of a trainer interacting face-to-face with participants, it may not be easy to understand and master certain compliance topics virtually. Facilitating collaboration between learners and their peers through virtual platforms where they can discuss the training and share best practices is therefore of utmost importance. I think it is also essential to avoid text-heavy



courses and to use different media elements such as videos and infographics instead. One key success factor of virtual trainings is visualisation. I recommend focusing on high-quality videos, images, and animations to sustain learner attention and engagement.

How did you personally benefit from the trainings and the exchange with other trainers?

The compliance trainings have been beneficial to me personally. Participants sometimes share experiences of corrupt practices and some grey areas which we add to our training examples. The interaction with participants and other trainers also comes in handy in providing reflective experiences and highlighting the need for Collective Action.

Could you share an anecdote?

At the start of a compliance training session, there were a couple of participants who were of the firm opinion that fighting corruption in our society was an impossibility. We decided to monitor their participation in the programme. They were very vocal in the group discussions and by the end of the course their mindset was totally changed. They were ready to go back to their institutions to implement compliance measures. It made me proud to see that we were

able to achieve such a turnaround in a short period of time and gives me confidence that we can still achieve a lot in the fight against corruption in the near future.

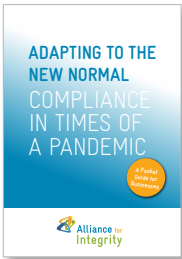
By 2025, the Alliance for Integrity seeks to achieve institutional independence. How do you see the future of the initiative's compliance trainings in this light?

In Ghana, not all institutions are able to give financial support to the Alliance for Integrity. It is our expectation that the big companies will continue to support the initiative as it currently exists and get other big companies to show interest and support. It should be mandatory for their supply chains to get these compliance trainings to have contracts with these big companies. In addition, it would be a good proposition to implement subscription payment by members of the network, which is to be done in a graduated manner. There will be the need to scale efforts at reaching out to the public sector and get them fully committed to the training activities of the Alliance for Integrity. A lot of finger-pointing is directed to this sector. We have an opportunity to collaborate with like-minded civil society organisations in tackling corruption, through advocacy and scaling of the Alliance for Integrity's training offers.

Thank you very much.

Publications

Information Available in Various Languages



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A pocket guide for businesses on compliance in times of a pandemic



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Best Anti-Corruption Practices in Colombia



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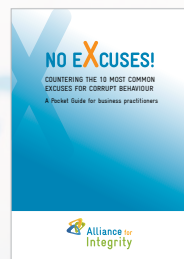
Zweite aktualisierte Ausgabe des Leitfadens für Unternehmen (Second edition of the pocket guide for businesses)



Matriz Programas de Ética Empresarial – Derecho Comparado

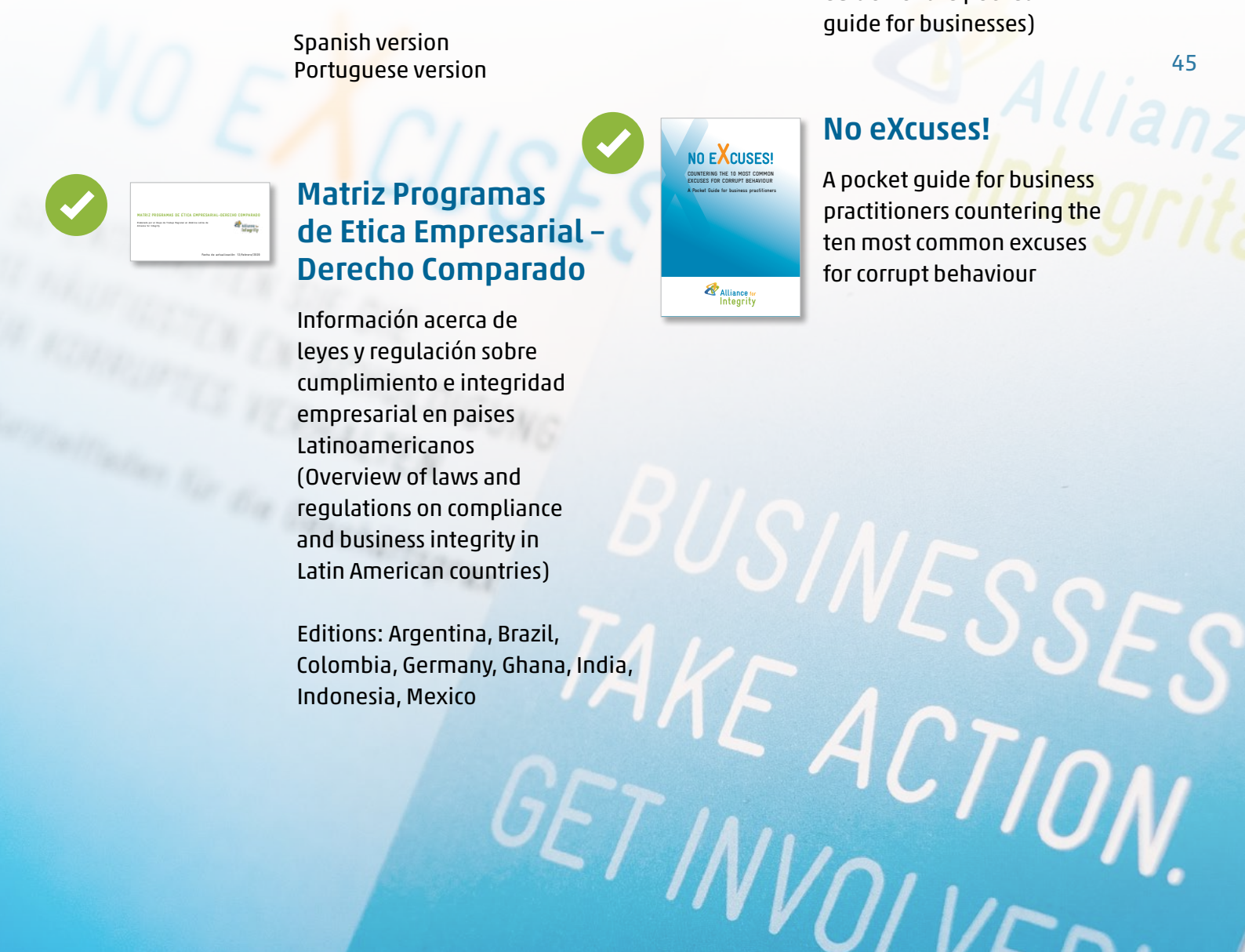
Información acerca de leyes y regulación sobre cumplimiento e integridad empresarial en países Latinoamericanos (Overview of laws and regulations on compliance and business integrity in Latin American countries)

Editions: Argentina, Brazil, Colombia, Germany, Ghana, India, Indonesia, Mexico



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Imprint

Publisher:

Alliance for Integrity
Friedrich-Ebert-Allee 32 + 36
53113 Bonn
Germany

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I www.allianceforintegrity.org

Editor:

Elena Rittger, Bonn

Concept, Editing, and Design:

EYES-OPEN, Berlin
Sabine Dittrich, Arianna Schneider-Stocking,
Martin Jagodzinski

Illustration p. 8/9:

Bord&Stift (Floris van Elteren)

Photo Credits/Sources:

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First Edition / May 2021



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ISBN 978-3-948779-22-1