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A collaborative approach to improve business integrity in ASEAN: Case studies of anti-corruption Collective Action in the region

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About this report

This working paper provides an overview and analysis of anti-corruption Collective Action case studies in the ASEAN region. It builds on the 2014 paper: *Collective Action against Corruption*: *Business and Anti-Corruption Initiatives in ASEAN*,[1] which was published by the ASEAN CSR Network and the Asian Institute of Management. This 2023 paper reviews the initiatives featured in the 2014 paper and highlights new initiatives that have emerged in the region since then.

The views and opinions expressed in this report are those of the authors and do not necessarily reflect the position of the Basel Institute on Governance, University of Basel, or any affiliates or persons acting on their behalf. The authors take no responsibility for inaccuracies in the information sourced from external websites.

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1 Collective Action Against Corruption Business and Anti-Corruption Initiatives in ASEAN, May 2024, available at: http://asean-csr-network.org/c/responsible-business-forum/39-our-organisation/resources/475-collective-action-against-corruption-business-and-anti-corruption-initiatives-in-asean

Acronyms and abbreviations

ASEAN	Association of Southeast Asian Nations
ACT	Anti-Corruption of Thailand
CISM	Corporate Integrity System Malaysia
CoST	Infrastructure Transparency Initiative
IBL	Indonesia Business Links
II, Inc.	Integrity Initiative, Inc., Philippines
ITBI	Integrity and Transparency in Business Initiative for Vietnam
KAKI	Koalisi Anti Korupsi Indonesia
MACC	Malaysian Anti-Corruption Commission
SDforB	Office for Business Sustainable Development, Vietnam
SDGs	Sustainable Development Goals
SHINE	Strengthening high-level commitment for integrity initiatives and nurturing Collective Action of enterprises advocating for fair market conditions
SMEs	Small- and Medium-Sized Enterprises
Thai CAC	Thai Collective Action Against Corruption
Thai IOD	Thai Institute of Directors Association
UNDP FairBiz	United Nations Development Programme project for "Promoting a Fair Business Environment in ASEAN"
VCCI	Vietnam Chamber of Commerce and Industry

Executive summary

Across the ASEAN region, awareness is growing that business of all sizes have an important role to play in preventing and tackling corruption, as well as creating the right environment for sustainable development. This awareness has opened windows of opportunity for an encouraging number of private sector-led Collective Action initiatives.

Collective Action initiatives are characterised by the sustained engagement of stakeholders who use innovative approaches and tailored tools to work towards a clean business environment, fair competition and the strengthening of integrity practices. They aim to promote sustainable business growth and address corruption challenges at the industry, national and international level.

Despite the political, economic and social differences among ASEAN countries, Collective Action is a sufficiently flexible approach that can be successfully used to tackle corruption across the region. Indeed, ASEAN is home to some of the largest and most active Collective Action initiatives in the world.

By identifying and analysing six of these initiatives, this working paper identifies a number of key factors for success, namely:

- the **influence of senior business leaders** and the connections, funding and operational support they can provide;
- support from a **business association or chamber of commerce**, which can contribute skilled staff, physical office space, a recognised brand and other direct or in-kind financial resources;
- initial **donor support**, often from international donors;
- the ability to secure **long-term sustainable funding**, for example through boards who lead fundraising efforts or through membership/certification fees;
- **government support** – although progress can be impeded by changes in administration or other political factors that reduce or change the nature of this support;
- a solid plan for who will undertake **operational work** and how it will be sustained;
- the ability to drive **legal and/or structural change** at a national level;
- the use of **alternative mechanisms** to create change when laws appear to lack enforcement mechanisms such as integrity pledges;
- the use of **pre-existing tools and methodologies**, building on **existing knowledge and networks of support** and **partnering** with international organisations;

- offering **training and support** and/or developing simple, **well-defined certification** processes for companies;

- **acting transparently** and **actively sharing** information via multilingual external communications and social media.

Although these are all success factors, there is no one *recipe* for success. Anti-corruption Collective Action is context dependent. Initiatives must be designed to respond to specific corruption risks. Practitioners seeking to establish a Collective Action initiative must consider the incentives for co-operation that exist at an industry level or country level in order to gain stakeholder buy-in. They must also take into account both the opportunities and constraints created by a country's political and social landscape.

1 Introduction

Established in 1967, the **Association of Southeast Asian Nations** (ASEAN) is a political and economic union of 10 member states in Southeast Asia: Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam.

The launch of the ASEAN Economic Community in 2015, which created a single market facilitating the movement of goods, services, investment, capital and skills, has furthered regional and global economic integration of ASEAN member countries.

With a population of more than 600 million, a collective estimated GDP of USD 3.35 trillion[2] and inflows of foreign direct investment of USD 174 billion in 2021,[3] the ASEAN community now forms one of the largest economies in the world.

1.1 The corruption landscape in ASEAN

However, ASEAN member countries are not a homogenous group. Socio-economic performance, political stability and standards of governance vary significantly in the region. According to Transparency International's Corruption Perceptions Index of 2022,[4] ASEAN members are represented both among the countries perceived as most clean (Singapore – ranked 5 out of 180) and in the 30 countries perceived as

2 ASEAN Statistical Yearbook 2022, Table 4.4, available at www.aseanstats.org/wp-content/uploads/2023/04/ASYB_2022_423.pdf

3 ASEAN Investment Report 2022, Pandemic Recovery and Investment Facilitation, October 2022, available at https://asean.org/book/asean-investment-report-2022

4 See https://www.transparency.org/en/cpi/2022

highly corrupt (Myanmar and Cambodia – ranked 157 and 150 out of 180). Along with Singapore and Brunei,[5] Malaysia scored above the global average[6] (47), followed by Vietnam which scored just below the global average (42). The Philippines, Indonesia and Thailand received similar scores of between 33 and 36.

Despite these differences, most ASEAN countries face common challenges in governance, including low levels of accountability and government transparency, which pose significant obstacles to sustainable development.[7] While surveys conducted for the 2020 Global Corruption Barometer have revealed a decline in reported levels of bribes paid,[8] bribery and facilitation payments are still common practice in some ASEAN countries. In Thailand, nearly one in four people surveyed acknowledged having paid a bribe to access public services in the previous 12 months.[9]

Accordingly, 79% of business leaders in the ASEAN region have recognised corruption as a major challenge for their business operations.[10] Corrupt practices lead to increased reputational, legal and operational risk, inflating costs of doing business, distorting competition, and ultimately discouraging investment, entrepreneurship and innovation.[11]

The 2015 scandal involving the Malaysian sovereign wealth fund, 1Malaysia Development Berhad (1MDB), is considered one of the largest corruption scandals to date – and is symptomatic of a lack of accountability and public trust in the effective prosecution of corruption offences in some countries across the ASEAN region.

However, these challenges have also opened windows of opportunity for an encouraging number of private sector-led Collective Action initiatives working towards clean business environments and fair competition, the strengthening of business integrity practices for sustainable growth, and addressing bribery and other forms of corruption.

Their work is based on awareness that the private sector has an important role to play in preventing and tackling corruption and in creating the right environment for sustainable development. By collectively increasing standards of business integrity, companies can "level the playing field" with competitors in a given industry, contributing to fairer market conditions, increased competition and better outcomes for consumers and other stakeholders.[12]

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5 Brunei was last assessed in 2020 with a score of 60, ranking 35 out of 180 countries

6 The global average being 43 out of 100

7 See for example, here: https://www.transparency.org/en/gcb/asia/asia-2020

8 See Jennifer Schoeberlein, Corruption in ASEAN, Regional trends from the 2020 Global Corruption Barometer and country spotlights, Transparency International Anti-Corruption Helpdesk Answer, 24 November 2020, available at https://knowledgehub.transparency.org/assets/uploads/kproducts/Corruption-in-ASEAN-2020_GCB-launch.pdf

9 Transparency International, Global Corruption Barometer: Asia 2020, page 53, available at https://www.transparency.org/en/publications/gcb-asia-2020

10 Diana Torres, The Future is Asian, but Corruption Keeps it Mired in the Past, UNDP blog, 17 July 2019, available at https://www.undp.org/asia-pacific/blog/future-asian-corruption-keeps-it-mired-past

11 See also Transparency International, People's experience of corruption: Implications for business in South-East Asia, November 2019, available at https://www.transparency.org/en/publications/peoples-experiences-corruption-implications-business-south-east-asia

12 See https://competition-policy.ec.europa.eu/about/why-competition-policy-important-consumers_en

1.2 What is anti-corruption Collective Action?

Anti-corruption Collective Action brings companies in the same or different industries together with other parties, normally government and/or civil society to: **address** shared problems of corruption; **raise** standards of business integrity; and **level** the playing field between competitors.

> "*Collective action* is a collaborative and sustained process of cooperation between stakeholders.
>
> It increases the impact and credibility of individual action, brings vulnerable individual players into an alliance of like-minded organisations and levels the playing field between competitors. Collective action can complement or temporarily substitute for and strengthen weak local laws and anti-corruption practices."
>
> **World Bank, 2008**

It is a globally promoted, private-sector led approach that is characterised by **sustained engagement** between stakeholders to achieve **common goals**. It involves **joint activities**, the use of **tailored tools** and the development of **innovative approaches** to address corruption challenges at the industry, national and international level.

Collective Action can be understood as a methodology that builds trust and breaks down silos between the public and private sectors, with the support of civil society and sometimes also academia. When the public sector engages in Collective Action, it is explicitly recognising that the private sector can be a partner in the fight against corruption and that it is in a unique position to innovate. Civil society organisations often play a critical role in facilitating Collective Action initiatives. Their presence can bring credibility, independent oversight and accountability to initiatives.

There is no "one-size fits all" approach to Collective Action. Each initiative needs to take account of the political, economic and social context of the industry and country in which its operating. As awareness of Collective Action in the ASEAN region grows, it is useful to compare notes, share approaches that have worked well and learn from the challenges identified.

1.3 Purpose and methodology

This working paper provides an overview and analysis of anti-corruption Collective Action case studies in the ASEAN region. It builds on the 2014 paper: *Collective Action against Corruption: Business and Anti-Corruption Initiatives in ASEAN*, published by the ASEAN CSR Network and the Asian Institute of Management. The 2014 paper reviewed known Collective Action initiatives in selected ASEAN countries – Indonesia, Malaysia, the Philippines and Thailand – most of which were at an early stage at the time. This 2023 paper reviews the initiatives featured in

2014 and highlights new initiatives that have emerged in the region since then.

The purpose of the paper is to support those in the ASEAN region who are interested in starting a Collective Action initiative by providing practical information and analysis about regional initiatives to inform their own endeavours. The case studies should serve as inspiration and provide learning about the opportunities and challenges of launching and sustaining anti-corruption Collective Action. Useful resources are provided at the end of the paper.

The methodology applied in this paper is desk research on the known Collective Action initiatives in the ASEAN region. Content for the case studies was sourced from English-language versions of the initiatives' websites in early 2023, as well as the websites of their supporting organisations. Semi-structured online interviews with representatives of the featured initiatives, conducted between April and June 2023, supplemented and verified the information gathered through the desk research.

The case studies chosen for this review represent a sample of anti-corruption Collective Action initiatives across the ASEAN region. Other known initiatives in the region can be found in the B20 Collective Action initiatives database at: collective-action.com.

2 Indonesia: Indonesia Business Links

2.1 Rationale and goals

Established in response to the Indonesian economic crisis of 1998, Indonesia Business Links (IBL) aims to contribute to the creation of sound and ethical business practices in the country. IBL promotes good corporate citizenship and partnership for development. Its specific objectives are to:

1. Increase the awareness of responsible business among companies and their supply chains;

2. Empower individuals in all sectors with the necessary skills for ensuring sustainable business;

3. Foster collaboration on sustainable development initiatives; and

4. Improve the internal capacity of the foundation, including the establishment of commercial entities, to deliver its mission professionally and sustainably.[13]

2.2 Organisational structure and funding

IBL has been registered as a not-for-profit foundation since 2001. It has established partnerships with a wide range of stakeholders, including more than 150 private-sector entities, business associations and other actors in the civil society space. IBL is a founding member of the ASEAN CSR Network, supporter and member of the Indonesia Global Compact Network, member of the Business and Philanthropy Forum for SDGs and member of the Alliance for Integrity Indonesia.[14]

In 2020, IBL joined the Advisory Committee of the Koalisi Anti Korupsi Indonesia (KAKI),[15] a Collective Action promoting a clean business ecosystem. This initiative was established by the Indonesian Institute for Corporate Directorship.[16] It follows a similar model to the Thai Collective Action Against Corruption (Thai CAC) reviewed in Section 6 of this paper.

IBL's main sources of funding are grants from international donors and donations from national and international corporations, including Citibank and Accenture. There are several governance mechanisms that advise, govern and provide leadership to IBL, including a Board of Patrons, a Board of Supervisors and a Board of Management. Operations are led by an Executive Team and a Programme Team.

13 See https://ibl.or.id/about-us

14 See https://www.allianceforintegrity.org/en/ for more information on the Alliance for Integrity

15 See https://cac-indonesia.or.id/about

16 See https://ibl.or.id/collective-action-coalition-against-corruption-cac-indonesia

2.3 Activities

IBL implements programmes and activities under three pillars: integrity, capacity and sustainability. Since 1999, IBL has been actively involved in promoting ethical business practices by organising capacity building programmes for SMEs. IBL's scope of activities quickly expanded to include advocacy, dissemination of information and knowledge about corporate social responsibility, as well as collaboration and partnership between the private sector, government and civil society to achieve sustainable development.

The *Business Ethics Initiative* was implemented by IBL between 1999 and 2012 with the aim of promoting anti-corruption and ethical business principles in Indonesia. As part of this effort, IBL conducted 44 workshops on *Managing Ethical Dilemmas for Facilitating Payment* and *Building Collective Action for Anti-Corruption*, as well as 11 workshops on developing business codes of conduct for SMEs, in seven provinces and with the participation of nearly 400 SMEs. Further, they issued guidelines for SMEs to develop their own codes of conduct and published four books on business ethics and code of conduct issues.

In 2014, IBL launched the *Indonesia Integrity Initiative*, a Collective Action among business stakeholders on promoting and implementing business integrity. National partners included the Corruption Eradication Commission (KPK), the Indonesia Global Compact Network, CEGAH,[17] Alliance for Integrity, Indonesia Corruption Watch and Transparency International Indonesia. Until 2017, the initiative focused on awareness-raising and advocacy activities.[18]

Today, IBL continues to provide online and in-person training on a variety of subjects in the areas of corruption prevention, entrepreneurship and youth development.[19] For example, in 2022, IBL partnered with the Alliance for Integrity to offer training to private-sector participants in Bandung and Jayapura on good practices for preventing and mitigating corruption.

2.4 Analysis

IBL was the first organisation of its kind in Indonesia – a coalition of international and local companies operating in-country that aims to contribute to the improvement of the environment for national economic and business development.

Although IBL describes its beginnings as "an offshoot of a multi-stakeholder discussion held during the Annual World Bank Conference in October 1998 in Washington DC",[20] IBL managed to build alliances and consensus among the local business community as well as support from the civil society sector early on. Against the backdrop of the economic crisis of 1998, IBL provided incentives for the private sector to engage to improve economic development in the region.

17 See https://www.msiworldwide.com/cegah

18 See https://ibl.or.id/programs/integrity-based-program

19 See https://ibl.or.id/ibl-2022-highlights

20 See https://ibl.or.id/about-us

IBL's broad focus on business development and sustainability has allowed participating companies to build trust with like-minded organisations, which in turn enables difficult conversations on the shared challenges of corruption, as well as raised awareness on good practices and the transfer of knowledge and skills from larger companies to SMEs. Indeed, through raising awareness on the highly sensitive and politicised topic of business integrity, IBL has paved the way for new initiatives such as the KAKI to enter the Collective Action space in Indonesia.

Image: Indonesia Business Links website, October 2023.
Credit: https://ibl.or.id/ll; Indonesia Business Links.

3 Malaysia: Corporate Integrity System Malaysia

3.1 Rationale and goals

The Corporate Integrity System Malaysia (CISM) is a platform to promote anti-corruption initiatives and good practices in corporate governance through the registration of companies under the Corporate Integrity Pledge. It was launched in 2011 with the objective of creating a business environment that is transparent, fair and corruption free, through the improvement of corporate governance and business ethics.

3.2 Organisational structure and funding

The CISM is a government-led initiative with eight roundtable members: the Malaysian Anti-Corruption Commission (MACC), the Malaysian Institute of Integrity, the Companies Commission of Malaysia, the Bursa Malaysia Berhad, the National Governance, Integrity and Anti-Corruption Centre, the Security Commission Malaysia and Transparency International Malaysia.

3.3 Activities

By signing the CISM's Corporate Integrity Pledge, companies commit to adhere to and uphold five anti-corruption principles, namely to:

I. Commit to promoting the values of integrity, transparency, accountability and good corporate governance;

II. Strengthen internal systems that support corruption prevention;

III. Comply with laws, policies and procedures related to fighting corruption;

IV. Fight any form of corrupt practice; and

V. Support corruption prevention initiatives of the Malaysian Government and the MACC.

The Inspection and Consultation Division of the MACC oversees the implementation of the Corporate Integrity Pledge. It outlines the implementation process in four steps: (1) Signing – an organisation adopts self-resolutions to fight corruption and commits to the anti-corruption principles; (2) Online registration – the organisation submits an application for the Corporate Integrity Pledge programme providing supporting documentation through the CSIM portal; (3) Monitoring – the signatory provides updates on the implementation of the pledge every three months for a period of two years; (4) Site visit – the CSIM team members identify good practices during an on-site visit to selected companies.[21]

The idea behind the Corporate Integrity Pledge is that companies that sign it also make a clear statement on how they will implement their commitments. This gives

21 See https://www.sprm.gov.my/admin/files/sprm/assets/pdf/pencegahan/cip-brochure-bi.pdf

businesses an incentive to examine and align their internal integrity practices. However, the MACC does not conduct any review or assessment of companies signing the pledge; instead, it is monitored through voluntary self-reporting by the signatories.

3.4 Analysis

By joining the Corporate Integrity Pledge, a company can set itself apart from its peers and demonstrate to stakeholders its commitment to reducing and mitigating the risks and costs associated with corrupt practices, which provides a clear reputational benefit.

A further incentive to join is that signing the Corporate Integrity Pledge is considered to represent implementation of so-called "adequate measures" under the Corporate Liability Provision in Section 17A Malaysia's 2009 MACC Act.[22] This law requires companies to take reasonable steps to ensure that corruption does not occur in their operations. Signing the pledge demonstrates a company's commitment to promoting the values of integrity, transparency, accountability and good corporate governance. However, it is still unclear to what extent this might be considered favourably in a company's defence in any legal proceeding against it. Further, a breach of the pledge does not in itself result in any legal sanctions.

With the lack of any self- or objective assessment, and a largely voluntary monitoring mechanism, the implementation of the pledge depends on the genuine commitment, good faith and capacity of the signatory company. However, in the recent past, MACC has taken steps towards a more proactive engagement with the private sector, raising awareness and providing training on business integrity. This is demonstrated by the inclusion of site visits to selected companies to help signatories of the pledge identify good practices. This change in approach recognises that implementing a value- and risk-based approach to anti-corruption is needed to ensure effective corporate compliance systems. It also opens more opportunities to strengthen peer learning and the sharing of good practices among signatories of the Corporate Integrity Pledge.

Image: Participants at a Corporate Integrity System Best Practice Seminar.

Credit: www.transparency.org.my/pages/what-we-do/corporate-integrity-system-malaysia/corporate-integrity-system-best-practice-session-at-petronas; Corporate Integrity System Malaysia.

22 See https://www.sprm.gov.my/index.php?page_id=129&articleid=475&language=en

4 Philippines: Integrity Initiative and project SHINE

4.1 Rationale and goals

The Integrity Initiative, Inc. (II, Inc.) is a multisectoral campaign created in 2009 by leading business organisations in the Philippines to promote integrity in the private sector through education, certification and other programmes.

Recognising that corruption is a major impediment to sustainable development, II, Inc. seeks to break what it refers to as "the vicious cycle of corruption in the Philippines" and promote the development of a competitive business environment operating on a level playing field.[23]

Through its project, *Strengthening high-level commitment for integrity initiatives and nurturing Collective Action of enterprises advocating for fair market conditions* (SHINE), II, Inc. aimed to increase high-level commitment for business integrity and to:

1. Identify key concerns of the private sector that affect integrity and transparency in business transactions;
2. Develop a unified code of business conduct as a standard for local and foreign companies;
3. Create an industry integrity pact that provides control measures to ensure transparency and integrity in business transactions;
4. Develop products to support audit and certification programmes for participating companies; and
5. Institutionalise the whole process to promote the sustainability of the Integrity Initiative.

4.2 Organisational structure and funding

II, Inc. was founded by the Makati Business Club, the Management Association of the Philippines, the European Chamber of Commerce of the Philippines and the American Chamber of Commerce of the Philippines.[24]

The Makati Business Club takes a leading role in II, Inc. and the implementation of project SHINE. The Makati Business Club is a private, non-profit business association that aims to foster and promote the role of the business sector in national development efforts, both in the planning and the implementation of policies. Founded in 1981, it is composed of senior business executives representing the largest corporations in the Philippines. It has become the leading private forum for meetings that bring together business, government and community leaders in the country.

23 See https://mbc.com.ph/partnership-projects

24 See https://mbc.com.ph/integrity-initiative-2/

Project SHINE received funding from the first funding round of the Siemens Integrity Initiative until 2017.[25]

4.3 Activities

The first phase of the SHINE project was the establishment of an integrity pledge for organisations wanting to commit to ethical business practices. 3,000 signatures were gathered, mostly from corporations, but also civil society, government agencies and academia.[26] The initiative was even supported by the then President of the Philippines, Noynoy Aquino. Several events were organised to promote the project, including "Integrity Summits" and "Integrity Runs". In addition, an Integrity Compliance Framework and an Online Assessment Tool were developed to assess how signatories to the pledge implemented ethical business practices in their operations.

The second phase of the project focused on implementing a government-supported integrity certification programme. The incentive for the private sector to join the certification programme was to gain access to the "green lane" of certain government agencies, including the Bureau of International Revenues and Customs. Unfortunately, a change in government led to a reduction in support and II Inc. was unable to provide the expected incentives to the private companies at the time.

However, II Inc. has continued to pursue its aim of advocating for improved business integrity. Multiple events targeted at compliance officers were organised as part of the Siemens Integrity Initiative and further events have been sponsored by the British Embassy in the Philippines.

At the same time, the Makati Business Club has focused its advocacy efforts on legal reforms related to business operations in the country through its broader engagement on issues relating to ease of doing business and fair competition. This includes, among other things, advocacy on the adoption of a freedom of information law and on the transition to a circular economy.

4.4 Analysis

The certification model envisioned by the SHINE project focused heavily on government-driven incentives. Given this dependency, changes in government had a negative impact on its success. Without government support, the ambitious integrity certification model was difficult to sustain. In addition, the companies that tested the certification assessment gave negative feedback as the questionnaire was considered too complex and, with approximately 80 questions, too long.

Finally, the project was funded by external donor agencies, which made it challenging to adapt and create a sustainable funded model. Plans for the signatories of the integrity pledge to become institutional members of II, Inc. and pay membership fees[27]

25 See https://www.siemens.com/global/en/company/about/compliance/collective-action/status-of-the-first-funding-round/makati.html

26 See https://integrityinitiative.org/about

27 A sustainability roadmap was developed by 2015, see Siemens Integrity Initiative, Annual Report 2015, p. 65

did not materialise, in part due to the projects' limited delivery on the expected results of participating in the certification scheme.

However, II, Inc. contributed, and continues to contribute, to raising awareness of the importance of business integrity among signatories of the integrity pledge as well as the broader public. As of 2023, the Makati Business Club is looking to re-start some of the activities developed through project SHINE.

Image: Facebook page of the Integrity Initiative.

Social media, including platforms such as Facebook and Facebook Messenger, WhatsApp and Viber, are important communications tools in Asia-Pacific, often supplementing or replacing email.

Credit: https://www.facebook.com/iiphilippines/; Integrity Initiative, Philippines.

5 Thailand: Collective Action Against Corruption

5.1 Rationale and goals

The Thai Collective Action Against Corruption (Thai CAC) was founded in 2010 as a platform for companies in Thailand to tackle corruption on a voluntary basis through Collective Action.[28] It was co-founded by the country's eight leading organisations in the private sector: the Thai Chamber of Commerce, the Joint Foreign Chambers of Commerce in Thailand, the Thai Listed Companies Association, the Federation of Thai Industries, the Federation of Thai Capital Market Organisations, the Thai Bankers' Association, the Tourism Council of Thailand and the Thai Institute of Directors Association (IOD), which takes a leading role in driving the initiative.

In 2014, 278 companies had signed up to the Thai CAC. Since then, the initiative has grown significantly, to more than 1,400 signatory companies, and around 500 companies have been certified by the Thai CAC.

The Thai CAC describes corruption as "one of the most challenging problems in Thailand", which cannot be addressed by the government alone, requiring the support of the private sector to "tackle the supply side of the corruption equation." The initiative has three key objectives:

1. Build a critical mass of clean and transparent companies;

2. Improve companies' compliance standards; and

3. Enhance efficiency and transparency in public services.

The Thai CAC's rationale is that building a majority of key players in each industry who have committed to adopting – and can demonstrate, through certification, how they have adopted –clean business practices, will eventually make corrupt practices practically and morally unacceptable, and improve the overall business landscape in the long term. To date, all of Thailand's commercial banks have gone through the Thai CAC's certification process, and numerous companies in insurance, brokering, asset management, pharmaceuticals and marketing have become signatories. The Thai CAC is now one of the largest Collective Action initiatives in the world by membership.

5.2 Organisational structure and funding

The Thai CAC is supported by local and international companies and organisations, as well as generating its own income from certification fees and conducting training courses – it is entirely privately funded. The Thai Institute of Directors hosts its secretariat. At the launch of the initiative, the Centre for International Private Enterprise (CIPE) was also a major international partner.

28 See mission statement on the Thai CAC website at https://www.thai-cac.com/en

Within Thailand, the initiative works closely with the Anti-Corruption Organisation of Thailand, the HAND Enterprise and the Thailand Development Research Institute. It also coordinates with the government's National Anti-Corruption Commission.

The Thai CAC is governed by a Council which is responsible for shaping its strategic direction and policies, as well as granting certification approvals to companies. Members of the Council include former ministers, a former central bank governor, respected scholars and the Chairman of the Thai Institute of Directors. At the operational level, the current Chief Executive Officer of the Institute of Directors also acts as the Secretary of the Thai CAC.

5.3 Activities

The Thai CAC's principal focus is on offering certification. The aim is to provide independent verification of the strength, completeness and effectiveness of a company's anti-bribery policies and procedures, against checklists of criteria that are based on international standards such as Transparency International's Adequate Procedures Checklist,[29] which builds on the UK Bribery Act 2010. Certification is achieved through a four-step process: *Decide, Declare, Develop* and *Certify*, which must be completed within 18 months.[30]

Companies that have decided to join the Thai CAC start by registering and submitting a Declaration of Intent online via the Thai CAC's website, signed by the company's chairperson, and publicly demonstrating support for the initiative in reducing corruption.

As part of the declaration process, the Thai CAC will undertake a due diligence process to determine whether there has been any corruption-related news about the company or its key executives for up to two years prior to the submission of the declaration form. Companies that have not been involved in any corruption-related news or those that can adequately explain new controls put in place after a previous corruption incident, will be considered for signatory company status.

During the *Develop* phase, companies identify business activities that may involve bribery risks and start to develop effective controls. At this stage, they are asked to refer and respond to checklists. Given that SMEs may not have the same resources as larger companies, the checklist for them has been reduced and compressed: there are 17 questions tailored for SMEs, compared to 71 for large companies. Nevertheless, all companies must demonstrate that they have performed corruption risk assessments, established appropriate controls and procedures, installed whistleblowing channels, trained staff and communicated to stakeholders.

To complete certification, large companies require their audit committees to sign off on the checklist and provide supporting documentation. SMEs require an

29 See https://www.transparency.org.uk/sites/default/files/Adequate_Procedures_Checklist_PDF.pdf

30 The certification model is described on the Thai CAC website at https://www.thai-cac.com/en; see also Hans, V., Wannenwetsch, S. and Aiolfi, G. (2020), Local certification through Collective Action: an innovative approach to anti-corruption compliance and due diligence. Working Paper 34, Basel Institute on Governance, available at https://collective-action.com/explore/publications/1818, p. 12 et seq.

independent audit by a Thai CAC-trained auditor. A certification fee is paid to the Thai CAC, which differentiates between SMEs and larger companies. Companies that have been certified by the Thai CAC will have to renew their certification every three years. During this period, they are required to monitor and manage risks and to adapt controls to ensure they are current and effective.

In addition to certification, the Thai CAC also runs a series of free and paid training courses and workshops, including the Corruption Risk and Control Workshop which supports companies undertaking the certification process. The Ethical Leadership Programme helps executives to set an ethical tone from the top and communicate it clearly and effectively.

5.4 Analysis

Although the Thai CAC is a multi-sector initiative, its Council took an early decision to focus on the sectors of its founders, allowing it to build a critical mass of member companies in the banking, finance and insurance industries where it had the most influence, before widening its scope. About half of all the companies on the Thai Stock Exchange are now certified by the Thai CAC, including all of the major banks. The Thai CAC also adapted quickly to establish its credibility: initially offering only self-assessment, but moving within two years of its establishment into providing independent certification. It further refined its certification offering in 2018 by introducing a tailored approach for SMEs.

The Thai CAC has intentionally taken an open and collaborative approach to building its profile, and has shared best practice with other practitioners and organisations interested in starting similar initiatives in the Asia-Pacific region, as well in Turkey and Ukraine. In 2018, Stanford University profiled the Thai CAC initiative in a teaching case study.[31]

The initiative also requires transparency among its members: members' names and certification status are published on the Thai CAC website, in line with the prevailing international view that transparency is key for improving accountability and reducing corruption.[32] In addition, the initiative has designated around 20 large companies as change agents to promote best practice and knowledge-sharing among their business partners through seminars, roundtable discussions, social media and trainings. According to Thai CAC, through this work, over 2,000 SMEs have attended in-person or virtual events that promote its goals.

In developing its certification scheme and training, the Thai CAC has focused on the incentives to engage in the initiative, the "what's in it for me?" question that companies rightly ask. As well as promoting the overarching benefits of a clean business environment,[33] the Thai CAC celebrates companies that sign up and complete certification. Signatory companies can use a Thai CAC silver badge on their website and printed materials to communicate their status internally and externally. The Stock Exchange of Thailand and the Securities and Exchange

31 See https://cddrl.fsi.stanford.edu/lad/publication/thailands-collective-action-coalition-against-corruption

32 See, e.g., https://www.unodc.org/e4j/en/anti-corruption/module-6/key-issues/transparency-as-a-precondition.html

33 See https://www.thai-cac.com/en/why-cac

Commission also show this information on their websites. They also receive benefits such as free access to the SME online anti-bribery e-learning portal for staff.

Companies that achieve certification receive a gold badge and are invited to attend a certification ceremony, which they can use to enhance their own profile. Since 2014, the number of signatory companies has increased by thirty percent. In addition, by creating a specific focus on SME compliance with international standards, Thai CAC is creating incentives for smaller companies to compete in international markets, many for the first time.

Nevertheless, the Thai CAC also has potential to grow by increasing the number of companies on the Stock Exchange who have signed up, and by attracting more of Thailand's 3.13 million SMEs, which make up 99.6% of all enterprises in the country.[34] The Thai CAC plans to introduce a digital collective action platform where companies, big and small, can join, stay active through e-learning courses and be assessed regularly through online company surveys. This platform will not only help reduce the cost of becoming a CAC member, but can also help extend its reach.

According to the Thai CAC, the supply-side of corruption – and in particular, bribery – on which the initiative focusses – is just one part of the anti-corruption puzzle. Other key areas are public sector and political corruption, as well as corruption in large-scale procurement projects. For this reason, the Thai CAC is supportive of other initiatives in the country, including the work of Anti-Corruption Thailand, which is reviewed below. Further, in 2023, the Thai Institute of Directors signed a Memorandum of Understanding with the Thai National Anti-Corruption Commission, the Securities and Exchange Commission and 51 state-owned enterprises to fight against corruption.

Image: Finalists of the Basel Institute's Anti-Corruption Collective Action Award, presented at the Asia-Pacific Anti-Corruption Collective Action Forum in Manila, Philippines, 25 September 2023, which was won by the Thai CAC following a jury selection and public vote.

Credit: https://collective-action.com/get-involved/events/asia-pacific-anti-corruption-collective-action-forum-2023#lg=1&slide=0l; Basel Institute on Governance

34 OECD, Financing SMEs and Entrepreneurs 2022, available at: https://www.oecd-ilibrary.org/sites/b854dc2c-en/index.html?itemId=/content/component/b854dc2c-en

6 Thailand: Anti-Corruption Organization of Thailand

6.1 Rationale and goals

The Anti-Corruption Organization of Thailand (ACT) was originally founded as the Anti-Corruption Network, initiated by the late President of the Thai Chamber of Commerce in 2011. The network began with members from every sector brainstorming on cooperation measures for anti-corruption. In June 2011, representatives from 23 state and private sector organisations, universities and international organisations participated in a seminar entitled "Anti-Corruption: Thailand's Turning Point", which resulted in the establishment of the ACT in 2012, and its registration as an independent foundation in 2014. At present, the ACT has 54 cross-sectoral organisational members, ranging from the Federation of Thai Industries to Transparency International Thailand.[35]

The ACT's stated aim is to serve as a social force that mobilises Thai people and society to reject and fight against corruption. As part of its mission, it has four key objectives:

1. Create confidence in and recognition of the organisation as best capable of mobilising the *social movement* against corruption.
2. Create operational networks at national and international levels in order to enhance the abilities of every sector in anti-corruption.
3. Support change in policies in both state and private sectors.
4. Promote the creation of role models at individual and organisational levels, and in society. Monitor government spending in mega-projects.
5. In achieving these objectives, the ACT is committed to serving as a provider of information, coordinating with every sector, operating impartially (remaining politically neutral), and acting only in the public interest.

6.2 Organisational structure and funding

The ACT has a dual management and governance structure: the ACT and its supporting office manage strategy and operation, and the Foundation supports the organisation in outreach and fundraising activities. The Foundation committee is led by a Chairman, and members include the chairman of the Thai Chamber of Commerce, the president of the Federation of Thai Industries, the chairman of the Thai Bankers Association, the president of the Stock Exchange of Thailand and the chairman of the Federation of Thai Capital Market Organisations.

35 See http://www.anticorruption.in.th/2016/en/index.php. Further information on the ACT's activities and achievements can be found at: http://www.anticorruption.in.th/2016/en/ourjob.php#ourjob2_section

6.3 Activities

The ACT follows a three-pronged strategy of: cultivating anti-corruption awareness and knowledge in society, especially among young people; taking on a prevention role by acting as a watchdog; and promoting disclosure of all forms of corruption.

In achieving the prevention prong of its strategy, the ACT has focused on working with the Thai government and representatives from Thai industries in two key international initiatives:

6.3.1 Integrity Pacts

Integrity Pacts were developed by Transparency International as a tool for preventing corruption in public contracting. An Integrity Pact is both a signed document and an approach to public contracting, which commits a contracting authority and bidders to comply with best practice and maximum transparency. A third actor, usually a civil society organisation, monitors the process and commitments made.[36]

In Thailand, the ACT is this 'third actor' supporting the process of developing pacts alongside partners from the Controller General's Department, and professional and business associations, including the Consulting Engineers Association of Thailand and Federation of Thai Industries. Following the establishment of a pact, the ACT acts as the independent observer on a procurement project.

6.3.2 Infrastructure Transparency Initiative (CoST) Thailand

Initiated by the World Bank, CoST is one of the leading global initiatives improving transparency and accountability in public infrastructure. CoST chapters work with their governments, private sector and civil society to promote the disclosure, validation and interpretation of data from infrastructure projects. This helps to inform and empower citizens and enables them to hold decision-makers to account.[37]

In 2014, the ACT submitted a letter of engagement to the CoST International Secretariat. The establishment of CoST Thailand – as part of the ACT – was confirmed in March 2015.[38] It has since grown from covering a single mega-project under the Airports of Thailand to include multiple projects under the Comptroller General's Department and the State Enterprise Policy Office across the country.

In cooperation with the Office of the National Anti-Corruption Commission and the Office of Public Sector Anti-Corruption Commission, the ACT's *Mha Fao* Baan programme creates civil surveillance networks by providing workshops on investigating and monitoring state procurements. It also gives advice on analyses

36 For more information on integrity pacts, see, for example, https://www.transparency.org/en/tool-integrity-pacts, and the B20 Collective Action Hub at https://collective-action.com/explore/integrity-pacts

37 See https://infrastructuretransparency.org/about-us

38 See https://costthailand.org/about

of federal prices and scrutinises private organisations that enter state bidding. These both support CoST Thailand's activities.

6.4 Analysis

Like the Thai CAC, the ACT was established shortly after demonstrations that shook Bangkok in 2010, in which anger over corruption was a major factor.[39] Later that year, the 14th International Anti-Corruption Conference was held in the city.[40] The link between these events and the formation of the Thai CAC and the ACT is unlikely to have been coincidence: many scholars have come to view demand side pressure from citizens and civil society organisations as crucial to securing action on tackling corruption.[41]

The establishment of both the Thai CAC and the ACT was largely due to the focus and dynamism of an influential person in the private sector: in the case of the Thai CAC, former president and CEO of the Institute of Directors; for the ACT, the former president of the Thai Chamber of Commerce. Both organisations have strong web and social media presences in Thai and English as well as transparent membership. These factors help to establish their credibility and build their profiles. They also explicitly state their cooperation with each other in achieving their respective missions.[42]

In achieving its aims, the ACT has put a strong emphasis on working closely with the Thai government to reform laws addressing corruption and business integrity. They list an impressive 13 laws on their website that they have "co-mobilised" for reform,[43] including *The Act on State Procurement and Management of Materials and Supplies*, which formalises the role of the ACT as an independent observer and coordinator in the Integrity Pact process.

Further, *The Licensing Facilities Act*, passed in 2015, serves as a central law that defines the procedure and duration of time used in an application for a state permit and is considered to be playing an important role in solving the bribery demands in Thai bureaucratic systems. In addition to promoting the adoption of this law, the ACT has encouraged state organisations to publicise and educate the public on its importance.[44]

The representatives of the ACT and CoST Thailand who were interviewed for this paper emphasised the importance of government support and of securing legal reforms to ensure long-term change to the business landscape. Nevertheless, they highlighted the challenges in terms of the time and resources required in building and then re-building relationships with politicians as administrations change.

They further noted that the impact of anti-corruption related legislation can be improved when enforcement mechanisms for non-cooperating entities are included

39 Protesters Return to Bangkok Streets, New York Times, 19 September 2010, available at https://www.nytimes.com/2010/09/20/world/asia/20thai.html

40 See https://www.transparency.org/en/press/20100210-14th-international-anti-corruption-conference

41 See https://knowledgehub.transparency.org/assets/uploads/helpdesk/Relationship-between-corruption-and-protest_2021.pdf

42 See http://www.anticorruption.in.th/2016/en/ourpartners1.php#ourpartners1_section

43 See http://www.anticorruption.in.th/2016/en/ourjob.php#ourjob3_section

44 See http://www.anticorruption.in.th/2016/en/ourjob.php#ourjob3_section

– not just commitments to act with integrity. Finally, they underlined both the importance and difficulty of collecting data to measure the improvements coming from legal changes: a lot of data is observational and some must also be kept confidential to maintain the security of the actors involved. It is nevertheless critical to collect relevant data to build the overall evidence-base of anti-corruption efforts.

Image: Student participants at an Act-organised training camp to create awareness and understanding of the different forms of corruption.

Credit: http://www.anticorruption.in.th/2016/en/ourjob.php#ourjob2_section; Thai ACT

7 Vietnam: Vietnam Chamber of Commerce & Industry and its Office for Business Sustainable Development

7.1 Rationale and goals

The Vietnam Chamber of Commerce and Industry (VCCI) has been engaged in strengthening business integrity since its foundation in the mid 2000s, establishing the Office for Business Sustainable Development (SDforB) in 2006. Since then, the VCCI has implemented several projects on business integrity, including the *Government-Business Integrity Initiative; Helping SMEs to resist corruption in Vietnam;*[45] *Project 12 – Enhancing Integrity Initiative in Business; and the Integrity and Transparency in Business Initiative for Vietnam (ITBI)*,[46] as well as initiatives on responsible business conduct and sustainability more broadly, such as the Vietnam Global Compact and the Vietnam Business Council for Sustainable Development.

Business integrity is a matter of growing concern in Vietnam. Despite significant economic growth rates, Vietnam's national competitiveness is ranked below the average of ASEAN countries. In 2014, the government of Vietnam passed "Resolution 19" on *Improving the Business Environment and National Competitiveness*,[47] setting in motion administrative reforms that strengthen transparency and accountability, e.g., by simplifying and shortening administrative procedures and implementing digital tools in the areas of business registration, access to land and electricity, environmental procedure, taxation and custom procedures.

This resolution mandated the VCCI to monitor developments in these areas through surveys and independent research, and to propose recommendations for improvement to the government. The VCCI was also charged with launching initiatives and programmes to assist businesses in effectively designing their competitiveness strategies. This mandate gave the VCCI a powerful voice in promoting business integrity; it was last renewed in 2023.[48]

Today, the VCCI and its SDforB provide the go-to private-sector engagement platform on sustainable development for businesses, collecting and coordinating policy

45 Office for Business Sustainable Development, Vietnam Chamber of Commerce and Industry, Enhancing Government – Business Integrity Cooperation in Vietnam: From Awareness to Action, A Recommendation Paper, 2018, available at https://collective-action.com/explore/initiatives/1454

46 See Integrity and Transparency in Business Need Improving, 26 July 2011, available at https://vccinews.com/news/23762/index.html, and for more details https://collective-action.com/explore/initiatives/1454

47 Key duties and solutions to improve business environment and national competitiveness, Resolution No. 19/NQ-CP of 18 March 2014, para. 19, unofficial English translation available at https://en.baochinhphu.vn/major-tasks-and-solutions-for-improving-the-business-environment-and-national-competitiveness-11119772.htm

48 Main duties and measures for improving business environment and enhancing national competitiveness in 2022, Resolution No. 02/NQ-CP of 10 January 2022, unofficial English translation available at https://lawnet.vn/en/vb/Resolution-02-NQ-CP-2022-on-main-duties-and-measures-for-improving-business-environment-7EB41.html, and Resolution No. 01/NQ-CP of 6 January 2023

proposals and advising relevant government agencies on defining policies and legal frameworks to support businesses and entrepreneurs in sustainable development.

7.2 Organisational structure and funding:

SDforB is an independent department of the VCCI, a non-governmental organisation representing the Vietnamese business community in Vietnam and abroad. It was established in 2006 as an umbrella organisation to support and coordinate activities to assist the Vietnam business community in achieving responsible business conduct and sustainable development.

Headed by its Director General, SDforB operates at departmental level within the VCCI. The Office took a leadership role in promoting business integrity in Vietnam at an early stage and was endorsed and supported by the Vietnamese government.[49]

SDforB has also received funding for its business integrity projects from a variety of international donors and businesses including the Swedish and British Embassies in Hanoi, the UK government and the ASEAN Economic Reform Programme (through the UNDP FairBiz project)[50] and multinational enterprises such as Baker & McKenzie, Ericsson Vietnam and Siemens, under the Siemens Integrity Initiative.

7.3 Activities

Earlier projects of the VCCI and SDforB focused on awareness-raising and sharing of good practices between multinationals and the local business community. Under the ITBI project, SDforB conducted workshops to raise awareness of the harmful effects of corruption on business transactions and importance of integrity and transparency, to mobilise the Vietnamese business community to work together to improve the business environment and to build consensus over corruption prevention.[51]

SDforB also conducts research required to support businesses' sustainable development, disseminates studies on national and international standards and practices, and develops tools and models and management systems to support development of businesses. The Office also provides trainings for compliance officers and train-the-trainer programmes on internal controls and code of conduct updates. SDforB collaborated with Vietnam National University to integrate ethical conduct and internal controls into teaching modules for their students.

As part of a project on anti-corruption for SMEs, SDforB (in cooperation with IBLF Global)[52] delivered an online toolkit and training programme for SMEs, and also generated a policy paper that recommended establishing a Government-Business Integrity Initiative.

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49 See GBII report, page 1, available at https://collective-action.com/explore/initiatives/1454

50 See https://www.undp.org/asia-pacific/fairbiz

51 See https://vccinews.com/news/23762/index.html

52 See https://www.iblfglobal.org/

Under this Integrity Initiative, SDforB focused on more collective efforts to promote business integrity in Vietnam. The Office engaged 15 business associations with nearly 13,000 members to sign a business integrity pledge.[53] The momentum was then used to mobilise the business community to join the *Vietnam Business Integrity Network*, which attracted great attention and joint commitments. The Network's advisory group was officially launched, with 21 representatives of organisations and individual experts. It seeks to enhance multi-stakeholder engagement and policy dialogue, which in turn can facilitate responsible business conduct and lead to a more transparent and equal business environment.

The Vietnam Business Integrity Network also launched the *Vietnam Business Integrity Index* in September 2022. The index is based on a self-assessment tool for businesses to identify areas of improvement in the area of business integrity. The index is built on the seven essential indicators that measure a company's capacity to operate with integrity. It is intended for companies of all sizes, ownership models and sectors. So far, 30 listed companies in Ho Chi Minh City and Hanoi have been assessed for the index. The Integrity Network has also developed an online tool platform to evaluate the level of business integrity implementation.

The *Government-Business Integrity Initiative* concluded at the end of 2022 and fundraising efforts to re-launch it are currently ongoing.

7.4 Analysis

The VCCI and SDforB have benefited from the political will of the Vietnamese government to create a better environment for business. The government mandate to monitor the administrative reforms for improving competitiveness has amplified VCCI's role and solidified its trajectory to become the leading voice for business in the country. The VCCI also attributes its success to the high-level commitment for business integrity as a core element of sustainable development and the involvement of the international donor community to support these efforts.

However, the VCCI recognises that affecting real behavioural change, reflected not only in pledges and codes of conduct but also in the culture and operations of companies takes more time than the timeframes of international donor projects often allow. According to the representatives interviewed for this paper, only multinational enterprises seem to be doing better, with the majority of SMEs and also SOEs still lagging behind. Companies of all sizes still frequently face requests for facilitation payments, mainly because many social and cultural obstacles remain unresolved and administration procedures remain bureaucratic.

Nonetheless, there is a clear understanding among both government and private sector players in Vietnam that concerted efforts are required to successfully prevent corruption and that Collective Action can provide an effective solution. It remains to be seen if the Vietnam Business Integrity Network can be the vehicle to shift the needle. In the short to mid-term, the Vietnam Business Integrity Index could become a particularly powerful incentive for business to engage and for the initiative to demonstrate progress to internal and external stakeholders.

53 See https://kdlc.vn/en/joining-hands-to-promote-a-fair-business-environment-in-vietnam

Image: Launch of the Vietnam Business Integrity Index, Hanoi, 21 September 2022.
Credit: https://kdlc.vn/en/4204/; SDforB.

8 Conclusions

The six initiatives featured in this paper demonstrate that, despite the political, economic and social differences between ASEAN countries, **Collective Action is a sufficiently flexible approach that can be successfully used to tackle corruption and improve business integrity across the region**. Indeed, initiatives like the Thai CAC are some of the largest and most active Collective Action initiatives globally.

Each of the featured initiatives has been able to use the **perceived problems created by corruption in their country as an incentive** for governments and private-sector actors to cooperate. Some, including those in Indonesia and Thailand, were directly born out of major country-level political and economic crises.

Further, most of **the initiatives have emerged from the initial efforts of existing business networks, associations or chambers of commerce**. They have successfully capitalised on the **influence of senior business leaders** and **taken advantage of the connections, funding and operational support** these networks have already established.

It is also possible for Collective Action initiatives to be instigated directly by governments. But as the Integrity Initiative in the Philippines shows, **changes in administrations or other political factors that reduce or change the nature of government support** can make goals difficult to achieve. On the other hand, in single-party states like Vietnam, **government commitment to tackling corruption through Collective Action can lead to substantial progress**, as the achievements of the VCCI demonstrate.

Regardless of the context in which an initiative is developed, the case studies highlight the importance of considering **who will undertake the operational work and how it will be sustained**. As the examples in Thailand, the Philippines and Vietnam show, **business associations and chambers of commerce can provide good "homes" for Collective Action**. They can contribute skilled staff, physical office space, a recognised brand and other direct or in-kind financial support.

Initial donor support, particularly from international donors, can be critical for starting an initiative. However, **sustainable funding will need to be secured if an initiative** is to continue in the longer-term. IBL and the two initiatives in Thailand provide excellent examples of potential funding mechanisms: **active boards who lead fundraising efforts**, and **income generation through fees** for training and certification.

The ambition of an initiative will strongly depend on the political and social context in which it is operating. The Thai ACT is a notable example of a **scheme that is driving legal change at a country level**, which will likely leave an impact for decades to come. The Philippines Integrity Initiative also has a strong focus on **advocating for changes** in the country's integrity framework.

Where legal change is not possible or laws appear to lack enforcement mechanisms, **initiatives like the Corporate Integrity Pledge in Malaysia offer a good alternative**. Although they rely on the goodwill of participating companies,

they can be backed up by training and informal assessment. They can also gain their own reputational strength and buy-in through the reputational incentives they provide to stakeholders.

Indeed, as this paper demonstrates, integrity pacts and pledges,[54] which are globally used approaches are popular models for Collective Action in ASEAN. Using **pre-existing tools and methodologies** like these helps to avoid duplication of effort and allows initiatives **to build on existing knowledge and networks of support**. The Thai ACT is a prime example, with its role in promoting and monitoring Integrity Pacts (based on Transparency International's model) as well as its membership of the CoST initiative. In addition, **partnering with chapters of international organisations** like Transparency International, the United Nations Global Compact or the Alliance for Integrity can bring similar benefits, as the IBL and the VCCI show.

Training and support to develop codes of conduct can be a useful way for initiatives to raise the integrity standards of companies. This is especially true for SMEs, who may lack knowledge of local and international laws. The IBL is a notable example here. **Certification is also a potential model for activities**. Certification is being applied with great success by the Thai CAC, which offers different processes for SMEs and larger companies to take into account their differing capacities. However, as Project SHINE demonstrates, it's important not to make certification or other processes overly complex or they risk becoming unpopular.

The content for this paper has drawn heavily from the initiatives' English-language websites, which in itself demonstrates the importance of **multilingual external communications** in explaining and promoting the work being done. **Social media**, including platforms such as Facebook and Facebook Messenger, WhatsApp and Viber, are commonly used for business communications in Asia-Pacific, often supplementing or replacing email and are therefore important tools to be leveraged.

Most of the representatives of the initiatives interviewed commented on the need to **act with transparency and actively share information** with members and other stakeholders about the goals, scope and membership of an initiative. They also highlighted the need to **publicise a clear "business case"** to attract new support, answering the "what's in it for me?" question. Lastly, they advised to **share stories of success and achievement** to continue to inspire long-term commitment.

In summary, this paper shows that although broad in terms of definition, scope and approach, **anti-corruption Collective Action is context dependent**. Initiatives must be designed to respond to specific corruption risks that have been identified at an industry or country level in order to gain stakeholder buy-in and take into account both the opportunities and constraints created by a country's political and social landscape. If this can be done, **Collective Action can be a powerful method for improving business integrity in the ASEAN region – and beyond**.

54 See for example, https://www.transparency.org/en/tool-integrity-pacts

9 Useful resources

9.1 Collective Action initiatives featured in this paper

Initiative	Website (English-language)
Indonesia Business Links	ibl.or.id
Corporate Integrity System Malaysia	The CISM is a conceptual framework with eight roundtable partners. More information in English can be found on Transparency International Malaysia's website: transparency.org.my/pages/what-we-do/corporate-integrity-system-malaysia/corporate-integrity-system-malaysia-cism
Philippines Integrity Initiative	integrityinitiative.org
Anti-Corruption Organisation of Thailand	anticorruption.in.th
Thai Private Sector Collective Action Against Corruption	thai-cac.com
Office for Sustainable Business Development of the Vietnam Chamber of Commerce and Industry	en.vcci.com.vn/office-for-business-sustainable-development kdlc.vn/en

9.2 Other resources

The B20 Collective Action Hub hosts an open database designed to help companies, anti-corruption practitioners and researchers find information on known anti-corruption Collective Action initiatives around the world. Users can search for initiatives by country and sector.

If you know of an initiative not featured in the database that you think should be added, please contact the free Helpdesk.

The Hub also provides extensive information, guidance and tools to support those interested in Collective Action.