



Symposium: Public –Private Cooperation against Corruption

Collective Action in anti-corruption –  
a business perspective

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Siemens AG

Luxembourg, 5 June, 2013

## More than five years ago



**Süddeutsche Zeitung**  
MÜNCHENER ZEITUNG

**Frankfurter Allgemeine**  
ZEITUNG FÜR DEUTSCHLAND

**FINANCIAL TIMES**  
LONDON

**Legal Action  
Planned Against  
Siemens**

**Slush Funds:  
Defeat for Siemens**

**Did Siemens Also Pay  
Bribes in Greece?**

**Siemens Fights Back  
Against Penalty**

**The  
Economist**

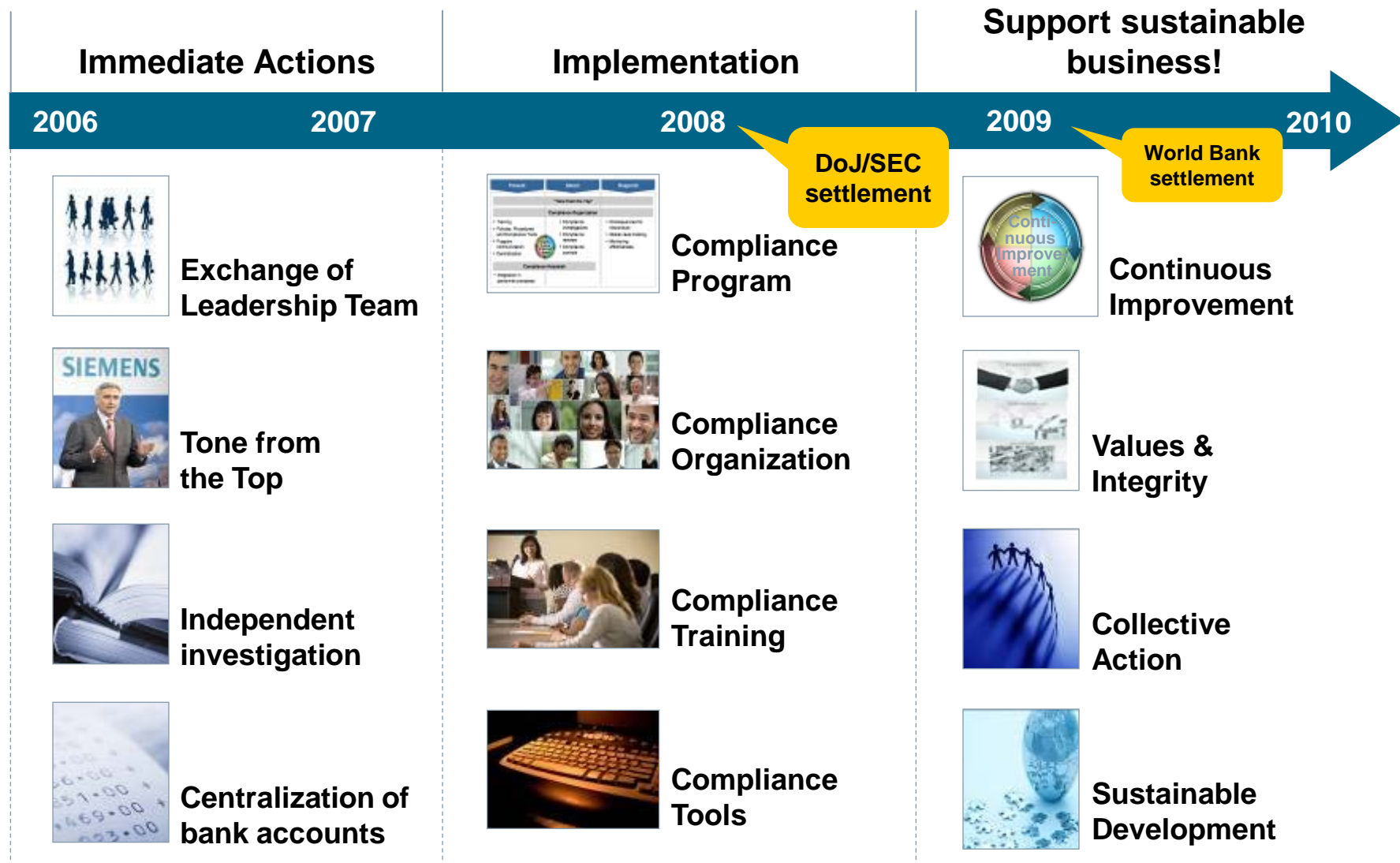
**110 Siemens  
Employees Tell All**

**Former Siemens Board  
Member Faces Charges**

**Siemens Cooperating  
in Nigeria**



# In the change process, several elements were crucial in becoming a recognized leader in terms of integrity



# Collective Action – creating alliances for fair market conditions

## Integrity Pacts

Target implementation of Integrity Pacts where possible and where supported by civil society

## Compliance Pacts

Broaden reach of voluntary standards and strengthen commitment to proper implementation of existing standards

## Long-Term Initiatives for Market Development

Energize market dynamics, fair competition and business environment

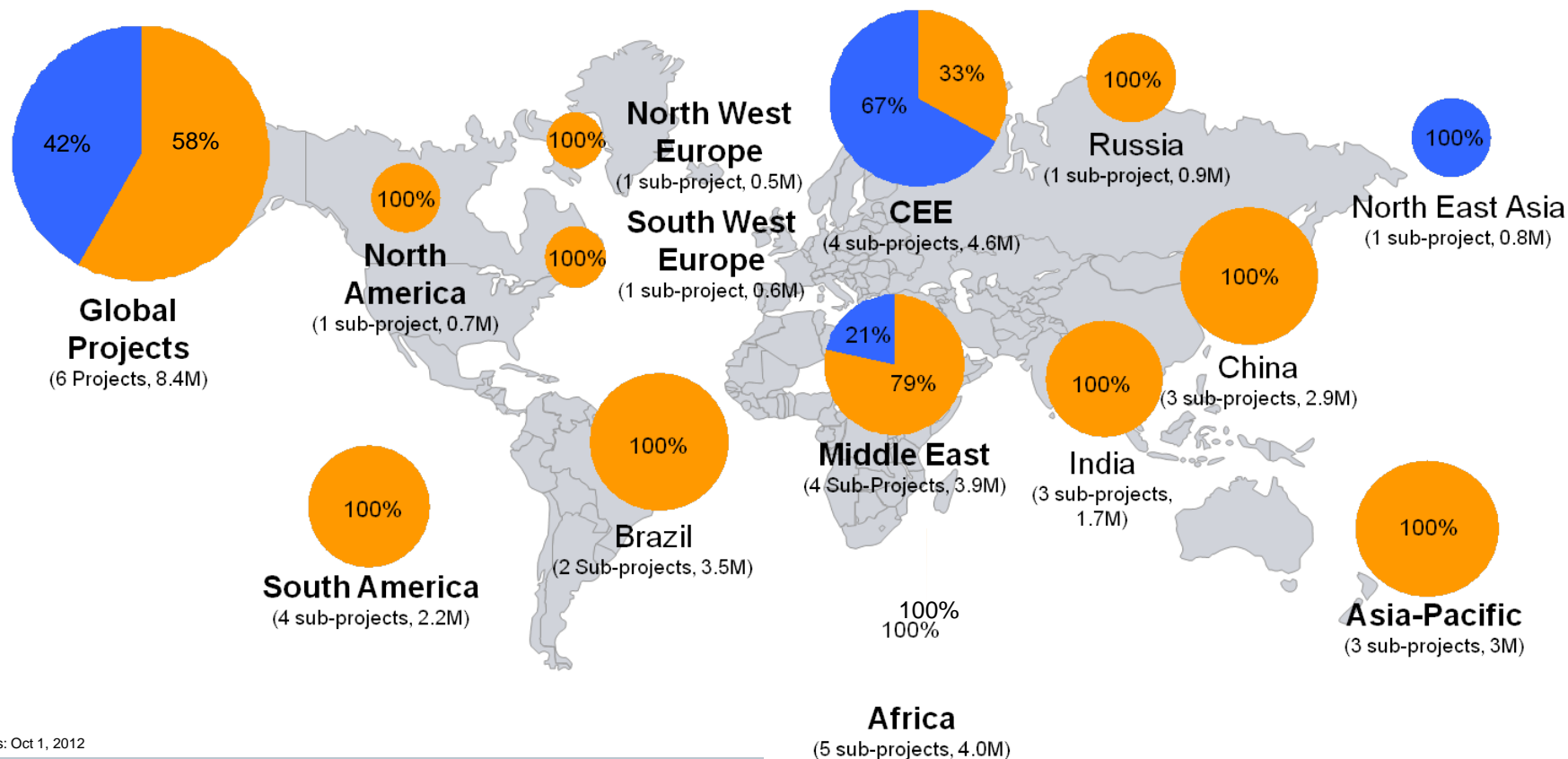


Awareness raising with local champions  
Advocacy and dialogue with public sector on rule of law  
Strengthen and build local institutions  
Leveraging embassy contacts  
**Siemens Integrity Initiative**



# Funded projects cover all major growth regions and high-risk countries (31 projects, USD 37.7 M)

The number of project proposals per region is indicated in brackets; one third of Collective Action projects include Education & Training elements



Status: Oct 1, 2012

Region / Country of implementation (number of project proposals)  
 % of Collective Action ■  
 % of Education & Training ■  
 Bubble size = Approximate value of funding

*Note: Due to importance of BRIC they are shown separately and are not included in clusters; schematic illustration only – subject to change*

# Transparency International Bulgaria – Promoting Integrity through Advocacy: Counteracting Corruption in Public Contracting



[integrity.transparency.bg/en/news/ti-bulgaria-put-forward-motion-changes-public-proc/](http://integrity.transparency.bg/en/news/ti-bulgaria-put-forward-motion-changes-public-proc/) © TI Bulgaria



Focus group discussion in July 2011 © TI Bulgaria

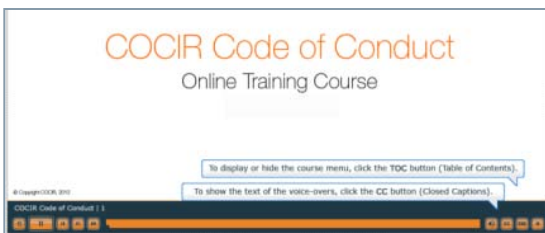
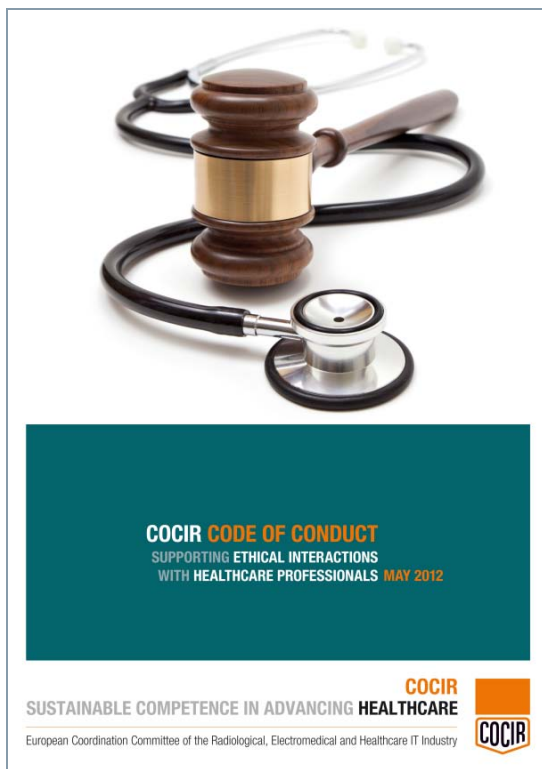
## Key Information

- Funding Volume: USD 0.45M over 3 years
- Country of implementation: Bulgaria
- Objective: Enhance integrity standards and transparency in awarding of contracts with significant public interest, through policy change in Bulgaria

## Project Main Activities to date (2010-2012)

- Analysis of deficiencies of the Bulgarian legislation and assessment of public contracting procedures
- Recommendations for legal amendments and changes in procurement practices developed jointly with state institutions, local governments, the private sector and business associations
- MoUs were signed with Ministry of Health (MoH), the Ministry of Labour and Social Policy (MoLSP) and the Ministry of Regional Development and Public Works. (MoRDPW) for implementation of Integrity Pacts
- Development of a White List in public procurement which is published on the TI Bulgaria website

# COCIR Code of Conduct – Training and regional expansion to emerging markets



<http://www.aprento.be/projects/cocir/>

- Within the framework of the Siemens Integrity Initiative, **one million US-dollars** go to COCIR (over three years)
- **COCIR is the European Coordination Committee of the Radiological, Electromedical, and Healthcare IT Industry**
- COCIR developed a **Code of Conduct for Europe** in 2009 that regulates business transactions between its member companies and persons working in the healthcare industry
- The COCIR Code now includes **guidance** in the form of Q&As and Do's & Don'ts and is available in Dutch, English, French, German, Italian and Spanish languages
- In January 2013, COCIR launched the **interactive e-learning tool (WBT Tool)** to complement its Code of Conduct.
- In March 2013, roll-out of the **WBT Tool within Siemens** as a recommended **voluntary training**
- A **regional expansion** of the COCIR code of conduct has been initiated (Argentina, China, India, Russia)

# Basel Institute on Governance – Promoting Effective Industry Standards



Source: [www.baselgovernance.org](http://www.baselgovernance.org)

## Key Information

- Funding Volume: USD 1.86 M over 5 years
- Country of implementation: Global
- Objective: Develop and coordinate Collective Action initiatives and bring together stakeholders to agree on and implement sector-specific anti-corruption standards

## Project Main Activities to date (2011-2012)

- Pilot-testing of the High Level Reporting Mechanism (informal complaint mechanism on country-level) in Colombia
- Launch of the International Center for Collective Action (ICCA)
- Publication of a book on „Collective Action“ at the Int. Conference on Anti-Corruption / Brazil
- Supported on-going negotiation of framework agreement for companies on Collective Action in high-risk markets

*This project is supported by Siemens as part of the Siemens Integrity Initiative  
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# Instituto Ethos – Ethos Institute for Business and Social Responsibility – Clean games inside and outside of the stadium (World Cup 2014, Olympics 2016)

SIEMENS



Rio +20 conference 2012



Jorge Abrahão, President of Ethos Institute at a seminar

## Key Information

- Funding Volume: USD 3.11 M over 5 years
- Country of implementation: Brazil
- Objective: Promoting transparency and integrity for the 2014 World Cup and the 2016 Olympic Games through Collective Action, social monitoring and control mechanisms

## Project Main Activities to date (2011-2012)

- Discussed sectoral anti-corruption agreements with selected companies in healthcare and construction sector
- Set up 3 national committees on Collective Action and 12 local committees in 12 host cities to watch public tenders
- A Local Administration Transparency Pact was developed and is adhered to by 11 of the 12 host cities for the Games
- 11 public events based on the theme “World Cup and the elections – what is the legacy for you city?”, were organized

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# Oživení – Improvement of Public Procurement Systems in the Czech Republic and Slovakia



Workshop for journalists 2012 © Oživení



Transparency International Slovakia conference 2012

## Key Information

- Funding Volume: USD 0.6M over 3 years
- Country of implementation: Czech Republic and Slovakia
- Project partner: Transparency International Slovakia and the Economics Institute of the Academy of Sciences of the Czech Republic
- Objective: Improve public procurement practices through amendments to the anti-corruption and procurement law

## Project Main Activities to date (2011-2012)

- Engaged in legislative process of new public procurement act
- Open Public Procurement [portals](#) were launched in the Czech Republic and Slovakia
- New [methodology](#) on reduction of corruption risks in the public procurement for municipalities was published
- [Webpage](#) of the Coalition for Transparent Business in the Czech Republic was launched

# Collective Action with the Moscow City Tender Committee through the Industrial Company Working Group



[www.business-standards.ru](http://www.business-standards.ru)

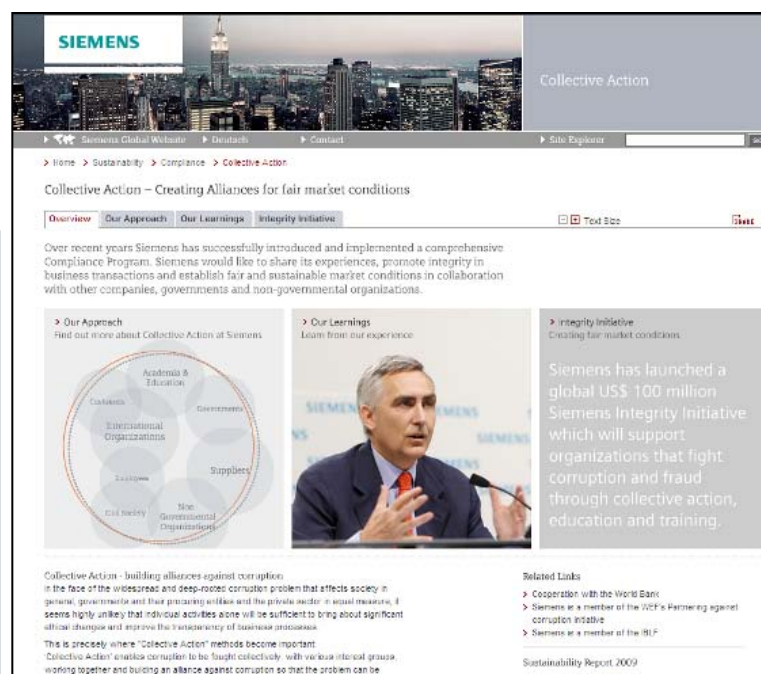
The **Industrial Company Working Group (ICWG)** aims at making tender procedures in Moscow more transparent

Members: 17 organizations, among them are Siemens, GE, Philips, ABB, Emerson, HP, KPMG, Baker & McKenzie, and the Moscow Government

- Prepared recommendations the draft federal Law On Federal Purchasing System in Procurement of Goods, Work and Services
- Discussed challenges in the existing public procurement procedures and prepared recommendations
- Studied the tendering experience of some big corporations
- Siemens Russia is a founding member and active driver of the Initiative

The Initiative is managed by **IBLF Russia** and is funded under the Siemens Integrity Initiative

# Process and projects are transparently described on a website and through Annual Reports



**External  
Website  
Click  
for online**

Project descriptions for each project funded under the Siemens Integrity Initiative have been published on the following website: [www.siemens.com/integrity-initiative](http://www.siemens.com/integrity-initiative)



# Siemens Integrity Initiative – Project Office and Project Team

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