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February 2018

Launch of Business Integrity Country Agenda (BICA) Assessment Report in Cambodia

The Cambodia BICA launch took place on 19 December 2017 in Phnom Penh, Cambodia. It was successful with approximately 100 attendees, including government officials, civil society and the private sector.

TI Cambodia received positive feedback from the business associations, especially from the Federation of Associations for Small and Medium Enterprises of Cambodia (FASMEC); they found the report echoed the experience of their members in terms of the business integrity issues they face. Additionally, the Chambers of Commerce also expressed that the information in the report was valuable for their members and should be shared and discussed with the members.

Our colleague, Sophia Aspesi Areias, BIP Manager of TI Cambodia, also shared the following insights with us:

- **Which findings and recommendations in the BICA report do you think should be highlighted?**

Whilst Cambodia does have strong laws regarding anti-corruption and business integrity generally, there is very little information available about the enforcement of those laws, therefore public information about law enforcement is recommended. The Royal Government should expedite the promulgation of key pieces of legislation, including the draft law on competition, the draft law on protection or reporting persons and the draft law on the protection of experts victims and witnesses. Business associations and chambers of commerce should disclose information about the benefits of engaging with the ACU and should continue to organize trainings on business integrity and corporate practices. The private sector should be encouraged to publicly disclose information about their anti-corruption programs. Civil society should engage with independent media outlets to provide training in investigating and documenting private sector corruption and business integrity issues.

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What are the next steps?
We are organising an event in early March with American Chambers and British Chambers to discuss business integrity and how companies can improve their anti-corruption programs and increase transparency about their anti-corruption program. We are also working with several stakeholders and existing partners to share the report and discuss the second stage.

Want to learn more about BICA Cambodia?
Contact Sophia at sophiaaspesiareias@ticambodia.org, you can find the BICA report [here](#).

First ever transparency assessment of Russia’s 200 largest companies

TI Russia published its Transparency in Corporate Reporting assessment on 25 January 2018. It is the first ever full-scale assessment of Russian companies using the TRAC methodology. It assesses disclosure practices of 200 companies with respect to their anti-corruption programs as well as availability of information on their subsidiaries and foreign branches.

Want to learn more about TRAC Russia?
You can find the TRAC report [here](#) and the press release [here](#).

Brazil Transparency in Corporate Reporting Launched

The team in Brazil also launched their Transparency in Corporate Reporting assessment in late January! The launch was successful and around 160 participants from companies and embassies attended it. At the launch our colleagues also presented some analysis comparing the global findings with their national results. A panel discussion about international perspectives on Brazil was also held with panellists from Financial Times, the Ambassador of Norway, as well as Katja from TI-S.

The TRAC report assessed the 100 largest companies and the 10 largest Brazilian banks. Get to know more about Brazil TRAC at [http://transparenciacorporativa.org.br/trac2018/](http://transparenciacorporativa.org.br/trac2018/)
Frankfurt Compliance Conference

Angela McClellan from TI-S BIP team spoke about TI’s transparency and reporting expectations of companies at the International Compliance, Legal Risks and Corporate Integrity conference in Frankfurt on 24 – 25 January. She presented on the relevance of the three TRAC criteria (reporting on anti-corruption programmes, organisational transparency, country-by-country-reporting) as well as the importance of beneficial ownership transparency for corporate accountability and trust-building with stakeholders in particular after a compliance scandal. She also presented the Business Principles for Countering Bribery as the foundation of a strong corporate anti-corruption compliance programme in the session “Addressing a Compliance Crisis: How Openly Should a Company Communicate with their Customers and the Authorities?”

OECD Forum on Due Diligence in the Garment and Footwear Sector

Angela also spoke at the OECD Forum on Supply Chain Due Diligence in the Garment Sector in Paris on 30 – 31 January. Here the focus was on anti-corruption provisions in contracts with suppliers and the relevance of anti-corruption for all economic, social and governance (ESG) dimensions. Corrupt environments undermine monitoring and accountability mechanisms, for example bribes paid to overcome labour or environmental inspections of factories. Angela went there on behalf of TI Germany which is a member of the Partnership for Sustainable Textiles an initiative of the German government. She used TI Bangladesh’s study “Undress Corruption: How to Prevent Corruption in the Readymade Garment Sector: Scenarios from Bangladesh” as a basis. TI UK and TI Norway and other chapters have also done important work on supply chain due diligence.

What’s coming up?

- **TI SOE Paper**
  
  In November 2017, TI launched the 10 Anti-Corruption Principles for Countering Corruption, which were developed with the cooperation of a multi-stakeholder working group. This best practice anti-corruption guidance for SOEs will be complemented by a advocacy paper summarising the existing evidence on corruption risks for SOEs, providing an overview of relevant anti-corruption efforts in the sector and highlighting specific high-profile case studies. In addition, the paper will provide a nuanced business case for SOEs to adopt the SOE Principles, as well as presenting cases for putting them into practice.

  TI plans to launch this paper on the occasion of a side-event focusing on SOEs to the first G20 Anti-corruption Working Group Meeting in Argentina on 28 February where Delia will speak. SOEs is one of the focus topics of the G20 ACWG (in addition to conflicts of interest). It is also a priority for the B20 Compliance & Integrity Taskforce, to which TI is a Concept Partner. We will use both the Principles and the Paper for policy entries at G20 and B20 level.

- **2018 G20 Buenos Aires Summit – 1st Meeting of the Anti-Corruption Working Group**
  
  28 February – 01 March 2018
Personal Announcement

After three years as the Executive Director of TI Israel, Ifat Zamir finished her term at the end of January 2018. We would like to thank her for working with us on promoting business integrity and also to wish her the best for her next adventure!

Below is a message from her that she would like to share with all of us, about TI Israel and its achievements and lessons learnt in Business Integrity.

The Impact of Transparency for Business

By Ifat Zamir

Each crisis in the corporate world brought with it another layer in the theory and practice of corporate governance. Back in 2015, we in TI-ISRAEL approached companies with the TRAC index as a benchmark for the message that presentation of data on the company's website can contribute to increasing public confidence in economic and business entities - a trust that has been dramatically undermined by every public crisis in the era of increasing public involvement in the world and in Israel - like in the TEVA collapse and other.

We utilized the CSF to encourage companies to publish more information regarding their business and economic conduct and thereby serve as a tool for companies to increase transparency and deal with corporate corruption, to create uniformity in the level of transparency and quality of reports among companies in the economy and to encourage healthy competition to improve corporate governance.

The challenge was that even today, by the end of 2017, there is a lot of information that companies in Israel do not present to the general public through their websites, although this information exists and it is reasonable to assume that its exposure would not have harmed the company's profitability.

We proved with the second TRAC report we conducted now on a bigger number of companies, that transparency, only a technical tool, can create a bridge of openness, encourage the public and the investor public to examine and evaluate the transparency of the business sector and the most significant companies in Israel. The transparency index in corporate reporting, developed by Transparency International in 2011 and implemented by the Israeli chapter since 2016, has shown that the dialogue with companies improves the quality of companies' actions in the direction and scope of anti-corruption actions.

Transparent business conduct benefits both the global company and the public, because each company ultimately draws legitimacy from its customers - the citizens. Nevertheless, many companies still operate in the dark in terms of disclosing information about their conduct to the public. These companies, sometimes unconsciously, create fertile ground for corruption.

"The light of the sun is the best disinfectant" The somewhat worn-out sentence of the American judge Brandeis (1914), was a decisive contribution to the upheaval in American law by abandoning the total sanctification of corporate freedoms, including freedom to monopolize, under exploitative conditions. This is even more true in the digital age. And this is what the public, we must demand.

I want to send a warm thank you to the BIP team at the Secretariat - Susan Cote-Freeman, Katja, Vivien and all my great friends that together we struggle to build and make the BIP rational grow - Peter Van veen, John Devitt, Robert Barrington, Martin Hilti, Davide del Monte – you and all the rest of the friends at the BIP made our report resonates and helped build the profile of our Chapters.