COLLECTIVE ACTION ON BUSINESS INTEGRITY

A Practitioner's Guide for Civil Society Organisations

Transparency International is a global movement with one vision: a world in which government, business, civil society and the daily lives of people are free of corruption. With more than 100 chapters worldwide and an international secretariat in Berlin, we are leading the fight against corruption to turn this vision into reality.

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Collective action on business integrity involves different stakeholder groups including civil society, government and business coming together to effect change, to create a business environment where corruption is no longer accepted and integrity prevails among all actors.

Countering corruption in the business sector requires the participation of many stakeholders across different sectors of society, including business, government and civil society organisations (CSOs). This document offers guidance to CSOs to support and enhance the application of good practices for collective action initiatives involving multiple stakeholders, drawing upon literature and case studies from across the world. For the purpose of this guide, "civil society" is defined as the arena outside the family, the state and the market that is created by individual and collective actions, organisations and institutions to advance shared interests (CIVICUS, 2013).

This guide is for CSOs (such as Transparency International chapters) that are considering embarking on collective action initiatives for business integrity in partnership with public and business sector organisations in their local, national and global contexts.

What is collective action?

Collective action is a process in which a coalition of actors work together to solve intractable, shared problems issues, for example, to improve business practices, government policies or regulation related to businesses.

Generally, collective action is necessary where a problem cannot be solved by individual actors. Collective action therefore requires trust-building, a culture of sharing information and resources.

In a collective action (CA), an alliance of relevant actors from one or many stakeholder groups (for example, government, business, or civil society) commits to a response or solution of a societal problem. Each actor has a specific role to play in effecting change in their environment. CA can be undertaken through formal and informal platforms, coalitions, alliances and agreements.

The Extractive Industries Transparency Initiative (EITI) is a high-profile example of collective action, as it tackles a shared global problem that cannot be addressed by just one or a small number of actors.

Why conduct CA on anti-corruption?

There is no magic bullet for stemming corruption - consistent efforts, projects and initiatives are required to achieve and maintain business integrity. Corruption in the business sector can only be reduced if representatives from government, business and CSOs join forces, for example to develop a common set of standards and procedures for more ethical ways of conducting business CA can be a catalyst for legislative and cultural change, raising awareness of the extent of the problem and potential solutions. It can lead to different actors advocating for stronger rules, fairer competitive conditions, and a culture of business integrity, transparency and accountability. While there are of course examples of successful CA initiatives including only business, as will be further outlined below, this guide focuses on CA that also involves CSOs. CSOs add credibility and citizen-outreach channels to a CA. Furthermore, they can act as an independent monitor and drive the CA forward with ambitious objectives.

Business integrity and the role of the business sector

Many businesses operating in contexts where corruption is the norm feel they cannot viably sustain themselves or compete if they behave fairly. In situations where the environment creates a 'prisoner's dilemma', meaning business actors do not trust each other and cannot predict each other's actions, businesses may engage in corruption simply because they expect it from others. As such, creating conditions for trust among businesses and between businesses and government through CA initiatives can help to level the playing field for competing actors, particularly where corruption offers greater advantages to some than to others. Therefore, businesses seeking change can find CA initiatives and alliance-building useful, as together they stand a better chance of understanding and changing attitudes toward corruption, and of building trust and adopting common codes of conduct.

Businesses can play a positive role in CA initiatives by committing to changing their internal culture, adopting effective strategies to prevent bribery and corruption, and promoting transparency and accountability. Partnerships that include the business sector can advocate more credibly with governments for better anti-corruption laws and their enforcement, which, in principle, will eventually lead to a more secure business environment and decrease costs associated with corruption. For example, the Maritime Anti-Corruption Network has worked with businesses in the maritime industry in countries as diverse as Nigeria and Argentina to identify corruption risks, present the findings to government, and build a mitigation strategy against these risks, including achieving law reform to address corruption risks.

Determining when CA is effective

From a CSO perspective, deciding whether to work unilaterally or with other stakeholders depends on the nature and scale of the problem, and the available resources. CA is effective in cases where there is already a certain level of awareness of the problem and therefore willingness to address it among all stakeholders. If this is not the case, it might be more effective for the CSO to first undertake awareness-raising activities. This could be a public campaign or research, the results of which can then be promoted at relevant industry events to establish relationships with companies. Research can also be a good way to address potential gaps in the expertise of the CSO. Furthermore, initial relationships with companies can help in developing a strong contact base as well as experience working with the business sector.

In most cases, CAs are based on voluntary commitments by participating companies, but in some cases CA can also have the objective of strengthening legal frameworks and their enforcement (e.g. based on research results such as those seen in the Business Integrity Country Agenda (BICA)). CAs can also target corruption in government, for example by promoting integrity pacts in public procurement. Addressing corruption in one particular sector can be very effective, as it facilitates the identification of sector-specific corruption risks as well as of the main actors. Examples of successful sectoral initiatives are the aforementioned EITI or the Construction Sector Transparency Initiative (CoST).

To get companies on board it can also be helpful for the CSO to advocate for government incentives for compliance with the CA objectives, e.g. penalty mitigation or procurement preference.

If the decision to undertake a CA is taken, it should be clear that this requires a long-term timeframe (5–10 years). In particular, if your CSO is in an initiating role the time and effort required to build trust among the concerned actors as well as a shared understanding of the problem and how to address it should not be underestimated. Accordingly, CAs should by no means be seen as the only path for effecting change on issues related to corruption in business.

What roles can CSOs play in CA?

CSOs can contribute to CA by assuming four main types of roles. These roles are not necessarily exclusive and there can be overlaps depending on the design of the CA: First, CSOs can play an **initiating role**, in other words identifying a context that is ripe for CA and assuming a proactive role in persuading private sector and government stakeholders to commit to a CA process; second, CSOs can play a **facilitating role**, in terms of serving as an expert and neutral convenor of a CA Initiative; this is often the case in CAs where private sector participants are competitors in the same industry and need to have a neutral party participating and overseeing their discussions to prevent antitrust concerns; third, CSOs can have a **participating role**, engaging in a CA as an equal party among many stakeholders; and fourth, CSOs can have a **monitoring role**, overseeing whether participating stakeholders are compliant with their commitments made.

In all cases, CSO participation brings benefits: it lends credibility to CA initiatives in contexts where citizens trust the civil society sector. In addition, CSOs can be "honest brokers" bringing together businesses and other stakeholders that may be wary of each other's reputability and trustworthiness. Perhaps most importantly, CSOs have a public-facing role of communicating important information, as well as acting as a watchdog of sorts. On the other hand, CSOs' involvement in CA involves pros and cons, as well of course as risks (elaborated upon in a later section). Table 2 below outlines some of the pros and cons of CSOs' involvement in CA.

INITIATING

Defining the problem, convening partners, managing the process depending on your financing

Pros	Cons
• You can decide the focus of the initiative and who to involve	• Time and resource intensive (e.g. network building)
• Depending on your financing, you have the freedom to change course if needed	• Reputational risks for CSO if the CA cannot be made to function or if it is unsuccessful
• The action provides high visibility for your organisation	• Financial risk if result-focused grants have been obtained for the CA
• You can claim credit for achievements	

FACILITATING

Serving as neutral party between competitors, convening partners, contributing expertise

Pros	Cons
• You enable competitors to convene in a neutral setting	• There is less influence over the direction taken by the CA
• You have access to in-house information from the participating companies	• Reputational risks for CSO if the CA is unsuccessful
• It can raise your profile	
• You can leverage expertise	

PARTICIPATING

Joining initiatives led by other actors, e.g. providing resources, project staff, training or expertise

Pros	Cons
• This has lower costs	• There is less influence over the direction taken by the CA
• It is an opportunity to expand your network	• There is a reputational risk
• It can give access to more information	• Resources invested may not yield results
• It can raise your profile	
• You can leverage existing expertise	

MONITORING

Acting as an honest third-party actor to assess progress and indicate shortcomings

Pros	Cons
• You have the power of oversight to ensure that parties to a CA are respecting their commitments	• The role can be highly politicised
• You can apply and build upon your expertise integrity standards	• There is a reputational risk
• It is an opportunity to build your network	• Obtaining information can be a challenge

INITIATING ROLE: BUSINESS INTEGRITY COUNTRY AGENDA (BICA) PROJECT IN MOZAMBIQUE

The Business Integrity Country Agenda (BICA) project is a Transparency International tool that aims to create a body of evidence on the state of business integrity in a country (research phase), which then serves as the basis for a shared reform agenda and drives momentum for CA (CA phase). Based on the research and thematic focus and approach chosen, the CSO can have an initiating or monitoring role in the CA phase.

In 2015, the Centro de Integridade Pœblica (CIP) (TI Mozambique) started the BICA by setting up the National Group for the Promotion of Business Integrity (GRUPBI) consisting of 11 national level representatives from the public and private sectors, including the Ministry of Industry and Commerce, business associations, and legal, tax and auditing institutions, as well as three European donors.

Following the research phase, the GRUPBI disseminated its findings through local-level workshops, learned from other similar programmes, and adapted governance tools from other contexts to Mozambique's situation. In 2017, CIP had to scale down its BICA-related activities due to the difficult security situation in the country and related threats based on its other areas of work. In July 2017, CIP hosted the Transparency International Africa Regional Meeting at which international best practices on contracts in the oil sector and for public–private partnership projects were among the key issues discussed. For BICA'S CA phase, CIP is planning greater engagement on local business integrity issues and is considering adapting the Business Integrity Tool Kit for Smaller and Medium-Sized Enterprises by Transparency International Italy to the Mozambican context. Furthermore, a sectoral initiative on more transparency in the oil sector involving multinational companies and Mozambican companies is envisioned.

BICA's progress has been attributed to CIP's network and its staff members' expertise on anti-corruption in the private and public sectors. In addition, GRUPBI members allow the use of their facilities for workshops. However, a key challenge has been to ensure adequate capacity and resources for the project, including BICA members' continuous engagement, and financial and human resources.

Undertaking the BICA project has led CIP to reflect on the following lessons:

- Funding is likely to be difficult to secure. It is imperative that you reach as wide a base of partners for your activity as possible, particularly if they can provide funding. It is not prudent to rely on the resources of only a few.

- Participation of partners in the CA might vary. It is therefore useful to conduct outreach or organise activities that capture their interest, for example inviting a respected speaker to an event. As such, it is imperative to ensure your CA has sufficient human resources to keep the stakeholders of the CA motivated.

Who are the potential CA partners, and what are their motivations?

Different actors face different challenges and therefore will be motivated to join a CA initiative for varying reasons and incentives. Table 1 provides a non-exhaustive overview of CA partners and their potential motivations for building a joint initiative.

Table 1: Actors and their motivations for joining a CA

ACTOR	MOTIVATION
Large businesses and multinationals	They can afford the costs of participation
	Bound by stricter rules than SMEs and must comply with international laws and standards
	There is pressure from civil society or scandals
	They want to project a positive public image
	They want fairer competition
SMEs	They feel frustration and powerlessness
	The costs of corruption are high; so too are the costs of participating in CA and/or business integrity practices
	The costs of compliance to anti-corruption are high
	They want access to preferential conditions from multinationals and government (where applicable)
	They want a positive reputation
	They want fairer competition
Government actors	They want to emerge favourably from the comparison with international peers and promote investment
	There is pressure from international donors and international organisations
	There is pressure from civil society or scandals
	The cost of being involved is low
	They want a positive reputation
CSOs	The vision and mission of the organisation dictate action
	They see that working collaboratively with business can be more effective than "naming and shaming"
	They want to use existing expertise and skills
	They want to act as a moral compass to business initiatives
	They want to support a culture shift across society

PARTICIPATING ROLE: GLOBAL SOLUTIONS FOR NATIONAL PUBLIC INFRASTRUCTURE: CoST HONDURAS

CoST operates internationally in 16 participating countries, including Honduras, since 2014. CoST aims to increase value for money and promote transparency and accountability in the public infrastructure sector by building alliances among the public, private and civil society sectors. CoST Honduras is led by a multi-stakeholder group (MSG) including the CoST National Secretariat, and supported by the International Secretariat. La Asociación para una Sociedad más Justa, Transparency International's Honduran chapter, is a partner to this initiative, sitting on the MSG. It also acted as fund manager until April 2017, when another CSO, Fundación Democracia sin Fronteras, took over this role.

The CoST Honduras initiative follows a three-step process:

- **Disclosure:** transparency on planning, procurement, implementation and finalisation of projects based on government decrees or legislation

- **Assurance:** evaluating information from the disclosure processes and sharing it with relevant stakeholders

- **Social accountability:** making the results of the assurance phase public and empowering citizens, the media and academia in CAs demanding accountability from government

CoST Honduras is responsible for improving the online platform on which the government publishes procurement information and making it more user-friendly and will support the design of a new website to be used as the main state platform for public–private partnership (PPP) projects. This platform will follow the CoST Infrastructure Data Standard, the World Bank PPP Framework and the Open Contracting Data Standard. In addition, in 2016 the Open Government Partnership awarded CoST Honduras third prize for its work in including civil society actors in its initiative. However, the project has confronted some challenges, namely in ensuring that success is attributed to all the partners in the MSG, which demonstrates the strength of CA rather than of individual bodies. A future challenge will include how to get funding from the private sector.

Looking to its sustainability, CoST Honduras reflected on the main lesson it learned in conducting this CA initiative:

- Forward thinking and long-term planning are essential for any CA initiative. To guarantee financial sustainability and independence, it is essential to consider the long-term potential of a CA initiative and to develop plans for sustainability from an early stage, in particular by developing a fundraising strategy.

- It is important to recognise the contribution of each stakeholder in the CA project.

HOW TO PLAN AND IMPLEMENT A CA INITIATIVE

This section refers mainly to an initiating role of CSOs in a CA, but some of the guiding questions posed can also be useful for taking a decision on whether to join an already existing initiative or whether to assume a monitoring role. Furthermore, the possible activities and workstreams listed below, as well as the tips, are also applicable to other CSO roles in CA.

Deciding your approach

Setting up a task force within your CSO

Before engaging in a CA initiative, assess the relevant skills and staff profiles within your organisation and how they could be applied to the business integrity problem you are seeking to solve. Specific skills are required for working in a CA, e.g. knowledge of the main objectives and work culture of stakeholders from other sectors, ability to change perspectives, and diplomatic, negotiation and communication skills. Consider forming a task force within your CSO and conduct an initial meeting in which tasks and responsibilities are assigned, including selecting a project manager, agreeing how the task force will work, and internal and external lines of communication.

Setting your CA agenda

Once a task force is formed, reflect on a series of questions, outlined in three parts below. Ideally the questions should be addressed in one or several brainstorming and planning meetings. Your organisation's Board should also be involved in deciding about the type of involvement planned. Finally, all staff members should be informed of your plans, for instance in your staff meeting. This is particularly important if there may be reluctance to work with the business sector in your CSO.

GUIDING QUESTIONS FOR FRAMING YOUR ENGAGEMENT IN CA

Deciding upon CA

- Can you describe the problem you hope to address?
- Is CA required to address this problem?
- What other national, regional or international initiatives exist to address this problem?
- Can your CSO credibly claim 'ownership' of the problem?
- Does solving the problem correspond with your CSO's mission and remit?
- Do you have enough internal support to work on this problem?
- Do you have the necessary access to credible experts in this field?
- What added benefit can you bring to any potential solution? What expertise, skills and know-how can you bring to the table?
- Will your CSO have enough money and resources to work on this project? If not, where could you get the necessary resources?

Mapping the problem

- What are the benefits of addressing the problem, and what are the costs of inaction?
- Are there sufficient and reliable data sources for the problem, such as reports from the UN, the UN Global Compact, the Organisation for Economic Cooperation and Development (OECD), other international organisations, well-reputed watchdogs or media? If so, can they be accessed by you or future partners?
- Are you the most appropriate actor to fulfil your proposed role?
- What are you seeking to achieve, i.e. what are the desired results? Do you want to exchange information, carry out joint research, establish new partnerships or expand existing ones, create something new, carry out a pilot project, change something that already exists or scale it up?

Building the CA initiative

- Does the initiative have a reasonable chance of success?
- What are your assumptions and what is the proof that CA can work?
- Who are the important decision-makers (e.g. corporate executives, HR departments, the Chamber of Commerce, trade associations, government officials, political decision-makers, etc.) and what are the decision-making processes?
- Which staff profiles or corporate departments are relevant to your CA (e.g. communications, corporate social responsibility, compliance)?
- Who are the other stakeholders, including potential allies and opponents?
- What is the right level for your work? i.e. local, regional, national, international, sectoral, or cross-sectoral?

- Where should the work be carried out (e.g. in one office, in partners' premises, at specific locations)?

- What is your timeline (in months/years)?

- Can you reasonably sustain support and funding over your anticipated timeline?

The activities your CA includes will depend on the appetite of the business and public sector partners. There are several types of CA initiatives, laid out in Table 3 below:

Table 3: Typology of CA initiatives

TYPE OF CA	DESCRIPTION
Anti-corruption declarations	Short-term or long-term, principle-based, ethical public commitments by a multi-stakeholder group with the aim of external promotion of the relevant standards. Anti-corruption declarations might be the most appropriate if you are trying to address a systemic problem with few resources, particularly if you relying on the human capacity of your CSO alone. The declaration does not necessarily carry any formal auditing or sanctioning requirement and is based on continuous "buy-in" from partners in their activities and transactions. Adherence relies on honour and the perceived reputational costs to non-compliance. Example: Some Business Integrity Fora of TI National Chapters.
Integrity Pacts	Short-term, externally enforced, formal contracts between actors on both the supply and demand side, usually involving public authorities and the private sector. Procurement procedures are independently monitored and penalties are levied where the contract is not respected. As such, these types of CA initiatives involve reputational and political risks for participants. This type of CA is useful if your CSO has financial resources or the internal expertise for monitoring and auditing the implementation and outcomes of the pact. Nonetheless, the effectiveness of the monitoring activities depends on reliable reporting and information sharing by participants. Example: *Monitoring Role: Increasing transparency and accountability in construction: Transparency International Hungary.* (See case study overleaf.)
Certifying business coalitions	Long-term coalitions in which partners or members can participate upon demonstrating their compliance with coalition requirements. Signatories to business coalitions are subject to independent audits to ensure adherence to coalition requirements; the penalty for failing certification is exclusion from the partnership. CSOs can play any role in this type of initiative, for example they could convene actors to cooperate and manage the implementation of the project, they could accompany projects with expert training, or they could act as the monitor / auditor of project adherence and results. CSOs should be aware that auditing role requires high levels of expertise, is very resource-intense and has a high amount of reputational risks. Lighter forms of certifying business coalitions, which do not monitor signatories' behaviour, are also possible. Example of a full certifying business coalition: EITI.

MONITORING ROLE: INCREASING TRANSPARENCY AND ACCOUNTABILITY IN CONSTRUCTION: TRANSPARENCY INTERNATIONAL HUNGARY

TI Hungary is the monitoring partner for the ongoing construction of the M6 motorway in Hungary, under the European Commission-funded pilot project Integrity Pacts: Civil Control Mechanism for Safeguarding EU Funds. In this role, TI Hungary has been involved in reviewing the call for tenders, in performing background checks on bidders, and assuring that the contracting procedure with the winning bidder was transparent and accountable. It also participated in selection committee meetings as an observer, and is publishing reports on the procedure.

One of the successes of the initiative was lowering the indicative bidding price from HUF 1.5 billion to HUF 1.3 billion upon expert review. Through the review of conditions for bidding and suggesting improvements (e.g. widening the scope of potential previous work that could be considered to demonstrate qualification), the process became more open to competition. Finally, the press coverage of the initiative resulted in additional municipalities contacting TI Hungary for involvement in integrity pacts. However, the initiative also encountered challenges in the early stages of implementation in establishing a collaborative working relationship with the contracting authority, where it was felt that the decision to participate in the project was taken by the government on behalf of the contracting authority. Further reluctance was encountered from bidders in relation to signing the Pact. While it is good practice to have all bidders sign the Integrity Pact, in this case only the winning bidder joined, as part of their contractual obligations.

Participating in a high-value procurement process as a monitoring partner has helped TI Hungary distil the following lessons:

- Ideally, the Integrity Pact should be financed by the same donor providing funding for the implementation of the public procurement activity in question. This way the monitoring CSO can preserve impartiality, and the donor has leverage with all partners to solve delays or conflicts. This is, however, only possible if the donor and the receiver of bids are different entities.

- It is important to establish workable collaboration practices among the partners and take up contact with the business sector in advance of the Integrity Pact initiative, for instance through professional organisations.

- Often the regulatory framework is sufficiently detailed but the application is based on routines rather than attention to the purpose of the processes (transparency, free competition, etc.). A monitoring partner must know how to advise on this in a politically sensitive way.

- Monitoring CSOs must be attentive to red flags indicating possible collusion among bidders.

Developing a concept note

The preparatory work listed above should lead to the drafting of a concept note for the CA, which you can then use to gain internal approval in your CSO, to apply for sponsorships or funding, and to recruit partners. Take into account that it will be important to re-draft the concept note collectively with the joining partners to ensure collective ownership.

Planning your project
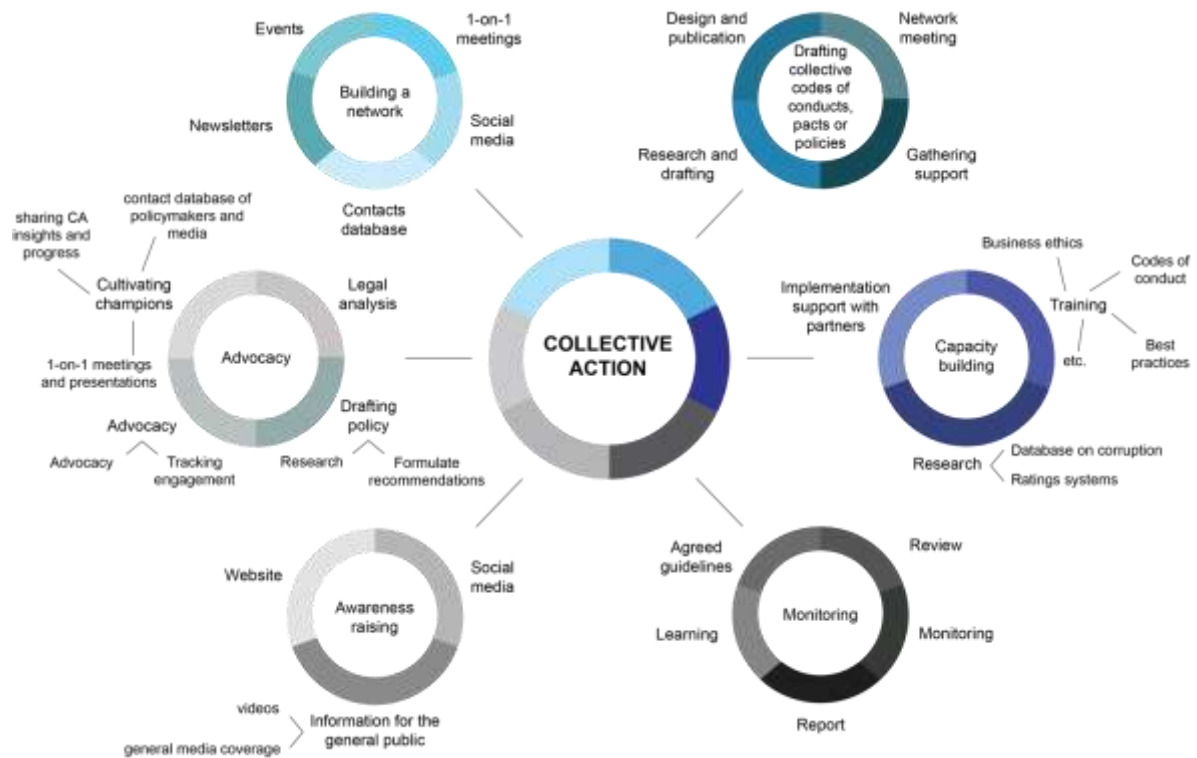
1. Setting objectives

Clearly formulated objectives can help you decide which activities are useful to include in the CA and to monitor the success of the initiative. Your objectives should follow the SMART (Specific, Measurable, Achievable, Realistic and Time-bound) approach. It is likely to be useful to limit the number of objectives to help you focus your work.

2. Setting up governance and decision-making processes

Before you can get to work, you have to agree on how decisions on the project will be taken. This is an important step particularly if you work with one or more partners. Depending on the scope of your CA, different governance structures will be needed. The following points are particularly relevant for large-scale CAs, and you might not have to go through them all for a smaller-scale CA.

- Consider starting small by launching a pilot phase to test, refine and validate your project, which could contribute to the evidence base when you present your proposal to other companies and stakeholders.

- Set up a project management team; if you are already working with other organisations, consider selecting one staff member from each organisation, mandated to implement and take decisions on most matters in the everyday operations of the project. The project leader could either be the leader of your original CSO task force, a representative from the collaborating organisations or a new recruit.

- Establish a steering group to govern and guide your project – this can comprise members of your CSO, the partner organisations and other third parties, e.g. academic experts. Draft and sign a Memorandum of Understanding with the partner organisations. This should contain the overall legal responsibility, the objectives and action plan, the roles and responsibilities of those working on the project, communication procedures (both within the CA as well as externally), decision-making processes, conflict resolution, and financial and legal questions. You should establish which matters will involve the leadership of the participating organisations or their boards. You may also find it useful, or even necessary, to ask for legal advice from the legal department of your organisation or a legal consultant in drafting up governance documents.

- You may find that you need different partnerships for CA on different workstreams, objectives or activities, or that different selections of partners work on different issues.

Possible workstreams and activities for CA

3. Planning the project

After deciding on the focus, workstreams, objectives, activities, timeframe and main stakeholders of the CA, consider whether or not your CSO has sufficient project management ability to adhere to the timing and ensure the appropriate resources for the CA. There are several project management tools such as GANTT charts available to assist you in this process.

In addition, you will need some way to share information with external partners and gather their inputs for your publications and also to manage contacts related to the project. Freely available software such as tables and documents created with Google Suite may be sufficient for this, as such an approach allows you to share documents with your partners. However, you may also choose to keep the documents within your organisation's closed system and share copies or extracts with external partners, as best fits with your data protection needs.

A note on timelines

Setting up a CA can take longer than expected, especially if your CSO needs to build up a network with business and government stakeholders. The preparation and strategic planning could take anywhere between several weeks and several months before you can begin implementation. In more hierarchical contexts, the time needed to get high-level buy-in from stakeholders and therefore the approval for participation at working level should not be underestimated.

Tips for implementing selected activities

Stakeholder meetings, conferences and other events

Building a network can take time, especially if you cannot make use of a pre-existing set of contacts because you have not worked in the sector before. A rule of thumb is to allow at least two months for building the basics of your alliance for the CA. Conferences and events can help you to bring stakeholders together, raise awareness and build capacity. Here is a list of what to consider for your stakeholder meetings:

- You will want to organise a meeting or event only after you have drafted a clear plan for your CA project.

- Communicate the purpose of the meeting or conference – is it for networking purposes, to conduct a consultation, share experiences or for taking joint decisions on future action (e.g. developing a Code of Conduct)?

- Be clear about the type of attendee you are looking for: for business: is it the CEO or the compliance manager, the company lawyer, HR director or the auditors? for government: is it the Ministry of Economic Cooperation or the Ministry of Interior? At what level? Sector-specific events often attract a better response rate from stakeholders who look forward to the networking.

- Decide in advance who should facilitate the meeting. This person will have to be well respected, aware of socio-political developments in the field, and be able to act as a neutral party, keep the conversation flowing, keep speakers on time, and manage interventions from attendees.

- Sometimes a prestigious location or a high-profile speaker can help you increase attendance if you can find a host (e.g. a member of your CA may be interested in hosting such an event) or the funding for it. Aim to have speakers from a variety of backgrounds, e.g. academia, CSOs, and the private and public sectors. Consider inviting speakers on different sides of an issue, such as port and customs authorities, transport companies and CSOs for a conference on CA in customs.

- Be mindful of language and cultural needs. If necessary, budget for interpretation and translation.

Training and capacity-building

Training and capacity-building activities are useful ways of informing and equipping participants with relevant information and tools on how to combat corruption. In preparing the training, consider the following:

- What is the best format for reaching your goals via training/capacity building? Is it a formal one- or multiple-way course? A webinar? Handouts for the training? A YouTube video? A manual?

- Be realistic about how much material fits into a half-day or one-day session.

- Adapt the content and the level of technicality of the descriptions for the audience.

- Be mindful of language and cultural needs. What language do attendees work in? What language is most useful for learning?

- Find an expert and credible facilitator.

- Allow time for discussion and networking among participants.

Voluntary agreements: policies, codes of conduct and integrity pacts

Your ability to attract partners to any shared policy or code depends on their willingness to enter binding agreements. For example, signing a non-binding public declaration that is non-enforceable could be one way of getting business and public stakeholders involved. However, you may find that this offers too little structure and potential reputational risks for you should the companies not end up implementing the declaration. Bear in mind the following points when planning voluntary agreements:

- Make it a priority to have at least one or two champions of the Code of Conduct in each participating business. This may require significant investment in networking and visits to companies to talk with leadership and staff.

- Binding CA agreements can be difficult to arrange as they require auditing and involve the threat of penalties for those who sign up. Therefore, your proposal and pitch to potential participants should take these aspects into account when planning the outputs, and underscore the incentives attached to participation.

- Do not underestimate the time and effort required to convince companies to engage in the CA and be subject to the additional scrutiny involved. The preparatory phase of the CA could take anywhere between a few months (if there is a strong and motivated network) to half a year or more (if the initiating organisation has to build up a network and negotiate incentives with the parties that are able to provide them).

- Drafting effective policies and agreements is not a simple undertaking. Companies should be prepared to devote considerable resources to this.

- Do not undersell the efforts that are needed to uphold the Code of Conduct, but also offer assistance to companies that need it.

Content of the codes

- Build on existing well-established codes like the Business Principles for Countering Bribery.

- Templates and example codes of conduct are available to help your drafting work (see the resources at the end of this guide).

- A logo may encourage more businesses to join. However, be aware of the risk that companies sign the Code of Conduct or other agreements simply for whitewashing.

- Include provisions for supplier and vendor compliance in the planned outputs.

- Agree monitoring and sanctions with the stakeholders. Where violations are exposed, it is useful to require follow-up reports indicating what actions have been taken. This does not, however, replace third-party verification.

- Encourage an atmosphere of trust and encouragement for staff to disclose violations (such as a hotline or anonymous submission box).

Advocacy for regulation change

Advocacy efforts to bring about changes in regulations or legislation can be integral to your CA project. Consider the following points:

Political considerations

- If the government of the country where the CA takes place is perceived as highly corrupt, the CSO must be prepared to manage related reputation risks or focus on best practices in the business sector.

- Agree to what extent awareness-raising and influencing the public's beliefs and attitudes is relevant for your CA objectives.

- If your work is mostly on campaigns and advocacy, you may have to convince your supporters of the appropriateness of working together with business and government instead of opposing them or naming and shaming. Consider the reputational impact of being part of a CA on other areas of work of your CSO.

- Build your messaging on the links between your organisation's other work, the CA and the policy change that you would like to see, and adapt the messages to different audiences.

Practical aspects

- Try to not over-commit to advocacy activities during the planning phase of your project. Be realistic about the resources you have and those needed for effective advocacy.
- Try to use your events for advocacy purposes as well, for example by inviting policy makers as distinguished speakers and/or delivering your advocacy messages to the audience at the event.

Communications and awareness-raising

It is important to define your core message and communicate it appropriately and efficiently. You may consider the following points:

Political considerations

- In communicating with your own supporter base, frame the CA in light of your vision and mission.
- Give ample coverage to positive news and developments to avoid loss of motivation within the CA project.
- Reach out and nourish relationships with local and national media covering business news. Develop a system for tracking media contacts.

Practical aspects

- In the memoranda of understanding with partners, agree on branding and attribution of communications outputs. Whose logo can be used? Is there going to be a bespoke logo for the CA project? In which contexts can you use the branding of your CSO? And that of the partners?
- Attractive design may help raise the profile of the CA.
- Create a platform for CA partners to connect – this may be via LinkedIn, Facebook, a Google group or a dedicated online forum.

Monitoring and learning

Monitoring your project in real time will enable you to understand the time and resources you have spent on your project, and to track activities as they are being implemented. Cross-analysing the information you gather can help you to evaluate progress of the CA, as well as highlight areas for learning. Your CA partners in companies may be compliance managers and senior leadership. Creating a good relationship with them helps build trust and makes it easier to have critical conversations when the system needs to be improved. However, be sure to maintain your impartiality. Below are a few considerations for monitoring and learning:

- Develop, together with the participating partners, an understanding of a minimum acceptable framework for tracing and countering corruption risks within companies. At a minimum, create a corruption risk register and an action plan with regular reporting on the actions taken. This could be based on the Transparency International Anti-Bribery and Corruption Checklist.
- Capacity building and regular monitoring of implementation by partners may be required.
- If companies are willing to share their experience, encourage sharing about the drafting and implementation of registers, action plans and reporting.
- When reviewing the reporting, you may find it useful to refer to previous reports to see whether: a) the partners have copied and pasted parts of their reports; b) whether there are risks that have not been followed up on; c) what risks are recurrent; and d) whether there is a need to follow up on the results of actions taken in the past quarter.
- Companies may be motivated to join CA projects because they see them as 'badges of honour'. However, be aware of the risks associated with whitelisting companies that comply with risk monitoring and codes of conduct and be aware that such "whitelists" must always be accompanied by monitoring activities and regularly updated.

FACILITATING ROLE: BUSINESS INTEGRITY INITIATIVES WITH SMEs: THE EGYPTIAN JUNIOR BUSINESS ASSOCIATION

The Integrity Network Initiative (INI) is a business-driven CA initiative bringing together small and medium-sized enterprises (SMEs), large (multinational) companies and civil society, with government support. The INI is implemented by the Egyptian Junior Business Association (EJB) in cooperation with the UN Global Compact. The EJB is a non-governmental business organisation funded by membership fees. As such it is not a CSO. Nevertheless, the INI is a relevant case study in the current context as business associations can be good partners for CSOs on CA due to their convening power and expertise.

The main aim of the INI is to raise business integrity standards within companies, particularly SMEs, and tackle some of the corruption challenges affecting business in Egypt. This is achieved through a capacity-building programme, a support and incentive scheme for SMEs from large companies and other relevant stakeholders, and multi-stakeholder dialogues and policy recommendations to contribute to public debate. The EJB team comprises six individuals split between capacity building (training) and outreach (communications, network building, etc.)

The EJB has faced many challenges, particularly in getting stakeholders involved in a context where CA is not common practice and public and private bodies do not tend to trust each other. As such, more effort than expected has been channelled into outreach and follow-up activities. Nonetheless, since the pilot phase in 2014, approximately 50 stakeholders have signed up to the CA initiative. While this is fewer than initially expected, the EJB recognises that the resultant cooperation between the public and private sectors and starting a conversation around corruption and business integrity are important outcomes of their work so far.

Initiating, accompanying and monitoring this CA initiative has led the EJB to reflect on the following lessons:

- Identifying the right stakeholders is crucial. CSOs should map out their network and understand that it can take months to bring in actors and implement the project. In addition, it is a good idea to get government involved as early as possible.

- Knowledge of the business sector is essential. While the EJB has expertise in business, other NGOs may not.Therefore, it is important to bring in a partner or consultant to plug this particular skills gap.

- CSOs need to have a compelling sales pitch to get companies involved.

- Funding agreements usually run for short periods of time, however, depending on the type and scale of their project, CSOs relying on external funds should not expect to fully implement a project during the funding period and should account for this in their planning.

Risks and pitfalls

Project risk assessment matrix

When planning your CA project, you should create a risk assessment matrix. In the resources section of this guide, you can find guidance on developing one. This type of matrix should detail potential risks to content and operational activities, their likelihood, the level of impact on the project (low, medium, high) and mitigation strategies. Table 4 is an example of the format that you could use. This matrix can be reviewed and updated over the course of your project.

Table 4: Sample risk assessment matrix

RISK	LIKELIHOOD	IMPACT	MITIGATION
Business and public bodies do not wish to engage in the CA agreement	Medium	High	Awareness-raising activities Offer incentives (e.g. brand recognition through CA communication activities)

Additional risks to consider

Planning

- Not providing sufficient information to impacted contacts/stakeholders
- Failing to secure participation from a sufficient number of stakeholders
- Insufficient time foreseen for securing participation from CA partners and building a network
- Low participation due to lack of business incentives
- Dialogue and culture change happen to a lesser extent than foreseen, meaning CA only results in procedural change
- CA unwittingly encourages practices that may not contravene the law but can perpetuate unfair practices and an uneven playing field
- Fragmentation, duplication of efforts and mixed messaging with other integrity initiatives
- Lack of a sustainable business plan for the five to 10 year timeframe
- CSO lacks sufficient understanding to engage meaningfully with the business sector
- CSO supporter base disapproves of close relationships with government and/or business perceived as corrupt

Project management

- Underestimation of the time investment in the CA needed from programme and support staff
- Lack of clarity on implementation, challenges and achievements of the programme
- Underestimation of the costs involved in implementing CA activities (training materials, translations)

Sensitivity to regional/national context

- Project team has insufficient understanding of the laws and norms related to corruption in the project country

- Project team has insufficient understanding of the systemic nature of corruption and main trends related to societal attitudes to corruption in the project country

- Insufficient knowledge of cultural contexts and sensitivities around the CA (e.g. gift giving)

Reputational

- Government- and business-critical advocacy messages in other programmes of the same CSO hamper stakeholder engagement for the CA

- To engage stakeholders, CSO softens own language and attitude, for instance, by adopting less critical stances toward some practices or revising definitions of corruption and bribery

- Where collective action is funded by private sector companies (e.g. as the outcome of a settlement), CSOs may be perceived as contributing to "whitewashing" corrupt companies

- Internal conflict around role of the CSO in the CA, e.g. lack of support from Board, committees and senior leadership

RESOURCES AND FURTHER READING

Handbooks including practical guidance on codes of conduct, corruption risk registers and monitoring

Arab Forum on Asset Recovery, *Guide to the Role of Civil Society Organisations in Asset Recovery* (International Centre for Asset Recovery, G8 UK United Kingdom).

EJB Integrity Network Initiative, *Guidance Manual for Implementing the Integrity Pledge: A Ten Step Approach to Enhance Integrity in Small and Medium Enterprises in Egypt* (Maadi: Egyptian Junior Business Association, 2014).

Transparency International, Transparency International Anti-Bribery and Corruption Checklist.

United Nations, *A Practical Guide for Collective Action against Corruption* (New York: United Nations Global Compact Office, 2015).

United Nations Office on Drugs and Crime, *An Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide* (Vienna: United Nations, 2013).

Wegner, S., J. Schöberlein and S. Biermann, *Motivating Business to Counter Corruption: A Practitioner Handbook on Anti-Corruption Incentives and Sanctions* (Berlin: The Humboldt-Viadrina School of Governance, 2013).

World Bank Institute, *Fighting Corruption Through Collective Action: A Guide for Business* (Washington, DC: The International Bank for Reconstruction and Development / The World Bank, 2008).

Project management, stakeholder mapping and stakeholder involvement

"The Four Phases of Project Management", *Harvard Business Review*, 3 November 2016.

Kenny, G., "Five Questions to Identify Key Stakeholders." *Harvard Business Review*, 6 March 2014.

Thompson R., "Stakeholder Analysis: Winning Support for Your Projects." *MindTools*, n.d.

Policy papers

Basel Institute on Governance, *Learning Review: Transparency International's Integrity Pacts for Public Procurement* (Basel: Basel Institute on Governance, 2015).

CIVICUS, State of Civil Society 2013: Creating an Enabling Environment (CIVICUS: 2013).

David-Barrett, E. *Business Unusual: Collective Action Against Bribery in International Business* (Cross Mark: Crime Law Soc Change, 2017).

Gürkaynak, G., Ç.O. Kama and B. Ergün, *Possible Scenarios for Collective Action: How to Practice Collective Action in Emerging Markets.* Conference Paper: Collective Action: Evidence, Experience and Impact, 20–21 October 2016 in Basel, Switzerland.

Marquette, H. and C. Peiffer, *Collective Action and Systemic Corruption*. ECPR Joint Sessions of Workshops, University of Warsaw 29 March–2 April 2015.

Mungiu-Pippidi, A. "Controlling Corruption through Collective Action". *Journal of Democracy,* Vol. 24, No. 1, 2013.

Transparency International, *The Benefits of Anti-Corruption and Corporate Transparency, Policy Paper 01/2016* (Berlin: Transparency International, 2016).

United Nations, *The Case for Cooperation: Experience in Collective Action against Corruption in Africa* (New York: United Nations Global Compact Office, 2015).

United Nations Office on Drugs and Crime, *United Nations Convention Against Corruption* (New York: United Nations, 2004).

van Schoor, B. and C. Luetge, *Can Cooperation Prevent Corruption? Effects of Collective Commitment in Sector-Specific Coordinated Governance Initiatives on Anti-Corruption Strategies*. Conference Paper: Collective Action: Evidence, Experience and Impact, 20–21 October 2016 in Basel, Switzerland.

World Bank Institute, *Fighting Corruption: Business as a Partner* (Washington, DC: World Bank Institute, 2006).

Databases and repositories

www.collective-action.com is a database of CA initiatives around the world; as well as a repository of relevant literature.

www.siemens.com/global/en/home/company/sustainability/compliance/collective-action.html Contains information about the Siemens Integrity Pacts.