

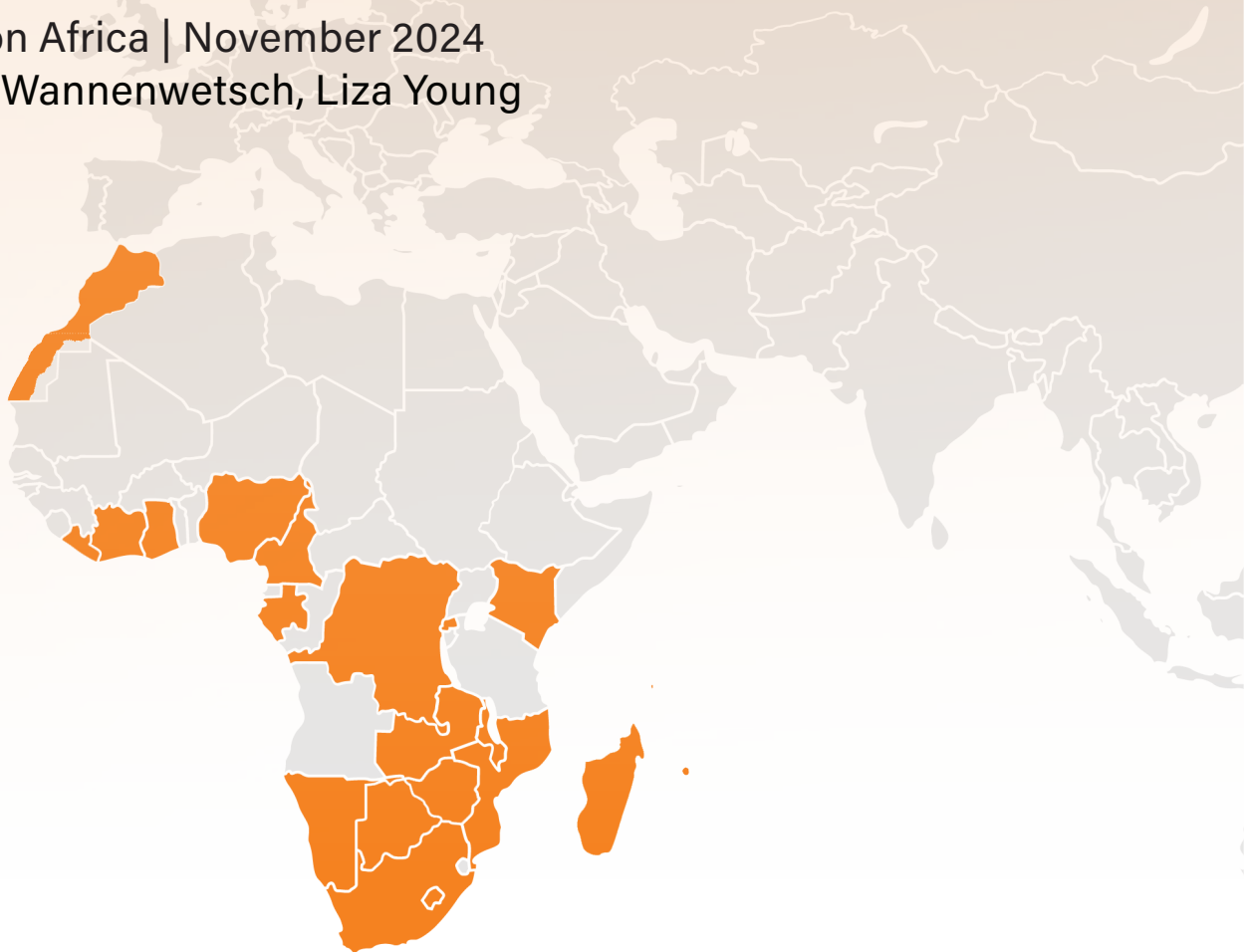



A practical guide for national anti-corruption agencies

Engaging the private sector in Collective Action against corruption

EDITION 2

Focus on Africa | November 2024
Scarlet Wannewetsch, Liza Young



 Examples of governments engaging the private sector in Collective Action described in this guide.

Can you help fill in the map with examples from your country or anti-corruption agency?

Table of contents

About this guidance	3
Why is it important for governments to engage with the private sector?	5
What is anti-corruption Collective Action?	6
How can anti-corruption agencies engage with the private sector?	8
1 Raise awareness, guide and work with the private sector to more effectively address corruption risks	8
1.1 Raising awareness and building capacity in the private sector	8
1.2 Setting up sustained engagement platforms with the private sector	10
1.3 Developing National Anti-Corruption Strategies	13
2 Support and incentivise the private sector to engage in corruption prevention activities and initiatives	15
2.1 Integrity Awards	16
2.2 Supporting compliance certification initiatives	17
2.3 Connecting access to credit and investments with anti-corruption compliance	18
3 Demonstrate leadership by becoming an active participant in Collective Action	18
3.1 Integrity Pacts	20
3.2 High Level Reporting Mechanism (HLRM)	20

About this guidance

The African Union's Agenda 2063 The Africa We Want seeks to develop the African private sector through engagement and a conducive climate. To this end, the African Continental Free Trade Area (AfCFTA) – which notably aims to strengthen the capacities of African companies to access and supply world markets – offers a significant opportunity to translate vision into action and stimulate economic growth. However, corruption remains a challenge that could undermine the continent's economic potential.

Companies large and small play an important role in preventing and reducing corruption in the markets where they operate. Involving the private sector in the promotion of ethical business practices is therefore crucial to promote a culture of integrity and ensure sustainable economic development.

Anti-corruption agencies also play an essential role in incentivising, raising awareness and supporting companies to engage in multi-stakeholder activities to more proactively address corruption and bring common strategic goals to life. Africa offers many examples of innovative, unique and context-sensitive ways in which governments engage the private sector in anti-corruption efforts and foster business integrity.

Aim

This updated practical guide (first edition published in May 2023) captures and explores the innovative approaches that African governments have adopted to address corruption more effectively and sustainably, with up-to-date best practices. Presented at the Basel Institute's regional Collective Action Forum in South Africa in May 2023, the guide is a living document, continuously capturing and reflecting evolving best practices across the continent. Since May 2023, the Basel Institute has gathered insights from regional forums and incorporated these developments into an updated guide.

Moreover, this practical guide seeks to contribute to the larger reflection around “a prosperous Africa based on inclusive growth and sustainable development”, and to play a part in defining the business ethics agenda for Africa. It is part of efforts to reshape the narrative around corruption in Africa. It seeks to confront widespread stereotypes, highlight the continent's efforts and encourage a more optimistic view of Africa's potential for sustainable development.

By shifting the focus from challenges to solutions, this guide aims to inspire governments and other anti-corruption practitioners from Africa and beyond to drive sustainable change. Ultimately, the updated guide will help to translate best practices into more inclusive and effective anti-corruption policies.

This is a living document which will be amended regularly to include new examples of good practices as they become available to continue the discussion around government and private-sector engagement on issues of corruption. If you are interested in finding out more about existing initiatives and approaches, or would like to propose additional examples to be included in the guidance, please contact scarlet.wannenwetsch@baselgovernance.org or liza.young@baselgovernance.org.

Acknowledgements and sharing

This document is freely shareable under a Creative Commons AttributionNonCommercial-NoDerivatives 4.0 International License (CC BY-NC-ND 4.0). Please ensure you have the latest version by checking the [Publications database of the B20 Collective Action Hub](#) and/or contacting us at the above details. Please credit the Basel Institute on Governance. We would appreciate being informed of any republishing or distribution of these guidelines.

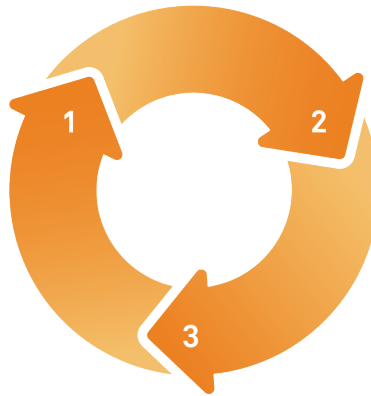
The Basel Institute's participation in developing these guidelines is funded by the Siemens Integrity Initiative.

The Siemens logo, consisting of the word "SIEMENS" in a bold, teal, sans-serif font.

Three ways governments are engaging with the private sector to prevent corruption

1 Raise awareness, guide and work with the private sector to more effectively address corruption risks

- Raise awareness and build capacity in the private sector
- Set up events and sustained engagement platforms focusing on the private sector
- Engage the private sector in developing national anti-corruption strategies



2 Support and incentivise the private sector to engage in corruption prevention activities and initiatives

- Praise and encourage compliant companies that demonstrate high standards of integrity
- Create and develop tangible business benefits for companies investing in compliance
- Support and acknowledge compliance certification initiatives

3 Demonstrate leadership by becoming an active participant in Collective Action

- Develop and implement integrity tools to address corruption in high-risk sectors
- Become an active member and take a leadership role in Collective Action initiatives
- Foster compliance in state-owned enterprises by engaging in Collective Action and partnering with the private sector

Why is it important for governments to engage with the private sector?

The private sector helps to create jobs and prosperity, drives technical innovation and fosters entrepreneurship. Companies large and small therefore play an important role to prevent and reduce corruption in the markets where they operate. So involving the private sector in the promotion of ethical business practices is crucial to promote a culture of integrity and ensure a level playing field between competitors.

In the African context, corruption often impedes the development of crucial sectors, such as health, infrastructure and energy. For the latter, the green energy transition in North Africa is demonstrating great economic potential, having attracted USD 17.5 billion between 2010 and 2020. In addition, solar photovoltaic deployments in Africa are expected to grow by more than 3,000 percent between 2018 and 2040. Addressing systemic corruption issues is therefore crucial to safeguard public funds and ensure that investments contribute to sustainable economies that benefit the people through quality public services.

Another growing opportunity which has been raised multiple times in international settings is the need to leverage the potential of the entrepreneurs of tomorrow to lead with integrity. With young people making up to 50 percent of Africa's two billion working-age population by 2063, the need to support young entrepreneurs to resist corruption has been raised as a priority. Far too often young entrepreneurs lack the resources to resist corruption, which in turn negatively impacts the economy.

In response to those challenges, anti-corruption agencies can play an essential part in incentivising, sensitising and supporting companies – large and small – to engage in multi-stakeholder activities to more proactively address corruption and work with other stakeholders to bring common strategic goals to life. Additionally, governments can foster a culture of transparency by strengthening legal frameworks for whistleblower protection, an important tool in the fight against corruption.

What is anti-corruption Collective Action?

Collective Action brings companies from the same sector or different industry sectors together with other parties, such as government and/or civil society, to:

- **tackle** shared problems of corruption;
- **raise** standards of business integrity; and/or
- **level** the playing field between competitors.

Anti-corruption Collective Action involves collaboration, cooperation and a willingness to tackle a common corruption risk. Trust and a commitment to work together also characterise Collective Action. The approach can take many forms and uses a variety of tools.

This document highlights good practices identified through interviews, desk research and takeaways from Africa-based events, such as the 2021 Southern

African Development Community (SADC) training on “Emerging anti-corruption issues and private-sector engagement for SADC anti-corruption agencies”, the Basel Institute’s Southern Africa Anti-Corruption Collective Action Forum, held in South Africa in May 2023, the MENA-OECD Business Integrity Network (MOBIN) Forum held in Morocco in July 2024, and public consultations. Examples mentioned in this practical guide demonstrate how African governments, from all regions, proactively seek to tackle corruption and collaborate with the private sector.

By supporting and engaging with the private sector, governments can demonstrate a proactive approach to addressing bribery. Across the globe, Collective Action initiatives have catalysed changes to laws, reduced red tape and changed operating practices by both government agencies and companies. By working together, governments, civil society and the private sector can promote a culture of integrity, build trust in the markets, and ensure that trade and investment activities are conducted fairly and transparently. This can stabilise local markets, strengthen competition and attract foreign investment. Initiatives have also helped to shape the development of international regulatory standards in particular industry sectors, such as infrastructure, extractives and transports.

This document is a follow-up of a [practical global guide](#) published in May 2023.

For more comprehensive information about Collective Action, including a database of initiatives around the world, see the B20 Collective Action Hub at www.collective-action.com. This global go-to centre for anti-corruption Collective Action is developed and maintained by the Basel Institute on Governance. It includes a free [helpdesk](#) service for specific questions on anti-corruption Collective Action.

If you are interested in learning more about how your Agency can engage with the private sector, or take part in a Collective Action, the Basel Institute provides hands-on tailored technical support, including virtual and in-person training. Contact us at scarlet.wannenwetsch@baselgovernance.org or liza.young@baselgovernance.org.

How can anti-corruption agencies engage with the private sector?

1. Raise awareness, guide and work with the private sector to more effectively address corruption risks

Anti-corruption agencies play a vital role in guiding the private sector in the application of anti-corruption rules and regulations. Transparent and open communication helps manage expectations on both sides and enables the private sector to translate these requirements effectively into internal policies and procedures.

Being responsive to the needs of companies and tailoring the support accordingly is an important next step to capacitate companies on their journey to build and implement resilient anti-corruption compliance programmes. This can be achieved by developing and delivering tailored training and guidance based on the areas of interest and risk identified together with the private sector.

Once the tailored training and tools are in place, agencies are well positioned to work towards evolving these training engagements into long-standing engagement platforms, offering opportunities for discussion and facilitating dialogue between private and public entities.

1.1 Raising awareness and building capacity in the private sector

One effective way to improve the private sector's implementation of integrity standards is by building capacity and raising awareness of national, international and regional anti-corruption regulations. Written guidance documents such as codes of conduct – preferably co-developed – can offer practical support and can easily be adapted to cover specific risks and sectors depending on the context and anti-corruption environment.

Risk-focused trainings and guidance

Effective risk-focused trainings and guidance are essential components of the fight against corruption. By providing targeted guidance on specific high-risk areas, companies can better understand and address corruption risks.

Zambia's Public Procurement Authority (ZPPA), for example, offers workshops for companies to better address corruption risks associated with public tenders and procurement processes. The ZPPA is working on translating the outcomes of these trainings into a Business Integrity Toolkit (BIPT) to enhance transparency and integrity in public procurement and complement training. In 2023, the ZPPA has also intensified training of suppliers and contractors (3,895 in total) on

the electronic government procurement (e-GP) system. The government is implementing various e-government reforms aimed at lessening opportunities for corruption at promoting transparency, and accountability in public service delivery.

Similarly, Malawi's National Construction Industry Policy helps guide companies to strengthen their corporate governance systems as a way to promote integrity in procurement and address corruption in the private sector.

Sector-specific trainings and guidance

Sector-specific trainings can be an effective way to bring new industries into the anti-corruption conversation. An example of such an approach is the sectoral workshop organised by the Gabonese Ministry on Good Governance and Fight Against Corruption in May 2021. This workshop was specifically targeted at the National Order of Chartered Accountants and focused on the existing anti-corruption mechanisms in Gabon.

As part of a partnership between the Moroccan National Authority for Probity, Prevention and Fight Against Corruption and financial sector regulators, Morocco developed a guide for financial sector authorities to implement their anti-corruption compliance programme. The launch of this Guide followed a series of capacity building activities for the financial sector.

→ Good practice

Setting up training activities and awareness raising events tailored to the private sector – be it general, sectoral or thematic – allows companies to better understand national, regional and international anti-corruption compliance standards and guidelines, and be more able to adapt to and implement them. Applying a two-pronged approach also allows public authorities to better understand the private sector's views on corruption, which is essential to fighting corruption efficiently and holistically.

Providing tailored guidance for the private sector enables companies to better adapt and comply with national, regional and international anti-corruption regulations and standards. It also strengthens and facilitates ownership of the anti-corruption compliance programmes that companies implement.

1.2 Setting up sustained engagement platforms with the private sector

Setting up sustained dialogue platforms provides an opportunity for the public and the private sector to come together to find common language and ideas to fight corruption – the foundation of any successful Collective Action or multi-stakeholder initiative.

Examples of public-private engagement platforms

Convening engagement platforms that bring together the public and the private sectors is a great way to start a first cross-cutting dialogue on all manners anti-corruption and build synergies. Providing a stage and letting the private sector co-lead the discussions can greatly encourage ownership of the platform and foster trust.

In 2013, the Independent Commission Against Corruption (ICAC) of Mauritius set up a Public-Private Platform Against Corruption which aims to foster interaction between the public and the private sectors. Business Mauritius, an association of over 1200 local businesses, is the co-chair. The Platform comprises a subcommittee on Business Integrity which offers tailored trainings and specific guidance to the private sector. Various recommendations made by the Platform have been implemented in the public sector and in private-sector organisations, and have contributed to consolidating the overall national anti-corruption landscape.



Collective Action in customs is yielding dividends in Ghana

The Ghana Revenue Authority (GRA) is engaging in Collective Action through a World Customs Organization programme. The Anti-Corruption and Integrity Programme aims to restrict corrupt behaviour and promote good governance in customs operations and administration in Ghana and seven other countries, including Mauritius, Rwanda and South Africa. Stakeholders include key representatives from the public sector, the private sector, civil society organisations and academia.

According to GRA, engaging in Collective Action has contributed to increasing revenue generation, enhanced the image of the Authority, led to a reduction in the perception of corruption and increased voluntary compliance. Read more [here](#).

Sector-specific engagement platforms

Adding a sector-specific dimension to the discussions can increase their impact.

In South Africa, the Special Investigating Unit facilitated the establishment of the Health Sector Anti-Corruption Forum and the Infrastructure Build Anti-Corruption Forum. These multi-stakeholder fora comprise law enforcement institutions, civil society organisations, industry regulators and the representatives of the relevant business sector. They serve as platforms where allegations pertaining to the two sectors are reported, assessed and then allocated to the party best suited to investigate. Each forum reviews performance reports at each quarterly meeting to monitor the progress of the investigations.



Collective Action in the health sector: inspiration from Kenya and Côte d'Ivoire

Consensus Frameworks for Ethical Collaboration are voluntary platforms for sustainable, multi-stakeholder engagement that bring together diverse health sector participants around shared principles and work plans to foster trust and collaboration across health-related sectors. Acting as convening tables, Consensus Frameworks enable observers and signatories – often patient, healthcare professional, hospital and industry associations, alongside civil society – to collaboratively develop and uphold ethical practices through shared commitments, good governance and mutual support.

The Consensus Frameworks in Kenya and Côte d'Ivoire exemplify this Collective Action in the African context, with government support playing a critical role in advancing ethical collaboration and anti-corruption efforts.

Launched in October 2022, Kenya's Consensus Framework – supported by public bodies like the Pharmacy and Poisons Board as formal observers – was the first of its kind on the continent, establishing a foundational model that aligns with national regulatory goals. Following Kenya's lead, Côte d'Ivoire launched its framework in October 2023, with the Ivorian Pharmaceutical Regulatory Authority (AIRP) and the National Ethics Committee on Life Sciences and Health (CNESVS) joining as active signatories.

These partnerships showcase the transformative power of Collective Action. They allow each participant to both contribute to and gain from collaborative solutions to complex ethical challenges, such as combating counterfeit medicines and integrating regional

pharmaceutical policies. Positioned as models for ethical governance, the Consensus Frameworks of Kenya and Côte d'Ivoire have inspired other African nations, including South Africa and Ghana, to consider similar frameworks. By laying these ethical foundations now, Consensus Frameworks are preparing African health systems for a future of increased transparency, societal trust and patient-centred care.

Regional engagement platforms

National anti-corruption agencies can also endorse and or take part in international and/or pan-African Collective Action engagement platforms, such as the Business Action Against Corruption (BAAC).

The BAAC model seeks to find common ground between the interests of businesses, civil society and government, with the aim of building co-operative strategies to reduce corruption. So far, the BAAC has been endorsed by Botswana, Cameroon, DRC, Ghana, Lesotho, Malawi, Nigeria, South Africa, Tanzania and Zambia. In Lesotho, the BAAC draws its membership strictly from the business community.

→ Good practice

Facilitating public-private dialogue through multi-stakeholder engagement platforms lays the foundation for the collaborative development of tools and standards to promote business integrity and supports companies in implementing their anti-corruption compliance systems.

It also allows government institutions to identify existing gaps, prioritise activities and establish collaborative approaches to better address the risks identified in specific sectors, such as health and construction.

Lastly, it helps to develop a more sustained, mutually beneficial and future-looking dialogue with the private sector.

❖ Success story from Kenya

Fifteen representatives of key business sectors regularly come together to develop and implement common action plans in Kenya through the Kenya Leadership and Integrity Forum (KLIF).

The KLIF is coordinated by the Kenya Ethics and Anti-Corruption Commission (EACC) and provides a framework through which private and public sector actors tackle corruption collectively. All those implementing the Kenya Integrity Plan develop annual action plans and reports to assess their performance and measure their anti-corruption activities' impact

The Forum was very vocal in advocating for the passing of the [Bribery Act of 2017](#), which recognises the responsibility of companies with regard to bribery and requires private entities to have in place procedures for the prevention of bribery. The Bribery Act also confers on the EACC the mandate to assist private entities to develop and put in place procedures to prevent bribery.



1.3 Developing National Anti-Corruption Strategies

Providing structured private-sector input in the development and implementation of National Anti-Corruption Strategies

Providing the possibility for structured private-sector input in the development and implementation of a National Anti-Corruption Strategy can be set up in different ways.

On the one hand, governments can and should consult the private sector to collect input and expectations regarding national anti-corruption efforts. By means of illustration, while developing its National Anti-Corruption Strategy in 2024, the Madagascar Integrity Safeguarding Committee (CSI) held consultations with representatives from the private sector (business entities and umbrella bodies) to discuss corruption risks and how the strategy can include the private sector's recommendations. The session allowed for the presentation of Collective Action as an international best practice that should be included in the strategy.

To ensure an impactful process overall, governments should also consider giving the private sector a clear and prominent role in the implementation phase

of the National Anti-Corruption Strategy as well. For instance, the Moroccan Anti-Corruption National Strategy recognises the General Confederation of Moroccan Enterprises as the Coordinator of its “business integrity” pillar. It is the only non-governmental entity to be charged with the coordination and implementation of a standalone pillar.

→ **Good practice**

Setting up structured mechanisms for the private sector to play a proactive role in the development of the National Anti-Corruption Strategy brings more buy-in from private companies. It also allows for greater public-private collaboration and dialogue. Having the private sector as an implementing partner also fosters ownership of the strategy.

Promoting and establishing Collective Action as the standard engagement tool under the National Anti-Corruption Strategies

Integrating private-sector Collective Action activities within strategic and standard-setting documents such as National Anti-Corruption Strategies can foster a sense of shared responsibility and encourage collaboration amongst stakeholders. Cameroon, Namibia, Malawi and South Africa have all included Collective Action in their strategies as a standard engagement tool to fight corruption more effectively.

South Africa, for example, is taking a risk-based sectoral approach to Collective Action in its strategy. The strategy proposes that businesses join forces with industry peers and other stakeholders to scale up anti-corruption efforts in high-risk sectors, such as infrastructure and risks in state-owned entities. The strategy also establishes cross-sectoral Integrity Pacts as a means to enhance business integrity in large procurement contracts. Read more on Integrity Pacts in Section 3.1.

Malawi’s Anti-Corruption Bureau (ACB) also identifies Collective Action activities as a way to achieve sustainable and strategic engagement of the private sector in the fight against corruption. While Malawi’s first National Anti-Corruption Strategy focused on the role of the government, the revised strategy in 2019 includes Collective Action as the tool of engagement. It also establishes the development of Collective Action initiatives with a specific and visible role for the ACB, such as Integrity Pacts and the High Level Reporting Mechanism. Read more on the High Level Reporting Mechanism in Section 3.2.

→ **Good practice**

In order to actively and effectively promote Collective Action as a norm, it is important to identify concrete Collective Action tools and approaches that can help implement key commitments of National Anti-Corruption Strategies. This should also include government-led tools such as the High Level Reporting Mechanism and Integrity Pacts to demonstrate the government's commitment to work and collaborate with the private sector.

An essential part of trust building and developing common anti-corruption initiatives is to identify the ground rules for working together. Collective Action offers a flexible framework which focuses on the private sector within a multi-stakeholder approach. Having one engagement format – Collective Action – can help to manage all stakeholders' expectations. It can also secure sustainable buy-in that extends beyond one initiative, and even one National Anti-Corruption Strategy cycle.

2. Support and incentivise the private sector to engage in corruption prevention activities and initiatives

Anti-corruption agencies should actively incentivise and motivate the private sector to engage in or to develop innovative corruption prevention initiatives. This involves shifting the focus from penalties for non-compliance to incentives for companies that are investing in their anti-corruption compliance.


This section highlights the importance of including a “name and praise” approach in a corruption prevention strategy to promote positive role models in the private sector and incentivise engagement in business integrity initiatives.

Renewable energy and the just transition

Africa’s renewable energy potential offers many opportunities for its economies. However, to fully realise this potential, it is essential to protect green transition investments from being diverted through corruption.

Setting up dialogue platforms with renewable energy practitioners (public and private sectors, civil society) to discuss and identify the risks would help ensure a just transition which benefits both citizens and the planet.

Experience shows that companies are more likely to adopt improved practices when there are clear incentives for them to do so. Governments can play an important role in this regard by supporting companies to invest in their anti-corruption compliance programmes.

Have a read : Working Paper 53: [Good governance and the just transition: Implications for renewable energy companies.](#)

2.1 Integrity Awards

Inspiration from Côte d'Ivoire

In 2021, the Ivorian Ministry for the Promotion of Good Governance, Capacity Building and Anti-Corruption launched the Anti-Corruption and Good Governance Awards. The awards recognise people or legal entities who have distinguished themselves through an action that has greatly contributed to the promotion of good governance and to the fight against corruption. These two new awards are part of the wider Excellency Awards campaign launched by the Ivorian President in 2013.

The award is now administered by the High Authority for Good Governance.

→ Good practice:

Praising and encouraging compliant companies can inspire other companies within the same sector to better implement and communicate about their compliance programmes. By publicly valuing “anti-corruption champions”, anti-corruption agencies can shed light on companies that demonstrate high standards and inspire other companies to reach the same standard.

2.2 Supporting compliance certification initiatives

There are a number of examples of country- and sector-specific Collective Action initiatives that have developed a tailored compliance certification for businesses. Companies that sign up are typically trained and audited as part of the certification process on the compliance standards that have been developed through a collaborative approach.

For example, Nigeria's Corporate Governance Rating System (CGRS), a joint initiative between the Nigeria Stock Exchange and the Convention on Business Integrity in Nigeria, lists directors that have passed the CGRS Fiduciary Awareness Certification Test on an “honour roll” on its website. The Securities and Exchange Commission of Nigeria later made it compulsory for all companies

listing on the premium board to get a CGRS certification. This helped to drive demand for companies to sign up to this initiative.

→ **Good practice**

Encouraging certification Collective Action initiatives is an efficient way to incentivise private companies to uphold and implement anti-corruption national, regional or international regulations. It can also add to the pressure on those missing from the list.

Certification models can help governments incentivise companies to comply with anti-corruption standards and regulations.

Scorecard certification shows clear results

In 2021, Mauritius launched a certification model using a scorecard for listed companies which comply with the Code of Corporate Governance (CCG). The aim of this scorecard is to reinforce the Code and provide clarity on how to implement it. It is also a way to get discussions going on internal corporate governance practices at the board level.

In 2024, 27 entities had tried out the scorecard mechanism on a voluntary basis. The same year, progress was noted in CCG implementation, with a weighted average score of 67.5 percent, up from 54 percent in 2021.

2.3 Connecting access to credit and investments with anti-corruption compliance

Offering incentives to private companies that are demonstrating their commitment to addressing their corruption risks can be an effective way to start changing the culture business integrity.

Morocco, for example, is looking into providing financial incentives for companies that comply with anti-corruption regulations, such as favourable rates and bonus points to access public contracts.

Ghana is also looking into providing incentives for the private sector that enforce anti-corruption provisions through tax benefits and an award for companies

with high levels of integrity. As of March 2017, the Ghana Revenue Authority has been providing private entities with financial incentives as part of its Informant Reward Scheme for blowing the whistle on corruption cases. If the Authority recovers tax revenues through an alert, a percentage of the recovered money is given to the whistleblower (person or private entity), depending on the amount. In 2021, this scheme exceeded the expected results, with USD 3.2 billion of recovered taxes, exceeding the target of USD 3.1 billion.

→ **Good practice:**

Speaking the same language and offering tangible business benefits is key to fighting corruption. Incentives to join an anti-corruption Collective Action initiative might not be the same from all stakeholders. When it comes to the private sector, demonstrating positive outcomes such as widening access to business opportunities and attracting foreign customers and investors (through a CGRS model, for example) is considered good practice.

3. Demonstrate leadership by becoming an active participant in Collective Action

Governments can and should demonstrate leadership in the pursuit of a more inclusive approach to fighting corruption. Becoming an active member of a multistakeholder initiative demonstrates commitment and can spark momentum within the private sector to engage in Collective Action.

Engagement is particularly vital and impactful in areas where interaction between governments and the private sectors is inevitable, such as processes in public procurement, licensing and cross-border trade.

This section follows up on Section 1 and outlines success stories of governments taking on a leading role in Collective Action initiatives, even beyond what it mentioned in their National Anti-Corruption Strategies.

Extractive industries and beneficial ownership

The anonymity of companies remains a major obstacle in the fight against corruption. Accurate and up-to-date beneficial ownership information is essential to support the Sustainable Development Goals and the African Union Agenda 2063 by improving revenue governance.

In 2023, the African Development Bank and the UK's Foreign, Commonwealth and Development Office launched the [African Beneficial Ownership Transparency Network](#) (AfBOTN) to drive transparency reforms across Africa. So far, 37 African countries have committed to improving beneficial ownership transparency. Eight countries (Ghana, Kenya, Zambia, Nigeria, Botswana, Mauritius, Zimbabwe, and Seychelles) have established central registers covering their entire economies.

Extractive industries transparency initiative

The [Extractive Industries Transparency Initiative](#) (EITI) aims to set a global standard for companies to publish what they pay and for governments to disclose what they receive. It strengthens corporate governance by enhancing transparency and accountability in the extractive sector, while ensuring that civil society has access to reliable information about the industry.

More than half of participating countries are located in Africa.

Opening extractives

The EITI and Open Ownership have joined forces to develop Opening Extractives, a global initiative focused on increasing ownership transparency in the extractive sector to combat corruption. This Collective Action aims to improve the availability and use of beneficial ownership data, by supporting participating countries to reform beneficial ownership disclosure in the extractive sector.

Five of its members (out of 11) are located in Africa.

3.1 Integrity Pacts

Integrity Pacts are a flexible tool that can help make public procurement more transparent and fairer and reduce the risk of corruption. An Integrity Pact is usually an agreement between a government procurement authority and bidding companies. Tailored to each tender and country, it commits all parties to refrain from bribery, corruption or collusion. An Integrity Pact typically involves an independent monitor and a clear process for reporting, resolving and sanctioning integrity issues.

Kenya, Rwanda, South Africa and Zambia have all implemented several Integrity Pacts in public tenders over the years. These have mainly pertained to the infrastructure (such as water sanitation projects) and construction sectors, both at local and national levels. Togo is currently looking into implementing Integrity Pacts as part of its revised anti-corruption strategy of 2023.

→ Good practice

For many countries, corruption in public procurement is a major concern which requires additional integrity measures to be implemented. The Integrity Pact is one example of an integrity tool available for anti-corruption and procurement authorities. The tool was developed by Transparency International in the mid-1990s and has been implemented in more than 32 countries and 160 major public tenders.

3.2 High Level Reporting Mechanism (HLRM)

The HLRM is designed as an early warning system of anti-competitive and corruption business practices in public tenders. It offers a fast, independent and effective way to address bribe solicitation in public tenders – but without undermining existing legal processes or law enforcement. It is independent and authoritative and aims to find practical solutions to defuse potential corruption-related issues before they become a matter for the judicial authorities. Alerts of potential issues are raised through secure, easily accessible channels which are subsequently communicated to a designated independent panel of experts.

Following the expert analysis of the alert, taking into consideration all necessary information, the panel seeks a transparent resolution through open discussion and mediation. The aim is to ensure the issue is resolved with minimal loss of time and money, so that the project can continue smoothly.

The mechanism is designed to be tailored to each country and project. It is developed in collaboration with representatives of the public sector, business and civil society to ensure it meets the needs of all stakeholders involved.

The HLRM has been implemented in Colombia and Argentina, and there are current discussions in Malawi to implement an HLRM.

→ Good practice

Accusations of corruption in public works projects lead to delays, costly legal actions and a loss of credibility, not just for those involved in the project but for the government as a whole. The HLRM offers governments a practical early detection tool to identify potential issues during the tendering phase before they manifest as corruption or unfair business practices.

❖ CoST - Infrastructure Transparency Initiative Malawi

CoST Malawi, part of the CoST Infrastructure Transparency Initiative, is a successful multistakeholder effort led by the government, private sector and civil society to combat corruption and promote integrity in public infrastructure projects. In 2021, the President of Malawi became

a CoST Malawi Champion, supporting this Collective Action initiative.

Thanks to CoST's assurance reporting, the government has halted certain road projects and called for re-tendering. The initiative also features an online disclosure portal that keeps public infrastructure project information up to date.

🎯 **Opportunity: Fostering compliance in state-owned enterprises**

State-owned enterprises (SOEs) play a leading role in many core industries throughout Africa and as such should demonstrate leadership in the fight against corruption.

The Compliance without Borders project offers compliance officers in SOEs the opportunity to receive free mentoring by private-sector compliance experts. The project is jointly supported by the Basel Institute on Governance and the OECD. It is open to SOEs that would like to build their internal compliance capacities.

→ **Good practice**

Governments can demonstrate leadership by incorporating Collective Action into the compliance programmes of their SOEs. This helps to ensure SOEs are engaging in sectoral or country-wide anti-corruption initiatives, as is recommended by the OECD in their Guidelines on Anti-Corruption and Integrity in State-Owned Enterprises. Exchanging experience and mentorship with compliance officers from the private sector through the Compliance without Borders project can help SOEs to build capacity

Growing role of regional and international organisations

Regional organisations play an increasing role in promoting business integrity standards, including Collective Action. Working at a regional level allows for the exchange of context-sensitive best practices, thereby, paving the way for more tailored and efficient policies.

African Development Bank (AfDB)

In November 2024, the African Development Bank (AfDB) partnered with the International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) to lead a dedicated session on Integrity Third Party Due Diligence (IDD) during the IFPMA's Ethics and Business Integrity Workshop in Johannesburg, South Africa. The AfDB shared key principles for managing integrity risks through best practices sharing and group exercises. The collaborative session assisted local pharmaceutical companies to strengthen their due diligence, compliance and trust-building approaches, offering a unique sector-specific model to foster corruption prevention.

Southern African Development Community (SADC)

In October 2023, a high-level meeting of heads of anti-corruption agencies in the Southern African Development Community (SADC) held in Namibia allowed for a discussion around Collective Action in the region.

SADC corruption prevention officers have also been trained on how to engage with the private sector through Collective Action approaches over the years.

