

# The ACR Brief

Expert insight. Global reach.



## Collective Action to Fight Corruption

The Society for Corporate Compliance and Ethics' 7<sup>th</sup> Annual European Compliance & Ethics Institute in Berlin was a bonanza of creative compliance ideas, but I noticed one consistent theme that moved beyond any single company's program. Examples of collective action – when companies band together, usually along with an NGO partner, to attack the root causes of corruption – were discussed in several of the panels I attended.

For example, Frank Brown and Anna Kompanek of the Anti-Corruption and Governance Center at the Center for International Private Enterprise explained how their organization worked with the Thai Institute of Directors on a collective action initiative to institute anti-corruption compliance programs in mid-size firms. Companies involved in the initiative sign an integrity pledge, commit to take specific tangible steps and undergo training to improve their programs. Most importantly, they agree to an external verification of their program. To date, at least 345 companies have completed a robust compliance program audit in connection with the initiative. “We aren’t in this for the sake of fighting corruption, we do this for the sustainability of our countries and communities,” Colin Kulvech, president and CEO of the Thai Institute of Directors, was quoted as saying during the presentation.

These initiatives allow smaller, local companies to level the playing field and ensure that they have the top-notch compliance programs foreign investors and business partners require. Companies can also work together to solve government resource problems that can lead foreign officials to seek bribes, effectively cutting corruption off at the source.

Have you or your local business partners engaged in this type of collective action? What were your challenges and successes? I will be thinking more about these initiatives in the months to come and would love to hear about your experiences.

With warm regards,

Megan Zwiebel

Senior Editor