



B20 Task Force on Improving  
Transparency and Anti-corruption

# **Task Force Recommendations 2013**

20th June 2013



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Transparency and Anti-corruption

# TASK FORCE RECOMMENDATIONS 2013

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At the beginning of 2013, Russia took over the Presidency of the G20. Part of the annual process includes a dialogue between the governments and the leading companies of the G20 nations – the B20 whose work was coordinated by the Russian Union of Industrialists and Entrepreneurs (RSPP). One of the seven Task Forces contributing its recommendations to the G20 was the Task Force on Transparency and Anti-corruption.

This publication contains the Task Force’s recommendations as published by RSPP in its “White Book” and presented to the leaders of the G20 countries at the G20 Summit at Strelnya, St. Petersburg, on 6th September 2013.

It also contains detailed background information relevant to each recommendation.

Further information about the B20 and the B20 Task Force on Transparency and Anti-corruption can be found on the following sites:

<http://www.b20russia.com/en/>

<http://en.iblfrussia.org/programmes/current/detail.php?ID=811>

<http://www.business-standards.ru/>

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# FOREWORD

by **Andrei Bougrov**,  
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This publication complements the White Book put out by RSPP in advance of the G20 Summit, containing the official recommendations of all the B20 Task Forces. Here we limit ourselves to the outputs of one Task Force, the Task Force on Improving Transparency and Anti-corruption.

When compiling the recommendations in the format prescribed by RSPP, we necessarily had to exclude a large amount of information. While the recommendations are short, sharp and to the point, underlying each of them is a vast amount of information, background and intellectual exchange, not just from this year, but also from the Cannes and Los Cabos Task Forces too; not just from within the Task Force but from the expert community.

Hence we felt it important to produce this more detailed edition which provides some of that background. It is only in part for readers outside the Task Force acquainting themselves with the recommendations for the first time. It is also intended for the policy makers of the G20 governments to whom many of the recommendations are directed, and especially the members of the G20 Anti-corruption Working Group who are ultimately the key substantive interface for the B20 Task Force with the G20 Governments.

And above all it is for the members of the Task Force itself. The B20 process is relatively new, so far there has been no permanent secretariat, and its institutional memory is short, relying on the recollections of a small number of individual participants for continuity. This publication will remind the Task Force participants of what they have agreed to do, why and by when. It will effectively act as the combined minutes of our many meetings and discussions over six months. It will provide continuity for future Task Forces. Above all it will be the starting point for achieving our self-imposed goal of moving “from declaration to action”.

During the last six months, over 50 companies, business associations and multilateral organizations have participated in the Task Force’s work in five Work streams; we participated in three official consultations with the G20 and many more with RSPP; we held three plenary sessions, in Moscow, Paris and St. Petersburg, and with the help of a number of business associations in the B20 Task Force, we held outreach events in China, India and Russia. Our work has generated or inspired a number of publications.

There were also some important lessons from the process. One of the goals we set ourselves was to involve more companies from emerging markets. In this we were only partly successful – it became ap-

parent that the sort of discussion taking place at the level of multilateral international diplomacy needed even more connection with the realities of companies on the ground struggling with corruption every day of their lives. In order to make the process more inclusive for Russian companies, we created a local Work stream. Over the last months it has fed in ideas into the other Work streams but it has also developed its own recommendations addressed to the Russian Government.

Another lesson was the importance of a streamlined process. The nature of the G20 process with its revolving secretariat does not combine easily with the nature of our topic, which, by definition, requires long-term solutions. That is why several of our recommendations are directed at institutionalizing the process. If these recommendations are implemented, future Task Forces will find the hand-over from their predecessors far easier and more efficient. In any case, the idea of the Task Force’s permanent expert group – which could act as a secretariat – is critical and we hope that our successors in Australia will heed this recommendation and benefit from it.

Finally, I have been very impressed by, and grateful for, the enthusiasm and energy of all our Task Force contributors. I would like in particular to thank my co-chairs, Futhi Mtoba and Giuseppe Recchi, the Work stream leaders, Massimo Mantovani, Sandy Merber, Roger Munnings, Viviane Schiavi, Lee Tashjian and Boris Tkachenko, and our secretariat consisting of Brook Horowitz, Boris Tkachenko and Elena Abramova from IBLF, and my own colleagues, Alexander Astapovich and Elena Shtykanova.

Without the ownership, responsibility and leadership of the Work stream leaders and the Task Force members, we would not have been able to deliver these recommendations, nor move beyond them into the implementation stage which has now begun. It is precisely these qualities which will ensure that this huge body of work will not be in vain; that the B20 can indeed move from “declaration to action”; that companies can indeed mobilize their immense intellectual, financial and human resources to have a significant impact on fighting corruption and thus to make a lasting contribution to economic and social development.

**Andrei Bougrov**  
**St. Petersburg**  
**20th June 2013**

# B20 TASK FORCE RECOMMENDATIONS

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# Executive Summary

With the globalization of business, corruption is as much a global as it is a local phenomenon. As such, it is clear that no single government can provide the solution. By the same token, no single company or small group of companies can set the standards of behaviour. Only by leading by example, exchanging best practices with their peers, jointly creating codes of conduct within their markets, and building capacity in their supply chains, can companies begin to change behaviour. Only through business and government cooperating on promoting transparency in public procurement and establishing integrity pacts, workable whistle-blowing and reporting systems can unethical players be isolated and squeezed out. This is a radical departure from business as usual.

The recommendations to the G20 focus on four areas where business can and should be part of the solution:

- Enhancing the dialogue between the B20 and the G20 and strengthening the role of the B20. This includes more regular and substantive meetings between the B20 Task Force and the G20 Anti-corruption working group, and establishing both groups on a permanent footing with due consideration of the long-term nature of the corruption challenges.
- Combating the solicitation of bribes. The G20 governments have a critical role to play in ensuring fair and transparent public procurement, and we recommend a number of actions through which they can achieve this, including an agreement on transparency in government procurement in future global trade talks.
- Training and capacity building for companies, SMEs, and public officials. The G20 governments should implement annual training programmes

for public officials on the latest developments in national and international legislation. They should invite the B20 companies and business associations, where appropriate, to support government training programmes by sharing their experience with corporate compliance programmes. The G20 governments should encourage Export Credit Agencies in their countries to provide anti-corruption training programmes for beneficiary companies. The B20 companies and business organizations should exchange best practices in devising training for SMEs in their supply chains.

- Encouraging Collective Action and Anti-corruption globally and in each G20 country. One of the main outputs from the B20 Task Force this year will be the establishment of a Collective Action Anti-corruption Hub, which will act as a central repository of best practices worldwide. At the same time, the G20 governments and business should set up or support Anti-corruption Centres of Excellence in each country, which will act as local counterparts for both the Collective Action Hub and the B20 Task Force. The Centres of Excellence could for example work with the Hub to analyze, share and promote effective Collective Action strategies and initiatives, and with the B20 Task Force to track and measure progress in the implementation of B20 recommendations and decisions.

Much of the success in implementing this year's recommendations will depend on the G20 governments and the B20 companies being able to establish a formal institutional framework globally, and a network of companies, business associations, local organizations and other partners in each G20 country that will be capable of implementing, tracking, reviewing, and reporting the actions that are decided upon by the B20 during 2013.



# Recommendations

This year, the B20 Task Force on Improving Transparency and Anti-corruption focuses on recommendations which can be put into practice in a short- or medium-term time frame, with full participation of business. In so doing, the B20 positions itself as a body no longer concerned solely with declarations, but as a group of leading companies and business associations, committed to delivering a lasting, beneficial, and measurable impact on economic and social development in the G20 countries and beyond.

## Starting Point

In 2013, the Task Force on Improving Transparency and Anti-corruption agreed to concentrate on issues of serious concern to the business community, where business could, and indeed should, be part of the solution. As well as coming up with new recommendations, we decided to make sure that the B20 recommendations accepted by the G20 at the Los Cabos Summit would be properly implemented.

In our recommendations we have restricted ourselves to two major concerns of the corporate sector: 1) how business can combat and resist the solicitation of bribes, especially when bidding in public tenders; and 2) our ability, as companies, to guarantee the highest standards of integrity of our own employees, and to build the capacity of our dealers, distributors and suppliers to aspire to similar standards.

The new method to promote transparency and counter corruption requires complex, multifaceted, cross-sector alliances aimed at reducing corruption in the markets which we are serving and investing in, ranging from codes of conduct between companies in particular industries to integrity pacts between companies and governments around public tenders. This is what we refer to as "Collective Action". In 2013 and beyond, Collective Action should become the name of the game. Our idea for a Collective Action Hub, to be established this year, will create a major resource for business, government and civil society to enable new approaches and techniques for avoiding and resisting corruption. Combined with our recommendations to enhance the G20-B20 dialogue, to support the establishment of Anti-corruption Centres of Excellence in each G20 country, and to strengthen the role of the B20, the Collective Action Hub should become the centre of a wheel whose spokes will reach deep into every G20 country.

When Russia took over the Presidency of G20, one of our first actions was to align the B20 Task Force on Improving Transparency and Anti-corruption recommendations with the G20 2013-2014 Anti-corruption Action Plan. This yielded a number of key areas, which were structured into four work streams composed of leading multinational companies and business associations.

Many of the B20 recommendations included in the Los Cabos summit documents were scheduled for implementation in 2013 and 2014, and at the time of writing, there had already been a number of successes, for example the implementation of one of the Task Force's key recommendations – the introduction in April 2013 of the first High Level Reporting Mechanism by the government of Colombia.

The Task Force examined the effectiveness of the B20 process itself. It set for itself the goal to include more companies from high-growth markets in its work, and to find new ways of tracking and measuring the implementation and impact of its recommendations.

The presence of several Russian companies in this year's Task Force, plus a number of outreach events held by the Task Force Secretariat in China and India, have re-emphasised the need for the B20 process to be conducted not only at the transnational level, but also brought in to "land" in each G20 country.

The following recommendations deal with a variety of issues ranging from general goals, such as improving the G20-B20 process, to very specific actions, such as the establishment of a Collective Action Hub during 2013.

## Recommendations

### 1. Enhancing the dialogue between B20 and G20 and strengthening the role of the B20

- We recommend that, from 2014 onwards, the G20 Anti-corruption Working Group should have permanent status as a standing committee of the G20.
- We recommend that, at the B20 Summit in June 2013, the B20 Task Force on Improving Transparency and Anti-corruption should nominate a permanent expert group to support each year's new B20 presidency.
- We recommend that from June 2013 the representatives of the B20 Task Force and of the G20 Anti-corruption Working Group should have regular meetings to identify regulatory improvements and discuss their impact on the corporate sector. This would include identifying consistent and effective enforcement measures that can discourage bribe payers; developing incentives and removing disincentives for the corporate sector to take an active role in the fight against corruption such as voluntary disclosure, self reporting and other means of cooperation with law enforcement authorities.
- We recommend that the G20 governments should make every effort to involve the private sector in

the review mechanisms of the UN Convention Against Corruption (UNCAC) including China, Turkey, India, and Italy, which are scheduled for review in 2013; and of the OECD Anti-Bribery Convention (ABC), including Russia, which is scheduled for review in 2013. In particular, the G20 governments should consider acting as pilots to develop mechanisms for the active involvement of the corporate sector during and after the reviews.

- Given the important role of civil society in opposing corruption and the inclusion of anti-corruption in the C20 agenda, we recommend that the B20 Task Force should work closely with the C20, including through regular joint meetings of the G20, B20 and C20 starting from June 2013.

## 2. Combating the solicitation of bribes

- We recommend that the G20 governments should include an agreement on transparency in government procurement in future rounds of global trade talks.
- We recommend that the G20 governments should benchmark their performance in government procurement when a new World Bank indicator is launched in 2014.<sup>1</sup>
- We recommend that, from 2013, the G20 governments should consider introducing a High Level Reporting Mechanism, and study the experience of countries which have already done so.
- We recommend that the G20 governments should encourage and support fair and transparent procurement practices outside the G20 countries as a part of their external trade and development programmes.

## 3. Training and capacity building in companies, SMEs and of public officials

- We recommend that, from 2013, G20 governments and B20 companies should support the development of courses in business ethics and responsible business practices in higher education establishments, business and law schools, corporate universities, and training centers.
- We recommend that, from 2013, B20 companies and business organizations should regularly exchange best practices in devising training for SMEs in their supply chains.
- We recommend that, at the G20 Summit in September 2013, G20 governments should encour-

age Export Credit Agencies in their countries to provide anti-corruption training programmes for beneficiary companies.

- We recommend that, at the G20 Summit in September 2013, G20 governments should encourage International Financial Institutions, including development banks, to make their loans, investments, guarantees and provision of other funding conditional on the beneficiaries of their financing having in place effective internal controls, ethical standards, and compliance and anti-corruption programmes.
- We recommend that G20 governments should implement annual training programmes for public officials on latest developments in national and international legislation starting in 2014. They should invite B20 companies and business associations, where appropriate, to support government training programmes by sharing their experience of corporate compliance programmes.

## 4. Encouraging Collective Action and Anti-corruption globally and in each G20 country

- We recommend that the G20 governments and B20 companies should continue to support the establishment, by the end of 2013, of a Collective Action Hub to share best practices throughout the G20 countries and beyond.
- We recommend that, throughout 2013 and 2014, each G20 government, in collaboration with the local business communities and with the support of the B20 companies, should set up or support independent and properly funded Anti-corruption Centres of Excellence in each G20 country, which will act as the local counterparts for both the Collective Action Hub and the B20 Task Force. The Centres of Excellence could for example work with the Hub to analyze, share and promote effective Collective Action strategies and initiatives, and with the B20 Task Force to track and measure progress in the implementation of B20 recommendations and decisions.

## Relevance and Expected Impact

There are many global anti-corruption initiatives, but few which have the ability of the B20 process to bring together governments and companies of the developed world and high-growth markets.

The initiatives proposed by this unique B20 process are particularly relevant and timely, as in the wake of the financial crisis, the temptation of corruption is even greater now than before.

<sup>1</sup> Huguette Labelle (Transparency International) has recused herself from this recommendation in order to avoid a conflict of interest since she is a Member of the World Bank Panel on reviewing the Doing Business Survey.



**Andrei Bougrov, Chairman of the B20 Task Force, opens the Second Plenary Session of the Task Force, Paris, April 2013**

Furthermore, with many of the companies from the high-growth markets now investing in the developing world, especially in Africa and Latin America, they need to assume the role of standard bearers of probity, integrity, and prudence.

These recommendations are designed to strengthen and institutionalise the dialogue between business and governments within the G20. The intention is to ensure continuity and consistency on an issue which, by definition, cannot be resolved quickly. Another aim is to strengthen the institution of the G20 itself as the grouping of nations most suited to driving change in the world's most influential markets.

Rather than spread ourselves too broadly, we have restricted ourselves to issues where our companies can play a significant role. In these recommendations we have focused on two major concerns to the corporate sector which we believe we can influence: 1) the fairness and transparency of public tenders; and 2) our own ability to guarantee the highest standards of integrity of our own employees, and build the capacity of our dealers, distributors and suppliers to aspire to similar standards.

And we are willing to go beyond talk. We are ready to act now: the Collective Action Hub which we hope will be established this year will be a major repository

of new approaches and techniques in how to avoid and resist corruption, the centre of a wheel whose spokes will reach deep into every G20 country. In our recommendations, those spokes will be represented by Anti-corruption Centres of Excellence, which will track and measure progress in implementation of B20 recommendations and decisions, and which will promote best practices in corporate compliance and Collective Action.

#### **Timeline for implementation**

Specific deadlines are indicated in each action, where appropriate.

#### **Reporting Format**

Our proposal is that the Anti-corruption Centres of Excellence would monitor, measure and report on progress of implementation of B20 recommendations and decisions. This could be organized to coincide with the biannual meetings of the G20 Anti-corruption Working Group and B20 Task Force. The reporting could be coordinated by the B20 permanent expert group and/or the Collective Action Hub. Until such time that these new institutions are established, the precise timeline and format for reporting will be agreed upon at the regular meetings of the B20 Task Force.



# BACKGROUND INFORMATION

We recommend that, from 2014 onwards, the G20 Anti-corruption Working Group should have permanent status as a standing committee of the G20.

The Task Force's first set of recommendations concerns the institutional structure of the B20 and its relationship between the B20 and G20.

Over the three years of this Task Force, it has become apparent that there is a certain discrepancy between the dynamic of the G20 process and the substance of our topic. Whereas the G20 process (and therefore the B20 process) is renewed annually, corruption is a long-term problem which requires long-term solutions. With the yearly move of the G20 presidency from one country to the next, and the hiatus caused by the transfer of vast quantities of background information and work from one administration to the other, the process is, by its very nature, disruptive for an issue which requires continuity and persistence. With new sets of priorities each year, there is even the risk that in future years the anti-corruption agenda could be abandoned without significant progress having been made.

This issue was recognized in Los Cabos in 2012 when this Task Force's recommendation was accepted to extend the mandate of the Anti-corruption Working Group (ACWG) – the regular gathering of anti-corruption experts from the G20 countries. The resulting Action Plan 2013-2014 goes a long way towards creating an effective institutional platform.

That mandate is due to come to an end in 2014, and in the view of the Task Force it is not too early to consider extending it beyond then. The criteria for making this decision will of course rest with the G20, but a number of assumptions underpin the thinking of the companies in B20:

- The need to continue to fight corruption is not going to disappear before the end of 2014.
- While good progress is being made, and will be made, in implementing the G20 Action Plan, inevitably some things will not get done by the end of 2014.
- There are likely to be new challenges to confront in the anti-corruption field which have not been identified.
- There is no other forum where governments of developed countries and governments of the new, high-growth, "emerging" markets can work together on a common issue of critical social and economic importance.

If some or all of these are correct, it makes sense to extend the mandate again, if not indefinitely, then for a further 5-6 years, say until 2020 – a realistic period in which to have significant results.

We recommend that, at the B20 Summit in June 2013, the B20 Task Force on Improving Transparency and Anti-corruption should nominate a permanent expert group to support each year's new B20 presidency.

Just as the G20 process could benefit from a longer time-frame, so too the B20 process.

In taking over the B20 Task Force from Los Cabos at the beginning of the year, the Russian secretariat found that the very active and enthusiastic "Los Cabos team" had effectively disbanded following the delivery of their recommendations to the B20 Summit in the summer of 2012. Apart from the obvious consequence that it took more time and effort for the new Task Force to pick up the portfolio at the beginning of 2013, it is clear that the whole program needs strong continuity to avoid the risk of being forgotten and not being delivered at all.

Hence the big idea of this year's B20 Task Force – "from Declaration to Action". At the beginning of the year, we defined the drafting of the recommendations as only one of several goals of this year's Task Force. Other included the involvement of more companies from emerging markets in the B20 Task Force, awareness-raising of the B20 beyond the immediate participants, and a smooth hand over to Australia at the end of the year. Above all, we said we would not "reinvent the wheel". By recognizing the achievements of our predecessors in Los Cabos,

and building on the recommendations of the previous year, rather than inventing new ones, we were creating the continuity which the process, if left to itself, could not have done. By making clear from the outset that our work together was for the whole year, right up to the handover to Australia in December 2013, we have managed to create a more coordinated team, with a greater sense of ownership for the results of its work.

Our hope is that in the hand-over to Australia and to other presidencies in future years, this continuity will not be lost. In practice, this year, many of the Los Cabos team returned to the fray and continued to work together under the Russian presidency and we believe that the quality of the recommendations and the commitment of the team to deliver some concrete results reflects this.

Our proposal to create a permanent expert group simply attempts to institutionalize this. And effectively mirrors the idea of a permanent G20 ACWG – building continuity with the past, keeping an eye on the longer-term future, and building ownership amongst the players in order to ensure that we meet our stated goal of moving "from declaration to action".

We recommend that from June 2013 the representatives of the B20 Task Force and of the G20 Anti-corruption Working Group should have regular meetings to identify regulatory improvements and discuss their impact on the corporate sector. This would include identifying consistent and effective enforcement measures that can discourage bribe payers; developing incentives and removing disincentives for the corporate sector to take an active role in the fight against corruption such as voluntary disclosure, self-reporting and other means of cooperation with law enforcement authorities.

The private sector performs a fundamental role in the fight against corruption: the only way to achieve companies' business objectives is to operate to the highest ethical standards. However, even the most compliant global companies can still face substantial corruption risks in the many jurisdictions where they operate.

Due to non-uniform regulatory environments and lack of coordination among enforcement authorities, the treatment of companies under investigation may vary significantly according to the jurisdiction, and the consequent uncertainty may discourage them from making voluntary disclosures.

A regulatory framework which encourages incentives for self-reporting, strengthens international coordination and harmonisation and avoids multiple sanctions will go a long way towards improving cooperation between regulatory authorities and the private sector, and ultimately reducing corruption.

The Task Force has identified a number of issues for more in-depth consultations between the Task Force and ACWG:

- Establishment of a clear framework for addressing multiple jurisdiction issues through the full implementation of Article 4.3 of the OECD Convention and Articles 47, 48 and 49 of UNCAC in national legislations. Exploration of ways and means of preventing or mitigating the risk of duplication of financial sanctions in the case of cross-border concurrent liabilities (in particular with respect of disgorgement of profit); and the possibility of recognition of the validity of global settlements.
- Assessment of the feasibility of alternative means of settlement such as Deferred Prosecution Agreements (DPA), and Non-Prosecution Agreements (NPA) that could incentivize self-reporting.
- Exploration of measures to further incentivize self-reporting, such as a reduction of financial penalties and guaranteeing a certain level of confidentiality.

- Examination of leniency mechanisms (such as the leniency programmes provided for in the case of cartels) to be defined on the basis of clear parameters and with clear benefits.
- Identification of benefits and clear limitations of liability to corporations that have initiated autonomous internal investigations prior to self-reporting or that carry out such internal investigation in consultation with national authorities (with consequent savings of government resources by relying on companies' investigations carried out at their own cost).
- Exploration of the potential for companies which are effectively co-operating with authorities or have self-reported to be exempted from interim measures such as injunctions, monitoring, debarment which may be proclaimed pending the outcome of the investigations.
- Exploration of the possibility to improve the use of civil recovery orders as an incentive for self-reporting as opposed to criminal sanctions.
- Exploration of the feasibility of including in national laws the validity of compliance defence, with clearly defined limitations of liability, as a means to mitigate or exclude liability in cases where anti-corruption programs are in place, and supported by independent third-party assurance.

The bi-annual outreach meetings between the ACWG and the B20 Task Force are unlikely to be sufficient for such in-depth discussion of these issues, so in order to implement this recommendation, the ACWG and the B20 Task Force would need to create opportunities for regular consultation. Our proposal is to organise by the end of 2013 and with the support of UNODC and OECD a first round table for B20 companies and representatives of the governments of a limited number of G20 countries. The main aim of this event would be to discuss these issues in depth, identify concrete actions, and devise a timetable for pilot projects with interested jurisdictions. A schedule of further meetings would be developed.



Ángel Gurría, Secretary-General of the OECD, makes the key-note speech at the First Plenary Session of the B20 Task Force on Transparency and Anti-corruption, Moscow, January 2013.

This round table could be organized in the margins of the Fifth Session of the Conference of the States Parties to the United Nations Convention against Corruption (Panama, 25-29 November 2013). A preliminary study carried out by a legal expert could compile views and experiences by selected representatives of the private sector and national authorities. The study could be the basis of discussion at the round table.

**Suggested actions in 2013:**

- May: Definition of the terms of reference for the legal expert and selection of the expert.
- October: Circulation of the expert's discussion paper to B20 Task Force and ACWG participants.
- November: Round table in Panama in the frame of the Conference of the State Parties to UNCAC.

We recommend that the G20 governments should make every effort to involve the private sector in the review mechanisms of the UN Convention Against Corruption (UNCAC) including China, Turkey, India, and Italy, which are scheduled for review in 2013; and of the OECD Anti-Bribery Convention (ABC), including Russia, which is scheduled for review in 2013. In particular, the G20 governments should consider acting as pilots to develop mechanisms for the active involvement of the corporate sector during and after the reviews.

The business community should be seen as a resource that can make valuable contributions to the review process of the UN Convention against Corruption (UNCAC) and the OECD Anti-Bribery Convention (ABC). Increased involvement from the private sector can have a positive impact in terms of both the effective output of the whole review process and the ongoing monitoring of the Conventions as well as the public-private perception of what is being done to combat corruption.

To date, the business community's involvement in review processes including the self-assessment phase and optional country visits under UNCAC, and the "Phase 3" evaluations of the Working Group's peer review mechanism under ABC, has yielded significant results. Given that the provisions of the Conventions impact significantly on the private sector it would be advisable to build on these successes and encourage further participation.

The participation of the business community in the Country Monitoring of the OECD Anti-Bribery Convention and in the Mechanism for the Review of Implementation of the UNCAC is of particular importance. In particular, the private sector should be afforded the opportunity to contribute at each phase of the review and monitoring process, as in the self-assessment phase and during the country visits in the framework of the UNCAC reviews, and in all three phases (including self-assessment, on-site visits, peer reviews and the publication of country performance reports) for the OECD.

In 2013, there are ongoing and forthcoming UNCAC reviews of Italy, China, Turkey and India, and ABC reviews of Russia. Based on successful experiences elsewhere, we would welcome an active private sector contribution to the national dialogue in each country. This could include the opportunity for the private sector:

- To review and comment on the self-assessment checklist.

- To participate in a dedicated stakeholder meeting with governmental experts from the reviewing States parties during country visit.
- During these consultations, to address issues such as its role in the fight against corruption in the specific country under review and identification of government projects or processes where solicitation has occurred or is likely to occur.

For example, Italy has agreed to run a pilot project for the ongoing UNCAC Review. At the end of the process, by the end of 2013, the companies which participated will provide UNODC with feedback on their experience of the review process and suggestions to help create a model for private sector involvement in UNCAC reviews.

In order to ensure that the review processes have impact, we would suggest organising, at the end of each Review process, a round table for private sector representatives from a wide range of companies to discuss the results of the review, and how the private sector can help with the implementation of the review's recommendations. In the case of Italy, this is scheduled for November 2013.

In order to promote these good review practices more widely and to ensure that the reference model is made available to other countries, we suggest the B20 Task Force and ACWG develop a mechanism for companies and governments of countries that have undergone a review to share their experiences with countries undergoing or scheduled to undergo reviews in the future.

#### **Suggested actions in 2013:**

- Throughout 2013: Review processes of Italy, China, Turkey and India (UNCAC) and Russia (ABC)
- November: Private sector round-table following review process in Italy

Given the important role of civil society in opposing corruption and the inclusion of anti-corruption in the C20 agenda, we recommend that the B20 Task Force should work closely with the C20, including through regular joint meetings of the G20, B20 and C20 starting from June 2013.



Birgit Forstnig-Errath (Siemens), Huguette Labelle (Transparency International), Sandy Merber (GE), Nejla Saula (OECD) contribute to the Task Force deliberations, Paris, April 2013

At the suggestion of the Russian Presidency, ACWG and Sherpa Meeting outreach sessions, for the first time, included C20 in the now traditional meetings with B20. The B20 Task Force welcomes this development. There is no doubt that in order to find solu-

tions to corruption, government, business and civil society need to work closely together. We look forward to this innovation being continued throughout the year throughout the G20 process in 2013, and beyond, when Australia takes over the presidency.

We recommend that the G20 governments should include an agreement on transparency in government procurement in future rounds of global trade talks.

The WTO Government Procurement Agreement (GPA) obligates signatory economies to adhere to robust measures to ensure that covered procurements are conducted in an open, transparent manner, and provides WTO dispute resolution to resolve allegations that those standards are not being followed.

However, the GPA is one of only a few remaining plurilateral agreements within the WTO, and while its transparency measures go a long way toward establishing an environment that minimizes opportunities for solicitation of bribes, it applies to a relatively small number of WTO members – primarily from the developed world. The principal obstacle to expanded membership in the GPA is the reluctance (primarily among developing country members) to make concessions on market access – that is, to eliminate preferences for local goods in government procurement markets.

At the inception of the Doha Round of negotiations, a serious proposal was advanced to develop a multi-

lateral agreement limited to transparency in government procurement (TGPA) containing and updating the procedural measures of the GPA, making them mandatory for all members, and decoupling them from demands for market access concessions. Unfortunately, negotiations for a TGPA were not initiated under the Doha umbrella.

Now that it is clear that the Doha Round will not produce comprehensive results, it is time to revisit the TGPA as part of a new, forward-looking trade agenda to regain momentum toward multilateral trade liberalization. G20 governments should take the lead in developing a consensus to initiate negotiations for a multilateral TGPA.

**Suggested actions in 2013:**

- September: G20 Summit calls for the negotiation of a TGPA
- December: Initiation of negotiations

We recommend that the G20 governments should benchmark their performance in government procurement when a new World Bank indicator is launched in 2014.



Andrei Sharonov, Deputy Mayor of Moscow, shares his experience of a Collective Action project with members of the Task Force, Moscow, January 2013

The World Bank's Doing Business report has been a significant driver of regulatory improvement globally. By providing an objective scale against which economies can measure their investment climates and sufficient detail to allow them to understand what specific actions they can take to improve, Doing Business has facilitated a highly beneficial "race to the top" among countries to institute real regulatory reform.

Despite the fact that public procurement comprises a significant share of GDP in both developed and developing world, accounting for an average of 10%–15% of GDP, the Doing Business report does not contain a government procurement indicator. To remedy this, the Bank has begun a project to develop a separate indicator to measure the transparency and effectiveness of government procurement systems across the same wide range of countries covered by Doing Business.

In order to accomplish its goals, the Bank needs support from governments and the business community. First, it is important for governments to support the development of a new government procurement indicator. Second, development of the government procurement indicator requires considerable investment. Initial funding has been achieved by the Bank, but financial support to continue the project is needed.

**Suggested actions in 2013:**

- June: G20 and business community support for development of World Bank procurement indicator
- 2014: Completion of government procurement indicator

We recommend that, from 2013, the G20 governments should consider introducing a High Level Reporting Mechanism, and study the experience of countries which have already done so.

Solicitation of bribery is intimately connected with public procurement. Companies have been advised to deal with extortion by reporting demands to the agencies whose employees are soliciting bribes. A 2010 training tool developed by the UN Global Compact, International Chamber of Commerce, Transparency International, and World Economic Forum, examined over two dozen extortion scenarios, and recommended that companies report solicitation to the agencies whose employees were soliciting bribes. Nevertheless, the level of reporting of solicitation remains low because companies generally are unwilling to report because they fear retribution for whistleblowing.

A High Level Reporting Mechanism (HLRM) provides a way to overcome the reluctance of companies to report solicitation demands to the agencies where solicitation occurs. Establishing reporting mechanisms to government at a high level and independent of the agency affected serves several important purposes. It helps ensure cooperation from the agencies where solicitations occurs. Concerns about retribution are reduced by reporting through a channel independent of the agencies whose employees are soliciting bribes. An independent channel makes it more likely that allegations will be objectively considered, and that effective action will be taken. As the organization of international sport and other major events by public-sponsored bodies is increasingly important economically, we recommend that consideration of such events be taken in this and other recommendations concerning government procurement.

Prevention is the principal objective of the HLRM. The mechanism is intended to provide a speedy avenue to correct potential irregularities in procurement at early stages, allowing the procurement to proceed in a transparent manner, rather than dealing with it at the stage of prosecution. The existence of HLRM's is not intended to interfere with or preclude prosecution of wrongdoing in appropriate cases.

Establishing an HLRM requires action by individual governments. There is no standard model. They must be adapted to the political structure and administrative procedures of each country. The use of an HLRM is at the discretion of companies, other organizations, and individuals.

Recently, the Government of Colombia became the first to establish an HLRM, with the support of the OECD and the Basel Institute on Governance. Because this is an innovative approach, the Colombian experience will be very instructive. We hope that G20 governments, as well as business and civil society organizations, will be eager to learn from Colombia's experience and that of other countries, and will be willing to introduce similar measures in due course.

**Suggested actions in 2013:**

- December: Policy paper on HLRM mechanisms and recommendations for implementation

We recommend that the G20 governments should encourage and support fair and transparent procurement practices outside the G20 countries as a part of their external trade and development programmes.

Many G20 countries are taking steps towards greater government transparency and openness in public contracting. It is important that G20 governments take a vocal, public, leadership role in advocating fair and transparent procurement practices globally, beyond the G20 countries. There are many opportunities to do so, including:

- **International Diplomacy.** G20 leaders wield enormous influence globally. Because corruption is an important impediment to economic growth and poverty reduction, G20 leaders should embrace all opportunities to urge non-G20 countries to address this issue aggressively.
- **Multilateral trade negotiations.** One of our other recommendations has addressed the specific opportunity to revive the issue of a multilateral, binding commitment in the WTO to adhere to basic principles of transparency in government procurement. Those G20 members that are not members of the WTO GPA could take a leadership role in endorsing a separate, multilateral agreement on transparency. It is important to recognize that corruption in this important sector is a serious trade barrier.
- **Bilateral and Regional trade negotiations.** In the absence of viable multilateral trade negotiations,

numerous bilateral and regional trade negotiations are flourishing. G20 members should ensure that strong disciplines on transparency in government procurement are an important component of all trade agreements.

- **State Owned Enterprises (SOEs) as “Commercial Diplomats.”** One important manifestation of a country’s policy on corruption in international commerce is the conduct of its SOEs in global markets. G20 countries – particularly those with significant SOEs – should provide leadership by ensuring that their SOEs adhere to world-class standards for conduct in international markets through the adoption and execution of robust compliance programs. We suggest organising a joint business-government symposium on SOE commercial diplomacy before the end of 2013.

The B20 companies for their part are willing to play an important role in promoting fair and transparent practices outside the G20 countries by supporting the monitoring of contracting from procurement to the close of projects.

#### **Suggested actions in 2013:**

- **December:** Symposium on SOE “commercial diplomacy”

We recommend that, from 2013, G20 governments and B20 companies should support the development of courses in business ethics and responsible business practices in higher education establishments, business and law schools, corporate universities, and training centers.

Many companies have contributed significant resources to the development of effective ethics and compliance programmes in training programmes and higher education, to ensure that their employees, and future employees, understand what is meant by ethical business conduct. The private sector has the capacity to share best practices, training material and resources to support the implementation of integrity programmes and control procedures, and to raise awareness in both the public and private sectors.

It is critical for anti-corruption and business ethics training to be provided to the new generation of business leaders, at the start of their careers, and all along their professional development they need to be given training on a continual basis. Training needs to be practical, with relevant case studies and dilemmas that are pertinent to each market.

Companies can play an important role by sharing their experience, best practices and case studies with the academic community. Business leaders should try to spend time with students sharing their experience of confronting corruption in “tough” jurisdictions. In this way they can make the subject come alive for the new generation of business leader.

What should governments do to encourage more in educational establishments, business and law schools? Is it funding? Sharing of experience?

The teaching of business ethics education within higher education, as a part of continuing education, and within corporate training programmes, needs to be encouraged. Both companies and governments should consider using training material developed by business schools, business associations and multi-

lateral organisations, and where appropriate, outsourcing their training needs to such organisations.

There is fortunately a wide array of business ethics materials available today. We provide here a selection of examples taken from amongst the organisations within the B20 Task Force and being delivered in 2013:

- ICC, the International Chamber of Commerce, is committed to finalize, by the end of 2013, the syllabus for an ICC Ethics and Compliance program and to launch in 2014 face-to-face training based on this syllabus, provided by experts with direct business experience.
- The International Business Leaders Forum (IBLF) is rolling out a business ethics course for business schools and corporate universities in Russia. The course is accompanied by a series of meetings of students with business leaders.
- The Federation of Korean Industries has a number of training programs for the business community and multiple stakeholders to raise awareness on anti-corruption and to help companies implement compliance programs
- The OECD, World Bank and UNODC, with an ad hoc group of private sector representatives, are developing an anti-corruption handbook for business, which will bring together existing guidelines and related material on private sector anti-corruption compliance in one, easily accessible location. The aim is to bring wider application of effective internal controls, ethics and compliance measures. It is planned to launch this Handbook in autumn 2013.

**We recommend that, from 2013, B20 companies and business organizations should regularly exchange best practices in devising training for SMEs in their supply chains.**

This recommendation follows on from a number of recommendations made in Los Cabos surrounding the need to build the capacity of SMEs to adhere to anti-corruption legislation.

While the world's leading multinationals may have the resource to design, develop and implement elaborate corporation-wide compliance programmes, that is often not the case for SMEs. Although smaller enterprises have similar obligations to abide by anti-bribery laws, they do not have the same human and financial resources as multinational companies to ensure compliance with such laws. Smaller businesses are especially vulnerable to extortion and often face the difficult choice between losing essential business and refusing to engage in corrupt practices.

The exposure of SMEs to corruption is also a problem for larger companies as SMEs may be a weak link in their supply chains. The larger companies at the centre of their extensive global supply chains have a crucial role to play in bringing their suppliers upstream, their dealers and distributors downstream, their joint venture partners and other third party intermediaries, to the same level of awareness of how to protect their business from corruption as their own employees. Because the multinationals are exposed to legislation and to public opinion which makes them increasingly liable for the conduct of the companies in their supply chains, they have a vested interest in doing so: there is a lot to gain by ensuring that their business partners are compliant, and even more to lose by failing to do so.

The B20 Task Force believes that the multinationals should share their best practices in compliance

training for a number of reasons. First, this is a relatively new area of business management driven by new legislation and more rigorous enforcement. There is relatively little experience about how to make SMEs compliant, especially in high-risk markets. Second, training for SMEs is necessarily different from what is used as in-house training for employees, and may need to be adapted according to the country and market where it is being delivered. What works and what does not work is a question that can only be answered by exchanging this kind of experience. Finally, in specific markets and industries, competitors' supply chains may well overlap. It would be cost and time efficient if competitors could cooperate in streamlining their training for SMEs in their markets.

In 2013, the World Economic Forum is developing a best practices framework to help companies apply a variety of existing tools and methods to improve transparency and reduce corruption across supply chains. This project has been shaped specifically in support of the B20 recommendation to build capacity across SMEs and supplier bases. The final product will feature a set of practices in an interactive virtual space that can be adopted by companies to extend a transparency framework and build capacity across a broad base of suppliers and partners. The project will commence in June 2013, with an interim report in December 2013.

**Suggested actions in 2013:**

- June: WEF project commences
- December: WEF project interim report issued

We recommend that, at the G20 Summit in September 2013, G20 governments should encourage Export Credit Agencies in their countries to provide anti-corruption training programmes for beneficiary companies.

This recommendation and the next focuses on the role of financial institutions in promoting better compliance and anti-corruption policies amongst their beneficiaries.

A majority of the G20 countries have some form of Export Credit Agency (ECA) which finances or underwrites a large portion of their business activity abroad, and much of which is connected with project finance in developing countries.

As an intermediary between national governments and exporters the ECAs can play an important role in promoting responsible business practices within the G20 and outside it by encouraging exporters to espouse and promote the best standards of compliance in their countries of operation. Since the ECAs are in any case advising the exporter on a wide range of issues concerning foreign trade, they have an important role to play as a “mentor” on anti-corruption management techniques, alongside the more traditional areas of trade finance.

For example, ECAs could offer a suite of materials and programmes to raise exporter awareness of foreign bribery laws and risks. Such materials could take the form of:

- an information booklet providing ECA exporters with easy-to-understand explanations of current national and international anti-bribery legislation and highlighting the risks of bribery and corrup-

tion to enterprises. This could be accompanied by a list of recognised model anti-bribery codes/guidance available from their institutions or those of other institutions.

- online training including through the use of Webinars.

ECAs in G20 countries should also make efforts to share their anti-corruption training programmes amongst each other. Such exchanges could take place in the context of the OECD Working Party on Export Credit and Credit Guarantees (ECG).

We also encourage all G20 countries to adhere to the OECD Recommendation on Bribery and Officially supported Export Credits which includes commitments to take concrete, coordinated measures to detect and deter bribery in the export transactions that they support.

#### **Suggested actions in 2013:**

- July: Start preparation of training materials for ECAs
- October: Secure support of OECD Export Credit Group
- December: Start roll-out of training programmes by ECAs

We recommend that, at the G20 Summit in September 2013, G20 governments should encourage International Financial Institutions, including development banks, to make their loans, investments, guarantees and provision of other funding conditional on the beneficiaries of their financing having in place effective internal controls, ethical standards, and compliance and anti-corruption programmes.

International Financial Institutions (IFIs), including Multilateral Development Banks (MDBs) and Bilateral Development Banks (BDBs), should consider making their loans, investments, guarantees, or provision of other financial funding, conditional upon their counterparties, or beneficiaries of their financing, having in place effective internal controls, ethical standards, and compliance and anti-corruption programmes.

The B20 suggests for their consideration a number of measures which they could take to make this happen:

- Lenders could undertake a thorough diagnostic to identify any weaknesses or deficiencies in any of the above areas in companies or entities that they are considering financing.
- The financing could be structured so that the obligation to remedy deficiencies or strengthen weaknesses is either a pre-condition to the signing of a contract or to the disbursement of the funds.
- There should also be legal covenants which ensure that the failure to meet the integrity/anti-corruption obligations under the contract or the commission of a Prohibited Practice (as defined in the contract but usually covering Fraud, Corruption, Collusion, and Coercion) by the borrower may constitute an event of default which would result in acceleration of the loan.

- This obligation on the borrower can be drilled down in the covenants to cover sponsors, officers, directors, authorised employees, affiliates, agents or representatives of the borrower or the sponsor.
- Contracts should include an obligation to furnish information, including documentary support, to the Lender where the Lender has reason to believe that violation of its integrity covenants has occurred.
- Lenders should ensure periodic monitoring of the integrity conditionalities and covenants in the contracts.

IFIs, MDBs, and BDBs should also provide assistance (including technical cooperation funds, if available) to support the borrowers in their efforts to develop effective controls, ethical standards, and compliance/anti-corruption programmes.

Lenders should also consider providing specific training to borrowers, for example training investee banks in fulfilling anti-money laundering, counter-terrorist financing requirements or in case where the Lender imposes its own procedures, for example in carrying out procurement under the contract, making available a Lender's Supervisor to assist in meeting the specifications of the procurement to ensure proper implementation of the contracts.

We recommend that G20 governments should implement annual training programmes for public officials on latest developments in national and international legislation starting in 2014. They should invite B20 companies and business associations, where appropriate, to support government training programmes by sharing their experience of corporate compliance programmes

If creating an ethical culture remains a challenge for the private sector, albeit one that is being addressed with some urgency, that remains equally true in the public sector, including in state-run companies.

According to the Rutgers Center for Government Compliance and Ethics in the US, while most government agencies have ethics programs, they are rules-based focused on conflicts of interest and conflicts of interest. The efforts to affect the culture of public administrations are concentrated on training, tightening the rules and the oversight, and greater enforcement.

There is an opportunity to combine all the good work that has already been initiated with the methodology of a programme which creates a culture of compliance in the context of the broader legal and regulatory system, and the stated values of the organisation.

Following a number of high profile corruption cases, many companies have in recent years invested in developing compliance programmes and found that the rules based approach is not sufficient. Hence there

is a wealth of experience in many leading multinationals whose programmes have moved towards a values-based approach. Compliance programmes modelled on private sector values-based approach could provide to public sector institutions a level of commitment and consistency which will ultimately have a significant and beneficial impact on an organisation's culture.

In keeping with the "Public Private Partnerships" model identified in the G20 2011 Seoul Action Plan, our suggestion is for governments to request companies and business associations to share with them their experience of developing and delivering compliance programmes, including anti-corruption training aimed at employees and tools for resisting solicitation directed at supply chain partners.

Compliance programmes and training are already underway in both the public and the private sectors. We recommend that the synergies and the exchanges between the two be intensified. Business and government sharing best practices in compliance could become a highly effective means to curb corruption.

We recommend that the G20 governments and B20 companies should continue to support the establishment, by the end of 2013, of a Collective Action Hub to share best practices throughout the G20 countries and beyond.

Although Collective Action as a business strategy for fighting corruption has been used for several years, it is only recently that its true power and potential have begun to be fully recognised. There is an increasing number of examples of Collective Action being put into play at virtually all levels where the interests of business, government and civil society intersect – locally, nationally, regionally and globally. Driving this new trend is a conviction that no single government, company or civil society organisation can tackle corruption alone. Only through joint efforts – Collective Action – can the risks of corruption be mitigated.

However, as Collective Action has become more widespread, it has become apparent that while some efforts have been highly successful, others have been less so. Companies considering Collective Action as a tool to resist corruption need much greater clarity about the factors which determine the success or failure of Collective Action initiatives.

Many players in the global anti-corruption arena believe that it would be beneficial to establish an entity which could be the recognised repository of best practices on Collective Action; a “counsellor” or “advisor” to business, government and civil society on how to structure and implement Collective Action strategies in order to accomplish their stated goals. Hence the B20 Task Force’s recommendation to set up a Collective Action Hub.

The idea of creating a Collective Action Hub was first proposed during the Los Cabos B20 Task Force process in 2012. Since then, a B20 Task Force work stream has defined the objectives and scope of the Hub, its terms of reference, and, in March 2013, distributed a Request for Proposals (RFP) to the global anti-corruption not-for-profit community:

According to the RFP, the Collective Action Hub’s terms of reference include:

- establishing itself as a centre of competence which provides hands-on, practical advice on the implementation of Collective Action initiatives;
- documenting, measuring and sharing information about Collective Action initiatives at the local, national, regional and global levels;
- making thoughtful analysis of the effectiveness of those initiatives;
- presenting the analysis in a robust fashion on a dynamic website to be set up and operated by the Hub.

It is expected that the Hub’s website will be used and accessed by organisations from business, government and civil society wanting to learn more about how Collective Action can help them combat corruption. By so doing, and acting in partnership with local partners in each G20 country, including the proposed Centres of Excellence (see the next recommendation) it is anticipated that the Hub will encourage the broader use and adoption of Collective Action initiatives worldwide and will have a significant impact on reducing corruption.

The selected operator of the Hub will be entirely responsible for securing its own funding from multiple sources. The view of the B20 is that business should have a vested interest in financing this kind of resource, and indeed, Siemens, one of the B20 Task Force members, has suggested that the organiser of the winning proposal may potentially apply for funding under the Siemens Integrity Initiative, provided it meets the programme’s criteria. This would be seed-funding while the Hub put in place longer-term funding from multiple sources such as corporate sponsors, philanthropic foundations and governmental grants. The Task Force express the hope that governments should be no less keen than companies to provide financial and moral support for this important new tool to combat corruption.



Steve Almond, Chairman, Deloitte, and Giuseppe Recchi, Chairman, ENI Spa, look on as Peter Solmssen, Chief Legal Counsel, Siemens AG, makes a point during the Third Plenary Session of the Task Force during the B20 Summit, St. Petersburg, June 2013.

The relevant Work stream within the B20 Task Force will oversee the establishment of the Collective Action Hub and the Task Force's permanent expert group (see earlier recommendation) will work in close partnership with the Hub once it is operational.

The Hub's measure of success will be when it becomes fully recognized by business, government and civil society as the "acknowledged expert" on Collective Action and in assisting entities in establishing and successfully implementing Collective Action initiatives.

As part of the work on Collective Action, at the request of the Russian co-chair of the ACWG, the Task Force is preparing a short paper introducing Collec-

tive Action initiatives which will be presented at the B20 Summit.

**Suggested actions in 2013:**

- March: Request for Proposals published
- June: Presentation of winning proposal
- June: Publication of B20 introduction to Collective Action
- December: Hub is established
- June 2014: Hub becomes fully operational

We recommend that, throughout 2013 and 2014, each G20 government, in collaboration with the local business communities and with the support of the B20 companies, should set up or support independent and properly funded Anti-corruption Centres of Excellence in each G20 country, which will act as the local counterparts for both the Collective Action Hub and the B20 Task Force. The Centres of Excellence could for example work with the Hub to analyze, share and promote effective Collective Action strategies and initiatives, and with the B20 Task Force to track and measure progress in the implementation of B20 recommendations and decisions.

During the deliberations of the B20 Task Force, there was much discussion about how the Collective Action Hub would interact with other entities, both to receive information on Collective Action initiatives from different sources, and to deliver its analysis in a form that was relevant and meaningful to practitioners worldwide.

It became clear that it could not do this alone. For the Hub to achieve its goal of becoming a major repository of new approaches and techniques in Collective Action, it has to become the centre of a wheel whose spokes will reach deep into every G20 country. Those spokes will be represented by a network of proposed Anti-Corruption Centres of Excellence in each G20 country.

The Centres of Excellence would play another important role, in relation to the B20 Task Force. The recommendations that we have put forward this year need to be implemented – and not only at a multilateral level. They need to be brought into “land” in each G20 country. In order to move from “declaration to action” as we have committed to do, our progress in implementing the recommendations needs to be rigorously monitored and tracked – both globally and locally. We therefore envisage that the Anti-corruption Centres of Excellence would monitor, measure and report to the Task Force on progress of implementation of B20 recommendations and decisions.

The Centres of Excellence do not necessarily have to be newly established. In many G20 countries there already exist independent centres of expertise supporting business, government and civil society in the fight against corruption. With a relatively modest amount of guidance and capacity building, perhaps some additional funding, they could be given the task to act as the partners of both the B20 Task Force and the Collective Action Hub.

The aim of this recommendation is to strengthen and build on what already exists in each country. In some countries there may be no such institution capable of performing this role, in which case the local business

community and government, supported by the B20 Task force, would have to agree on how to set one up. In others, there may be more than one institution capable of doing the job.

To establish the Centres of Excellence, it will be important to enlist the support of such organizations as the Collective Action Hub, the World Economic Forum, ICC, IBLF, UN Global Compact and national business associations to draft terms of reference and undertake a mapping exercise to identify potential candidates that could serve as Centres of Excellence in each G20 country. The Task Force would welcome the support, advice and participation of the governments of the G20 countries in this process. The actual selection process of the Centres should be transparent, potentially modelled on the process for the selection of the Collective Action Hub.

The exact institutional and financial arrangements need to be decided and agreed locally by the national governments, national business associations and leading local companies with support and advice from the B20 Task Force.

Clearly a statement of intent and support for these last two recommendations by the G20 leaders in their communique at the G20 Summit would be invaluable in helping the Collective Action Hub to be supported, strengthened and publicly promoted. At the same time such a statement would jump-start the creation of a network of Anti-corruption Centres of Excellence which could in turn become an extremely powerful tool in the fight against corruption.

#### **Suggested actions in 2013:**

- June: Conduct mapping exercise
- September: Draft terms of reference of Centres of Excellence
- October: Present plan of action to ACWG
- December: Implement agreed plan of action