



4th International Collective Action Conference

How to mainstream Collective Action to
achieve a clean, fair and sustainable business
environment for all

August 2022

Welcoming the Collective Action community to Basel

The [4th International Collective Action Conference](#) on 30 June and 1 July 2022 enabled **over 200 leading anti-corruption professionals** to come together and discuss how to integrate Collective Action into their day-to-day business practices.

The conference offered a platform for participants to re-engage with one another in person, take stock of Collective Action efforts, and exchange on **how the private sector, civil society and government can work together better to address shared issues of corruption through Collective Action**. We were happy to see a strong representation from civil society and a significant increase in both private-sector and public-sector participation since our last 2018 in-person conference.

Following an inspiring keynote address by renowned writer, speaker and entrepreneur [Margaret Heffernan](#), the conference featured panel discussions, workshops, exhibitions and networking opportunities. Conversations explored **how anti-corruption Collective Action is entering the mainstream of corruption prevention and compliance**.



The ultimate goal of “mainstreaming” Collective Action is the same for all: **a clean, fair and sustainable business environment**. But as the infographic on page 6 illustrates, each stakeholder group brings something different to the table, and has different expectations for engaging and driving Collective Action.

So panellists across stakeholder groups and sectors showcased successful Collective Action examples, and interactive sessions engaged participants to exchange best practices with their peers. During breaks, participants browsed the poster exhibition and spoke to practitioners at their booths. These had the chance to demonstrate their work to a wider audience and discuss their experiences developing and scaling up Collective Action in their context.



A special highlight of the conference was the ceremony for the inaugural [Collective Action Awards](#):

- The Outstanding Achievement award went to the [Maritime Anti-Corruption Network’s Collective Action initiative](#) in Nigeria, in collaboration with the [Convention on Business Integrity](#).
- The Inspirational Newcomer award went to the [Global Compact Network Ukraine Collective Action Initiative](#).

A warm congratulations to the winners, to the other finalists ([Business Integrity Society Korea](#), [CoST – the Infrastructure Transparency Initiative](#), the [Bribery Prevention Network](#) and the [Fight Against Facilitation Payments Initiative](#)), to the 37 nominated candidates in total and to all 1,260+ individuals who voted for the initiatives during the public vote.

There was overwhelming agreement from all participants that **Collective Action has a vital role to play and needs to be more integrated into existing systems, processes and strategies.**

Participants highlighted the importance of more **engagement and commitment** amongst and between the private sector, civil society and government to achieve this. They flagged the need to **build capacity** to help stakeholders better understand their potential role in Collective Action and the impact it can have. These and other key takeaways are summarised below.



Collective Action’s central role in corruption prevention and compliance

Since its emergence over 25 years ago, anti-corruption Collective Action has evolved into an overarching concept, or umbrella term, that includes a wide range of tools and measures. These instruments are developed through multi-stakeholder approaches to address bribery and other forms of corruption and to promote fair competition.

What most initiatives have in common is that they are developed and implemented through collaborative activities with the explicit support of the various stakeholders. The level of active engagement by the stakeholders may vary according to the type of initiative and the context. In every case, though, the aim is to work towards solutions to a specific problem, identify best practices, or address an agreed set of issues.

The potential of Collective Action tools to support business integrity is increasingly recognised by governments in policy and law enforcement guidance. Leading international organisations and standard-setters, including the UN, OECD and the World Bank, have supported and called for Collective Action as a corruption prevention tool in the recent past.

The endorsement and inclusion of Collective Action in the 2021 OECD Anti-Bribery Recommendations, which now include Collective Action as a good-practice tool for governments to demonstrate their commitment to fighting corruption, marks a new stage of maturity – not least in light of the OECD’s rigorous review mechanisms.



Looking back on 20 years of work leading up to this moment, Drago Kos (current Chair of the OECD’s Working Group on Bribery) and Professor Mark Pieth (its former Chair for 27 years and current President of the Basel Institute on Governance) celebrated the increased attention that Collective Action receives worldwide. Endorsement of anti-corruption Collective Action principles in international standards and guidelines not only facilitate their implementation in national legal frameworks. It can also provide a basis for companies to go beyond legal requirements in efforts to prevent corruption.

But for Collective Action to achieve its full potential to catalyse systemic progress in raising integrity across industries, it now needs a critical mass of companies to engage.

As Ken Graversen from the Fight Against Facilitation Payments Initiative (FAFPI) remarked during the conference:

“There are things you simply cannot do alone.”

That’s why it is so essential for Collective Action to become a central element of corruption prevention and anti-corruption compliance, in all industries worldwide.

Building trust: what different stakeholders bring to the table

Collective Action can take many forms and requires a tailored and context-sensitive approach. The wide variety of initiatives present at the conference demonstrated this well – from a global initiative to increase beneficial ownership transparency in the extractives sector to one re-thinking stakeholder engagement and trust in health care.

Despite the variety, there are common denominators that turn a “regular” anti-corruption initiative into a Collective Action initiative. A key element is trust: trust amongst business competitors as well as between the governments, businesses and civil society. As Izadora Zubek from the French Anti-Corruption Agency (AFA) noted:

“Trust is a key dimension in the fight against corruption. Trust and cooperation across sectors is key to finding real solutions to our common problems and to achieving our common goal – to level the playing field for business and build a culture of integrity that embraces the whole of society.”

In order to strengthen stakeholder relationships in practice, the conference set up interactive workshops to give participants the chance to share experiences and lessons learned within their stakeholder groups. The aim was to make further strides to integrate Collective Action into their organisations’ working structures.



What value does each stakeholder group bring to the table, and what does it take away? How can different stakeholders scale up their engagement and build stronger and lasting relationships with others? The following infographic gives an overview of the discussions and insights. Read on for a deeper dive.

Anti-corruption Collective Action: what stakeholder groups can bring to the table

PRIVATE SECTOR

- Engage
- Commit
- Drive



PUBLIC SECTOR

- Consult
- Incentivise
- Engage

CIVIL SOCIETY AND ACADEMIA

- Facilitate
- Provide expertise and conduct research
- Monitor

PRIVATE SECTOR

ENGAGE

- ... with other industry players on compliance and corruption prevention
- ... with governments to co-develop anti-corruption frameworks and monitoring systems
- ... with civil society for expertise in developing an initiative

COMMIT

- ... to harmonise and raise business integrity through tailored anti-corruption standards, tools and procedures
- ... to develop a trust-based dialogue to share experiences, struggles and good practices
- ... to provide resources to develop and sustain initiatives

DRIVE

- ... the implementation of standards and commitments through self-assessment, monitoring and certification
- ... greater impact by expanding initiatives to supply chains, SMEs, competitors and others
- ... and consider expanding initiatives to broader ESG topics such as human rights

PUBLIC SECTOR

CONSULT

- ... with the private sector through institutionalised dialogue platforms
- ... with other government entities and experts on the benefits of Collective Action
- ... international organisations to streamline anti-corruption strategies with international guidelines

INCENTIVISE

- ... companies to engage in corruption prevention / Collective Action initiatives for a better investment climate
- ... companies to invest in compliance and Collective Action
- ... the implementation of industry standards by calling for robust monitoring mechanisms

ENGAGE

- ... and demonstrate leadership by actively participating in Collective Action
- ... to develop anti-corruption tools such as Integrity Pacts, High Level Reporting Mechanisms and public-private integrity initiatives
- ... and establish Collective Action as the go-to approach for collaborating with the private sector

CIVIL SOCIETY AND ACADEMIA

FACILITATE

- ... knowledge sharing between companies and other stakeholders
- ... and help set up governance structures for initiatives
- ... communication between peers by sanitising and filtering information to alleviate antitrust concerns

PROVIDE EXPERTISE AND CONDUCT RESEARCH

- ... on best practices in other contexts
- ... on indicators for measuring the effectiveness of initiatives and standards
- ... to help develop tailored standards, policies and guidelines

MONITOR

- ... progress through tailored assessments
- ... and implement sanctions in cases of non-compliance
- ... and manage conflicts of interest

PRIVATE SECTOR

The business case is broad-ranging for companies to engage with other stakeholders on corruption-related issues, commit to integrity through trust-based dialogue, and drive the implementation of integrity standards within their sphere of influence. Those currently active in Collective Action see the benefits: now how to convince and include the others?

Companies and industry associations play a vital role in building clean and fair business environments, both through their in-house compliance programmes and by acting collectively to shape better policies, regulations and standards. And while they can act as a catalyst for Collective Action by encouraging their network and peers to work together, they also stand to gain from the collective benefits associated with these types of integrity initiatives, such as levelling the playing field amongst competitors.

That may be why the conference revealed growing interest among businesses to **engage** in Collective Action: private-sector representatives made up 28 percent of participants.



In a few high-profile cases, multi-stakeholder corruption prevention initiatives have been integrated into compliance programmes as part of corruption-related settlement agreements. The settlement agreements between the World Bank, European Investment Bank and Siemens AG, for example, resulted in the Siemens Integrity Initiative, a funding mechanism that has been instrumental in driving progress in business integrity through Collective Action worldwide. Every interna-

tional settlement should remind us of the importance of corruption prevention initiatives in the private sector. It seems a missed opportunity to not redirect at least a percentage of the settlement to support and scale up initiatives.

For most companies, though, **engaging in Collective Action as part of corporate compliance programmes** has been a voluntary effort that has not yet translated into standard business practices. Those who have actively engaged with other industry players, governments and civil society on compliance have tended to be forward-thinking businesses with a clear commitment to preventing corruption that goes all the way to the management and board level. They understand that actively engaging in Collective Action is a powerful way to **demonstrate their values** to customers, investors, suppliers and staff, and to contribute to **raising standards of integrity** in their industry.

But interest is growing more widely, says Lene Lauridsen, Senior Compliance Officer of Grundfos, a Denmark-based pump manufacturer that has embraced Collective Action as part of efforts to reduce corruption risks in international operations. Through the FAFPI initiative, for example, the company can:

“...share some of the challenges we feel are there [with other industry players], and also share knowledge about what we can do internally in the company to improve our compliance programmes.”

Mutual exchange with peers on anti-corruption compliance is at the heart of another initiative in which Grundfos is actively engaged: Compliance without Borders. This initiative, a collaboration between the Basel Institute on Governance and OECD, brings together

experienced compliance experts via short-term secondments to SOEs, to help SOEs build their compliance capacity and address corruption-related risks.

Claire Harbron from the BHP Foundation backed up the importance of peer exchange among compliance professionals, sharing that:

“As a company you are able to participate in discussions that are meaningful to you and you land on better decisions.”

Many of these **discussions have never taken place until now**, even in advanced economies. The Consensus Frameworks for Ethical Collaboration in the health care sector, for example, are helping patients’ organisations, health care providers and pharmaceutical companies to engage with one another for the first time in a growing number of countries: 11 since the initiative launched in 2014, encompassing 240 member organisations representing hundreds of thousands of hospitals and clinics and millions of patients around the world. Ethics forms the basis for broader collaboration, including joint **commitments to harmonise and raise business integrity** through trust-based dialogue and tailored anti-corruption standards, tools and procedures. As Andrew Blasi, Director at Crowell & Moring International, argued:



“Health care is a complicated space... Consensus Frameworks allow diverse actors in a health system to come together in a way that aims to prevent the problem - the corruption and unethical behaviour – from occurring at all. They create a platform where folks can more openly work on solutions, rather than just responding to challenges... and where they can set common ethical principles and align their values.”

As noted during informal discussions by a representative of the Wolfsberg Group, it was one of the first Collective Action initiatives in the financial crime compliance space having been created over 20 years ago. Its initial role was focused on financial crime compliance in private banking, and it has gone on to be a respected voice in developing standards and guidelines for anti-money laundering, counter terrorist financing and due diligence for the global financial services industry and it is a regular contributor of the work of standard-setting institutions such as the Financial Action Task Force (FATF). The Wolfsberg Group is funded entirely by its member financial institutions and in 2021 completed the step of changing from an informal group to a legal entity.

The benefits of Collective Action are not limited to a company’s internal compliance programme. First, companies stand to gain from driving joint initiatives to **foster a fair and clean business environment across the market**, bringing advantages not only to large companies but to SMEs and other suppliers. As Cecilia Müller Torbrand of the Maritime Anti-Corruption Network (MACN) pointed out:

“A big topic for many internationally operating companies is the question of how to motivate and support SMEs along the supply chain to engage in Collective Action and level up their compliance programmes. How can we help them to make their lives simpler?”

The business case is there, even for SMEs. A 2021 survey commissioned for the Business Ethics for APEC SMEs initiative showed clearly that SMEs with higher ethics maturity performed better economically as well during the Covid-19 pandemic. The study concluded that:

“On a range of economic indicators, the hypothesis is decidedly confirmed: health-related SMEs with a high or medium ethics program maturity had stronger economic performance during the COVID pandemic. They were more likely to grow revenues, add employees, increase employee wages, as well as grow revenue from international customers and expand their businesses into new markets.”



Second, Collective Action is one way for multinational companies to **extend their focus beyond mere profit** and demonstrate their values to customers, investors, staff and other stakeholders. This ties into companies’ efforts to report transparently on environmental, social and governance (ESG) factors. The MACN’s Cecilia Müller Torbrand noted:

“Reporting on ESG topics is at the forefront of most companies’ minds. Including Collective Action in the governance metric could be a valuable step to further integrate Collective Action in companies’ policies and procedures.”

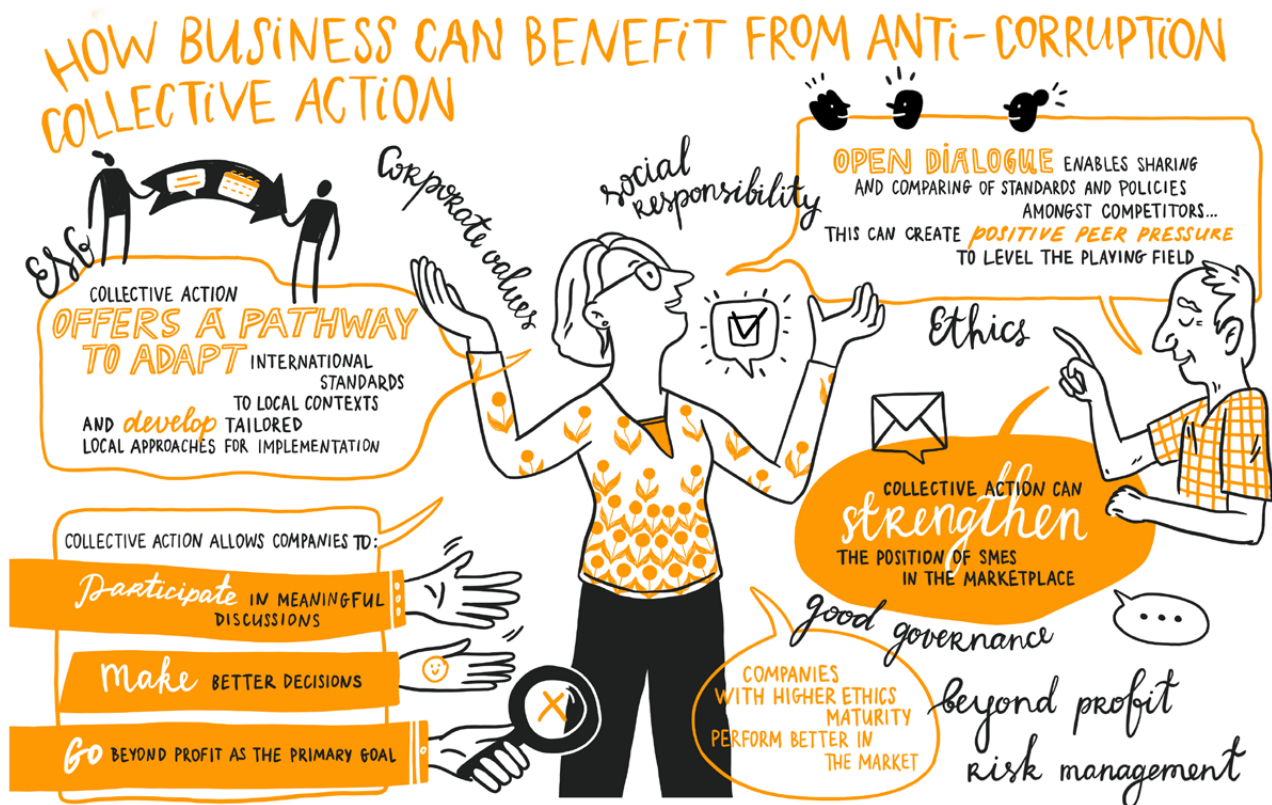
In fact, Collective Action approaches are already being applied in broader ESG areas and the prominent topic of business and human rights. As Anita Ramasastry, Member of the UN Working Group on Business and Human Rights, said:

“Collective Action is happening in these other spaces, but we use different terms... another term that is used in the business and human rights world is MSI multi-stakeholder initiatives.”



Are there synergies between initiatives focused on corruption and those focused on business and human rights? A Basel Institute-led project to explore potential synergies indicates there are definitely areas where Collective Action can help connect the two, particularly in the face of growing regulations around human rights and environmental due diligence. Anita Ramasastry continued:

“We have these Collective Action or multi-stakeholder initiatives in each, and often in parallel in different sectors or different regions. But maybe there is an efficiency about thinking about them together... Mandatory human rights and environmental due diligence should be a strong impetus for more Collective Action and connecting the dots.”



PUBLIC SECTOR

The public sector gears up to take more of a driver's seat in mainstreaming Collective Action. To do this, they need to consult with other stakeholders, incentivise companies to engage and invest in corruption prevention, and engage actively by participating in initiatives and adopting anti-corruption tools.

Numerous governments endorse Collective Action as an innovative, flexible and collaborative approach to prevent corruption and promote fair competition and sustainable business.

How do these endorsements and commitments translate into action? How is Collective Action helping to create more attractive conditions for business and investment? And what more can governments do to really take the driver's seat in institutionalising Collective Action as a corruption prevention tool? Daniela Santa Silva from Chile's Office of the Comptroller General emphasised governments' vital role:

“Although governments are the last to the party, a wide variety of public institutions are waking up to the potential of Collective Action to help create a better business environment.”

Actively consulting with civil society, the private sector and international organisations is a first stage. Only by better understanding business realities, citizens' wishes and international standards can governments establish regulations and guidelines that are truly fit for purpose.



The development of National Anti-Corruption Strategies (NACS) is a prime example of how governments can valuably **encourage participation** from across sectors, both to develop better strategies and to get buy-in from citizens and businesses to implement them. Chile's new NACS was developed with high levels of citizen participation: through over 156 events and other engagement activities, the country's Supreme Audit Institution gained input from over 23,450 people and 77 civil

society organisations. Commenting on the incorporation of Collective Action within the strategy, Chile's Comptroller General Jorge Bermúdez Soto, said that:

“For us in Chile, Collective Action is perhaps the only way to fight corruption.”

In Mauritius, the government's Independent Commission Against Corruption has over the last decade actively engaged with other sectors and stakeholders in corruption prevention activities through its Public Private Platform Against Corruption. Collaboration covers not just businesses and non-profit organisations but a wide range of civil society organisations representing youth, women, religious bodies and trade unions. A conference on integrity in procurement allowed members of the public and private sectors to exchange views, for example, while a public-private partnership is also being launched to facilitate the sharing of financial information.

Government incentives and proactive engagement are a strong force for bringing Collective Action into mainstream anti-corruption compliance. In France, this concept is embodied in the Sapin II law, which implies that the fight against corruption is not reserved for specialised

law enforcement authorities but a shared responsibility with companies and industry bodies. The law created the French Anti-Corruption Agency (AFA) to assist both public and private organisations in preventing and detecting corruption. The AFA’s guidelines and practical guidance help companies to adapt and improve their compliance programmes to their specific industry-related context. The AFA often conducts direct training and awareness-raising activities in collaboration with business federations, to avoid the risks of favouring single companies and to better absorb SMEs into the dialogue. Izadora Zubek, the AFA’s International Affairs Officer, calls this Collective Action approach a win-win situation:

“It benefits companies, which can make their voices heard, raise questions and bring attention to shortcomings and needs. And it is beneficial to governments to enhance action and build trust.”

Meanwhile, the AFA’s auditing powers help incentivise the implementation of industry standards by drawing attention to gaps. Izadora Zubek concluded that governments need to rethink their role as regulators and enforcers:

“Even though we have different missions, incentives and prerogatives, at the end of the day we all want the same thing.”

Beyond consultation and incentives, **direct engagement in Collective Action** is the fastest way to establish it as the **go-to approach for collaborating with the private sector** to reduce corruption risks. Adopting anti-corruption tools like High Level Reporting Mechanisms and public-private integrity initiatives to safeguard high-value projects from corruption is a strong and visible way to translate commitments into action. As Bernard O’Donnell, Head of Investigations Division, European Investment Bank, acknowledged:



“Where large amounts of money are involved, corruption will always raise its ugly head, no matter what controls are put in place. The European Investment Bank is working to mitigate the risk to the extent possible. Collective Action is a tangible way of doing that.”

The Opening Extractives initiative, a collaboration between Open Ownership and the Extractive Industries Transparency Initiative (EITI), is a prime example of how governments can drive Collective Action to help curb corruption and tax evasion and to support a more transparent environment for business. 11 countries are currently setting up consultation platforms to develop mechanisms for sharing beneficial ownership information of companies involved in extractives industries, with more countries coming on board shortly.



Alhaji Garba Abubakar, Registrar-General of the Corporate Affairs Commission of Nigeria, is leading efforts to collaborate with the Opening Extractives initiative in his country.

He explained how Nigeria has already adapted its legal framework to oblige companies to disclose their beneficial ownership information in line with EITI commitments; now, every company registered in Nigeria – including those in the lucrative extractives sector – must disclose all individuals owning more than 5 percent of shares. During the panel, Mr Abubakar stressed the importance of civil society and multilateral organisations to ensure monitoring and insulate progress against political changes.

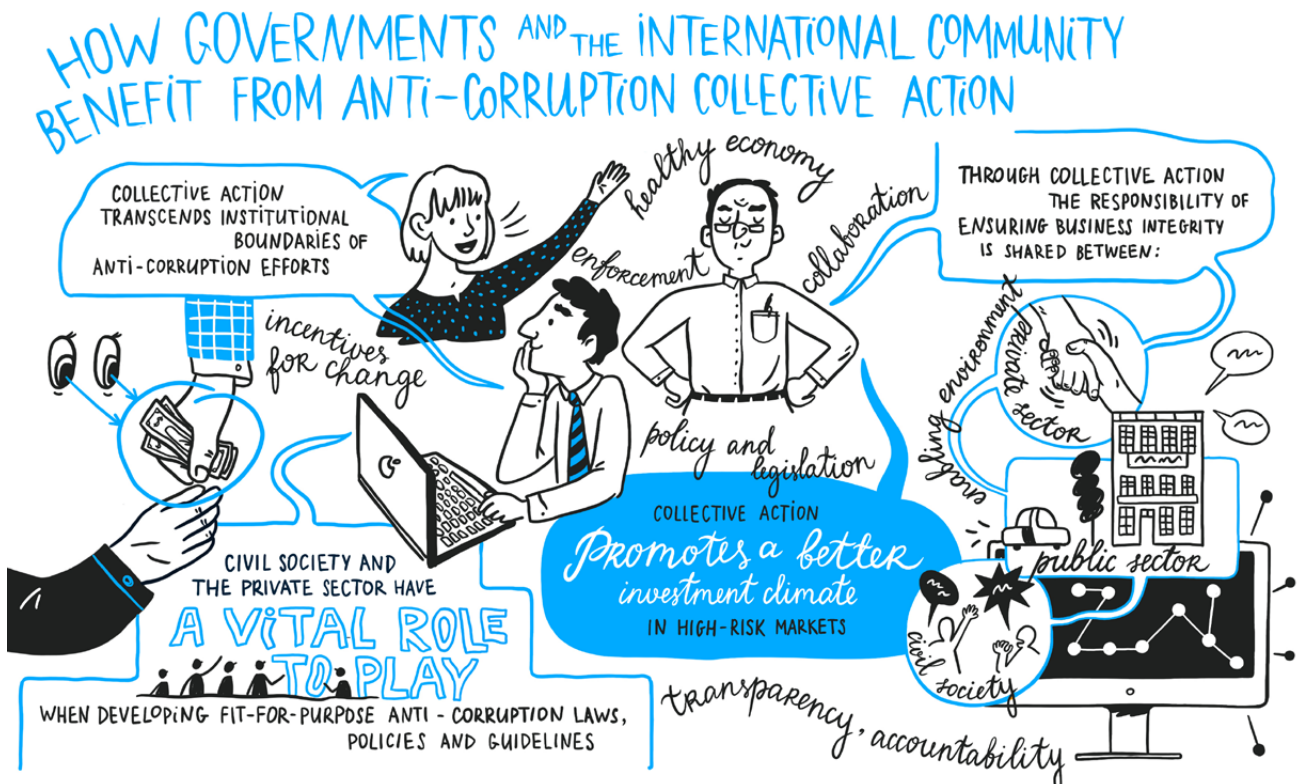
In this way, by actively participating in Collective Action initiatives with broader and longer-term goals, **governments and other bodies demonstrate leadership in the fight for integrity**. A long-standing example of success is the Anti-Corruption Alliance UNCAC Chile, whose working groups on topics such as integrity, capacity building and communication have driven tangible results over the last 10 years.

Recommended reading

[Engaging the private sector in Collective Action against corruption](#) is a practical guide designed in collaboration with the Network of Corruption Prevention Authorities (NCPA) to help governments, and in particular National Anti-Corruption Agencies, engage with the private sector more effectively to prevent corruption.



This is a living document which will be amended regularly to include new examples of good practices as they become available. If you would like to contribute to this guide, please contact: scarlet.wannenwetsch@baselgovernance.org

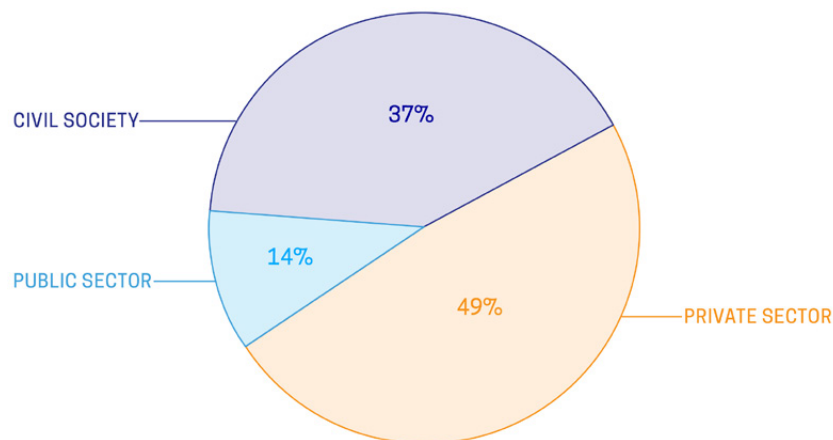


CIVIL SOCIETY AND ACADEMIA

Civil society or non-profit organisations and academia are well aware of the crucial role they play in facilitating Collective Action initiatives, providing expertise and conducting research to help progress the methodology, and monitoring implementation in practice. How can they do these things stronger and better?

As “independent, credible and competent brokers of public interest” in the words of Deon Rossouw, CEO of [The Ethics Institute](#), civil society organisations are naturally the go-to stakeholder to **facilitate knowledge sharing and communication between companies and other stakeholders**. They may have useful international networks, a good understanding of the local political economic context and expertise in mediation. Civil society organisations have typically been the ones who put the problem on the table and initiate dialogue with stakeholders.

When the civil society organisations at the conference were asked who they engage with, the message was clear: there is strong engagement between civil society and the private sector. In contrast, the engagement level with the public sector stood only at 14 percent. Though the survey sample covered only conference participants, this indicates a need for more capacity building and engagement platforms to build bridges between civil society and the public sector.



Also emerging from the civil society representatives at the conference was their call on the private sector to **publicly commit to integrity and business ethics and “get their house in order.”** Making a genuine and demonstrable commitment to Collective Action and its processes, including financial and technical support, would be a great start.

Monitoring and evaluation (M&E) of anti-corruption initiatives is an important area that could benefit from more input from researchers in academic institutions and civil society organisations. Proper enforcement of anti-corruption Collective Action initiatives is one condition of success identified in a [2019 paper](#) by Elizabeth Dávid-Barrett, who contributed to a broader [discussion](#) this year on evaluating the effectiveness of

Collective Action initiatives. M&E is a challenge for many facilitators of initiatives, not least because in the words of Giovanni Gallo of UNODC's Corruption and Economic Crime Branch:

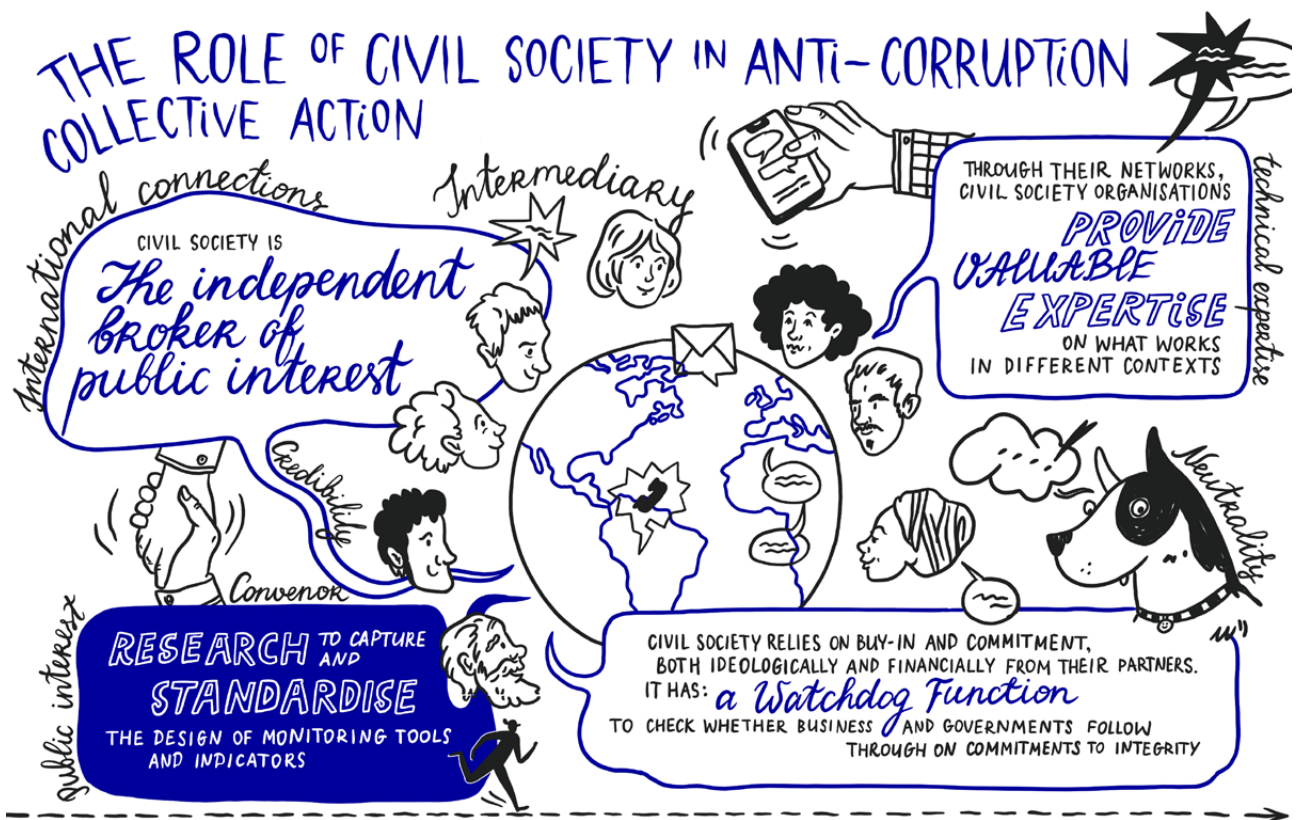
“Anti-corruption Collective Action is largely preventive. How do you measure something that hasn't happened?”

New research on measuring corruption and anti-corruption could help to provide a set of indicators that individual facilitators can tailor to their needs.

Get engaged, learn new skills and techniques...

... with the [Basel Institute's Collective Action Mentoring Programme](#), a pioneering effort to support civil society / non-profit organisations that work with the private sector and other stakeholders on tackling corruption.

The programme offers tailored advice, support and technical assistance from leading experts in anti-corruption compliance and Collective Action – all for free. Our aim is to support organisations engaged in anti-corruption Collective Action in building a strong, sustainable and successful initiative. Learn more at: collective-action.com/get-involved/mentoring-programme.



Call to action

Collective Action, the conference showed, has not yet expanded to its full potential.

After 1.5 days of engaged discussion about future pathways and needs, participants left the conference with a renewed call to action. Mainstreaming anti-corruption Collective Action from all stakeholder perspectives has only just begun. Its success relies on the cooperation and development of each and every side.

We look forward to continuing this discussion and seeing how some of the core messages and calls for action from each stakeholder group translate into practice:

- The **private sector** calls on **governments** to increase their support, engagement and **incentives** for companies to get involved in Collective Action.
- The **public sector** has identified the need for further capacity building and calls on **international institutions, academia** and **civil society** to help identify and develop tailored Collective Action pathways and opportunities at the country level.
- **Civil society** has noted the need for **greater commitment** and **financial support** from **companies** to create more sustainable Collective Action initiatives and platforms.

Sabine Zindera, Vice President, Legal and Compliance at Siemens, encouraged participants in concluding:

“Collective Action is not difficult to do, it just needs to be done.”



Find more ideas and inspiration to get Collective Action done at the B20 Collective Action Hub: collective-action.com, or contact any member of the Basel Institute's Private Sector team.



Acknowledgements

The Basel Institute on Governance, as the host of the International Collective Action Conference and Awards 2022, would like to give a special thanks to the Siemens Integrity Initiative for supporting and providing funding for this immensely valuable event.

This short report was prepared by Lynn Pies, Communications and Events Intern, Collective Action at the Basel Institute on Governance, with support from colleagues in the Private Sector team. Photos are by David Borter, LEO MEDIA. The report is free to share under a Creative Commons (CC BY-NC-ND 4.0) licence. Please credit the Basel Institute on Governance and link to: collective-action.com.

For photos, videos and more on the Conference and Awards, along with other events and resources, see the **B20 Collective Action Hub** at collective-action.com.