Transparency International is a global movement with one vision: a world in which government, business, civil society and the daily lives of people are free of corruption. Through more than 100 chapters worldwide and an international secretariat in Berlin, we are leading the fight against corruption to turn this vision into reality.

www.transparency.org

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Every effort has been made to verify the accuracy of the information contained in this report. All information was believed to be correct as of 31 March 2016. Nevertheless, Transparency International cannot accept responsibility for the consequences of its use for other purposes or in other contexts.

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INTRODUCTION

CONTEXT IN 2015

The formal approval of the Sustainable Development Goals (SDGs) has set the agenda for social change in the coming years. Goal 16 recognises the importance of fighting corruption in order to realise global development objectives, and two targets specifically focus on this issue. We have also continued to follow and participate in international efforts to address corruption. Regarding the G20, the implementation of the Beneficial Ownership Transparency Principles (adopted in 2014) and the development of the Open Data Principles were particularly important for our work. The same issues were pushed by Transparency International at the Open Government Partnership summit in Mexico City, which is always a major event for us.

Nevertheless, different challenges affected the fight against corruption in 2015. Safety and security concerns were registered across the Transparency International movement throughout the year, ranging from targeted state harassment and interference, to the incidental breakdown of law and order in the countries where we operate. In some cases, new laws and regulations have limited the opportunities for anti-corruption work and freedom of speech. In Kuwait, the government dismissed the Transparency International chapter’s elected board. In other countries, such as Libya or Yemen, wars and insecurity meant that governance challenges increased. The nature, frequency and severity of safety and security challenges to the movement are likely to evolve with the new strategy (see “Together Against Corruption” below). Identifying and addressing these threats will be a key focus for 2016.

Instability, especially in the Middle East, has led to over a million migrants and refugees fleeing war, poverty and violence to Europe, and even higher numbers to neighbouring countries, such as Jordan, Lebanon and Turkey in the case of people fleeing Iraq and Syria. Research shows that corruption is often a chief contributor to the overall violence and instability, forcing people to run for their physical and psychological safety.

The 2015 climate conference in Paris was an important milestone not only for environmental non-governmental organisations but also for Transparency International, given how crucial transparency and accountability are to ensuring that funding mechanisms are efficient. However, the transparency provisions in the final agreement were not as strong as we had advocated for.

In 2015, there was an increase in the number of large-scale demonstrations of citizens expressing how tired they were of systematic corruption in their country. This was the case in Brazil, Turkey and Ukraine again, but also Bulgaria, Moldova, Malaysia, etc. It has become obvious that the fight against corruption cannot be won without grassroots demand for change. A case in point is the demonstrations that gathered around a million people in Brazil in March 2015. They protested against corruption in the context of the scandal surrounding Petrobras, the country’s oil giant. The case exposed a web of deceit that involved alleged bribery and kickbacks among leading politicians and top businesses. Thirty-four sitting politicians and 18 companies linked to the scandal faced
investigations, including Brazilian construction companies that allegedly paid bribes related to Petrobras and that are well known for exporting corrupt practices to other countries.

Meanwhile, the FIFA case continued to unfold: while criminal investigations were started by the Swiss authorities against FIFA president Sepp Blatter, several current and former officials of the organisation face corruption charges in the United States.

The expansion of the middle class in Latin America, thanks to years of economic growth, has created a larger group of the population that demands better services and opportunities and that understands that corruption is having a negative effect on the quality of their lives, as it hampers the quality of public transport, translates into limited access to and quality of health and education services, and limits opportunities for small business. In Europe as well, citizens have taken to the streets to demand sanctions against corrupt leaders and, in many places, have achieved a change in government at local or even national level. Southern Africa is a good example of the variety of contexts we are operating in. While corruption demonstrations were organised by civil society in South Africa, and people have been prosecuted in Malawi following the 2013 corruption scandal, the situation in places such as Angola, where the journalist and human rights activist Rafael Marques de Morais was convicted, has been very worrisome.

“TOGETHER AGAINST CORRUPTION”

In line with the SDGs, and to respond to the trends discussed above, Transparency International has developed a new strategy, ushering in a shift towards a more direct approach to fighting corruption and a focus on ending impunity. Our new 2016-2020 strategic framework was endorsed by the Transparency International movement and Board of Directors at our Annual Membership Meeting in Malaysia in September 2015. "Together Against Corruption" outlines three main axes: scaling up our engagement with citizens and partners; preventing corruption and ensuring that laws are enforced, that the corrupt cannot get away with it; and strengthening our movement and its presence around the world. The prevention approach, which remains crucial to fighting corruption effectively, will therefore be strengthened by a much wider supporter base and by taking on individual cases (which was already the focus of the Unmask the Corrupt campaign).

“Together against Corruption” is a strategy by and for the Transparency International movement. All parts of the movement will contribute to its implementation – and will be evaluated for their contribution. The Transparency International secretariat’s Implementation Plan highlights the key roles of the secretariat in realising the strategy.

People and partners

- The Transparency International secretariat will support the creation of safe mechanisms for victims and witnesses of corruption to denounce corruption and seek redress.
- The Transparency International secretariat will support chapters’ efforts to create public demands for accountability.
- The Transparency International secretariat will lead in the promotion of civil society space for our anti-corruption activists.

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2 The Implementation Plan will be published soon on our [website](http://tikr.org).
Prevention, enforcement and justice

- The Transparency International secretariat will lead a Transparency International movement-wide initiative in the area of “money in politics”.
- The Transparency International secretariat will set global standards for business integrity, with a special focus on the banking sector.
- The Transparency International secretariat will lead the Transparency International movement in a global effort to end impunity for grand corruption.

A strong movement

- The Transparency International secretariat will support our Transparency International global priorities with action-oriented research and advance our collective understanding about what works to stop corruption.
- The Transparency International secretariat will support the development and sharing of best governance and organisational standards and practices across the Transparency International movement.
- The Transparency International secretariat will lead on strengthening Transparency International’s presence in Brazil, China, India and the United States, in global and regional advocacy hubs, and in locations where a crisis demands immediate action.

SUMMARY OF PROGRESS

“We appreciate the criticism from Transparency International. They’re the ones putting the mirror in front of us. It’s always good to have someone telling you where your problems are.”

– Drago Kos, Chair of the OECD Anti-Bribery Working Group, on Transparency International’s criticism of the insufficient enforcement of national foreign bribery laws

The Unmask the Corrupt campaign has reached a new level this year by asking people all over the world to nominate and then vote for the worst cases of grand corruption, i.e. those that have had the biggest impact on society. This has enabled us to make our voice stronger and bolder, and to broaden our supporter base: more than 125,000 people cast their vote, and the social media reach went beyond 20 million. Even though the vote started quite late in the year, we can already say that the campaign had an impact on the Bautista case (Dominican Republic), in Tunisia and with FIFA. These results are encouraging, but there is potential for increased impact and for extending our constituency. The new 2020 strategy incorporates this relatively new approach and will enable us to scale it up.

Beyond campaigns, we have continued our efforts to further engage people, mostly through our outreach to youth and our support for victims and witnesses of corruption. We have published more stories about how citizens have been helped by Transparency International chapters to find a solution to their grievances. For example, TI Zimbabwe gave advice to the family of a girl who had been raped, and whose attacker bribed officials in order to get away with it. He was eventually brought to court and sentenced, thanks to the chapter’s intervention. All these cases provide us with

invaluable data on corruption, and we have concentrated on improving data collection and analysis. There have also been efforts to integrate gender issues in our work and to engage women in the fight against corruption. A case in point is a new report on sextortion – the abuse of power to obtain a sexual benefit or advantage – which gathers evidence to better address this issue and argues for the definition of sextortion as a form of corruption and for safe reporting systems for victims.

With a new sectoral focus, the Transparency in Corporate Reporting publication on telecommunication companies was one of the highlights of our engagement with businesses, with almost half of the firms assessed engaging with us in the process and requesting concrete advice on how to improve their scores. Tools that have been developed by the Transparency International secretariat, such as the Business Integrity Country Agenda (BICA) or the national forums to engage companies, have gained momentum in the Transparency International movement and chapters are becoming more and more involved in this area of work.

Our global advocacy and policy work has focused on several fronts. The approval of a stand-alone goal on governance (goal 16) and a specific target to reduce corruption and bribery (target 16.5) as part of the new SDGs was the highpoint of several years of engagement by Transparency International in the post-2015 process. Another achievement was the inclusion of anti-corruption and open data commitments in the outcome document for the Third International Financing for Development Conference. Finally, we pushed for the G20 Beneficial Ownership Transparency Principles to be implemented in practice after their adoption in 2014.

The International Anti-Corruption Conference (IACC) was held in Malaysia in 2015. This event exemplifies how the conference goes beyond workshops but also tries to influence national and global discourses. Indeed, a crisis broke out in the country before the conference, with allegations of US$700 million ending up in the prime minister’s personal bank account. This was an opportunity for the IACC to emphasise the need for reform through collaboration with both government and civil society, and to secure formal commitments to fight corruption at the event.

Our main research product this year was the Global Corruption Barometer (GCB) for Africa, which provides vital data on what people in the region think about corruption and what they want to do against it. The timing of the Corruption Perceptions Index launch was moved to January 2016, in order to give more space for Transparency International chapter advocacy and communications around Anti-Corruption Day on 9 December. The Helpdesk developed 75 new answers to corruption-related queries, and thereby informed the work of many chapters. At the national level, five new National Integrity System assessments were launched in Europe and Central Asia, providing chapters with a thorough evidence base for their future advocacy. The Transparency International secretariat has supported these efforts, while reducing its involvement in the research in order to be able to focus on other strategic priorities.

All these activities have largely contributed to boost Transparency International’s visibility worldwide, supported by a new style of communications (based, for example, on more visual storytelling), which better suits our bolder advocacy and campaigning approach and our work on cases of grand corruption. Following the redesign of the public website homepage to adapt it to mobile devices, visits went up by 30 per cent (from September 2014 to September 2015). Our social media reach also significantly increased: Facebook fans were up from 180,000 to 269,000, and Twitter followers up from 57,700 to about 90,000, with more than 4,000 retweets or mentions of Transparency International content per month.

The report also emphasises examples of achievements at the national level. To cite just a few:

- Improvements in the education sector in Honduras.
• The passing of a new law on beneficial ownership registries in Norway.
• The adoption of a whistleblower protection law in the Punjab province, proposed by TI Pakistan.
• In Bangladesh, new projects related to climate change are now subject to tougher inspections and will face regular audits from both the office of the controller and the auditor general.

Interestingly, chapters are also taking more and more leadership in multi-country thematic initiatives. Five of them (on mining, humanitarian aid, the judiciary, defence and security, and the health sector) are now being run by a chapter, a good example of the promotion of chapter leadership and the decentralisation of expertise.

Gender mainstreaming

Both at the internal and programmatic levels, there have been increased efforts to integrate gender issues in a number of initiatives and processes. At the secretariat level, a Gender and Diversity Policy has been in force since 2014, whose aim is to secure equal opportunities, fair and equal treatment for every single staff member. We have been mainstreaming gender in Monitoring, Evaluation and Learning (MEL) processes, e.g. pushing for considering it in evaluations, for collecting gender-specific data.

When we collected data, we tried to ensure that we could disaggregate them by gender. This is the case for data from the thousands of complaints received by Advocacy and Legal Advice Centres (ALACs) and from the Africa report of the Global Corruption Barometer published last December. This is key to understand better how women and men perceive and are affected by corruption. The Helpdesk contributed to building more knowledge in this area of work by preparing a topic guide that provides an overview of the linkages between gender and corruption.

At the national level there is a varied landscape which does include some chapters being quite active on these issues. Some approaches include:

• Mobile ALACs, which reach out to citizens in order to collect corruption-related complaints. For example in Vietnam, realising that local women were still facing many obstacles in accessing legal support services, particularly in corruption cases, our chapter organised a consultation session to provide direct law dissemination and advice for women who needed it.
• Workshops on gender experience of corruption in the public and private sectors and in the academia. Organised in six countries, they led to the emergence of local women networks and a regional network to connect initiatives, groups, and individuals across the Middle East and North Africa region.
• TI produced an investigative report to gather more in-depth evidence on sextortion. A blog post on the situation in the Middle East was also published. Several African chapters have gained insights into this topic. In the Zimbabwe Youth and Corruption Study carried out in 2015, the respondents’ frequent reference to the Sexual Harassment Act suggests that sexual extortion is not uncommon in transactions involving loans, employment and licenses.
At a more internal level, in addition to the strategic development process, an external review of key processes, structures and ways of working at the Transparency International secretariat provided important recommendations that are now feeding into an institutional change process. We have improved our financial management system as well as our internal controls. These improvements include a new tool to assess the financial capacity of national chapters, clearer internal complaints mechanisms, fine-tuning the accreditation review questionnaire and incorporating anti-corruption capacity as a compliance requirement. In addition, the Transparency International secretariat delivered a report to the Board of Directors, with an analysis of financial situations within the movement that deserved specific attention. This will be a yearly report. Forging a better understanding of our costs drivers, introducing a Value for Money Policy and testing ways of assessing our value for money have been essential to enhancing our efficiency and effectiveness. Finally, in order to track the Transparency International secretariat’s contribution to the new strategy in the next five years, we have revamped our Monitoring, Evaluation and Learning (MEL) systems to focus even more on impact and learning.
KEY PROGRAMMES

PEOPLE ENGAGEMENT

Significantly stepping up our engagement with people in the fight against corruption was identified as a key priority for the Transparency International movement in our Strategy 2015. The secretariat supports this goal by working with chapters to increase public engagement and help victims and witnesses of corruption find a solution to their grievances.

Youth engagement

This year, engaging young people featured prominently in our work. We mapped current efforts by chapters all over the world and a Transparency International youth booklet was prepared in collaboration with nine chapters to inspire the movement and expand this area of work. We now have a stronger base to include young people more effectively in case reporting and case resolution. The creation of the Youth Movement for Transparency in Asia – a platform where elected representatives from each country meet regularly as an advisory board to exchange ideas and carry forward projects to promote transparency and integrity across the region – is a good example of the interest that young people have shown in fighting corruption and driving change.

We also supported this drive in the Middle East and North Africa by creating a youth network, which now covers eight countries. More than 400 people applied to join it. Individuals and groups of young people, often scattered, uncoordinated, divided and very much afraid of exposing themselves, now have an opportunity to learn about other experiences, successes, risks, challenges and ideas faced by young anti-corruption communities. What sets it apart from other similar initiatives is the learning-oriented approach adopted by our Tunisian chapter, which organised open discussions and learned what the needs are on the ground. This, as opposed to imposing a strategy from above, greatly enhanced ownership of the results. They also brought back a detailed country-by-country analysis of the situation of young people vis-à-vis fighting corruption and produced a set of recommendations and an action plan for 2016. Other initiatives in the region, such as a Winter Integrity School in Tunisia and transparency debates for young people, complemented this network.

Advocacy and legal advice centres

By the end of 2015, the movement had 98 Advocacy and Legal Advice Centres (ALACs) in 59 countries, providing support and legal advice to victims and witnesses of corruption and advocating for systemic changes. This is a slight reduction compared to 2014, mostly due to funding issues at the national level. We have gathered information on complaints through our global database, and managed to increase both the quantity and quality of data, allowing for more meaningful analyses and data visualisation. Some interesting facts for 2015:

- Most people have heard about our ALACs through the radio (28 per cent), community / outreach meetings (20 per cent), recommendations from other clients (14 per cent), and

Further example of our growing global reach, for example through social media, can be found in the section on External Relations, under Essential Functions.
word of mouth (13 per cent). The internet (seven per cent), billboards (six per cent), TV (five per cent) and print media (four per cent) were less prominent.\textsuperscript{5}

- Walk-in remains the preferred way of contacting an ALAC (38 per cent), just before the telephone (30 per cent). To a lesser extent, outreach activities (11 per cent) and e-mail (nine per cent) were also useful channels. Mobile ALACs and the internet (including mobile apps) were each used in four per cent of the cases.\textsuperscript{6}
- Land and property is the largest sector to be subject to complaints (16 per cent). After that come health (six per cent), education (six per cent), local government (six per cent) and construction (seven per cent).
- Thirty per cent of the clients report that they are more aware of their rights after consulting an ALAC.

Impact story – education in Honduras

In 2011, Honduras’s public education system was in a bad state. Teachers were striking. With the schools closed, poor children had little opportunity to escape the cycle of poverty. Investigations into the education system by Transparency International’s Honduran chapter, la Asociación Para una Sociedad Más Justa (AJS), later revealed massive corruption in the department of education’s payroll.

Supported by thousands of volunteers and a coalition of partner organisations, AJS was able to get an idea of the number of individuals who were actually teaching in Honduran classrooms, which was not even known at the time. There were many more teachers being paid by the government than were actually teaching. Some of the “ghost teachers” were people who had died and whose salary was still being collected by the family; others were living in cities while collecting income from rural schools, leaving pupils in rural areas without a teacher.

AJS published all the information it had gathered through these social audits. As a result, the minister of education was dismissed, and his successor decided to work with AJS and the civil society coalition. Teachers were now required to re-register themselves, and information about school finances, teachers and academic performance was made public. Honduras has now reached 200 days of class for three years in a row (up from 125 days). About 15,000 “ghost teachers” have been removed, and more than 99 per cent of teachers on the payroll are teaching classes (up from 74 per cent). Student test scores improved dramatically.

In 2014, the Honduran government agreed to allow AJS to monitor government purchases, contracts and human resource management in five areas — including education. The first education report published in the framework of this agreement was issued in November 2015. AJS and the ministry of education worked together to establish an improvement plan to respond to the issues highlighted in the review, and a follow-up report will be published twice a year.

\textsuperscript{5} These statistics are based on 7,408 responses.
\textsuperscript{6} These statistics are based on 10,005 responses.
New stories from ALAC clients were also gathered and published in 2015 to promote this work and its impact. In Bulgaria, thanks to the complaint of a citizen, the local ALAC identified a vote-buying scheme that was undermining the upcoming election. Each person was to receive US$40-55 if they voted for a certain party. The intervention of the ALAC led to authorities starting an investigation, and the problem was solved within days. More information on that case can be found here.

In Zimbabwe, we helped parents seek justice for the rape of their nine-year-old daughter. After the alleged attacker was released from custody for no apparent reason, and remained at large for six months, TI Zimbabwe contacted the police internal investigations department to raise the case. Investigations confirmed suspicions: the alleged attacker had paid off the police, prosecutor and magistrate in exchange for being discharged in secret. TI Zimbabwe and the police investigations unit escalated the case to the Ministry of Justice, and the man was found and arrested. During his sentencing, the attacker again tried to bribe the presiding magistrate, but to no avail this time. The magistrate rejected the money, and added an additional five years to his sentence as punishment for the attempt. He is now serving 21 years.

Other similar stories published in 2015 can be found on our website – here is a selection:

- Keeping schools clean – South Africa
- Water crisis – South Africa
- Police whistleblowers – Ireland
- Corruption derailed – Czech Republic
- Caught on camera – Lebanon
- Finding the way home – Lebanon
- The truth seekers: Turning on the tap of “people power” – Guatemala (photo story)
- Stronger voice – Vietnam
- We want justice – Papua New Guinea
- Right to be involved – Indonesia

The first part of a storytelling booklet was developed with pilot chapters focusing on how to tell stories more effectively and powerfully. The booklet was finalised in 2016. The new report Speak Up: Empowering Citizens Against corruption shows how citizens in seven European countries have been able to address their corruption-related grievances thanks to Transparency International’s support, and provides more evidence of the impact of ALACs.

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Mobile ALACs in the Asia-Pacific region

Seven chapters in the region reached out to citizens through mobile advice clinics and workshops. They were able to reach thousands more people, successfully increasing citizen engagement and empowering marginalised communities and vulnerable groups, in particular women. For example in Vietnam, realising that local women were still facing many obstacles in accessing legal support services, particularly in corruption cases, our chapter organised a consultation session to provide direct law dissemination and advice for women who needed it. This is an example of gender can be mainstreamed in broader outreach programmes and in our works with citizens.

As a result of using mobile ALACs, changes in behaviour have been visible, with citizens gaining the confidence and awareness to stand up for change in their communities. In Pakistan, mother committees trained by the ALAC are monitoring corruption in schools, leading to notable improvements to school functions and the number of children attending school, while in the Solomon Islands young people took what they had learned about corruption through ALAC sessions to conduct voter education sessions in their own communities. Following TI Papua New Guinea’s outreach actions, a community mobilised people and blocked off a bridge that connects a logging site to the forest areas, in order to force the company to address their concerns regarding fulfilling their obligations set out in the Forest Management Agreement.

Additional value brought by mobile ALACs was the widening and strengthening of chapters’ networks, particularly community-based organisations and public institutions. In most cases, mobile ALACs were carried out in collaboration with local grassroots non-governmental organisations or local authorities, providing a platform for chapters to build vast networks around the country.

ALACs in Sri Lanka, Maldives, Papua New Guinea and Malaysia have all used mobile ALACs to get more marginalised groups engaged and speaking up against corruption. TI Malaysia released the Citizen’s Handbook on Speaking Up against Corruption, which contains information on corruption, reporting channels, and anti-corruption laws, to inform and empower citizens and encourage them to report corruption. TI Malaysia visited indigenous Orang Asli communities to explain how ALACs work.

TI Nepal has managed to expand the ALAC concept to other districts, and there are now 26 of these ALAC-type organisations, all running with the support of TI Nepal affiliated organisations at grassroots level.

Whistleblowing

TI Pakistan’s work on drafting and advocating for whistleblower protection law has yielded some positive results. In the Punjab province, the chapter successfully lobbied the national assembly to consider its recommendations for a revised right to information law. In addition, the chapter proposed a whistleblower protection law, which was approved by the government, and a right to services law. Whistleblowers will now have the right to file complaints regarding any wrongdoing with their department head or with the disclosure commissioner to be appointed under the law.
Finally, a national whistleblower protection bill drafted by the chapter was sent to the Prime Minister Inspectorate Committee for approval.

In July 2015, the Georgian government submitted to Parliament an extensive package of amendments introducing important changes to the country’s anti-corruption laws. The most significant changes were the creation of a verification system for the asset declarations of public officials and improved legal provisions for whistleblower protection.

Women against corruption

Workshops on gender experience of corruption in the public and private sectors and in academia in six countries led to the emergence of local women networks and a regional network to connect initiatives, groups and individuals across the Middle East and North Africa. A “Women’s Declaration against Corruption” was used in six countries as an engagement tool.

Sextortion, which refers to the abuse of power to obtain a sexual benefit or advantage, is a controversial and highly sensitive topic that is often shunned. The empowerment of women as anti-corruption activists and agents of change women in the Middle East and North Africa has led to collectively identify sextortion as a form of corruption that women in many countries silently suffer from. In December 2015, Transparency International produced an investigative report to gather more in-depth evidence on sextortion. The report argues for the definition of sextortion as a form of corruption and for safe reporting systems for victims. A blog post on the situation in the Middle East was also published. Several African chapters have gained insights into this topic. In the Zimbabwe Youth and Corruption Study carried out in 2015, the respondents’ frequent reference to the Sexual Harassment Act suggests that sexual extortion is not uncommon in transactions involving loans, employment and licenses.

BUSINESS INTEGRITY

Corruption in the private sector distorts markets and has a negative impact on society as a whole, in both the developing and the developed world. Transparency International wants to create a level playing field with the highest possible standards of ethics and good practice. We work with companies and business associations to promote more robust anti-corruption behaviour and to assist companies in the development and implementation of anti-corruption programmes.

Collaboration with collective initiatives is one of the approaches we used to promote clean business. Transparency International has been advocating for clean procurement practices through workshops with the UN Global Compact, for example at the UN Convention Against Corruption’s (UNCAC) Conference of States Parties, where our event was attended by some 150 people. Participation in the B20 task force on beneficial ownership allowed us to engage in a dialogue about the business case for beneficial ownership transparency, and ways of implementing it. At the December UN Global Compact Working Group Meeting on the 10th Principle Against Corruption in Nairobi, Kenya, Transparency International and the B-Team co-organised a session on beneficial ownership transparency with the participation of more than 100 local and regional companies. A related example of impact is the establishment of a public beneficial ownership registry in Norway. This came after TI Norway organised high-level meetings between members of parliament and the chairs

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A group of business leaders from G20 countries.
of Transparency International’s International Board and advisory council, which helped convince the Parliament of the importance of this bill.

Transparency in Corporate Reporting

Following the success of the 2014 Transparency in Corporate Reporting, in 2015 we issued an iteration of this report focused on assessing companies in the telecommunications sector. The sector is thought to be particular vulnerable to corruption due to historical failures and structural weaknesses. A number of companies have been subject to investigations. For example, in cases related to bribing public officials to obtain better contracts, Alcatel-Lucent paid US$137 million to settle criminal charges with the US Department of Justice. The report will serve as a benchmark, with a view to starting an initiative to promote integrity in this sector. It is too early to evaluate its impact (it was published in late 2015), but it is clear that there is significant interest in the private sector in this publication: almost half of the 35 companies assessed engaged with Transparency International during the research process to discuss the initial results. In addition, as a result of the report, a three-year initiative on the telecommunications sector was launched. Led by TI Hungary, it will work with the multinationals assessed in the report to improve their practices.

The report shows that telecommunications companies perform rather well in terms of disclosing their anti-corruption programmes, but the average score on the two other criteria evaluated – organisational transparency and country-by-country reporting – is much poorer. A significant number of corporate holdings are unreported, resulting in opaque corporate structures. Most of the 35 companies fail to report on their operations on a country-by-country basis; the average score for this criterion reached only 22 per cent. It is important to note, however, that the assessment of global multinationals in our 2014 report was even lower for this criterion (six per cent).

The next edition of Transparency in Corporate Reporting will focus, for the second time, on emerging market multinationals. This will be an opportunity to track progress and engage with multinationals from the BRICS and other emerging economies where we want to increase our advocacy.

The Transparency International secretariat has worked closely with a number of chapters as our goal is to encourage them to undertake business integrity work at the national level, thus creating a community of practice and increasing our impact worldwide. It was clear that many chapters consider this a prominent issue in their country: 41 chapters took part in the cross-regional workshop organised by the Transparency International secretariat, and during which the BICA tool, which seeks to assess a country’s business environment and set an agenda for reform, was introduced. This new business integrity diagnostic tool has already attracted considerable interest within the movement and is likely to garner more since chapters and donors see it as a very useful way of setting a baseline and a framework for promoting clean business in a given country.

Almost half the chapters attending indicated that the tool was relevant and they would look into or make plans to implement it in the next two years. However, chapters’ knowledge and capacity vary, which represents a challenge to scaling up our work on business integrity. Many chapters are new to this field and this has to be taken into account when setting timeframes and planning activities. Also,
more time has to be built in for outreach to business in environments where it is a new approach and where the concept of collective action is not well known or understood. The workshop also helped four chapters (Israel, Italy, Mongolia and Luxembourg) create a national private sector forum, i.e. a space for companies to engage and collaborate with the chapter on anti-corruption issues.

Transparency International’s chapter in Mozambique has made considerable progress in piloting the BICA tool. A National Advisory Group drawn from stakeholders in government, industry associations and civil society was set up to provide advice on the research process and to develop joint recommendations for reforms. Interest from the chapter in carrying out BICAs is high. Concrete discussions with donors are being held by the Mongolian chapter with a potential funder and advanced discussions are taking place with the European Bank for Reconstruction and Development for BICAs in the Balkans.

PUBLIC SECTOR INTEGRITY

Transparency International’s overall objective in this area is to strengthen integrity, transparency and accountability in the public sector at the local, national, regional and global levels. In the last couple of years our main focus has been on open governance, clean procurement and regional initiatives such as land governance in Africa and transparent lobbying practices in Europe.

Open governance

Open governance in Indonesia

TI Indonesia created LINIDA (Lumbung Informasi dan Inovasi Daerah, or Community Centre on Information and Innovation). They established groups formed by villagers themselves and trained them with skills to perform as facilitators and community organisers. Thirty facilitators were recruited from various backgrounds and ages for 10 pilot villages of several sub-districts. In each village, three facilitators were trained in facilitation, participatory planning and budget literacy, access to information and social auditing.

In most villages, the LINIDA facilitators act as village spokespersons to ensure community proposals are included in sub-district meetings and district meetings until the final approval in the local parliament. As a result, around 40 to 50 per cent of village proposals presented to the local parliament were adopted by the executive in their local government budget draft and submitted by the executive to the legislative. The budget draft particularly covers community demands for support to develop the village. For 2016, for example, the Government of Batang allocated 250 million Indonesian rupiah (about US$17,000) to support the implementation of LINIDA in 10 villages. In 2016, an impact review of the LINIDA intervention will be commissioned.

Open governance is the concept that citizens have rights to access to information and participation, that institutions and policies are in place to advance transparency, accountability and participation, and that the appropriate tools and investments enable these policies. In 2015, this area of work focused on citizen engagement and advocacy activities. The participation of citizens in governance
has improved in Indonesia (village-level planning processes), Peru (local government monitoring in the municipality of Los Olivos) and Ukraine (monitoring of a public university budget driven by students).

In the Americas, Transparency International made important strides towards its Safer Communities initiative, which aims to strengthen accountability of the security and justice sectors. It developed a project along with the UN Office on Drugs and Crime and Interpol to design a justice and security dashboard, and will start implementing it in 2016. The initiative was identified by Tom Malinowski, US Assistant Secretary of State for Democracy and Human Rights, as “ground-breaking” during the Open Governance Partnership (OGP) Ministerial Steering Committee meeting in April. The beneficiaries of such accountability will be the young men and women, almost all of whom live in poverty, who are victims of gang and organised crime-related homicide and violence. In Central American countries impunity rates are typically over 96 per cent because of the encroachment of organised crime into the justice and security sectors, coupled with the lack of sufficient capacity of the state in these sectors.

As a result of our efforts to position “safer communities” more centrally in the OGP, a task force has been set up by the Open Government Partnership steering committee to advance work related to public security and access to justice, and Transparency International could take the lead in shaping dialogue on the issue at the summit. We have been able to carve a leading position for our regional network on the issue, capitalising on the strength of some of its chapters who work to varying degrees on security and justice.

**Open governance in Peru**

The Anti-Corruption Brigade (*La Brigada Anticorrupción*) is an initiative that has sought to involve citizens in the identification of cases or risks of corruption in the public administration. Launched by Proética, Transparency International’s chapter in Peru, it involves training a group of volunteers and collaborating with the ombudsman and local authorities in order to carry out citizen audits. Last August, the intervention of the Anti-Corruption Brigade in the district of Los Olivos with the participation of 69 citizens shed light on 70 irregularities, which were submitted to the ombudsman, who is in charge of seeking resolutions to the identified irregularities. The chapter will monitor the work of the ombudsman on these cases.

**Procurement**

In 2015 we started a partnership with the European Union focusing on procurement. As part of this cooperation, Transparency International has been conducting a learning review to take stock of the Integrity Pact model as a tool for clean public procurement. The review assesses whether Integrity Pacts have achieved their intended goals, what challenges and failures have been experienced, and what overall changes or country-specific adaptations to the model might be called for (see box). In addition, a book sprint workshop compiled lessons learned from implementing Integrity Pacts around the world and built important relationships between Integrity Pact practitioners. The result of this exercise is a guide on how to use Integrity Pacts, which will be available to the Transparency International movement and other interested parties. In parallel, we have engaged with civil society organisations (CSOs) and public authorities in the European Union in order to gauge interest in

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implementing Integrity Pacts. This effort was very successful and 14 CSOs and 16 public authorities have signed up to the partnership starting in 2016.

### Integrity Pacts – learning review

Integrity Pacts were pioneered by Transparency International in the 1990s. They are agreements between public institutions and a company, or group of companies, participating in public procurement processes. Under the agreement, parties commit to refrain from bribery in any form, and from colluding with competitors. An independent monitor is in charge of ensuring that parties live up to their commitments. The review found that:

- The pacts do bring value as a preventive mechanism against corruption.
- They do not contribute to significant delays or costs to procurement.
- A proactive, engaged and knowledgeable monitor is a key success factor.
- The impact of the monitor depends on various factors: the degree of resources available to the monitor; the level of access to the procurement process; the willingness of the bidder and procurement authority to collaborate; the tools at the disposal of the monitor to follow up and sanction irregularities. Without one or more of these factors in place, the monitor’s level of engagement and the degree of oversight they can exercise are limited.
- Integrity Pacts need regular monitoring and evaluation, data collection, baseline assessment and the establishment of key performance indicators, the sharing of best practices and capacity-building among chapters.
- The Integrity Pact as a one-time initiative cannot guarantee the sustainability of outcomes; most improvements in this direction have resulted from regular application of more than one pact over a longer period of time. Making Integrity Pacts mandatory by law, however, might endanger their effectiveness and lead to window dressing.
- The Integrity Pact could be combined with other approaches (e.g. online platforms) to ensure that it has a longer-term focus and covers the entire procurement process.

### Land governance

Our Land and Corruption in Africa work strives to address causes and manifestations of land corruption and thereby contribute to improved tenure security and equal and fair access to land. Women were identified as the social group that will benefit most from improved tenure security. In 2015, two result areas were prioritised: first, generating increased and better knowledge on causes of land corruption and how it affects marginalised groups; and second, advocating at international, regional and national levels for land governance frameworks which aim to eradicate corruption. Regarding the first area, eight Transparency International chapters in Africa (Cameroon, Ghana, Kenya, Madagascar, Sierra Leone, Uganda, Zambia and Zimbabwe) put together a baseline to better understand land corruption. Regarding advocacy, with Transparency International’s contribution, the topic of land corruption is more and more acknowledged in international and national land governance discussions.

As part of this work, gender trainings were organised for chapters, focusing among other things on how to include women in their stakeholder base and how to collect gender-sensitive data. An
advocacy workshop in Ghana in November 2015 also discussed joint action between civil society, intergovernmental organizations and government agencies on land governance and women’s land rights. The angle of economic empowerment for women and poverty reduction were considered particularly suitable for TI chapters’ future advocacy on the issue.

Anti-corruption agencies in Asia-Pacific

The pilot stage of the Anti-Corruption Agency (ACA) strengthening initiative was finalised and we started rolling it out in Asia and the Pacific. The pilot study of the ACA in Bhutan was published, the assessment methodology was finalised (including a companion implementation guide) and made public, and a project kick-off workshop was held with chapters from the Maldives, Sri Lanka, Mongolia, Indonesia and Taiwan detailing how to carry out the assessment and engage with ACAs. Transparency International is now working with chapters in Bangladesh, Mongolia and Indonesia to take this programme to the next stage, with the commencement of assessments of their ACAs (continuing into 2016).

Lobbying in Europe

Significant progress was made in the field of transparent lobbying practices: international standards for lobbying regulation were produced in collaboration with other international organisations and the report Lobbying in Europe was successfully launched in Brussels. With Transparency International’s contribution, new policies and regulations were adopted in countries such as Germany and Lithuania. At the European Union level, lobbyists and companies improved their lobbying practices and alliances among civil society actors were established both at national and international level. Some concrete outcomes are listed below:

- TI Czech Republic reports that some of their business targets have introduced codes of conduct.
- TI France has continued to sign up companies to its common declaration on lobbying practices and the first trade association signed up. Additionally, a large pharmaceutical firm (AXA) adopted a lobbying charter following engagement with TI France (www.axa.com/lib/axa/uploads/docsdd/AXA_Public_Affairs_Charter_2015.pdf).
- Together with Access Info Europe, Sunlight Foundation and the Open Knowledge Foundation, Transparency International launched international standards for lobbying regulation. These standards will set the basis for future civil society work in this field.
- In Germany, post-employment restrictions were established for members of government. TI Germany had long campaigned for this measure. The chapter participated in expert hearings that led to the adoption of the cooling-off periods. An additional success in Germany has been the publication of the names of lobbyists who have been granted access badges to the Parliament.

INSTITUTIONAL NETWORK STRENGTHENING

The main focus in 2015 has been on network initiatives (see below), developing the strategy and the secretariat’s Implementation Plan, and coordinating an organisational review of the secretariat. However, in terms of institutional network strengthening, the Unmask the Corrupt campaign, the whistleblower activities in Europe and the global climate finance initiative have all contributed to increase chapters’ capacities in various areas. Our efforts to further resource organisational development have also borne fruit: new funding in support of knowledge services, MEL, and
capacity development will enable us to scale up this work in the coming years, in line with the new 2016-2020 strategy.

An external review of key processes, structures and ways of working at the Transparency International secretariat, which accompanied the global strategic planning process, provided important recommendations to help us make the secretariat “fit for the future”. The recommendations are now serving as the basis for an institutional transformation process that will allow the secretariat to deliver effectively on Transparency International’s strategy.

New partnerships with a range of other international non-governmental organisations, external experts and consultants, as well as other partners (for example, Ernst & Young and the Carlo Schmid Foundation) provided important additional resources and perspectives to learn from and achieve our mission. This kind of relationships should be nurtured and expanded, while very hands-on and operational support to chapters hosting network initiatives should be reduced to achieve a truly decentralised leadership.

**Global Thematic Network Initiatives**

The development of Global Thematic Network Initiatives (GTNIs), or “centres of thematic expertise”, was rooted in the concept that Transparency International chapters could contribute to developing anti-corruption expertise and capacities on particular topics or sectors, with individual “host” chapters taking the lead on a global issue on behalf of the Transparency International movement, thus working beyond their national borders. The GTNI model was designed to strengthen cross-regional cooperation, foster deeper experiential learning, increase relevance, and, in the long run, improve both the organisational sustainability and anti-corruption impact of the global Transparency International movement.

Currently there are five GTNIs that have been approved by the International Board. These are: Humanitarian Aid Integrity (led by TI Kenya); Judiciary (led by TI Romania); Mining (led by TI Australia); Pharmaceuticals and Healthcare; and Defence and Security (the last two both led by TI UK).

In 2015 the newly created Humanitarian Aid Integrity Programme (HAIP) started a partnership with the European Commission to generate knowledge of corruption risks and practical solutions in diverse and complex humanitarian contexts. Based on country-specific research and comparative analysis of corruption risks in complex emergencies with reduced humanitarian space (Afghanistan, Somalia), countries affected by massive inflows of refugees (Lebanon) or by large-scale public health emergencies (Guinea), the project will share good practice and lessons learned and develop recommendations and principles to enhance the integrity of humanitarian operations. The project involves Transparency International chapters and contacts in Kenya, Afghanistan, Lebanon, Jordan and Senegal, external research partners Humanitarian Outcomes and Groupe URD, and will involve key stakeholders, from donor agencies to international non-governmental organisations.

TI Norway, a member of the broader HAIP network, partnered with the International Federation of the Red Cross/Red Crescent Societies (IFRC) to develop online and instructor-led training modules for humanitarian staff to raise awareness of and teach strategies to mitigate corruption in humanitarian aid. These training modules are available on the IFRC Learning Platform and were based on the TI Handbook: Preventing Corruption in Humanitarian Operations.

The Pharmaceuticals and Healthcare Programme (PHP) was started in 2015 and is coordinated by TI UK. Although it is early days for the PHP, there have been some significant achievements. Initial funding has allowed us to develop an evidence base for future actions, including:
• an analysis of key global policy and structural issues within the pharmaceuticals and healthcare sector that are enabling, facilitating or promoting corruption
• a corruption risk typology for the sector that can guide future research and advocacy
• a methodology for an assessment of transparency, accountability and anti-corruption mechanisms within the sector in order to provide a basis for comparative analyses

The Transparency International movement’s new strategy, adopted in September 2015, calls for Transparency International chapter-led global initiatives to be expanded. In this context, and considering that GTNIs are still a relatively new and significantly different way of working for Transparency International, an external learning review of the overall GTNI approach, structures and oversight mechanisms was undertaken at the end of 2015 to help the Transparency International secretariat, the Transparency International Board of Directors and host chapters draw lessons for further improvements on how the GTNIs are supported and managed.

Strategic presence / sustainability

Maintaining and extending our network of national chapters all around the world, and especially in strategic countries such as the BRICS, remains a priority for Transparency International. The establishment of a Transparency International operations office in Brazil, a leading emerging economy heavily affected by corruption, is an important step in this regard. There is a clear plan of action for the coming years and the first local donors are already providing seed funding. We also increased our engagement with journalists covering Brazilian affairs.

In Africa, we expanded our network to Mali, Namibia and Ivory Coast while at the same time strengthening the organisational capacity (including governance) and leadership skills of our chapters in the region. We now have formal partners in 24 countries in Sub-Saharan Africa. Even in countries such as Benin, Burkina Faso and Togo where Transparency International has no formal presence yet, the movement is recognised as the leading anti-corruption CSO. The invitation by the European Union Delegation in Benin to conduct a National Integrity System assessment in the country, the invitation by the National Anti-Corruption Network of Burkina Faso to a sub-regional workshop in Ouagadougou as a resource body, and a similar invitation from the National Consumers and Environment of Togo to an UNCAC workshop are testimony to this.

Sustainability in Asia-Pacific has been more challenging; the donor landscape has become more competitive as aid priorities narrow in the region. Budget cuts by major regional donors (such as a 40 per cent cut to the Australian Aid budget) impact regional and national funding sources. For example, TI Fiji required financial support from the secretariat that was critical to their continued operation during a funding gap. Some chapters have also struggled to sustain their support for victims of corruption. In this context, assisting chapters in this transition has been a priority. For example, an allocation to fundraising-specific work has been included in small grants, and fundraising support for chapters has been prioritised.

ANTI-CORRUPTION SOLUTIONS AND KNOWLEDGE

2015 was a transitional period for our knowledge services and products, as some of the projects were temporarily de-prioritised (Campus for Transparency, Anti-Corruption Research Network) or disbanded (the anti-corruption lab), while others expanded in terms of scope of services (the Helpdesk). As the contours of the overall strategy for Transparency International in the next years became clear, we devoted more time to thinking about how to best adapt our knowledge services to this change. With new funding from EuropeAid secured, 2016 will be the time to transform
knowledge services, for example to focus more on what works in fighting corruption, more varied knowledge products, and matchmaking between researchers and practitioners.

Helpdesk

The Helpdesk received 138 questions in 2015, including 85 questions from the Transparency International movement, 30 from the U4 and 13 from the European Union. Thirty-five different Transparency International chapters have used the service. Helpdesk services were rated as very useful by 85 per cent of the clients and 72 per cent of the answers were directly used for anti-corruption work by clients. Seventy-five fully developed answers were produced, which is just below our target. But much effort has gone into other knowledge outputs – 14 were produced, compared to four in 2014 – such as topic guides and pilot fieldwork on lessons learned in engaging women in the fight against corruption in Colombia. However, demand from external clients has been decreasing. While we adapted in terms of diversifying services, we do not know the specific reasons for this change. In 2016, we will invest resources in better marketing the service (for example, using videos).

Given the type of product (Helpdesk answers), we do not have one high-impact case, but rather a large number of “contributions” to impact. For example, based on information provided by the Helpdesk and reviews by our expert network:

- TI Solomon Islands developed a court monitoring project.
- TI Slovakia developed a methodology to assess whistleblower protection institutions.
- TI Brazil engaged with state-owned enterprises and the Brazilian Association of Infrastructure on the development of a code of ethics.
- TI Germany advised a parliamentary committee on a draft law introducing a cooling-off period for ministers and state secretaries.
- TI Guatemala provided advice on a new procurement law.
- TI Malaysia supported the government in Bhutan to develop an anti-corruption programme for the private sector.
- TI Italy provided the government with good practices in managing conflicts of interest.
- TI Mexico was approached by members of parliament to support the design of asset and interest declaration forms.
- The Bahraini chapter was invited by the legislative committee of the Parliament to discuss the need for Bahrain to establish an ACA and the requirements for such an agency to be efficient, effective and independent.
- TI Morocco provided input into a discussion on legislation on whistleblowing, access to information, and a proposed revision of the anti-corruption commission.
- TI Zimbabwe provided advice to a member of parliament exploring the drafting of whistleblower protection legislation.
- TI New Zealand provided advice to the government, which is adopting a new anti-corruption law.
- TI Mauritius shared the answer on unexplained wealth with the minister in charge of drafting a new law.

This year the Helpdesk diversified the range of services and products offered to various stakeholders. The support for strategic streams of work, for example research on grand corruption and beneficial ownership transparency, demonstrated the relevance of knowledge services to broader advocacy processes. However, as we pilot new approaches (such as topic guides, research evaluations, and knowledge services for the Transparency International secretariat), we need to

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10 The report will be published in 2016.
develop clearer criteria for success, monitor them and then use them to reflect and learn from these pilots.

Campus for Transparency and other knowledge products

Campus for Transparency offers a matchmaking service between graduate students and Transparency International chapters with specific research or expertise needs, whether it is for scoping studies, background research for upcoming projects, input into advocacy strategies, or help with organisational challenges. Twenty-two Campus for Transparency projects involving 20 Transparency International chapters and 20 universities around the world started in 2015. Some have already been successfully completed while others are still ongoing. Eighty-eight per cent of the beneficiaries described their experience in working with students as good or excellent and 94 per cent considered the project results to be satisfactory, high or very high with regard to usefulness and added value.

Other knowledge products include three working papers (revolving doors, architecture and transparency, urban land and corruption), which scored among the top ten downloads on the social science research network in their respective categories.

CLIMATE FINANCE INTEGRITY

Before and during the 21st Conference of Parties in Paris, we scaled up our communications to push Transparency International’s key messages calling for a transparent and accountable agreement with enhanced public participation and scrutiny. This work led to impressive coverage and clear public interest in Transparency International’s messages on climate accountability:

- We had coverage of our issues in some major news outlets: Newsweek, Wall Street Journal and the Independent.
- We published a web-feature “3 Conditions for a Successful Climate Agreement”, which reached 600,000 people and was liked by 22,250 people on Facebook.
- A position paper and a series of op-eds on the Paris negotiations were also published by Transparency International Bangladesh, and daily updates on the negotiations by Proética, Transparency International’s Peruvian chapter.

The transparency provisions of the final text, allowing for differentiated responsibilities for developing countries owning to capacity constraints, were not as strong as we had advocated for. The review mechanism that is built into the agreement is a strong step forward for accountability; however, no formalised role for civil society was guaranteed by the agreement.

In the Green Climate Fund Board meeting of March 2015 in South Korea, a number of Transparency International’s recommendations were considered, taken into account and/or adopted in Board decisions. In particular, our inputs to the financial terms and conditions as well as the ethics and conflict of interest policy were reflected in the decisions. Transparency International was also elected to lead on civil society inputs on integrity and accountability. This includes the development of an ethics and conflict of interest policy for observers and further advancement of the information disclosure policy of the Fund.

In terms of chapter work, locally designed social accountability that engage local communities in monitoring and climate finance projects were developed and piloted in Vietnam, Indonesia and Bangladesh, yielding accountability for climate-vulnerable people (see case study below from Bangladesh). Short documentaries developed by TI Papua New Guinea, Indonesia and Vietnam
covering cases of corruption in the forestry sector uncovered by the chapters were launched. The videos had over 61,500 views on Facebook and YouTube.

Climate finance integrity in Bangladesh

In Bangladesh, the chapter’s monitoring of climate adaptation projects yielded results in providing accountability to climate-vulnerable populations affected by corruption. TI Bangladesh’s social accountability approaches uncovered several corruption cases in adaptation finance projects, including:

- Allegations of political interference in the awarding of public contracts and collusion with local officials in a large loan for a Pilot Programme for Climate Resilience, intended for the construction of cyclone shelters, roads, small bridges, culverts and markets in coastal areas.
- In a national climate biogas and reforestation project (US$813,000), evidence of conflict of interest in the allocation of funds. The non-governmental organisation involved in the implementation was owned by the then environment minister, who was also the chair of the Bangladesh Climate Change Trust Fund Board. Some of the non-governmental organisation beneficiaries also did not seem to exist, and there were allegations of embezzlement.

The chapter continued to advocate on these and other cases of corruption uncovered through their monitoring work, achieving the following changes:

- Regarding the allegations against non-governmental organisations, the climate fund suspended funding to 12 of the organisations pending investigation. The national anti-corruption commission also stepped in, and 10 of the organisations are now under investigation.
- New climate projects are now subject to tougher inspections and will face regular audits from both the office of the controller and the auditor general.
- TI Bangladesh went to the Khulna district to visit the community who were victims of a “cyclone resistance housing project” that was left incomplete when resources for the construction were siphoned off by local contractors. TI Bangladesh, who had already documented the case (see here), brought it to the attention of the national and international media (see here complete coverage of the case and a video from the Wall Street Journal). The pressure put on the government forced them to reallocate funding to complete the construction of the housing project.

Finally, an external learning review recognised that local level governance issues and especially transparency, accountability and non-corruption issues have not been so much in the focus of national REDD+ processes, which have mainly concentrated on the national level institutional arrangements. Some improvements have been suggested to capture the results of our work at the community level.
The Transparency International secretariat complements Transparency International chapters’ national level advocacy by pushing for anti-corruption reforms at the global and regional levels. Building on our major wins in 2014, our main focus in 2015 was on the follow-up on the post-2015 development agenda and the G20 principles on beneficial ownership and open data.

The approval of a stand-alone goal on governance (goal 16) as part of the new SDGs, whose aim is to leave no one behind, was a milestone for the development and anti-corruption agenda. The goal includes specific targets on reducing corruption and bribery (target 16.5) and on effective, accountable and transparent institutions (target 16.6). Commitments on open data and on a robust and transparent review mechanism also fit squarely with Transparency International’s demands. Transparency International had been engaged in the post-2015 process since it began in 2012. Continued pressure and outreach helped to foster Transparency International’s engagement in collective actions around policy issues.\(^{11}\)

Beyond the SDGs, anti-corruption (beneficial ownership transparency, country-by-country reporting) and open data commitments were incorporated in the outcome document of the Third International Financing for Development Conference. To promote our demands, we organised events and outreach activities ahead of the conference.\(^{12}\)

A few days before the 2015 G20 Summit, we launched a cross-country analysis of how all G20 countries stood in their implementation of the Beneficial Ownership Transparency Principles ("Just for Show? Assessing G20 promises on beneficial ownership\(^{13}\)). Seven chapters were supported with grants for national level launches, and 20 individual country reports were also published to facilitate national advocacy. There was a strong pick-up in the media in Brazil, Italy, the UK, South Africa, Turkey, Russia, and some coverage in Japan, Indonesia, China and other locations. All chapters reached out to governments, including approximately eight to 10 with more thorough engagement (meetings and calls). We plan to expand the survey to non-G20 countries and re-run the same research to assess progress.

In addition, the final text of the G20 Open Data Principles, adopted in November 2015, reflected amendments that were made on Transparency International’s advice. For example, they now recognise that open data can “help create significant economic benefits for the private sector by providing companies with real-time information to strengthen their investment decisions and assess risks and opportunities in a specific market or sector”. Transparency International pushed to ensure the commitments contained within the Principles were as strong as possible, through


\(^{12}\) See www.transparency.org/news/feature/stopping_corruption_to_stop_poverty

www.transparency.org/whatwedo/publication/curbing_illicit_financial_flows_to_unlock_a_sustainable_future

http://tapnetwork2030.org/our-work/financing-for-development/

\(^{13}\) This included 20 individual profiles for each G20 member describing the current situation and providing recommendations on what could be done to improve the current legal framework.
Transparency International worked through its network in various countries, including G20 countries (Argentina, Indonesia, Mexico and the UK) and the European Union to call attention to issues on beneficial ownership transparency and the importance of open data to fight corruption. This culminated at the OGP summit in Mexico City on 27-29 October 2015. Transparency International was invited to speak at a CSO meeting on how to use the SDGs to implement goal 16, and published a joint statement on the OGP summit with 13 national chapters.

Other key achievements at the global level include:

- A blog post on incentives for cultural change in the banking sector, which resulted in an invitation to speak at the Deloitte Banker Forum in April 2015.
- Advocacy around the World Bank’s new procurement policy, which led to a move within the World Bank to consider requiring beneficial ownership information for bidders for World Bank contracts, in open data format (par. 51, p. 26). This came following a series of policy recommendations and advocacy actions, including a joint advocacy letter in June 2015. TI USA corralled 107 civil society organisations from around the globe (including many Transparency International chapters) to support our push. See this blog for more details on our advocacy and assessment.
- In January 2015, Transparency International’s submission to the Bank of England’s Fair and Effective Markets Review resulted in a request for a follow-up meeting and many of our recommendations being taken into account in the final report. These include the integration of non-financial performance criteria and conduct risks in the incentive system, greater criminal prosecution of individuals, conflict of interest management, better control systems and whistleblower protection.

Enforcement monitoring

The 2015 Exporting Corruption Report continued to shine a light on the problem of foreign bribery and on the need for enforcement. The impact of the report could be seen from the engagement of some of the parties to the convention when the draft report was presented to them in Paris in June 2015 and from the considerable press coverage. Thirteen governments commented on the Exporting Corruption country reports, either before or during the June event. We also had side meetings with three of these governments. In the case of the UK, Italy, South Africa and Turkey we helped Transparency International chapters follow up on the foreign bribery report and establish a direct contact with government representatives.

With regards to the UNCAC, the Sixth Conference of States Parties in St Petersburg in November 2015 offered an opportunity to unite States Parties in support of robust convention implementation. The fact that the conference was in Russia led a number of countries viewing the meeting with reservations, but it was also an opportunity to make advances thanks to the host country’s greater motivation to achieve results. Allies of civil society participation in UNCAC processes continued to face obstacles due to a powerful group of foot-dragging blockers and did not see opportunities to achieve change on this front at the event.

We managed to start discussion on the topic of grand corruption, which is one of Transparency International’s strategic priorities and the focus of the current Unmask the Corrupt campaign. Transparency International made various statements on this issue at the conference, co-organised a special event, and issued Recommendations for Robust Action against Grand Corruption and Special Measures against Grand Corruption. The government of Peru also submitted a conference report.

14 The country reports are available here: www.transparency.org/whatwedo/publication/exporting_corruption.
room paper on grand corruption, which shows that we have started building buy-in from governments.

Another key area for the UNCAC coalition (in which Transparency International serves as secretariat and most active member) is asset recovery. It was the first time that the Conference of State Parties had a resolution covering explicitly the relationship of transnational bribery cases to asset recovery, which is a major breakthrough.

In the UNCAC Review Process each of the 178 States Parties get recommendations from their peers on how to improve their legal system and practice to prevent, detect, investigate and prosecute corruption. However, there is no formalised process on monitoring the implementation of these recommendations. The new Resolution 6/1 – Continuation of the review of implementation of the UNCAC – made some steps in this direction.15

Finally, we continued to consolidate the broad coalition formed to promote the use of UNCAC as an accountability instrument. The UNCAC Coalition Twitter account continued to grow, gaining over 500 new followers over the course of the year.

The UNCAC forum proved to be a good one to advance Transparency International advocacy objectives on civil society space and grand corruption, even if we are at early stages on the latter. Clearly, there is room for bolder initiatives in the context of the Conference of State Parties.

Example of regional advocacy – Americas

In the wake of the mass migration of unaccompanied minors from Central America to the US – caused by the need to flee extreme violence – a US$1 billion aid package was proposed last January by the White House to help address the situation. Transparency International supported many aspects of the proposed budget and called for significant support to strengthen the accountability and transparency of both the security and justice sectors in particular and key democratic institutions overall. Transparency International also urged that aid should include support for civil society networks to carry out essential watchdog functions in a region where aid too often leads to little change.

As the proposed aid package was passing through Congress, the support for governance, civil society, and development was gutted, leaving only funds (approximately US$300 million) for the security sector, and further militarisation of the US and Mexican borders.

After considerable advocacy, the final aid package adopted many of the major components for governance, development and human rights for which Transparency International had been advocating. The final version of the aid package (now back up to US$750 million) can be found here.

It is of note that while there are many Washington-based non-governmental organisations that lead on human rights in Central America, US anti-corruption non-governmental organisations are not well equipped to address issues in this region. Leading its advocacy with the voices from its “boots on the ground”, Transparency International has been able to make significant headway into the most critical advocacy space for the region.

15 See paragraphs 12, 13, 14 and 15 of the resolution: www.unodc.org/documents/treaties/UNCAC/COSP/session6/V1508646e.pdf
Example of regional advocacy – the Asia-Pacific region

Anti-corruption in a context of crisis – the case of Afghanistan

In addition to advocacy towards regional bodies, the Transparency International secretariat strives to strengthen our presence in key countries; in the Asia-Pacific region, Afghanistan is one of these. For over three decades of wars people in Afghanistan have suffered from widespread corruption. Afghanistan is ranked 174th with a score of 12 out of 100 in Transparency International’s 2014 Corruption Perception Index.

The new unity government of Afghanistan has opened space for Transparency International to contribute to the fight against corruption in a systemic and meaningful way. The government has conveyed consistent messages on its anti-corruption commitments, including about the reopening of the inquiry into a notorious case involving Kabul Bank.

Transparency International ran a National Integrity System assessment in 2015, which will be launched in early 2016. Its conclusions will form the basis for a new programme on Afghanistan, with a view to turning recommendations into policy and practice, building on excellent access to high-level government officials and productive relationships with donors and local non-governmental organisations.

We also organised a series of public debates for policy recommendations, called “Transparency Forum”. The initiatives were very well received by government agencies, senators, members of parliament, donors and non-governmental organisations. The first Transparency Forum on “Good governance and anti-corruption priority” brought together 35 participants and resulted in a set of recommendations for the Afghan Government’s anti-corruption agenda (a first in the country), which was handed in to President Ghani in June 2015. The next forum will aim at developing specific recommendations to reform procurement laws and regulations.

The Association of Southeast Asian Nations (ASEAN) blueprint for 2016-2025 was adopted by ASEAN governments at the November 2015 summit. Anti-corruption is recognised as a key priority area in the political and security pillar section. This is the first time when an extensive section has been dedicated to anti-corruption. The document recognises an ASEAN Integrity Dialogue, a concept almost identical to what Transparency International was campaigning for.

Transparency International’s advocacy included a report highlighting key specific areas for ASEAN countries to focus on in countering corruption in the region both nationally and collectively. Transparency International worked closely with the ASEAN Human Rights Working Group in providing input for the blueprint. The final CSO draft was presented to the drafting committee. Both ASEAN Human Rights Working Group and TI Indonesia, with the support from the secretariat, took part in the final briefing to the drafting committee.

The work will pave the way for developing key indicators for the framework document where anti-corruption is recognised as a key priority as well as a cross-cutting area.
Safeguarding anti-corruption fighters’ efforts

The introduction of a Security Policy at the Transparency International secretariat marks an important milestone in strengthening staff duty of care, and sets an important precedent for the movement. In addition to an overarching policy, topical guidance and protocols were developed in response to a wide range of safety and security concerns, including event and accommodation security, bomb threats and travel safety.

A strong focus on network-building yielded results with Transparency International becoming an associate member of the European Interagency Security Forum, and being invited to attend the Front Line Defender’s Eight Dublin Platform and to share experiences on protecting human rights defenders with the Fair, Green and Global Alliance.

The safety and security training for TI Cambodia was a striking reminder of the need for in-country assistance to national chapters. TI Cambodia was supported to successfully apply for dedicated safety and security training and support. In collaboration with Protection International, TI Cambodia staff received two safety and security management training sessions that covered a range of topics from how to deal with aggression and threats to site and office safety.

Another case to mention is Kuwait. On 7 May 2015, the Ministry of Social Affairs and Labour dissolved the Board of the Kuwait Transparency Society (KTS), a member of Transparency International, in reaction to KTS’s significant work into grand corruption. After consulting with KTS, Transparency International suspended its membership in the movement, and ran a media campaign.

Amnesty law in Tunisia

In August 2015, the Tunisian government submitted a reconciliation law to the Parliament for approval. The problem with this draft law was that it granted impunity to people who stole public money provided that they invested part of the stolen money in the country. The Transparency International Board adopted a resolution emphasising that such a law – if adopted – needed to be based on the principles of transparency and integrity. It should be also discussed with state and non-state actors and acknowledge the role of the judiciary. This law must not legalise impunity.

Our chapter in Tunisia was supported by the Transparency International secretariat to establish an online platform where citizens can vote for or against the draft law. This expanded the national dialogue in Tunisia, which exerted more pressure on the Parliament and the government to reconsider the draft law in its current form. To date, the law has not been passed and the national debate is ongoing.

What we have achieved so far can be summarised as follows:

1. We managed to bring this case to a global level. We extracted principles that the Transparency International secretariat can apply to all amnesty laws worldwide.
2. We increased awareness of a risk in amnesty laws that was not considered before: the legalisation of impunity.
3. We nurtured the national public debate among Tunisian citizens, making them more engaged, and increasing parliamentarians’ accountability to their constituency.
to pressure the Kuwaiti government to reverse its decision. After a meeting between Transparency International, the Kuwaiti ACA and with Human Rights Watch, which issued a press release on the issue, the government withheld its actions against KTS and responded to the public pressure. The KTS board was subsequently re-formed.

Europe and Central Asia were also strongly affected by a difficult political context, especially in Azerbaijan, Hungary, Montenegro, Moldova, Turkey, Ukraine and Russia. External challenges and, in some cases, threats required immediate support from the Transparency International secretariat, including responding to the media or to political decision makers.

Civil society space – the case of Paul Kingue

In 2014 TI Cameroon published a report denouncing the tax fraud of a French banana-producing company. The company, which even had fair trade certification, threatened to sue the chapter, and used tactics such as buying large spaces in local newspapers to counter the report findings. They also published a letter signed by all their employees stating that they were well treated in their work. However, the report showed that:

- The French companies, in connivance with local authorities, managed to send a mayor of the region where they operating to jail in retaliation for his denouncing tax fraud. The mayor, Mr Paul Kingue, was sentenced to life imprisonment.
- The living conditions of the workers in the region were not appropriate.

As a result of Transparency International’s pressure (its report, letter to the president, letters to fair trade organisations and various press releases calling for the review of the case), the French company increased the salary of their workers, and Paul Kingue was released on appeal after seven years in prison.

It should be noted that these results would not have been achieved without other people’s pressure, including that of international organisations. This story, once again, highlights the power of partnerships and coalitions in fighting corruption.

RESEARCH (MEASUREMENT AND DIAGNOSIS)

Global Corruption Barometer

The African GCB report was launched with widespread media coverage, a number of responses from governments, and very good use by national chapters, vindicating the decision to "go regional" with the GCB. We partnered with the Afrobarometer, which spoke to 43,143 respondents across 28 countries in Sub-Saharan Africa between March 2014 and September 2015 to ask them about their experiences and perceptions of corruption in their country. We estimate that nearly 75 million people have paid a bribe in the past year. A majority of Africans perceive corruption to be on the rise and think that their government is failing in its efforts to fight corruption; and many also feel disempowered with regards to taking action against corruption. In Sierra Leone, Nigeria, Liberia and Ghana citizens are the most negative about the scale of corruption in their country.
Ongoing security, freedom of expression and public health (Ebola) challenges prevented us from covering as many countries as we would have liked to. In addition, delays in fieldwork were caused by the shifting timescales of regional partners. We had to push back the release of our Middle East and North Africa report to 2016 in order to focus on the African issue.

However, partnering with the Afrobarometer has worked very well as they are known for conducting high quality surveys and their methodology is very robust. Allowing chapters to have country launches in advance of the regional report launch also worked well (no one criticised the fact that the results may have already been published in some countries) and encouraged multiple engagements with the anti-corruption community in a country. We used a media dissemination company to put out our press release – this was a key factor in allowing the results to reach a wide audience. Moving forward, we would scale up our engagement with local authorities to ensure the Transparency International message is “heard” at the level where corruption hurts the citizens most.

Four subsequent regional reports of the GCB results and a final global launch are all scheduled to take place in 2016.

**National Integrity System assessments**

While a number of multi-country National Integrity System (NIS) projects were still underway (Middle East and North Africa, European Neighbourhood Policy East, Western Balkans), there is a decrease in demand and also a re-focusing of the NIS implementation approach, with a lighter involvement of the Transparency International secretariat. The “update” approach was successfully implemented, and we developed a tracking mechanism to monitor the implementation of NIS recommendations.

Five in-depth assessments of the anti-corruption environment were launched (Armenia, Bosnia and Herzegovina, Georgia, Kosovo and Ukraine). This research will provide a solid basis for the respective chapters’ anti-corruption work and advocacy in the coming years and the governments in Armenia, Georgia, Moldova and Ukraine have already taken NIS recommendations on board. An overview of the findings of this research was produced.

In Moldova, the new Anti-Corruption Strategy with an Action Plan for 2015-2018 will be elaborated based on the NIS report, and the law on transparency governing political parties and election campaigns has been adopted in the final reading. The law on the prosecutor’s office, which outlines the reform of this institution, has also been adopted.

In Ukraine, the NIS report included recommendations on the proper establishment of the National Agency for the Prevention of Corruption. TI Ukraine, along with a coalition of leading non-governmental organisations, experts and international organisations, managed to persuade the government to adopt some of these recommendations.

A comprehensive impact study, to be published in early 2016, indicates strong interest by chapters to share lessons learned, and the significant impact of NIS on policy (often hard to disentangle from “generic” chapter work), to a large extent attributable to an enabling country context and chapter leadership buy-in.

Significant delays were experienced in NIS projects, partly because of external factors (including political instability, especially in the Middle East and North Africa) and internal (including limited chapter capacity).
The 2015 Corruption Perceptions Index will be published in January 2016 instead of December 2015. The reasons for this are as follows:

- This change allows chapters and the secretariat to devote more time to activities linked to Anti-Corruption Day on 9 December. In addition, it ensures that chapters can properly follow up on the launch at the end of January; the previous timing meant that any follow-up to the Corruption Perceptions Index (CPI) was difficult in many countries because of the holiday season.
- Given the large increase in the use of mobile devices such as smartphones and tablets, we recently redesigned our website to incorporate a responsive design that optimises our content for mobile devices. In order to present the CPI in a responsive format we have delayed its publication. This gives us more time to develop and implement a responsive presentation of the CPI.

Local Integrity System assessments

Thanks to their Local Integrity System assessment, Poder Ciudadano, our chapter in Argentina, won third prize in the Auditor General’s Citizen Oversight and Transparency Awards. The Court of Buenos Aires also ordered the city’s internal auditor to grant Poder Ciudadano access to their audit reports from the last three years. This ruling is acknowledged by the courts to be a direct result of the assessment and sets an important precedent in terms of citizen access to information from local government.

INTERNATIONAL ANTI-CORRUPTION CONFERENCE

Over the years, the IACC has served as the most important convening platform for the Transparency International movement and those working on anti-corruption as a whole, bringing together a myriad number of stakeholders from across many disciplines. For the 16th IACC, held in Malaysia in September 2015, we worked closely with TI Malaysia and the Malaysian Anti-Corruption Commission, creating a dialogue with government representatives, and ensuring that national and international civil society had the opportunity and space to explore and engage on the agenda.

The 2015 IACC in Malaysia

Eighty-five per cent of the participants in the 2015 IACC rated the event very highly. Not only was the IACC a resounding success in terms of offering a cutting edge agenda with key topical areas for the anti-corruption movement (sexortion, transnational justice, wildlife crime), but national and global discourses had significant impact this year.

The IACC was held against a background of civil unrest regarding corruption in the country – primarily allegations of US$700 million that ended up in the prime minister’s personal bank account. There were serious concerns about the possibility of repression by the government and potentially violent protests. The corruption-driven turmoil the country was facing proved to be the most opportune moment to hold the IACC due to the need for a strong anti-corruption voice. The impact that the IACC ended up having was unprecedented: it turned the international spotlight on Malaysia, the need for reform and for the independence of the Malaysia Anti-Corruption Commission. The

16 www.agn.gov.ar/noticias/se-entregaron-los-premios-al-control-publico-y-la-transparencia
17 www.judicial.gob.ar/2015/la-sindicatura-portena-debera-brindar-informacion-sobre-los-ultimos-tres-anos-de-gestion/
IACC’s convening power was evident through the meeting that we enabled between Global Witness, Transparency International, the Malaysian Anti-Corruption Commission and the Chief Minister of Sarawak. For the first time, international civil society had space for dialogue with the Chief Minister. Although there has been a lot of defiance between the state of Sarawak and civil society in the past, the Chief Minister committed on the IACC stage that he would open up to civil society engagement. He also openly discussed corruption challenges, and welcomed and acknowledged the role of civil society in addressing them.

A very positive achievement was the initiation of an international effort – the “Friends of the IACC” – to encourage governments to end the impunity of the corrupt. The current “Friends” include the governments of Germany, Norway, the Republic of Korea, Switzerland, the UK, and the United States, who commit to principles and actions in a range of areas: denial of entry to the corrupt and their proceeds; transparency of ownership of companies; eliminating or minimising the scope of immunities granted to government officials; asset recovery; promotion of integrity and justice; adoption of laws to criminalise foreign bribery and effectively enforce them. This is all underscored by a commitment to working with civil society. Some, like the US government, have already added to each commitment specific goals with concrete actions. For example, when it comes to asset recovery, the “FBI will formally launch Asset Recovery Teams at the IACC. The goal of these teams will be to investigate allegations of international corruption, particularly as they relate to bribery and theft of foreign government funds.”

The Game Changers initiatives

The IACC created the Game Changers initiatives to complement and add value to the event, making the IACC a unique and sustained active engagement platform that goes beyond the traditional concept of a conference.

Through our Journalists for Transparency initiative, young journalists are enabled to carry out research and collaborative work that are leading to uncompromising investigative pieces, shining a light on corruption in sectors such as smuggling, political corruption and organised crime.

MoUs and alliances have not only gained us space in other stakeholders’ agendas and given us recognition, it has also directly influenced the success of the 16th IACC. Workshops and plenary sessions were strengthened by collaboration in the areas of journalism, film and documentaries, etc., and we aim to keep these partnerships alive throughout the IACC cycles. The IACC’s work on using film and documentaries has allowed us to procure cutting edge films such as Virunga and Citizen Four, also managing to bring in and engage the producers in discussion panels.

The IACC Social Entrepreneurs Initiative supports forward-thinking ideas by people who want to change the rules of the game against corruption, take ownership of the issue at hand and create new projects to improve accountability. The initial results of the six projects in 2015 are strongly positive. For example, in Egypt, Ayman Sabae saw public funds wasted and services that failed to meet the needs of the people. He wants to put control of health back in citizens’ hands: his project holds health providers directly accountable for the quality of their services. It uses citizens’ voices to encourage accountability in the health sector through the creation of quality indicators that are patient-centred, conceived by citizens, validated by experts and that can be monitored through community audits. See http://16iacc.org/game-changers/social-entrepreneurs/ for more details on this project and the five others.

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18 See http://16iacc.org/blog/2015/09/05/statement-by-the-friends-of-the-iacc-we-hear-the-call/
19 www.state.gov/j/inl/rls/fs/2015/246651.htm
During the IACC, a space (the IACC Tech Hub) was dedicated to exchanging ideas on technology in transparency; it brought together social entrepreneurs, technology experts, and other civil society activists interested in learning and working together.

GOVERNANCE

At the 2015 Annual Membership Meeting two vacant seats on the Transparency International Board were filled, and key discussions were held regarding Board and Transparency International chapter governance (for example on the importance of membership mechanisms). An important fourth Board meeting took place in December, paving the way for transformational change at the Transparency International secretariat, approving the nine priorities of the secretariat’s five-year Implementation Plan, clarifying the division of labour between Transparency International Board and executive staff, and approving the secretariat’s 2016 budget.

The Transparency International secretariat provided governance advice to the movement throughout the year and supported the development and Board approval of a TI-S Code of Ethical Advocacy which reflects the high standards set by Transparency International in its own advocacy towards others.

Profiles of individual members were also produced, raising awareness in the movement at large on the skills available to them and stimulating the greater involvement of individual members.

Following an external review of our internal controls, we have improved our governance system based on the evaluators’ recommendations. Among other initiatives, we have fine-tuned the accreditation review questionnaire and incorporated anti-corruption capacity as a compliance requirement. In order to receive additional insight into Transparency International national chapters’ internal control environment, the Board Finance Committee now requires chapters to provide their auditors’ management letter in addition to financial statements and audit reports. Based on this information, the Transparency International secretariat delivered a report to the Audit Committee of the Board, with an analysis of financial situations deserving specific attention. Such a report will be delivered every year. We have also clarified the complaints mechanisms – especially the process that people external to the Transparency International movement can follow to raise issues – and hired an ombudsperson for the Transparency International secretariat.

MONITORING, EVALUATION AND LEARNING

MEL at Transparency International has three main purposes:

- to ensure accountability through reporting on progress made
- to facilitate learning and informed decision-making through disseminating data and making recommendations for improvements
- to support Transparency International’s impact by creating a planning environment that focuses on results.

Demonstrating results and impact

The Transparency International secretariat has an organisational review system in place to assess the progress made against our annual implementation plan. Findings are analysed and shared in
regular internal summary reports and used to inform strategic decisions and improve programme design and implementation.

While data capture and the submission of organisational reports has been largely mainstreamed, the collection of meaningful and high quality data and the use of the data to increase organisational learning is an ongoing effort. MEL expertise is increasingly being used to support the design and monitoring of a large number of projects and programmes at the secretariat and in chapters.

### Improving our value for money

Transparency International is committed to offering strong value for money to its donors. With this in mind, we have taken steps to improve our performance in terms of economy, efficiency, equity and effectiveness. The Value for Money Policy that explains the Transparency International secretariat’s underlying approach to value for money was finalised. A practical training in the tools and techniques needed to enable non-governmental organisations to achieve value for money in programme design and proposals to donors was organised with UK-based NGO Mango. We also introduced value for money in high-level decision-making, whereby this issue now has to be addressed in discussions on strategic decisions to be made by the management.

While work to conceptualise two value for money assessments was started as a pilot, it was decided to postpone these. A proposal will follow to ensure that in 2016 we do carry out at least two assessments.

Regarding financial issues, a tool to assess Transparency International chapters’ financial capacity and risks has been developed, and will help inform decisions on resource allocation in projects. An analysis of cost drivers related to travel and to honoraria has also been carried out, and will be finalised in 2016.

### Transparency International’s accountability to its constituents

In addition to the ongoing monitoring of whether our work is on track, we regularly commission learning reviews and independent evaluations to assess the effectiveness of our projects and programmes and to improve our learning and internal accountability processes. A few examples\(^\text{20}\) for 2015:

- Mid-term evaluation of our Vietnam Programme
- Two learning reviews on the effectiveness of the Integrity Pacts
- Learning review of the REDD+ Governance and Finance Integrity project to understand how intervention strategies can be improved

Further to the organisational reporting mentioned above, the Transparency International secretariat collects data on a set of performance indicators that enable us to have an overview of the organisation’s performance in defined strategic areas, such as financial and human resources management and international board governance.

\(^{20}\) A sample of these evaluations can be found on [www.transparency.org](http://www.transparency.org).
Evidence-based decision-making processes and strategic planning

In 2014 we introduced a new approach to monitoring impact for anti-corruption work. The approach consists of two complementary elements: a matrix to support impact-oriented monitoring in projects and programmes; and a limited number of impact assessments that provide in-depth insights on relevant topics and trends identified through the ongoing monitoring. It aims to build a more robust body of evidence regarding what works in the fight against corruption, and why and how it works.

In 2015, we started to gradually roll out this new approach by implementing it in chapters in Europe and Central Asia and by assessing the impact of our NIS approach. In-house trainings were provided to secretariat staff and colleagues from TI Azerbaijan, TI Georgia, TI Armenia and TI Ukraine, which aimed at enhancing MEL skills for advocacy and introducing the impact monitoring approach. Guidance materials to support the operationalisation of the approach were finalised. Currently, we are in the process of developing an electronic impact log to help us capture achievements throughout the Transparency International movement in a central database, with the data available for everyone to record and analyse.

We have also been working on mainstreaming the approach into new projects. The Women, Land and Corruption in Africa programme is a case in point – the MEL framework follows the logic of the impact matrix, and the baseline has yielded data that is now used not only for accountability purposes but also for advocacy work.

In 2016 and onwards we will continue to strive to become a learning organisation. We aim to ensure that MEL data and findings are closely linked to strategic decision-making, to the chapters’ accreditation process and to the accountability to the Board of Directors.
ESSENTIAL FUNCTIONS

FINANCE

In 2015, Transparency International underwent several reviews that touched upon financial management systems (organisational due diligence commissioned by the Australian government, two project audits commissioned by the European Commission, project examination by the German Ministry of Environment, and a VAT audit by fiscal authorities), and responded comprehensively and satisfactorily to all enquiries.

In addition to day-to-day financial operations and the preparation of our financial statements and annual budget, which were delivered on time and to the highest standards, the following achievements should be highlighted this year:

- The successful migration to the new financial system, which has brought major efficiency gains.
- The design and implementation of a structured tool to assess and monitor financial compliance and sustainability of Transparency International chapters and project partners; it includes an evaluation of their project reports and overall financial status. The development of a process to make full use of the tool is expected for the second part of 2016.
- The development of a new set of systematic internal controls that ensures regular and comprehensive monitoring of the secretariat’s finances. For example, to overcome problems related to differences in quality and characteristics of the audits, new guidance has been released, including a template for Terms of Reference to engage a chapter-based auditor in line with the reporting needs. We have also reviewed our procedures for forwarding funds to chapters, and clarified the responsibilities for ensuring that donor requirements are properly included in each agreement with partners.
- Seventeen assurance engagements (including audits and agreed-upon procedures) were conducted on projects, totalling over €15 million of expenditure. All engagements were performed within the original timeline and all opinions released by the auditors were unmodified.
- Finally, in terms of internal efficiency, the finance department took over the compilation of travel cost reimbursement requests, significantly easing an administrative burden on staff across the organisation, and reducing by at least 30 per cent reimbursement timelines.

INFORMATION AND COMMUNICATION TECHNOLOGIES

Information and communication technologies have been central to our efforts to strengthen the organisation before the start of our new strategy, and big achievements have already been delivered. We created a long term plan (three-five years) and modernised our infrastructure by moving our back-office technology to the cloud. We simplified our environment, resulting in less downtime and better use of our resources.

Microsoft Office 365 has been rolled out in the secretariat and over a dozen chapters, including Skype for Business and Yammer. This suite of online tools offers new opportunities for collaboration,
which will be crucial to delivering our strategy. Ultimately this will create an integrated technology foundation for the movement. The tools will be made available to more chapters in 2016, and we plan to set up Customer Relationship Management software for the secretariat to include data on fundraising, supporters, impact, etc.

RESOURCES DEVELOPMENT

Diversification of funding

There is a growing consensus in the movement that Transparency International needs to attract more donations from individuals. The new Board’s attitude towards receiving financial support from multinational corporations has also evolved and is more supportive of this approach.

While ground work has been laid with regards to diversifying our income base we have not yet made a big enough leap forward. Foundation income grew by 30 per cent, which is mostly the result of outreach to new foundations, particularly in the United States, but there is more potential. Our new partnership with the Omidyar Network for global advocacy is particularly worth mentioning.

Fundraising from the public will be crucial in moving forward on diversification. In 2015, the Transparency International secretariat received donations from 512 people, which is more than double the 2014 figure. A total of €46,800 was raised, nearly 75 per cent more than in 2014. This remains very small but is obviously a very positive trend. A more detailed analysis of the reasons for this increase has not been completed yet, but initial indications are that we essentially asked more frequently, especially in the framework of the Unmask the Corrupt campaign.

The Transparency International secretariat supported a total of 19 chapters in public fundraising to varying degrees through one-to-one support, workshops and webinars. At the end of 2015, South Africa and Slovakia undertook fundraising appeals which both raised more money than anticipated. Slovenia also undertook some very innovative initiatives, although the amount raised was not very large. Venezuela reached out extensively to the diaspora in Miami. They raised less than they had hoped, but learned a lot and are planning to continue this.

We have made significant progress on the private sector side. Policies regulating fundraising from companies were set up, and a standard partnership concept and a comprehensive risk management process were developed. We articulated an attractive offer to companies through the Global Corporate Supporter Forum and raised the capacity of the chapters involved in the private sector fundraising pilot programme.

Challenges related to the diversification of funding include:

- The fact that despite progress we might still not speak the "language" of these new donor segments sufficiently.
- Some of the ground work laid in 2015 has yet to translate into new income.
- New donors (non-traditional bilateral donors and private sector in particular) come with more reputational risks and concerns from within Transparency International than our existing donor base.
Increased engagement

What has become extremely clear across the different donor streams is that engagement with donors is key:

- There has been a shift in the sense that private sector fundraising no longer happens in isolation but is a consequence of engagement with companies.
- Our progress with foundations can be explained by proactive engagement by Transparency International’s policy and programme staff.
- To solicit donations from individuals, their engagement and participation in our issue is essential.

Working with the movement

Fundraising has been increasingly carried out in cooperation with chapters, for example with TI UK and TI Netherlands on foundations. Private sector fundraising is now exclusively operated in tandem with chapters. Our strategy is evolving towards a balance between ensuring that the Transparency International secretariat is properly resourced and raising funds with and for the movement as a whole. This is a more holistic approach that aims to ensure that chapters and secretariat alike benefit from these efforts.

HUMAN RESOURCES

Two important pieces of work are particularly worth mentioning. First, the new German law introducing minimum wages had significant implications on our internship programme. We had to assess how we could hire interns under the new law, and had to introduce new conditions for eligibility. Secondly, we have finalised a system and process to evaluate where each staff member should be placed within a salary band. We now have very clear and transparent criteria to establish salary levels. Ultimately these criteria will include competencies, which will enable each staff member to grow within the salary band by improving his or her skills. Due to delays in this work, the review of Standard Job Descriptions was put on hold; feedback from staff also showed that there may not be a real need for a review.

Other outputs include the following:

- Update of Grievance Policy: we were planning to develop Disciplinary Guidelines and a Telecommunication Policy, but they have been delayed.
- Key human resources data regularly shared with staff and with the German Office of Statistics.
- Management of re-assignment of staff to better align our work with the new priorities of Together Against Corruption.
- Coordination of the performance review process: we are planning to review and improve this process in 2016.

LEGAL AFFAIRS

The Transparency International secretariat has a legal counsel who provides advice both on programmatic activities and on institutional matters. The emerging work on grand corruption,
including the selection of cases and the definition of grand corruption, was a particular focus in 2015 (see next section on External Relations).

Although we have made significant advances since the beginning of 2015, we need to better identify what legal advice is needed to support the Unmask the Corrupt campaign and our work on cases of corruption. It will be particularly important for 2016 as we start implementing the new strategy, where grand corruption and campaigning are prominent.

The third party submission made jointly by the Transparency International secretariat and TI Canada with the support of pro bono lawyers in the case pending against the World Bank before the Supreme Court of Canada is an interesting example of legal success. The case concerns the possible lifting of the Bank’s immunity with a view to running investigations. The submission of Transparency International was based on the argument that the lifting of the World Bank’s immunity would have serious repercussions on their anti-corruption efforts. Transparency International provided additional information to the court in the area of whistleblower protection and aspects of international cooperation. In the submission we argued that Canada’s granting of privileges and immunities to international organisations is essential for the protection of whistleblowers in international anti-corruption efforts. In order for Canada to participate fully in the global fight against corruption and to fulfil its international obligations in this regard, the privileges and immunities that Canada grants to international organisations must be meaningful as a matter of law.

While the proceedings and a decision of the court in the case are still pending, an important step was taken, with the Supreme Court of Canada accepting the submission of Transparency International. Provided we have the capacity to do so, we should expand this area of work and assess further opportunities of making third party submissions in proceedings where Transparency International could provide additional arguments and information to a court.

**EXTERNAL RELATIONS**

Transparency International has developed a new style of communications and campaigning focused on public engagement. The new Unmask the Corrupt campaign reflects Transparency International’s commitment to partner with civil society, anti-corruption fighters and the general public to highlight the issues of grand corruption, creating and raising the baseline for future mass public engagement. The figures are unprecedented and encouraging – with many more chapters participating in the campaign compared to 2014, broad social media reach, etc. These evidence the potential of public campaigning for Transparency International and the relevance of the newly designed campaign.
Impact report

We operated a major shift in informing the public of our work and achievements. Over recent years our annual reports have become much more attractive visually and impact-oriented. In 2015 we published our first Impact Report, moving away from simple activity reports. When Transparency International started more than 20 years ago, many thought nothing could be done about corruption. In our new impact report, we are showing some of the ways we are creating change around the world. To name just a few:

- Forty-one countries, responsible for almost 90 per cent of foreign direct investment outflows, have ratified the OECD Anti-Bribery Convention.
- Eight thousand companies worldwide are committed to fighting corruption after we made sure anti-corruption was included as the 10th principle in the UN Global Compact, the world’s largest corporate sustainability initiative.
- More than US$10 billion of pledged climate finance will be distributed with zero-tolerance corruption policies covering both the global fund and the local recipient organisations.
- Up to US$150 million of aid money saved in Pakistan, thanks to our anti-fraud hotline.

Campaigning

The Unmask the Corrupt campaign evolved to focus strongly and clearly on symbolic cases of grand corruption from around the world. We have started building outreach and drive up engagement with the public around the cases. Fifteen symbolic cases were finalised and showcased to the public after intensive partnership with national chapters, external partners and legal experts. We launched our new Unmask the Corrupt campaign and asked people to vote for the most outrageous cases. It has had significant success in outreach and engagement, with social media reach of more than 20 million people, engagement of more than 125,000 and thousands of votes. The campaign also helped transform the official tone of Transparency International into a much bolder one.

Voting on the most symbolic cases of grand corruption is the main driver of engaging the public and signing on supporters at the moment for Transparency International. We added 8,837 new supporters and approximately 1,100 subscribers to the existing Unmask the Corrupt database.

Our communication also uses visual storytelling more and more (photos and videos). One climate-related video was viewed more than 60,000 times on Facebook. Related to that, we organised an external photo competition and received 1,500 photos from around the world. We produced a special section on our website to launch the photos, which got more than 30,000 likes on Facebook. The winners were flown to the 16th IACC in Malaysia, where we had a photo exhibition, and they were recognised in an awards ceremony with our Thomson Reuters partners.

21 As of beginning of January – the campaign continues into 2016.
Impact story – the FIFA case

Our response to the FIFA scandal typifies a successful special action. Not only have investigations been started against FIFA’s president Sepp Blatter and several other officials of the organisation, but the FIFA task force also took up many of Transparency International’s key recommendations for reform in its final report, adopted unanimously by the Executive Committee in November 2015 (to be approved by Congress in February 2016).

We have produced two reports plus media statements, social media outreach, and made key new partnerships, including engaging 35,000+ people with a football app. The work brings together the Transparency International secretariat and chapters (TI Switzerland, UK etc.) and is also linked to campaigns and the Unmask the Corrupt contest.

Transparency International is now the go-to organisation to comment on corruption in football. We had explicit acknowledgment from the FIFA reform task force and the FIFA acting General Secretary of our role in assisting meaningful reform in football.

The Unmask the Corrupt contest had immediate impact in the Dominican Republic (Senator Bautista contacted us immediately), in Tunisia and with FIFA. The high rate of public engagement was unprecedented for Transparency International. One of the reasons for these successes is the increased cooperation between the secretariat and the chapters in designing the campaign. Workshops with chapter representatives offered opportunities to give and receive constructive feedback. We thoroughly tested the visual identity and the messaging in seven countries to provide a solid understanding of the diverse audiences. Working with a community manager based in a Transparency International chapter also helped us manage the conversation with people from around the world.

Online communications and visibility

We launched a responsive redesign of the public website homepage and assessed how the new homepage was performing: in comparison to September 2014, visits to the homepage in September 2015 were up by 30 per cent, the bounce rate was down by 45 per cent, and mobile users had increased by 73 per cent.

We conducted an in-depth content analysis of our website to see how content on the website is performing and what areas deserve the most attention for further development. As a result, we prioritised the responsive development of the CPI section of the website – this will be launched in January 2016.

Some statistics worth mentioning include:

- More than 300 mentions in Grade A publications on Transparency International events and launches, which is similar to 2014, even though we did not have a CPI launch in 2015.
- Facebook fans up from 180,000 to 269,000, with an engagement up from 0.8 to 1.027.
- Twitter followers up from 57,700 to about 90,000, with more than 4,000 retweets or mentions of Transparency International content per month.