Anti-Corruption Collective Action:
Success factors, sustainability and strategies
Insights and recommendations from
two workshops

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Summary of learnings and recommendations

Setting up anti-corruption Collective Action Initiatives (CAI)

✓ Invest time to understand the context through issue, risk and stakeholder mapping.

✓ Identify legal reforms that open the door to CAIs.

✓ Adopt actions that help fulfil obligations on sectors and countries stemming from international laws.

✓ Cultivate political will by reaching out to politicians and influential bodies.

✓ Build strong networks of allies.

✓ Consider the risk of political instability and plan accordingly.

✓ Use political change as an opportunity to change the conversation around corruption.

✓ Consider how economic crises and issues can drive CAIs.

✓ Leverage the power of international institutions to catalyse action.

✓ Support approaches that are relevant to local needs.

✓ Negotiate cleverly to find a starting point everyone can agree on.

Engaging stakeholders

✓ Identify the right stakeholders to launch a CAI.

✓ Consider different strategies for stakeholder engagement, depending on context.

✓ Understand the incentives of different stakeholder groups.

✓ Form counter-networks of victims of corruption.

✓ Consider involving civil society where appropriate.

✓ Develop tailored incentives for companies to get involved.

✓ Adapt the approach to the specific needs of SMEs.

✓ Explore ways to overcome reluctance by companies.

✓ Take advantage of donors' experience and project management frameworks.

✓ Use the language of compliance and CSR if a softer approach is needed.

Developing sustainable initiatives

✓ Identify strong leaders that are flexible and understand the local context.

✓ Reach out to private sector champions.

✓ Build trust among participants.

✓ Create a transparent, flexible governance structure.

✓ Implement reliable long-term financing options.

✓ Be realistic about human resources.

✓ Adapt action plans to changes in context.

✓ Stay focused on clear goals and demonstrate impact.

✓ Communicate widely about successes, big and small.

Looking ahead

✓ Conceptualise new models of Collective Action that better reflect the diversity of current initiatives.

✓ Develop impact indicators for successful Collective Action to provide a more objective, sustainable and measurable framework.

✓ Explore reasons for failure as well as factors for success.

✓ Foster and continue collaboration and sharing of experiences between initiatives to avoid unnecessary duplication of efforts and shape a sustainable future for anti-corruption Collective Action.

✓ Encourage the active and timely use of the services of the B20 Collective Action Hub and the experience of the International Centre for Collective Action.

Introduction

Anti-corruption Collective Action Initiatives (CAIs) are structured efforts that bring together private sector actors with other stakeholders with the aim of preventing corruption and improving the business environment in a particular context.

The landscape of CAIs is extremely diverse. Differences cut across the type and number of stakeholders involved. Initiatives can be sector-specific or cross-sectoral. They can be applied at the community, country, regional or global level.

This paper is based on two recent workshops in which a wide variety of international Collective Action practitioners shared their experiences, success factors and strategies for overcoming common challenges.

During the workshops it became clear that – as with many anti-corruption measures – Collective Action is still a young concept. There was vivid debate around what "anti-corruption Collective Action" means and the best way to implement it. Collective Action initiatives have evolved over recent years and include standard-setting initiatives such as between peer companies within an industry sector; multi-stakeholders joined in anti-corruption Integrity Pacts; anti-corruption standard setting in supply chains or strategic dialogues between public and private sectors, to list but a few examples. A short introduction to the origins of anti-corruption Collective Action follows to help set the scene, but more discussion on the elements that constitute Collective Action is still certainly needed.

As for shaping its future, we clearly need to continue to promote opportunities to learn from one another, avoid duplication of efforts and develop the potential of Collective Action as a collaborative and inclusive approach to solving problems of corruption.

Origin and growth of anti-corruption Collective Action Initiatives

Encouraging multi-stakeholder collaboration to prevent corruption first emerged in the mid-1990s, when Transparency International introduced the concept of integrity pacts. Their aim was to hold both the public and private sectors accountable to anti-corruption standards during public tender processes.

By the early 2000s, the Basel Institute on Governance had identified the need to complement the emerging international criminal law standards with preventive tools to help companies operate fairly in markets where the payment of bribes was systemic. These efforts involved various discrete industry groups comprising the lead companies from specific sectors. The Basel Institute referred to these efforts as anti-corruption industry standards. They were the forerunners of CAIs.

Arguably the most well-known of these efforts is the Wolfsberg Group, currently comprising 13 global banks that collaborate to develop standards and other guidance to tackle financial crime. Another early CAI that emerged from an industry standard developed at the Basel Institute is the World Economic Forum's Partnering Against Corruption Initiative (PACI). The Basel Institute has played an important role as a founding member, thought leader and ongoing contributor to both of these initiatives, among others.

Development of the B20 Collective Action Hub

The Basel Institute established the International Centre for Collective Action (ICCA) in 2012, with a mandate from the B20 to build the B20 Collective Action Hub. The purpose is to help companies and other stakeholders enhance their ability to reduce the risk of corruption through Collective Action. This involves gathering evidence to further strengthen the impact of this anti-corruption approach.

As part of this effort, the Basel Institute has compiled information on over 120 anti-corruption Collective Action projects and initiatives from around the world in a database. The aim is to encourage more private sector actors to engage in Collective Action by making information on existing initiatives easily accessible.

Impact of the Siemens Integrity Initiative

Established in 2009, the Siemens Integrity Initiative has played an important role in funding numerous organisations to either establish or expand CAIs to address corruption concerns in different contexts. The ultimate goal is to create fair market conditions for all by fighting corruption and fraud through Collective Action, education and training.

In the past decade, the Siemens Integrity Initiative has supported 55 projects by Integrity Partners addressing corruption in 30 different country contexts, as well as globally. The mid-term review of the Siemens Integrity Initiative in December 2017 confirms the positive contributions of the Initiative's efforts in promoting Collective Action.

Among its findings, the mid-term review noted the interest of Integrity Partners in learning more from each other and to find opportunities to extract higher-level lessons by sharing experiences.

Two workshops to promote peer learning

The CAIs that have arisen in the past decade – both independently and with funding from the Siemens Integrity Initiative – demonstrates the varied ways through which these initiatives can contribute to preventing corruption. However, in spite of their variety, these efforts share common experiences in navigating the complexities and challenges in launching and sustaining a CAI.

In line with its mandate under the Siemens Integrity Initiative to promote peer learning on Collective Action, the Basel Institute organised and facilitated structured discussions during two workshops that gathered together a select group of Siemens Integrity Initiative Integrity Partners and other independent CAIs and anti-corruption practitioners.

The first workshop took place in Aswan, Egypt from 7 to 8 February 2018. It was held in the context of the Egyptian Junior Business Association Integrity Network Initiative's Regional Workshop for Middle East and North Africa (MENA) and sub-Saharan Africa on Collective Action to Counter Corruption and Foster Integrity.

The Basel Institute organised the second Siemens Integrity Partner Peer Learning Workshop in Basel, Switzerland from 26 to 27 April 2018. Nine Siemens Integrity Partners participated in this event, alongside three other organisations engaged in anti-corruption Collective Action.

The two main aims of the workshops were to:

- **Promote peer learning among Integrity Partners and other CAIs**. The idea was to create an intimate, informal space for participants to reflect, share and learn from each other on their experiences setting up and sustaining their respective initiatives.

- **Identify success factors and strategies for overcoming common challenges facing anti-corruption CAIs**. The workshops showcased the diversity of content and scope of initiatives across the globe, however some factors and challenges are shared. What objective lessons can we draw from them? How can we measure success?

For more details on the workshops and participants, see Annexes 1 and 2.

Defining success

The workshop convenors did not give a strict definition of success when seeking to identify success factors. Instead, a common position was allowed to emerge. Participants implicitly defined success for discussion purposes as:

- the fruitful establishment of a multi-stakeholder initiative with the aim of corruption prevention;

- sustained activities and outcomes that benefit the participants and/or meet the stated goals.

Measuring success and lasting impact remains a challenge requiring further research, see Section 5.

The importance of context

A major theme in both workshops was the importance of grounding, developing and adapting Collective Action based on a deep understanding of the context of particular corruption-related issues. Without considering context, the same action might help one CAI to succeed and cause another to fail.

This context includes external factors such as the political, business, economic and social environment, at the local, national, regional or industry level. The external context influences internal factors such as the composition, leadership and governance of the CAI.

The boundary between external and internal factors is blurred. Some of the insights discussed in this report cut across both. Nevertheless, the distinction between external and internal factors is useful for exploring how different approaches to Collective Action can be adapted to different contexts.

Notes on the workshops and findings

While the plenary discussions were considered public presentations, the focus group discussions took place under Chatham House rules. Quotes and examples used in this report are therefore anonymised. Where illustrations from particular countries or context are provided, they reflect various positions expressed by the participants.

Given the limited sample of CAIs represented in the workshops, caution should be exercised before making any generalised findings. Voluntary participation and sharing meant that participants' opinions may not be equally represented.

Finally, it should be noted that the majority of participants represented independent organisations that have initiated and facilitated CAIs, including a handful of business associations. No private sector representative was present. Further details on the workshop and report methodology are provided in Annex 1.

This report is organized as follows: Section 2 addresses setting up a CAI and looks at the importance of context and that this is addressed through the mapping of the issues, stakeholders and risks. The section continues by illustrating the various windows of opportunity that were identified in the workshops as presenting the conditions to initiative a Collective Action. Section 3 addresses the importance of engaging and motivating stakeholders not only initially, but also over time and as conditions change and the CAI develops. Section 4 follows on from the preceding topics in that it covers the question of how to develop sustainable initiatives that can prosper and thrive. The final sections of the paper include looking ahead to further research and other activities to support the work that was carried out in Aswan and Basel. At the end of the paper the methodology and questionnaire that were used in the workshops are set out and the participating organizations are also listed.

Setting up Collective Action Initiatives

The workshops allowed participants to tell their story of how they set up their CAIs. This section describes the main themes that emerged from the discussions that took place during the workshops. The key messages can be categorised into four topics: a) the importance of effective issue and stakeholder mapping, b) identifying windows of opportunity for collective action, c) adequately accounting for openings and constraints given by the political environment, and d) the choice of substantive actions and the mode of operation of the Collective Action to address corruption. This section is organised around these topics.

Investing time to map issues, stakeholders and risks

One of the central, most mentioned, steps to successfully initiating a CAI was the process of adequately assessing the opportunities and constraints inherent in each context. This assessment can be achieved through careful mapping of issues, stakeholders and risks.

Mapping is the process of identifying, surveying and assessing the issues (external factors) and risks (external and internal factors) around which to frame a CAI.

- **Issue mapping** explores corruption's inherent complexities in a particular context to identify areas where Collective Action can achieve results. Without a clear vision of the issues, it is impossible to set goals or draw up a plan of action.

- **Stakeholder mapping** involves identifying potential stakeholders. Whether they should all be approached at the same time are topics for the action plan to address.

- **Risk mapping** could be based on SWOT analysis or a similar risk analysis approach. It should be comprehensive and include mitigation strategies for the identified risks.

It was agreed that the mapping exercise is important and worth taking time over. The results should feed into an action plan

and budget that will enable the CAI to carry out its activities and attain the agreed goals.

The activity of mapping was felt by many participants to have been undervalued at the outset of their projects. With hindsight, they would have liked more time for this phase of the process, which would have helped them develop more evidence-based action plans.

> ❝ Before we go to a country we try to identify which stakeholders are important for us. And then we always have someone on the ground that advises how advanced they are, how much power do they have in terms of getting their local community supporting this initiative."

At the same time, it was also noted that even the best plans need to be modified in response to unforeseeable events and changes in political, economic or legal contexts.

Some of the practical aspects of mapping were explored in some detail. Several initiatives offered solutions to basic challenges, like finding contact information for SMEs and deciding which ones to reach out to. *"There is no directory for the SMEs that we can reach out to. So, we started at first with cold calling personal contacts, searching for companies on the internet and so on, but the results were not that satisfying. So, we started shifting to other methods. And we started focusing mainly on social media ... so, we relied heavily on Facebook and LinkedIn. And we reached out to the multinationals or the large corporates, to get contacts from there, to reach out their suppliers and their supply chain and the subcontractors and make them implement our programme."*

Mapping the context also involves assessing the feasibility of working with different constellations of actors. It is the stakeholders who will ultimately determine whether the CAI's goals are achieved, altered or abandoned. Finding the right ones is not easy and experiences were varied. For one participant: *"We have a fantastic local partner and I would say, if we didn't*

have our local partners, the people that are in the countries, then we wouldn't have been successful." For another: *"The make or break factor.... is having the right partners. You have the wrong partner, you get nowhere."*

> " The initiative started due to delays at the border crossing between my country X and country Y. Bribery, extortion and frustrations by the affected businesses built up. Ultimately, this led the industry players to get together and say things cannot continue like this, and we have to do something. It started as private sector led, but the private sector cannot resolve the problem alone and they made the public sector, the government, the customs authorities join in, and ultimately found solutions in that manner."

This is why participants identified stakeholder mapping as one of the most important elements in a CAI's success. The goal is to decide which stakeholders to seek to include in the initial CAI and which to actively exclude.

Stakeholder mapping and issue mapping are closely correlated. Understanding a country's or industry's corruption dynamics means knowing which actors are essential to achieving effective change. Analysing the external context makes it possible to identify the key stakeholders that need to be mobilised to work towards the goals of the CAI.

Mapping the context can help to anchor the CAI locally which has repeatedly been shown to be important to an initiative's success and sustained stakeholder engagement. Localising an initiative means embedding it in local structures and processes. This means relying on local approaches, resources, rules and procedures. It also means using the home advantage of working with people who know the local context. These people know how to best drive change and deploy their networks to the benefit of the CAI and ideally should be identified through the mapping process.

Participants noted several risks with localising an initiative. For one, the element of finding and building local capacity might take significant time and overshadow concrete progress on an initiative in the short term. The investment of time and developing local capacity was based on a clear strategy in one instance: *"Our focus is on building ethical organizations. We also believe that that's the way of fighting corruption. You don't fight corruption by fighting corruption, you fight corruption by building ethical institutions. We are resilient to different manifestations of corruption. Over the years we have been privileged to be involved in Collective Action initiatives in six different countries.... The typical role that we play .... is to initially help with the early stages of setting up these initiatives and then to encourage... we believe it is important that they must be uniquely local and therefore we take a backseat."*

Participants recommended identifying not just potential allies but potential detractors. It is important to understand their values, agendas and interests, as well as their capacities and potential contributions.

The public sector inevitably came up as key to tackle practices of corruption. In this regard political will is clearly critical, although the degree to which it represents a make-or-break factor depends on the context and goal of the CAI. Several cases were described in which the political will to counter corruption was lacking, but presence of highly engaged private sector actors were still able to demonstrate their commitment to anti-corruption norms and action. In fact, these cases show that governments can be compelled to accept the private sector's unified anti-corruption stance.

International institutions, in particular the World Bank, Organisation for Economic Co-operation and Development (OECD), United Nations Development Programme (UNDP) and United Nations Office on Drugs and Crime (UNODC) were frequently referenced as having played a pivotal role in the launch of an anti-corruption CAI.

By their nature, these international institutions have privileged access to government interlocutors. Some participants described how private sector coalitions that wished to engage

in Collective Action with government counterparts turned to one of these institutions to facilitate the initial interactions. The workshop participants included representatives of UN-ODC (from Colombia) and UNDP (in the MENA region) where the institutions have initiated and facilitated CAIs.

Identifying windows of opportunity for Collective Action

Another recurring theme was that the decision to set up a CAI evolved from an identifiable change in the circumstances within a country or other context that opened the prospects for new approaches to tackle corruption. Participants shared various examples of "windows of opportunity" that created the conditions for aligning interests among stakeholders and catalysing a successful CAI.

Legal and regulatory reform as a trigger for CAIs

The adoption of new laws or regulations has created opportunities to start CAIs in countries including Russia, India, South Korea, Colombia, the UAE and Italy. Examples of reforms are:

- legal or regulatory provisions addressing corporate governance;
- criminal provisions prohibiting bribery or other forms of corruption;
- new regulations specifically affecting state-owned enterprises (SOEs);
- mandatory frameworks on corporate social responsibility.

> " During our project, a new anti-corruption law was enacted, so we were lucky. Many public enterprises and companies are affected by that law, so they had to follow this issue. They participated in the seminars or trainings, and then they reported on their efforts to advance their compliance systems."

Participants noted that new laws and regulations made various actors realise the need to educate the private sector about these laws in order to ensure compliance with them.

The delivery of training and education also provided opportunities to engage with the private sector and introduce the notion of addressing issues together with other companies or stakeholders.

The impact of laws with international reach

In several other instances, participants noted that the extra-territorial reach of the UK Bribery Act (UKBA) or the US Foreign Corrupt Practices Action (FCPA) prompted private sector actors to join forces to ensure compliance with these laws.

In particular, the adoption of the UK Bribery Act (UKBA) in 2010 was cited as a trigger for Collective Action. This was the case for sector-specific initiatives at the global level, as well as several CAIs from the Middle East, Africa and Asia. SMEs suddenly felt the brunt of increased supply chain scrutiny of their corporate governance policies from multinational companies after the UKBA was adopted.

> " We were blessed with low-hanging fuit. Big multinationals are bound by the FCPA, UK Bribery Act. So, it became an unbearable expense for [SME suppliers] to comply with the multinationals' zero-tolerance demands and they revolted. It was then easy for [our initiative] because the target was there, the dynamics were there. Somebody was saying, "I will not pay a bribe – neither for you nor for anybody else." So, it was a message from the multinationals, and it was well-received and well-supported. And for the government of course, if the multinationals and the [SME local suppliers] say, "we don't pay," they have to support the idea."

Several participants also noted that the increase in investigation, prosecution or settlement of the above laws also served to promote Collective Action. In addition to the Siemens

settlement with the World Bank, a few other countries have also used proceedings and settlements to require specific companies to establish funds to support anti-corruption efforts including Collective Action.

Economic imperatives as drivers of Collective Action

The economic context has also had an important influence on stakeholders and their motivation to engage in Collective Action. Participants discussed large informal economies or economic growth without socio-economic improvements in their countries that created societal strains that were unsustainable.

> " Corruption was one of the main causes of the crash of the financial markets in 2008 –2009 in country X, so big businesses were threatened. It threatened their ability to access affordable finance, so we seized that moment because they realized that they had something to lose and used that to frame getting people around the table to do something about corruption. Including people who would not normally have been interested in doing something about it."

Participants said that major international or domestic economic crises have greatly influenced the readiness of stakeholders to come together and engage in Collective Action. Examples range from Nigeria to the Arabian Gulf.

Even in the absence of serious financial crises, participants described how some governments simply had a change in attitude towards encouraging foreign direct investment for economic reasons.

Other tipping points

Unexpected events may also trigger Collective Action. One example was presented where an individual citizen, an employee of a private company, came forward publicly to challenge her company's management about paying employees with cash in envelopes.

> " We have invested in investigative journalism. That has been very useful for us and has yielded a lot of results because once you have investigative journalists bringing on the issue, it helps the advocacy efforts."

This courageous act garnered intense national attention, prompting high-level government actors to come forward and support a Collective Action Initiative anchored in the local business association. While the CAI's original focus was on reducing the informal economy, it has grown to provide a social label indicating certification of a company's adherence to anti-corruption and other corporate governance measures. Certified companies join forces to influence changes in the national public procurement process and other areas of business.

Making the best of the political context

Factors of a political nature were also identified and emphasised by workshop participants as significantly impacting the feasibility of launching a successful CAI.

> " I can comfortably say political will is key in as far as promoting issues of integrity, the issues of transparency, issues of anti-corruption, it's about the tone that is set at the top. And as we say back home: fish starts rotting from the head. If the fish rots from the head, then you expect everybody else to follow. [In our initiative] we are making headway because at the top level from the presidency [there is] that tone against corruption that applies to our industry."

Harnessing and cultivating political will

The importance of political will in creating windows of opportunity and as a defining success factor was cited by participants from all continents and in reference to very different scenarios.

In some cases, political will simply created an enabling tone that led to legal and regulatory change. In others it was more tangibly manifested as determination by the government to undertake anti-corruption reforms or measures critical to Collective Action.

Integrity pacts were discussed as an example of the importance of political will. This tool is used to safeguard public procurement procedures using preventive and monitoring techniques. Those urging the adoption of integrity pacts noted that they were only successful when the procurement authorities demonstrated political will to ensure corruption prevention in a particular tender.

If public stakeholders refuse to engage in a CAI, and their role cannot be performed by any other stakeholder, this may create even more of a hurdle for others to join.

> " We realized early on that political support was key if any meaningful outcome was to come out of this project, so we decided to engage with the Ministry of Finance at the policy level. So when we are having a workshop or a conference we have a general chat with them before getting deep into the issues with the technical officers that we were having seminars or workshops with. So half a day with the Minister of Finance would be well spent before getting into the technical details with the relevant competent agencies."

One strategy to overcome this was to reach out to a wide range of public stakeholders. *"For example, if one ministry or agency is blocking an initiative, reach out to another who might be more open to collaboration; or if the executive is stifling progress, perhaps turn to parliament, or individual parliamentarians, to open some form of dialogue with the view to influencing change. Identify champions and try to get them to engage in supporting the CAI and to promote it wherever possible."*

Others in similar situations involved international bodies, such as the World Bank or United Nations Development Programme

(UNDP), to use their leverage and more effectively gauge the appetite of public stakeholders. This underscores the importance of building strong networks of allies that can influence political will in support of Collective Action efforts.

Monitoring and managing political change

Given the centrality of political will in underpinning some CAIs, it was not surprising that participants also frequently mentioned the importance of managing any changes to it as an important success factor.

Thus, some participants discussed how political change can be conducive to opening a window of opportunity to address the formerly taboo subject of corruption. In some instances, such political change involved the rise to power of strong individual leaders. In others, the change was influenced by elections or popular uprisings leading to the ousting of political parties associated with corruption. Examples of changes in political leadership include social and political unrest in Ghana, Egypt, Tunisia and Ukraine.

Collective Action may also be kickstarted by more localised, smaller but still significant changes in political direction via the entry into power of political parties committed to tackling corruption at various local levels of government. Such instances were cited from countries in the European Union as well as southern Africa.

> " One of our key success drivers is our country President. She is well recognized in the country. Everybody loves her and she became a patroness for our initiative."

In some instances, governments unexpectedly opened up to collaboration with the private sector and sometimes also civil society. This may be because they realised the political cost of not engaging in anti-corruption initiatives and responding to mounting private sector and citizen frustrations with the status quo.

Some countries have reacted to low scores on the Transparency International Corruption Perceptions Index by adopting new laws or regulations to strengthen anti-corruption enforcement and improve corporate governance and the business environment. These changes create opportunities for introducing Collective Action initiatives.

Political transitions, peaceful or otherwise, can also wipe out political will. This has serious implications for engagement in a CAI and it is important to keep this in mind as a potential risk. *"Half the bureaucrats in the [government] changed and [before] everybody could speak freely and loudly about anti-corruption. Today: no. Today we have to sugar-coat it, talk about responsible way of doing business, and be very careful about what we do and how we do it. Well, it's the same government, but a different mentality."*

Political upheaval and instability often result in having to re-establish relationships with government counterparts. *"One of our biggest hurdles with Collective Action was the fact that there was a political transition during the process. Because you have established relationships and then suddenly there is a complete transition of new people and you start over. It puts your whole project on hold basically for at least six months, in our case, almost a year. Then we got a national anti-corruption strategy which guided us back into one focus and that changed everything and pushed it along again."*

> **"** Changing environments like in my country where two years ago it was OK for civil society. Now the person who is leading our project is on a government blacklist, so things change and they need to be taken into account."

This example had a positive outcome. Although there was a delay in the development of the CAI, once the political transition stabilised, new stakeholders were brought on board and the CAI was able to proceed. This highlights the need for CAIs to be flexible and adapt to changing political contexts.

Collective Action… but how?

Finally, the manner in which a CAI is convened and the process of defining the concrete actions were also topics that emerged and these served to highlight the importance of contextualisation.

Regarding the former aspect of how a CAI originates, participants discussed the pros and cons of seeking to establish a CAI from a bottom-up or top-down perspective. Which is more sustainable – a CAI that grows organically or one enforced by an external body that cannot be ignored?

The answer, as ever, is that it depends on context. The most effective approach depends on the CAI's goals and stakeholder constellation.

Top-down initiatives are often driven by a government entity or international institution. They may set goals that involve the private sector without necessarily consulting the private sector beforehand. Because of the huge convening power of these bodies, there are several examples of successful top-down initiatives. But the approach is not failsafe. One participant noted that their institution's attempt at kickstarting Collective Action was unsuccessful: *"Our experience is that top down doesn't work."*

Participants agreed that bottom-up initiatives – those led by the private-sector – tend to be more pragmatic. They adopt several of the abovementioned success factors, such as setting clear and attainable objectives and putting an emphasis on achieving outcomes and results. One participant described their experience of the private sector approach as follows: *"Bottom-up is needs driven. Business works together. They have a problem, and need to fix it. They ask: 'What can we do?' and take action on that basis."*

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> " From our perspective we've tried to maintain that global-local coordination. One of the most important things in our work is that we have noticed that a top-down approach does not work. If you need to address a local issue whether it's a corruption issue or, for that matter, any sustainability issue you need to do a baseline assessment locally. And see what is the local context. It can't be one size fits all."

In terms of the question of coming up with an action plan for the CAI, participants spoke of the challenge of defining a strategy for the CAI (what to do) and coming to an agreement on how to implement it (how to do it). One participant described how the meetings *"almost deteriorated into a shouting match with people saying: 'you are not doing this and you that'. ...We had to sit back and think hard how to plan subsequent meetings so we have some sort of dialogue on how to improve the environment."*

The participants offered various practical solutions for handling such challenges:

- Conduct separate consultations with different stakeholders and only bring them together after identifying an initial feasible scope of agreement and action.

- Target the senior management of key focus institutions, as high-level officials often have both the mandate to speak for the organisation and the power to make commitments on its behalf.

- Manage expectations carefully. As one participant explained, *"many Collective Action programs or anti-corruption programs have very big expectations in the beginning, which makes stakeholders even fear to engage or feel not capable to contribute."*

Strong and skilled leadership, along with solid stakeholder and issue mapping, helped to manage competing interests and steer stakeholders to agreement on an initiative's objectives.

In some instances, despite best efforts, lack of trust and competing interests might be too entrenched to overcome. *"If I can think of two countries, we had exactly the same way we work with chambers of commerce. Where one of them is seen as aligned to government and government is seen as deeply corrupt. So, there's no trust in either. In one case, we were able to resolve that... but in other cases, it became a hurdle that we could never overcome because there was no trust."*

CAIs should be aware of this possibility and take it into account in their risk assessments.

Engaging and motivating stakeholders

The potential of any CAI in effecting meaningful, sustained positive change in fighting corruption is certainly associated to the extent to which a shared vision and commitment among its participants may translate into relationships of mutual trust leading to coordinated actions. In other words, one can say that the fate of any CAI hinges strongly on the stakeholders it mobilises and the relationships amongst them that it promotes. Thus, stakeholder engagement and identifying the right incentives to motivate them emerged as one of the most critical areas during the discussion about success factors of CAIs.

Devising strategies for sustainable stakeholder engagement

Just as the process of stakeholder mapping mentioned above, the task of stakeholder engagement forms part of a risk analysis. Engaging a particular stakeholder might encourage others to join, but there is a risk it might drive some interest groups away. It is clear that stakeholder engagement is a continuous process that must adapt to different contexts. Participants mentioned the challenge of investing time and resources in evaluating stakeholders.

> 66 The way that we have envisioned this Collective Action is the way we could introduce it politically and actually get it through. If we had gone the other way i.e. to call every (stakeholder) in the room, we would still be debating the standards until today. We would not have gotten the agreement we needed."

Participants shared various strategies for stakeholder engagement. Some spoke of starting the process gradually, initially focusing on only one stakeholder group or sector and adopting a "less is more" approach to get it off the ground. At times, this meant finding champions within institutions that showed an initial interest in the type of collaboration proposed.

Other participants said that encouraging broad support for an initiative was important to support its sustainability. This includes communications and outreach strategies to elicit public support. One such initiative allowed local citizens to use SMS text messaging to query public construction projects, e.g. delays, quality issues, overly high costs or a lack of implementation. In this example, the active engagement of the citizenship as monitors created momentum that supported the CAI.

Understanding the incentives of different stakeholder groups

Workshop participants identified four categories of stakeholders that can contribute to furthering a CAI's objectives. Each has a distinct role as set out in Figure 1.

Participants agreed that understanding stakeholder groups and their broad incentives is a critical success factor to their CAIs, but cautioned that it is not always easy to accurately determine stakeholders' underlying motivations.

For example, participants described the difficulties of trying to understand the complex political economies of their local contexts. Government actors often own businesses. Businesses may have political ties. Civil society organisations are sometimes co-opted by the state. These blurred boundaries confound the stakeholder assessment, as different stakeholders across all categories may believe that they benefit from maintaining a corrupt environment. This is the case when, for instance, the government turns a blind eye to the corrupt dealings of a business ally who provides gifts to the ruling political party. It is misguided to expect that distinct stakeholder groups will represent homogenous interests.

Another issue concerned the idea that incentives can be deduced by looking at the formal agendas of stakeholders. In fact, formal goals can be a façade for informal interests. For instance, participants explained that it is often difficult to discern whether public sector stakeholders were really interested or whether participating in a CAI could actually be no more than window-dressing. Other participants described

Figure 1: Stakeholder Roles

Private sector

- Heterogeneous group ranging from multinationals to SMEs.
- Important stake in driving CAIs that can improve the business environment.

Public sector

- The involvement of public institutions is often critical for attaining viable and long-lasting anti-corruption gains.
- Political will (or lack of it) impacts the success of CAIs.

International organisations

- Bring technical knowledge and credibility to the table.
- Source of institutional power, including convening government counterparts.
- Can provide or facilitate funding.

Civil society

- Brings the "voice of the voiceless" to anti-corruption efforts.
- Citizens suffering from corruption could perform an essential watchdog function, alongside the media and academia.

private sector stakeholders that would formally announce their commitment to the idea of collaboration but then had an informal agenda that downplayed their commitments. They were seeking to obtain the benefits without having to commit to any action.

Forming counter-networks of victims of corruption

The above reflections illustrate that corruption can be functional to groups of actors across the public/private divide, who may share an interest in maintaining the status quo. However, wherever there are networks of insiders who profit from corruption, there are also a significant number of outsiders who suffer due to it. A strategy for success can be to build counter-networks among those who have the most to gain from combatting corruption.

Keeping the counter-network focused and relevant requires ongoing stakeholder and issue mapping and analysis in order to identify the competing agendas of various stakeholders.

Overcoming issues with civil society involvement

Several participants talked of difficulties in deciding whether to invite civil society to participate in CAIs. This was for several reasons:

- Lack of technical anti-corruption knowledge and skills to contribute effectively.

- Lower capacity in terms of human and financial resources compared to public and private sector stakeholders.

- In some countries, governments clamp down on the civic space, stifling freedom of association and speech.

- Civil society actors may lack independence and themselves be mouthpieces of the government or beholden to private interests.

> " It's very hard to find civil society that not only is credible and sort of capable but then also has the knowledge to work on this particular topic."

Despite these challenges, participants acknowledged that in appropriate contexts, bringing civil society actors into an anti-corruption CAI can bring numerous benefits. Citizen pressure helps create an incentive for collaborative action on anti-corruption measures. Citizens can also be helpful external observers and monitors to ensure that public-private anti-corruption dialogue and action continue.

This reinforces the need for solid stakeholder and issue mapping to identify where civil society participation, and which representatives of civil society, might benefit a CAI and which might do the opposite.

Developing tailored incentives for companies

A key lesson that emerged from the workshops is the need to frame the objectives of a CAI in the language of tailored incentives that speak to various stakeholders. The first question most stakeholders raise when approached to join a Collective Action is: "What's in it for me?" and "Why are you picking me/my organisation to join?"

Participants recommend preparing a list of responses in advance that can be tailored to different stakeholders.

Participants mentioned two different levels of incentives: big-picture goals and tangible benefits. Some big-picture incentives are set out in Figure 2.

Tangible benefits are "carrots" or practical enticements to motivate actors to come onboard a CAI in order to reach the higher-level goals. Numerous CAIs mentioned that they had developed tailored tools for their members, such as self-assessment guidelines and compliance toolkits suited to their

Figure 2: Stakeholder incentives

Private sector

- Level the playing field to improve business conditions.
- Avoid economic and reputational costs of non-compliance with anti-corruption norms.
- Gain reputational advantage of being proactive and collaborative with anti-corruption compliance.

Public sector

- Avoid the political and economic costs of corruption.
- Attract foreign direct investment to spur economic and social development.
- Maintain and gain citizen support.

International organisations

- Promote international standards as a means of achieving economic growth and sustainable development.

Civil society

- Encourage a citizens' agenda that reduces corruption.
- Promote social and economic development and the rule of law.

country/industry. The members appreciated these as tangible assistance in achieving the standards of anti-corruption compliance set by the various CAIs.

> " Anybody coming on board asks: what's in it for me? So, it is important that from the beginning, we have some short-term incentives to motivate people. It should not take a long time for people to see what they can personally gain from it."

In one case, a CAI focused on transforming general anti-corruption compliance standards into sector-specific guidance. The guidance was designed with the industry's immediate needs in mind and thus served a business purpose as well as being the basis to engage the private sector further and introduce them to Collective Action.

This was the case for a logistics industry CAI that started by introducing companies to new tools and training material for corruption prevention. These fostered exchanges of experiences that led to other CAIs undertaken in different countries by the group in recent years.

Another important incentive mentioned at this level was the creation of positive reputational benefits of membership in the CAI and the use of communications tools to further these benefits.

SMEs require a different approach

Incentivising SMEs has several related challenges. As one participant summarised: *"By and large, SMEs don't have the time, resources or interest to get involved in these initiatives, and the only way to get their attention is through the companies that they supply. Basically, if you want to get the SMEs in the room, we found over the years that inviting SMEs directly does not work well. Actually, most of the time it fails. But if you approach the supply chain management of big companies then they basically have no choice but to do so, and of course*

international frameworks do play a role, but there are also local standards that play a role."

Implementation can be an issue: *"We have been chasing large corporates to integrate with their supply chain for almost three years. And they did it. They signed, they pledged but the implementation is not happening as fast as we wish, despite the fact that they're actually one of the companies that are globally very engaged in transparency."*

Several participants observed that SMEs are motivated by different incentives due to their nature: small, with limited resources and sometimes led by the founder/owner. One CAI designed its initiative around providing free anti-corruption compliance trainings for SMEs as an incentive:

"First, we tell them that the training is free of charge for them. They can come and see what we are offering. And it will help the company too: for example, the training includes risk assessments, so it can help them find ways to take a closer look at their operations to see if there is anything going wrong that they should be aware of. We also tell them that the company that fulfils or implements the full programme, they will receive incentives from the supporting partners. The incentives range from pro-bono consultancy, pro-bono hours, preferential treatment in some cases. It differs, each company has a number of incentives that they provide. So, this way, we make them come. Just the first step is to make them come to the training, and then we continue and follow up."

Another participant framed the objective of the CAI as attracting investment, financing and credit – because *"for SMEs, attracting finance is something very hard."*

Overcoming reluctance by companies

Reluctance by companies of all sizes to engage in CAI is common. Participants shared their frustrations with private sector stakeholders not wanting to "burn" themselves by talking about corruption, not willing to take the first step in

fear that others would not follow suit, or that associating with the initiative would brand them as someone who needed to improve their business practices.

Others said that it was difficult to engage private sector actors because they saw themselves as the victims of corruption and did not see how they could be part of the solution. This was particularly the case when corruption was widespread in the local context and the only way businesses could survive. One participant summarised the frustrations: *"People are not very keen to come forward, yet it's the same private sector that wants the playing field to be levelled. But they're not willing to be part of the game."*

Another participant explained the dampening effect of vocal private sector detractors and their approach to overcome this: *"The cynical in the industry – they do a lot of damage. We bring together the companies and there are those who are pretending there is nothing going on in terms of corruption, nothing to fight and this is not an issue. They over voice those who are willing to go forward, because those who are willing to go forward have to take the courage, right? ... [A]fter a year we had to reconfigure the project with a sector-specific approach, and not put everybody in one room..."*

Participants spoke of the challenge of private sector bidders resisting integrity pacts as a burdensome and unnecessary additional integrity measure. They suggested two complementary approaches to overcome the private sector's resistance to integrity pacts, which could be applied to other initiatives:

• The procurement agency makes the integrity pact mandatory in the bidding process.

• The procurement agency opens a dialogue with the private sector before issuing a tender to raise awareness and answer questions or concerns. This helps bidders become more engaged and convince them of the usefulness of this extra integrity measure.

Benefiting from the stakeholder role of donors

Of the 35 institutions represented in the two workshops, 22 were anti-corruption Collective Action projects funded by the Siemens Integrity Initiative. Of the rest, some were pilot-type initiatives funded by other sources and some CAIs that emerged from private sector initiatives independent of a project cycle and with no funding from the outset. This allowed for exchanges on the strengths and constraints of donor-driven project-based CAIs.

> **❝** Funding does create an atmosphere for people to go out and look for those opportunities to use the funding and do the work.**❞**

The consensus was that well-allocated funding, such as through the Siemens Integrity Initiative, was a unique opportunity to kickstart Collective Action in contexts and under circumstances that otherwise would not have been possible. It brings together a wide range of stakeholders unlikely to have engaged in addressing corruption issues without such financial support.

This funding has also driven growth in the field of Collective Action and provided useful opportunities for peer learning, like the two workshops.

The stakeholder role played by donors was seen as positive. Project management frameworks encouraged initiatives to set objectives and performance indicators at the outset, for example, and implement regular cycles of monitoring and evaluation. Initiatives that started more organically were less inclined to do this.

On the other hand, there were some issues in attempting to launch and sustain a CAI under a strict project timeline. Participants stressed the importance of context and flexibility. There were calls for donor-funded projects to allow sufficient space to change course if necessary during the evolution of a

project. This includes adjusting the mix of stakeholders and engaging new partners to boost the effectiveness of a project.

> " Our project wasn't funded so that was good in the sense that participants have to commit voluntarily. In a way we can say we almost have the luxury of exploring interest, exploring where you are, see if it's companies or governments … It gives you time to kind of set up."

Some donor-funded CAIs felt that the time pressure of a project cycle could be constraining and artificial. This was particularly true for processes that are difficult to predict, such as trust-building.

In contrast, participants representing CAIs that emerged more organically through private sector dialogues and without any particular funding source described the advantages of starting from a blank page. In particular, they appreciated the luxury of time to build trust and decide collaboratively with other stakeholders what the objectives and goals of the initiative should be.

Using the language of compliance and Corporate Social Responsibility

Representatives, mostly from emerging economies, advised steering clear of the words "corruption" or "anti-corruption". It is important to frame a CAI's efforts more creatively and positively: *"Once you use the word 'anti-corruption' all the seniors we talked to said, 'don't use the word anti-corruption,' make it something that would move on [everyone]. Talk about governance and talk about integrity and talk about ethics, talk about transparency."*

> " When we wanted to speak to the private sector we found that words like corruption, whistle-blower or ethical made them detached in some way. We wanted to have a very positive mindset of good practices, so we purposefully used the phrase 'responsible business practices', it's also the phrase the regulator uses, so it was more successful to use this than refer to corruption directly."

For others, the gateway for engaging stakeholders and getting buy-in was through the lens of corporate social responsibility (CSR) or responsible business conduct.

Several CAIs in advanced and emerging economies alike are increasingly thinking about how to link membership in their initiative with reputational incentives that will be recognised by environmental, social and governance (ESG) investors. As one participant explained: *"We realized that many companies in the private sector that are doing sustainability reporting are silent on their anti-corruption, transparency and procurement practices. So, we started talking to these corporates and said: 'Look, you're doing sustainability reporting and compiling a GRI database, but why are you not disclosing any of your anti-corruption measures? The GRI Index also asks about certain anti-corruption standards and measures.' And they said: 'Oh, we have never connected those two things.' So now, there is a new community of investors, which under the ESG – and largely the G part, the governance – is now asking questions... and there is an information gap between a company's investor relations and compliance departments, which can be overcome. So, I think that ESG is a new way which is creating more transparency and that is driving the private sector to follow these ethical practices."*

> " Our Collective Action assumes that a company's efforts in taking initiatives to prevent corruption, and disclosing information on its anti-corruption activities not only strengthens corporate governance, but also leads to an increase in corporate value in the mid to long term."

Developing sustainable initiatives

Participants generally agreed that leadership and governance structures are crucial to a CAI's long term success. Regarding formal structures to sustain the initiative, many participants wished that they had started thinking about them sooner or integrated them more actively into the early stages of a CAI because these factors impacted on their ability to sustain the initiative in the long run.

> **"**   It's baby steps: You have to take baby steps to-
>   wards building rapport and building trust between
> the parties. I also think you need to be creative about
> how to solve conflicts."

The importance of strong, flexible leadership

Leadership usually refers to the person or people driving the launch of an initiative. One participant captured this as follows: *"The Collective Action is a motor with a lot of moving parts and at the heart of it is the initiating association or group, and at the heart of it is the leader – the secretary general or the main brain behind the whole scenario."*

Examples of leadership discussed in the workshops included individuals, institutions and groups of actors. They could be from the public or private sectors, civil society or an international body. Leaders can act as initiators, facilitators, coordinators, conveners or monitors.

Participants highlighted a broad array of attributes of a successful leader of a CAI, including:

- solid expertise and relevant experience;
- personality and passion;
- social standing;
- a genuine interest in pursuing the CAI and making it work.

Strong leadership helps to align the interests of participants and rally them around a shared vision. By bringing incentives and opportunities together, a good leader can frame the issues so that they are clearly relevant to the actors.

To keep the momentum going, leaders must give ownership to other stakeholders while keeping the goals of the CAI sharply in focus.

Leadership skills are particularly critical during the initial phase of establishing and launching a CAI, in which trust has to be built among the stakeholders. This may take time and require tactics, tenacity and diplomacy when speaking to a diverse group of people with different interests, even if they are supposedly united in their commitment to tackling corruption.

Strategic thinking and negotiating skills continue to remain critical until it is possible to move ahead with substantive work. Even here, persistence may be needed to get the stakeholders to deliver their contribution to the CAI in a timely and serious manner.

One participant described how a CAI focused on forming various sector-specific initiatives in one country wanted to use an independent local lawyer as a facilitator. The leadership skills of this individual were critical to the project. To find the right person for this role, the CAI brought an experienced Collective Action Practitioner and facilitator from an industrialised country to help with the stakeholder and issue mapping in the country, as well as to help identify a suitable individual with sufficient experience, technical expertise and the stature to take on the facilitation role. *"We wanted the country to learn and take over the knowledge and ... and build it into their own fabric. This is something specific that you assist the private sector with, in getting together and finding a joint moment and setting up an agenda and developing an action plan and creating confidence around the table between actors. And now the (local facilitator) organises meetings alone with the companies who are part of the initiative."*

❝ I was the person in my association leading and driving the initiative and I didn't think to manage the risk of me leaving. when you take the brain or the heart…actually the brain can be replaced but not the heart. So, then the heart who designed everything for years goes and things start to … and things are not done properly and a good thing can be lost. It's about sustainability, which is not just money, but also the people."

❝ We did the initial facilitation. I think it's one of the key factors to have very competent facilitators because it's tricky. The initial conversation is very ambiguous. People have many different ideas, so you have to be able to live with that ambiguity for some time and control a rather large group of people… But as soon as we could, we would find someone local to take over that role."

Numerous participants said that while leadership plays an essential role in launching and sustaining a CAI, care must be taken not to rely too heavily on one individual or institution to lead on all aspects. Initiating a CAI and running its day-to-day operations are distinct tasks and while some individuals may have the ability to forge relations and build momentum for Collective Action, sustaining it may involve a different skillset, necessitating in some cases a change in leadership.

Leadership often acts as a spur for establishing processes and structures. Once these have been formalised, some participants considered that the leadership should no longer be indispensable for the initiative to remain viable. Some suggested taking active measures for the leadership to "write itself out of the story, but in a controlled way," by focusing on institutionalising the building blocks of the CAI. Participants noted that this was an important aspect of risk management and that overreliance on key personalities to drive the process could hamper the sustainability of the initiative.

The role of leadership in building trust

Participants noted the important role of leadership to open dialogue among stakeholders and support the process of building trust. Trust between all the stakeholders and the organiser is a crucial component of any CAI.

As one participant explained: *"Trust building takes time… every year of this project we have a public event which brings together all the stakeholders. Earlier people avoided eye contact and came to the meeting and left and that was it. One year later they were a little bit more interactive, but last year… it was buzzing, and one of the people who came from government before the event, our partner had said, 'I can't stand that person.' After the event they were both the most enthusiastic people I've ever met. And it hasn't changed since."*

Champions from the private sector are sometimes helpful to lead their peers towards a Collective Action mindset. Several CAIs from very different contexts that had adopted Codes of Conduct to engage private sector members spoke of the challenge of attracting large national or multinational companies. These companies often say that they already have mature internal anti-corruption compliance systems so other voluntary codes are unnecessary.

In these instances, the CAIs stressed the importance of finding a leader among the large companies to come forward and join the initiative, such as framing the incentives around CSR and improving their image towards investors.

Creating a transparent, flexible governance structure

Participants indicated that transparent governance structures and processes contribute to a credible, inclusive and accountable CAI by driving stakeholder engagement and ownership. This is important because while there is often a core group of

founding actors, an initiative should transform to respond to all of its stakeholder supporters. This is where a formal layer of institutionalisation and accountability assists.

Transparent "rules of the game" can balance out the competing interests of powerful players and address the risks of freeriding. There is an important trade-off between risk management and providing a space where stakeholders can be accepted as they are, be part of a community and ultimately improve their behaviour.

A governance structure should be independent from an individual or single institution. The structure links together all CAI partners, from stakeholders with the greatest ownership of the issue to donors, academics and the media. Finding the right structure requires trial and improvement. It is worth the effort, though, because it helps harness the commitment and energy of key actors to build momentum and avoid fatigue.

Participants stressed that the governance structure should remain organic and flexible. It may have to adapt to new needs, such as institutionalising stakeholder engagement or increasing coordination capacities as new members come on board. In some CAIs, an informal and highly adaptable governance structure has contributed to its success.

Failing to secure the participation of crucial stakeholders could impact sustainability. On the flip side, robust governance structures can help to attract funding and boost the initiative's long-term sustainability.

> " At the outset you may have a certain idea about how things are going to go, and you might have a plan in place, and it may have been appropriate at the time, but things change and you need to constantly look at your context, look at what's happening and based on that, make adjustments to make sure that you're going towards the goal that you had in mind."

Furthermore, because the context in which a CAI is initially framed is not static, to remain relevant and sustainable, leadership and governance structures must be flexible enough to adapt when and where necessary. Participants expressed the need to keep a critical eye out for threats but also opportunities that allowed the scope and objective of an initiative to evolve or expand as needed.

This means that to be successful, a CAI should frequently review its stakeholder and issue mapping, responding to changes in the context and adapting its vision and mission as necessary. Participants used the analogy of a wave to explain this process of adapting to opportunities and threats which may result in the necessity to reframe agreed actions.

Sustainable initiatives need sustainable financing

In theory, useful initiatives with real benefits and impacts pay for themselves. Participants said that the sustainability of the initiative would then come from the stakeholders themselves.

> " We faced the problem where we had a project and once the funding was over we couldn't keep it sustainable because the members were not at a point where they could pay a fee, so definitely, that's a problem."

In practice, almost all participants described the issue of financial resources as a major struggle in terms of sustainability. A lack of resources constrains big-picture thinking about the best long-term objectives and incentives. Instead, CAIs have to focus on small, short-term goals.

For many participants, international funding was helpful in setting up the initial CAI and governance structures, but the question of financial sustainability would resurface at the end of a project cycle. In some cases, donor-funded CAIs have ceased to exist due to a lack of financing.

❝ Many times, even our local organizations are run by two people who have to do a lot of work and at the same time run a full-time project, get the private sector involved, run training outreach, speak to regulators and bringing all the parties together is a mammoth task. So sometimes the lack of resources, lack of staff to get all this done, is a challenge.❞

International finance is also often associated with conditions in terms of focus, flexibility and the ability to adapt to contextual changes. These conditions can backfire on the funding body's intention and make the initiative less effective, not more.

The consensus was that it is important to expand a CAI's financial basis as soon as possible upon conceptualisation of an initiative. The pros and cons of two major financing methods deployed by participants are described below:

- **Membership fees**. Some participants have successfully introduced membership fees that cover the entire costs of the CAI. While useful, some participants spoke of the challenge of making sure members actually pay their fees. There is also a fear that a fee-based system could impact independence, causing the initiative to lose sight of its goals and become subservient to member interests.

  For many initiatives, it is simply not feasible to pass the full costs on to members. These include CAIs involving SMEs, which identified offering free services to the companies as the main incentive for bringing in and sustaining their engagement. Several initiatives have decided to avoid reliance on membership fees and instead structure their services to the private sector as social enterprises.

- **Sponsorship**. Some CAIs seek financial sponsorships for big events or conferences, with income spilling over to finance other activities of the initiative. Others seek more generalised sponsorship.

A mixed approach is also possible, as one participant described: *"In one initiative I am working on its various types of sponsorship. There is in-kind and also have cash contributions by multinational stakeholders and that's because they are in the private sector they're able to do financial contributions. It's really hard work to get sponsorship. It's the same as a funder and a sponsorship, in my opinion for both, it takes a long-term relationship you can only pursue that if you have a long standing relationship with a company. You're going to start talking now and hopefully in two years' time you'll have the money in your hand. So, it takes time to build that relationship."*

The effectiveness of different financing strategies was highly influenced by the scope of the initiative. For some participants, establishing tools and systems helped to sustain the initiative. For others it was the other way around. This demonstrates that there is no fixed rulebook for designing financially sustainable CAIs. As ever, it depends on the context.

Financing integrity pacts presents unique challenges. In one case the financer of the project has proven to be a successful way to kickstart integrity pacts and could provide a model for replication in project procurements with other donors or financers.

Where civil society actors or a group of private sector bidders have raised the possibility of government procurement agencies implementing an integrity pact to oversee a tender process, the question of financing has also arisen. One option is for bidding companies to pay a percentage of a contract into a pool. An alternative is for the government procurement agency to include the costs in its own public budget, a strategy that proved successful for one participant.

Participants described the challenge of limited capacity due to lack of staff and time to manage and coordinate contributions to the initiative. They recommended that all stakeholders launching a CAI should take human resources into account from the outset as part of the effort to calculate resource requirements to ensure sustainability.

Focusing on clear goals and demonstrating impact

Another key factor that emerged was the relationship between establishing clear goals and communicating about their achievement – in other words, demonstrating impact. A strong focus on impact meant participants needed to frame their CAIs as remaining relevant to members' needs and showing clear benefits of contributing towards the initiative.

> " When we incorporate short-term impact from the beginning, it is another measuring stick for looking at success. People can easily celebrate new successes."

As one participant explained: *"anyone who is around the table has to see that by sticking around and by putting in my weight and contributing, I am going to get such and such at the end of it. And it is not a very long-time horizon but, you know, I can be sure of certain benefits along the way."*

Impact depends on the scope of the initiative, so outcomes might look very different from one initiative to the next.

• Some participants developed a theory of change or a rationalised road map for actions.

• Others prioritised showing quick, small-scale impact, such as developing products or tools as tailored incentives.

• Several spoke of a more ambitious long-term focus on changing regulations in order to create lasting impact.

Achieving tangible goals clearly increases interest in a CAI, both internally and externally. One participant, however, noted a potential irony with successful CAIs that have clear and specific objectives: *"There's a single issue. It's not an ongoing platform. There's a single issue that troubles a sufficient number of private sector players. They can't solve it on their own, they need to engage with government but it's private-sector led. And then hopefully the issue disappears and ... if it's an issue-drive Collective Action, one of your success factors is that the Collective Action Initiative should disappear as soon as the problem is fixed. You should work yourself out of a job."*

While participants noted the importance of working towards lasting impact, they found assessing real progress more challenging. Impacts may not be visible immediately. It is also difficult to discern whether or not changes can be attributed to the initiative.

> " What I think is not very mature so far is how we measure the impact because you might not achieve your KPIs but you still have achieved impact. Or you might have exceeded your KPIs but your impact is small or you cannot see it very well. And also, to achieve an impact you need to understand the problem more, and I feel the more we implement, the more we will be capable of knowing how to measure impact."

Communicating success

There is no easy way to bridge the gap between focusing on long-term impact while demonstrating tangible and short-term benefits for stakeholders. However, numerous participants emphasised the important role that communications and external relations play in sustaining an initiative.

• For some participants, the communications strategy involved celebrating achievements and success stories in order to boost the status and visibility of the initiative and its members.

• Others embraced collaborations with knowledge partners such as universities or think tanks.

• Several were developing more elaborate media strategies that could more effectively disseminate the information to the wider public.

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Participants emphasised that a focus on monitoring, documenting and communicating the experiences and lessons learned was crucial but not easy. Participants shared various strategies to assess early indicators of impact. These include more formal baseline, midterm and end review assessments, as well as soliciting feedback from stakeholders on their experiences and assessment of changes in norms or behaviours.

> ❝ Baseline studies were very essential because without them you can't measure your success. Therefore, we conducted a baseline study, and installed a communication strategy as well, for better outreach."

Numerous participants discussed the challenge of developing qualitative and quantitative indicators to capture the impact of CAIs. Does impact absolutely need to translate into decreases in measured perception of corruption?

One participant encouraged a broader perspective: *"When we started there, you were not allowed to even use the word corruption. The moment you would use the word corruption, people walk away. So, you had to talk about transparency, it was okay to talk about transparency. After 3, 4, 5, 6 years of the project, it is now okay, even with the government, the ministers, we can talk about corruption. Now, have they moved up on the [Transparency International Corruption Perceptions Index (CPI)]? Probably not much. Did something change in terms of awareness? In terms of willingness to engage with the issue? Yes. In other words, if you do that more qualitative analysis, you can see that there are changes."*

Looking ahead

The most resounding message from the two workshops is that context is everything. The differing experiences – and in some cases passionately different opinions – of the participants show that Collective Action can be a powerful and flexible tool in the fight against corruption in many different sectors and countries, and that there is no 'one-size-fits all' in Collective Action.

The findings in this report are based on an inductive approach derived from the exchange of experiences and opinions in the two workshops. It provides a source of peer learning in setting up, identifying stakeholders and sustaining Collective Action initiatives. There is a caveat to the limits of peer learning in that whilst there are signposts for good practices the approaches need to be adapted to the particular context.

Looking ahead, areas for further work have been identified as follows.

First, establishing a baseline to assess any future efforts requires developing a better understanding of what anti-corruption Collective Action encompasses nowadays. This would involve further research and analysis of factors that contribute to the outcomes associated with specific initiatives.

While most of the participants were aware of the 2008 World Bank Institute Guide and its definition of Collective Action, they observed that the categories fail to encompass the broad range of Collective Action initiatives that the participants were engaging in. There were debates as to whether one initiative or another truly qualifies as a CAI, without common resolution. Some uncertainty over what constitutes anti-corruption Collective Action, limits the guidance available to those who want to embark on Collective Action as a corruption prevention measure. Conceptualising new models of Collective Action that better reflect the diversity of initiatives that have developed in recent years should therefore be the subject of future research.

Second, the participants recommended that further efforts be made to develop indicators to demonstrate the impact of their efforts. This could be supplemented by developing

more detailed understanding of which types of initiatives in which context can be said to have more impact on corruption prevention or reduction, than others. Bringing a more nuanced approach to defining corruption is also becoming part of getting better at developing valid indicators and measuring impact. We need to be clear on what kinds of corrupt behaviours can be best addressed through Collective Action. Some types of corruption might need different approaches. By better defining corruption therefore, the instruments developed to address different types of problems can be made sharper and so become more effective.

Related to, but distinct from 'impact' is the issue of what constitutes 'success'. The past decade has witnessed a period of pioneering of a wide range of approaches to Collective Action with the Siemens Integrity Initiative playing an important role in providing funding. Without such support such experimentation would not have been possible. That said, a clear message from participants was the need for time to develop an initiative given the importance of mapping and trust building which may not conform to strict timelines. Even CAIs that cease to operate after several years may not appear to have had any 'impact' but before labelling them as 'failures' it may still be possible to extract valuable lessons for future efforts. These observations reflect the need to manage expectations: Eradicating corruption is vitally important but also a very ambitious goal, that will often require considerable time. The phrase 'it's a marathon, not a sprint', is frequently used with reference to combating corruption and the same can be said for Collective Action, it is not a panacea but in many cases it is the first important step on a long journey. It could be argued that just by staying the course to initiate a CAI despite short term setbacks and challenges is in itself a indicator of success.

Third, the participants appreciated the opportunity to engage with their peers and were keen to recommend that such workshops be convened in future to continue the identification of common issues and share ways to tackle hurdles. In this context, it would be particularly helpful to deepen exchange between CAIs that have similar goals but in different contexts, such as working with SMEs, or those that promote toolkits,

Codes of Conduct and the like. The pooling of resources and their suitable adaptation (not simply replicating) appropriate to the context in which they will be deployed was also considered to be a useful next step.

Fourth, greater coherence between Siemens Integrity Initiative partners and the resources available at the B20 Collective Action Hub could be further improved, not only through periodic workshops but by encouraging the active and timely use of the services of the International Centre for Collective Action. This was highlighted by the report by one of the leaders of a project with a broad outreach around that world, that had concluded that a lack of expertise and limited capacity at the local level had held back the impact of some of the local projects.

Annex I: Methodology

The workshops and analysis presented in this report followed a methodology established by the Basel Institute calling upon the combined contributions of the ICCA and the Basel Institute's Public Governance / Governance Research teams. Both workshops featured plenary sessions highlighting various CAI experiences, interspersed with focus group discussions (clinics) aimed at eliciting specific lessons and guidance on setting-up and ensuring sustainability and long-term engagement of such initiatives. The focus group discussions were guided by semi-structured interview questions that provided an anchor to facilitate the discussions. Participants were rotated, providing them an opportunity to provide inputs on all the different topics.

The Aswan workshop broke the participants down into three focus group discussions focusing on the following three themes: (1) setting up a CAI; (2) building multi-stakeholder alliances; and (3) attaining sustainability and long-term engagement. In light of observations from the Aswan workshop and the lower number of participants, the Basel workshop broke down into two focus group discussions addressing (1) setting up a CAI; and (2) attaining sustainability and long-term engagement with issues of stakeholder engagement featuring in semi-structured questions that provided an anchor to facilitate the discussions.

Participants were rotated in the different group discussions, thereby providing an opportunity to elicit their inputs on all the different topics. These discussions took place under Chatham House rules, which meant that the participants could speak freely about their experiences and only anonymised inputs thereof are reflected in this report.

Anecdotal evidence is brought in by relying on the rich examples emanating from the open plenary sessions and highlight more practical examples of their application. All the inputs emanating from the plenary sessions and the focus group discussions were recorded, transcribed and thereafter analysed using a grounded theory methodology that comprised the coding and categorisation of data which facilitated the emergence of patterns associated with successful Collective Action initiatives.[1] The conceptual approach and steps taken in regards to the coding is visualised in figure 1.

Focus Group Discussion Questions used in Aswan

The conference on "Collective Action to Counter Corruption and Foster Integrity took place in Aswan, Egypt from 7 to 8 February 2018.

Focus Group Discussion 1:
Guiding questions to participants on setting up a collective action

1. Why did you set up a CA? And what do/did you want it to achieve? What was the motivation to get it started?
2. Who were the key actors involved in the launch of your collective action initiative?
3. Did your CAI use a facilitator? If yes, how did you choose the facilitator for your CAI? If no facilitator involved why not?
4. What were the key stages in launching the CAI and most significant hurdles encountered in each?
5. Is the timing of the CAI launch relevant?
6. Can you share experiences about who have been external allies or (conversely) critics in the process of launching a CAI?
7. How do we summarise the main lessons learned about setting up a CAI?

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1   Grounded theory can be defined as "the discovery of theory from data systematically obtained from social research" (Glaser and Strauss 1967: 2). Glaser, B.G. & A.L. Strauss (1967) *The discovery of grounded theory: Strategies for qualitative research*. New York: Aldine de Gruyter.
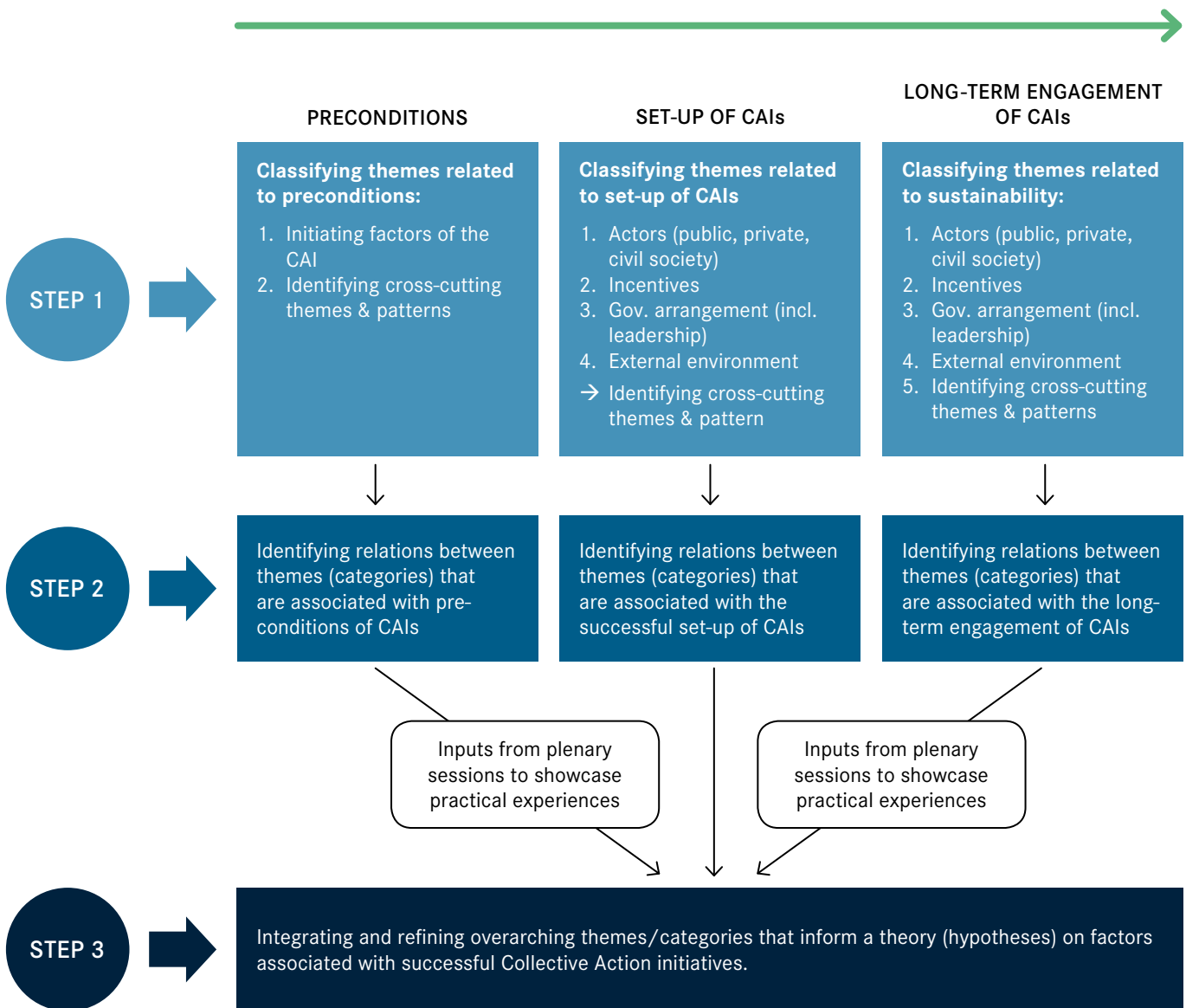
	PRECONDITIONS	SET-UP OF CAIs	LONG-TERM ENGAGEMENT OF CAIs
STEP 1	**Classifying themes related to preconditions:** 1. Initiating factors of the CAI 2. Identifying cross-cutting themes & patterns	**Classifying themes related to set-up of CAIs** 1. Actors (public, private, civil society) 2. Incentives 3. Gov. arrangement (incl. leadership) 4. External environment → Identifying cross-cutting themes & pattern	**Classifying themes related to sustainability:** 1. Actors (public, private, civil society) 2. Incentives 3. Gov. arrangement (incl. leadership) 4. External environment 5. Identifying cross-cutting themes & patterns
STEP 2	Identifying relations between themes (categories) that are associated with pre-conditions of CAIs	Identifying relations between themes (categories) that are associated with the successful set-up of CAIs	Identifying relations between themes (categories) that are associated with the long-term engagement of CAIs

Inputs from plenary sessions to showcase practical experiences

Inputs from plenary sessions to showcase practical experiences

STEP 3 Integrating and refining overarching themes/categories that inform a theory (hypotheses) on factors associated with successful Collective Action initiatives.

Figure 3 The conceptual approach and methodology steps

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Focus Group Discussion Questions used in Basel

The International Centre for Collective Action at the Basel Institute on Governance convened the second Siemens Integrity Partner Collective Action Peer Learning Workshop in Basel, Switzerland from 26 to 27 April 2018.

Focus Group Discussion 1:
Guiding questions to participants on setting up a Collective Action Initiative

1. Why did you set up a CAI? And what do/did you want it to achieve? What was the motivation to get it started?
2. How did you go about identifying the stakeholders you wanted to include in your CAI? Who were the key actors involved in the launch of your CAI?
3. What incentivizes the public sector, civil society and business to join the shared objectives of a CAI?
4. Does your CAI use a facilitator? If yes, how did you choose the facilitator for your CAI? If no facilitator involved why not?
5. What were the key stages in launching the CAI and the most significant hurdles encountered in each? Is the timing of the CAI launch relevant?
6. What are the circumstances, or goals, for which outreach and engagement with the public sector is critical for the launch of a CAI?
7. From your own initiative's perspective, what are the main challenges encountered when attempting to reach out to other state and non-state actors in support of a CAI?
8. Can you share experiences about who have been external allies or (conversely) critics in the process of launching a CAI?
9. Can you share the most important lesson you have learned about setting up a CAI?

Focus Group Discussion 2:
Guiding questions to participants on building multi-stakeholder alliances

1. How did you go about identifying the stakeholders you wanted to include in your CAI?
2. For CAIs that want to grow their private sector membership, what have the challenges been that you faced when doing so? Has your CAI developed any successful strategies for encouraging additional private sector membership?
3. What are the circumstances, or goals, for which outreach and engagement with the public sector is critical for a CAI?
4. What incentivizes the public sector, civil society and business to join the shared objectives of a CAI?
5. From the private sector perspective, what are the main challenges encountered when attempting to reach out to other state and non-state actors in support of a CAI?
6. How do we summarise the main lessons learned about engaging a multi-stakeholder alliance?

Focus Group Discussion 3:
Guiding questions to participants on creating sustainability and long-term engagement

1. Sustainability of a CAI depends on its ability to produce results. What are examples of tangible benefits from a CAI help keep participants engaged and motivated?
2. What are the main challenges (internal and external) to the sustainability and long-term success of anti-corruption CAIs in the MENA / Africa region?
3. Do you think the way you have set up the CA will ensure it is sustainable? If not why not? What's wrong or missing?
4. Does leadership of the CAI affect its sustainability?
5. What is the role of key actors external to the CAI in promoting sustainability?
6. How do we summarise the main lessons learned about promoting the sustainability of CAIs?

Focus Group Discussion 2:
Guiding questions to participants on creating sustainability and long-term engagement

1. Sustainability of a CAI depends on its ability to produce results. What are examples of tangible benefits from a CAI that help keep participants engaged and motivated?
2. What are the main challenges (internal and external) to the sustainability and long-term success of anti-corruption CAIs?
3. What are the circumstances, or goals, for which outreach and engagement with the *public sector* is critical for the sustainability of a CAI?
4. For CAIs that want to grow their *private sector membership*, what have the challenges been that you faced when doing so? Has your CAI developed any successful strategies for encouraging additional private sector membership?
5. From your own initiative's perspective, what are the main challenges encountered when attempting to reach out to other state and non-state actors in building support of a CAI?
6. What incentivizes the public sector, civil society and business to remain committed to the shared objectives of a CAI?
7. Do you think the way you have set up the CA will ensure it is sustainable? If not why not? What's wrong or missing? Does leadership of the CAI affect its sustainability?
8. What is the role of key actors external to the CAI in promoting sustainability?

Can you share the most important lesson you have learned about promoting the sustainability of CAIs?

Annex II:
List of participants

Aswan, Egypt

This workshop convened 27 representatives of 21 organisations (excluding the Egyptian Business Association and Basel Institute on Governance), 13 of which have been Siemens Integrity Initiative Partners in either the First Funding Round, Second Funding Round, or both; nine other organisations interested and/or in Collective Action and one government representative. Regarding the geographic representation of participants at this workshop, 11 initiatives were based in the MENA region, six in sub-Saharan Africa, and five in Europe, and one headquartered in the United States but acting with a global reach. The Egyptian Junior Business Association has compiled a report on the Regional Workshop held in Aswan which is due to be published in 2018.

List of participants and organizations:

1. Basel Institute on Governance, Switzerland
2. Care International in Egypt, Egypt
3. Cairo University, Egypt
4. Center for International Private Enterprise, Egypt
5. Construction Sector Transparency Initiative (CoST) Ethiopia, Ethiopia
6. Construction Sector Transparency Initiative (CoST) Malawi, Malawi
7. Convention on Business Integrity, Nigeria
8. Ethics and Reputation Society of Turkey (TEID), Turkey
9. The Ethics Institute (TEI), South Africa
10. Independent Consultant, Tunisia
11. Ghana Anti-Corruption Coalition, Ghana
12. HUMBOLDT-VIADRINA Governance Platform / Fisheries Transparency Initiative (FiTI), Germany
13. Integrity Network Initiative / Egyptian Junior Business Association, Egypt
14. International Anti-Corruption Academy (IACA), Austria
15. Ministry of Planning, Monitoring, and Administrative Reform, Egypt
16. Organisational Development Support (ODS), Belgium
17. Pearl Initiative, United Arab Emirates
18. PwC Egypt, Egypt
19. Safaah Foundation, Saudi Arabia
20. Transparency International Italy
21. Transparency International Ukraine
22. United Nations Development Programme, Anti-Corruption and Integrity in the Arab Countries, Lebanon
23. United Nations Global Compact, USA
24. United Nations Office on Drugs and Crime Middle East & North Africa, Egypt

Basel, Switzerland

The geographic representation was more widely spread than the Aswan meeting, with four initiative representatives from Asia, four from Europe, and one representative each from MENA, sub-Saharan Africa, and Latin America.

List of participating organizations:

1. Beijing New Century Academy on Transnational Corporations (NATC), China
2. Clear Wave, Lithuania
3. Confederation of Indian Industry
4. Maritime Anti-Corruption Network
5. OECD: Morocco Project
6. OECD: Russia Project
7. Transparency International: Business Integrity Program
8. Transparency International: Safeguarding EU Funds in Europe Project
9. Transparency International: Spain
10. UN Global Compact Network: India
11. UN Global Compact Network: Japan
12. UN Global Compact Network: South Korea
13. UNODC: Colombia
14. Vienna University of Economics and Business, Austria

Basel Institute on Governance

The Basel Institute on Governance is an independent non-profit competence centre specialised in corruption prevention, public and global governance, corporate governance and compliance, anti-money laundering, criminal law enforcement and the recovery of stolen assets.

The Institute's multidisciplinary and international team works around the world with public and private organisations towards its mission of tangibly improving the quality of governance globally in line with relevant international standards and good practices.

International Centre for Collective Action

Building on more than 20 years of experience in anti-corruption and anti-money laundering standard setting, and on more than a decade of practical work in compliance and Collective Action, the Basel Institute has established the International Center for Collective Action (ICCA). The purpose of the ICCA is to assist companies and other concerned stakeholders in enhancing their ability to prevent corruption, with a particular focus on bribery solicitation.

Building on its network of intellectual partners, which include business organizations, international standard setters and influential non-state actors as members, the ICCA serves as a knowledge hub for information about worldwide Collective Action initiatives and research. Regular fora for policy dialogue as well as a web-based information platform enables members and interested parties to exchange information. The ICCA also acts as center of competence by conducting interdisciplinary and applied research on the functioning and impact of Collective Action. Finally, the ICCA's representatives and partners make their experience available for launching new and advancing existing Collective Action initiatives around the world.

Working papers

In this working paper series the Basel Institute on Governance publishes reports by staff members and invited international experts, covering critical issues of governance theory and practice. For a list of publications, please visit www.basel-governance.org.