



United Nations Global Compact

UN Global Compact 10th Principle

Business Sector, an ally in the prevention of Corruption

UNCAC Article 12

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What is the UN Global Compact?

Launched on 26 July 2000 in New York with roughly 40 businesses

“A more sustainable and inclusive global economy.”

Multi-stakeholder platform for collective action

In 2011, over 6000 active business participants in 130+ countries

Delisting 2,000 + participants

1500+ non-business participants from civil society, labour, academia

Equal representation in developed and developing world

49 percent small and medium-size enterprises (SMEs)

90+ active local networks around the world

Rooted in universally accepted conventions including:

UN Convention Against Corruption



Two Complimentary Objectives

Make the ten principles part of business strategy, operations and culture everywhere.

Internalization

Facilitate partnerships in support of broader UN goals.

Contribution to Development



Global Compact Management Model



Global Compact 10th Principle

Anti-Corruption

Principle 10: Businesses should work against all forms of corruption, including extortion and bribery

- Adopted in 2004, the 10th Principle is derived from the UN Convention against Corruption (adopted in December 2003), and sent a signal worldwide that business shares responsibility for eliminating corruption.
- In 2008 and 2009, a majority of GC business participants indicated the GC 10th Principle as the most difficult issue to implement.



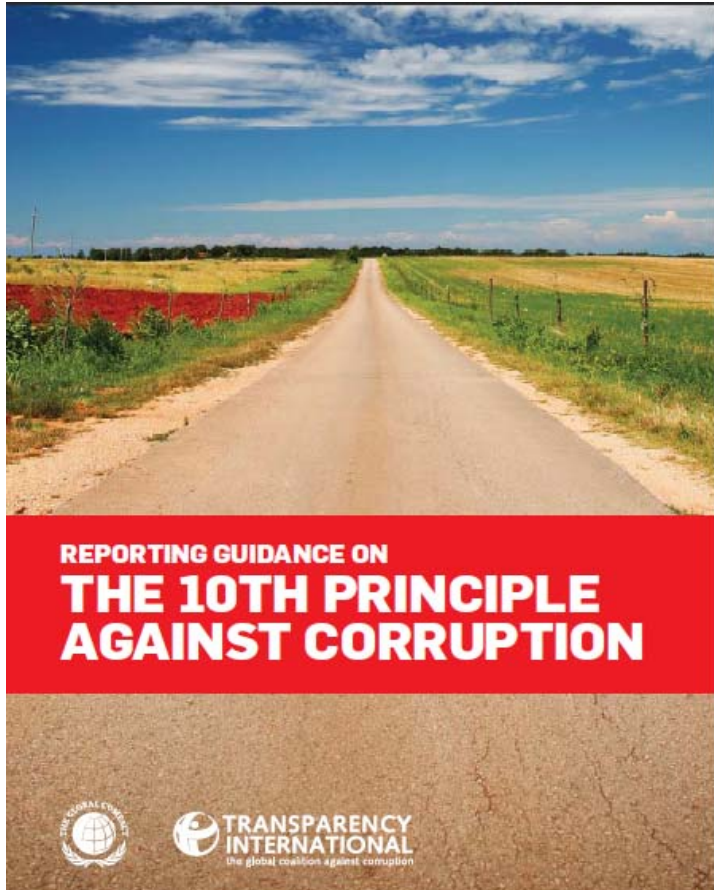
Anti-Corruption Tools and Resources for Internalization



- **RESIST**: A scenario-based tool for employee training on resisting extortion and solicitation in international transactions. (UNGC/ICC/Transparency International/WEF, 2009/2010)
- **E-Learning Tool**: An online learning platform that companies can easily access to obtain practical guidance on how to fight corruption through six interactive dilemma scenarios. (UNGC/UNODC, 2010)
- **Fighting Corruption in the Supply Chain: A Guide for Customers and Suppliers**: common supply chain corruption scenarios and provides a framework and set of tools for addressing them. (UNGC, 2010)
- **Anti-Corruption Tools Inventory**: existing anti-corruption tools and resources presented in alphabetical order that companies can easily review and access. Each tool includes a short description, including purpose, the types of corruption the tool addresses, target audience, functionality and key content. (UNGC/Global Advice Network, 2009)

Reporting Guidance on the 10th Principle against Corruption

Overview of document



1. Developed by the UN Global Compact Working Group on the 10th Principle to assist companies in this task – identifying reporting priorities that can put business on the path of performance improvement and enhanced transparency.
2. Officially launched in June 2010
3. One of the first comprehensive reporting guidance materials in the area of anti-corruption



Reporting Elements for the 10th Principle

Reporting Guidance overview

The guidance comprises of **22 Reporting Elements**, outlined in the following **matrix**:

	Basic Reporting Elements	Desired Reporting Elements
Commitment and Policy	B1-B2	D1-D5
Implementation	B3-B6	D6-D11
Monitoring	B7	D12-D15

- **By reporting elements:**
 - **Basic Reporting Elements:** These 7 Elements are considered to be the basic level of reporting on an organization's anti-corruption policies and procedures;
 - **Desired Reporting Elements:** These additional 15 Elements give you the opportunity to report more extensively on your anti-corruption policies and procedures.

- **By categories:**
 - **Commitment and Policy:** how your organization has committed to a zero-tolerance of corruption
 - **Implementation:** how your organization's commitment has been put into practice through detailed policies and systems
 - **Monitoring:** how your organization monitors progress and has a continuous process for improvement



Reporting Elements for the 10th Principle

Matrix of Reporting Elements

Commitment and Policy:

Basic Reporting Elements		Desired Reporting Elements	
B 1	Publicly stated commitment to work against corruption in all its forms, including bribery and extortion	D 1	Publicly stated formal policy of zero-tolerance of corruption
B 2	Commitment to be in compliance with all relevant laws, including anti-corruption laws	D 2	Statement of support for international and regional legal frameworks, such as the UN Convention against Corruption
		D 3	Carrying out risk assessment of potential areas of corruption
		D 4	Detailed policies for high-risk areas of corruption
		D 5	Policy on anti-corruption regarding business partners

Implementation:

Basic Reporting Elements		Desired Reporting Elements	
B 3	Translation of the anti-corruption commitment into actions	D 6	Actions taken to encourage business partners to implement anti-corruption commitments
B 4	Support by the organization's leadership for anti-corruption	D 7	Management responsibility and accountability for implementation of the anti-corruption commitment or policy
B 5	Communication and training on the anti-corruption commitment for all employees	D 8	Human Resources procedures supporting the anti-corruption commitment or policy
B 6	Internal checks and balances to ensure consistency with the anti-corruption commitment	D 9	Communications (whistleblowing) channels and follow-up mechanisms for reporting concerns or seeking advice
		D 10	Internal accounting and auditing procedures related to anti-corruption
		D 11	Participation in voluntary anti-corruption initiatives

Monitoring:

Basic Reporting Elements		Desired Reporting Elements	
B 7	Monitoring and improvement processes	D 12	Leadership review of monitoring and improvement results
		D 13	Dealing with incidents
		D 14	Public legal cases regarding corruption
		D 15	Use of independent external assurance of anti-corruption programs

Collective Action

Collective Action usually involves various stakeholders



<http://www.fightingcorruption.org>

- Process of cooperation between various stakeholders with the aim to jointly counter corruption.
- Collective Action can be initiated and driven through various channels. The available methods range from Integrity Pacts for individual procurement transactions to industry specific codes of conduct and compliance pacts, as well as joint measures implemented as part of a long-term initiative to raise a country's public awareness and tighten up its regulatory system and procurement guidelines.

Opportunities for Collective Action at the Global and Country Level

COLLECTIVE
ACTION
IN THE FIGHT
AGAINST
CORRUPTION

Global Efforts

- Working Group on the 10th Principle: With over 60 members, WG gives strategic directions to the work of the Global Compact on the 10th Principle. Closely working with the Principles for Responsible Investment as well as Principles for Responsible Management Education

Local Networks:

- The UN Global Compact is currently working closely with Ethos Institute (Brazil), Egyptian Junior Business Association (Egypt), Global Compact India Network (India), Nigerian Economic Summit Group (Nigeria), and National Business Initiative (South Africa) with the launch of country-level collective action platforms.



THANK YOU

www.unglobalcompact.org

