TRANSPARENCY INTERNATIONAL
**TRANSPARENCY INTERNATIONAL
SECRETARIAT:
IMPACT REPORT 2016**

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.

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INTRODUCTION

CONTEXT IN 2016

Leaks, justice and voice on the rise

The publication of the **Panama Papers** by a group of 300 journalists in 79 countries on 3 April 2016 was a shot heard around the world against corruption. The Panama Papers revealed how a Panamanian law firm helped set up 214,000 shell companies, including some for politicians and leading businesses worldwide. In many instances that have since been investigated, prosecuted and convicted, this elaborate web of corporate secrecy was exploited for corruption, money laundering, and abusive tax practices. The law firm at the centre of it all, Mossack Fonseca, was just one of hundreds of law firms globally that provided services that can be used to enable corruption. With the publication of the Panama Papers, the scale of shell company secrecy across jurisdictions and its links to potential criminal behaviour were widely exposed.

Since then, not only have investigations been launched into the activities of more than 6000 companies and individuals, but a number of governments – from Afghanistan to France to Ghana – have committed to the creation of public registers of the real, beneficial owners of companies. Overall the pressure has increased for more government and corporate transparency, and there is greater scrutiny of the ways that corrupt money can be laundered, such as via real estate. The combination of whistleblowers, big and open data and networked investigative journalism is proving to be a powerful force for change in the field of anti-corruption.

In Brazil, the **Carwash Operation** (*Operação Lava Jato*) began as a local money laundering investigation in 2014 and has grown into the largest investigation to date uncovering cases of state capture and corruption in Brazil. The state prosecutors from the Carwash Task Force have been on the front line of one of the world's biggest corruption scandals, the Petrobras case, in which they investigated, prosecuted, and convicted some of the most powerful members of Brazil's economic and political elites. To date there have been more than 240 criminal charges and 118 convictions totalling 1,256 years of jail time, including those for high-level politicians and business people previously considered untouchable. The ongoing Carwash Operation has triggered additional criminal investigations and proceedings in other sectors and is recognised as a landmark for white-collar criminal prosecution and defence in Brazil. The investigations have also unleashed huge popular support in the country and gained Brazil attention from around the world for this anti-corruption victory in its justice sector.

2016 was a year of brave **whistleblowers**. While working for the accounting firm PwC, Antoine Deltour blew the whistle on secret deals between multinational companies and Luxembourg's authorities to lower their tax bills. The disclosure, despite being in the public interest, landed Deltour, co- worker Raphaël Halet and the journalist who broke the story, Edouard Perrin, in court. On 29 June 2016, Deltour received a 12 month suspended sentence and was fined €1,500. His appeal is ongoing.

The world united against corruption in many places in 2016, including Malaysia, Guatemala, South Africa, Romania, Ukraine, Turkey, Brazil and Moldova. People of all social, economic and cultural backgrounds stood up against corruption in ways that are unprecedented. For example, in Moldova, civil society led protests against legislation that would grant impunity to corrupt officials, businesses and civil servants whose asset declarations included evidence of illicitly-gained wealth. The Moldovan law would also have allowed individuals and businesses to make asset declarations well below market values in exchange for amnesty from prosecution. The law was repealed by Parliament in February 2017.

In 2016 civil society and civil liberties remained under severe attack. The diminishing of civic space constitutes a major threat to anti-corruption activism. A case in point is Azerbaijan, where corruption, economic difficulties and job losses as a result of decreasing oil revenues have increased dissatisfaction with the government. There were protests with slogans "No to monarchy!" and dozens of people were arrested. Thousands attended the protests that were estimated to be the biggest in recent years.

TI IN 2016: IMPLEMENTING STRATEGIES, IMPLEMENTING CHANGE

In 2015 Transparency International (TI) developed its strategy *Together against Corruption* as a framework for Transparency International's collective ambition and actions for the years 2016-2020. The strategy was designed to be implemented across the TI movement, including the TI secretariat, members, and national chapters.

To ensure alignment of the Transparency International Secretariat's (TI-S') work with the strategy, TI-S developed an Implementation Plan that sets out how the secretariat will contribute to *Together against Corruption* through 2020.

More concretely, the Implementation Plan identifies four primary roles for TI-S, namely:

1. Leading global and regional advocacy, including policy, communications and campaigning,
2. Advancing the development, dissemination and use of innovative anti-corruption knowledge, tools and approaches,
3. Promoting national advocacy and establishing strategic presence, and
4. Supporting a TI movement that is professional, accountable and sustainable in its impact.

In addition to clarifying TI-S' roles, the implementation plan identifies nine contributions by the secretariat to *Together against Corruption*:

1. People and Partners
    a. Support the creation of safe mechanisms for victims and witnesses of corruption to denounce corruption and seek redress.
    b. Support chapters' efforts to create public demand for accountability.
    c. Lead in the promotion of civil society space for our anti-corruption activists.

2. Prevention, Enforcement and Justice
    a. Lead a TI movement-wide initiative in the area of Money in Politics.
    b. Set global standards for business integrity, with special focus on the banking sector.
    c. Lead the TI movement in a global effort to end impunity for grand corruption.

3. Strong Movement
   a. Advance our collective understanding about what works to stop corruption and support our TI global priorities with action-oriented research.
   b. Support the development and sharing of best governance and organisational standards and practices across the TI movement.
   c. Continue strengthening TI's presence in Brazil, China, India, and the United States, in global and regional advocacy hubs, and in locations where crisis demands immediate action.

At the end of 2015, TI-S began a transformation process to change its structure and operational model. The overall objective was for TI-S to become a more agile, dynamic and better learning organisation. The TI-S structure is now aligned to support our strategic goals, as set out in the Implementation Plan 2020. The transformation in our secretariat created a flatter organisation and shifted initiative and accountability to staff, who align their work to the five-year implementation plan.

At the end of 2016, and parallel to the organisational change process, TI-S underwent a downsizing triggered by substantial reductions in projected unrestricted income in 2017. While we had already aligned resources to our new strategic priorities in 2016, this downsizing was then factored into our annual plan, budget and change markers for 2017.

ABOUT THIS REPORT

This report on TI-S in 2016 is the first impact monitoring report in our new strategic cycle (2016-2020). It focusses on the progress made by TI-S in its commitments under the Implementation Plan for the period between January and December of 2016.

This report is organised around the nine contribution areas of the 2020 Implementation Plan, outlined above, with the focus on "change markers". Simply put, change markers are goal posts, or changes we want to see that will build up to the ultimate ambition or change for each of these contribution areas[1]. Change markers are reviewed annually in conjunction with our evaluation of the previous year's work,, including those that are as presented in this report. This ability to adjust is crucial to ensure that we adapt to context and that we learn about what works in our efforts to achieve substantial impact to stop corruption.

Monitoring the TI-S Implementation Plan 2020

Drawing on the state of the art in the MEL field, TI-S developed an Impact Monitoring Approach (IMA) to serve as the basis of our monitoring, evaluation and learning system across Transparency International. The IMA is designed to be sufficiently flexible in order to capture the different change processes contributed to by the Transparency International movement and the broader anti-corruption community. The IMA consists of two complementary elements:

- **Impact matrix:** an analytical lens used systematically in projects and initiatives to monitor their progress in achieving change that leads to a reduction in corruption. The impact matrix helps us understand how we can increase the effectiveness of our work and maximise impact.

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[1] Every year the change markers will be reviewed in light of the annual reflection on the work of the previous year. This is crucial to ensure that we adapt to context and that we learn about what works.

- **Impact reviews:** in-depth impact assessments that zoom in on relevant trends and correlations identified through ongoing monitoring using the impact matrix. The impact reviews focus on particular areas and learning opportunities that may not be captured adequately by regular monitoring.

The impact matrix is TI-S's main monitoring tool for the Strategy and Implementation Plan 2020. It outlines two main areas of change that Transparency International aims to achieve (see also Figure 1, below):

- **Policy and institutional change.** The ultimate aim is to ensure that intergovernmental institutions, governments, political parties and businesses have all the necessary mechanisms, policies or laws in place to redress and prevent corruption, sanction corrupt behaviour, and promote good governance.

- **Behaviour change.** The ultimate aim is that individuals, communities, civil society organisations and social movements act systematically to promote global good governance and prevent corruption.

Figure 1: TI-S Impact Matrix

The impact matrix describes the various components that together create the pathways to achieve change and the desired impact in the two aforementioned change areas. The matrix recognises that outreach and awareness - normally not considered impact as such - can be hugely relevant achievements in certain socio-political contexts. Context dictates what impact is, not the other way around, and what realistically can be achieved.

The IMA has been applied to the monitoring of our 2020 Implementation Plan. As mentioned above, the 2020 Implementation Plan commits to progress and change in nine areas across

three strategic areas. For each of these areas there is an expressed ultimate ambition to be fully realised by 2020.

This first impact report provides a comprehensive assessment of TI-S' progress in 2016 in achieving the changes committed to in the 2020 Implementation Plan.

SUMMARY: PROGRESS AND IMPACT IN 2016

People and Partners

In 2016 TI-S continued to support its network of more than 100 National Chapter ALACs in over 60 countries worldwide with fundraising, capacity building, case management, safety, communications, and monitoring, evaluation and learning support.

Advocacy and Legal Advice Centres (ALACs) are one of the most visible TI initiatives. They provide support and legal advice to victims and witnesses of corruption and advocate for systemic changes in the respective countries. In a global survey conducted by TI-S in November 2016, 82% of TI National Chapters indicated that their ALAC work contributed to broader systemic changes in their countries during the year, including policy and institutional reform, judicial precedent-setting and greater anti-corruption activism by citizens.

In 2016, TI positioned itself more than ever before as a key promoter of whistleblowers and whistleblower protection. TI-S significantly contributed to a more positive perception of whistleblowers through small, but highly successful promotion campaigns: In the "Luxleaks" case, TI contributed to a more positive perception of the accused, and it is likely that our efforts to support his case led to a reduced sentence compared to what was expected. In the Maldives, TI-S played a significant role in helping a whistleblower to be freed from prison. In Slovakia, where Zuzana Hlavkova blew the whistle on corruption in procurement by the Slovakian government, as part of the Slovakian EU presidency, TI-S facilitated direct media support for her from the TI movement. Thanks to this and to support from TI Slovakia, Hlavkova had the courage to go public with her case, taking a significant risk of legal action being taken against her.

Throughout the year, TI spoke out publicly on at least 14 occasions on behalf of activists, whistleblowers and TI movement members under threat in Bahrain, Macedonia, Cambodia, Maldives, Papua New Guinea, and Honduras. In addition, at the UK anti-corruption summit in May 2016, TI asked for governments to issue a 'London declaration' of support to protect civil society space, activists and whistleblowers, to pass and implement whistleblower protection legislation and to support protective measures for activists and whistleblowers. The result was that governments from 16 countries at the summit made 19 commitments that referenced the protection of whistleblowers and civil society space.

In 2016 whistleblowing legislation was passed in two EU countries, France and Sweden, and in several other EU countries legislative processes are under way, with significant contribution from TI chapters and support from TI-S. TI-S also successfully engaged private sector actors on whistleblowing issues for the first time as part of our work on our Business Principles for Countering Bribery.

Overall TI-S continued to support TI National Chapters in the development of public accountability frameworks aimed at fighting corruption. In 2016, more than 35 TI National Chapters engaged with governments on public accountability initiatives, such as the Open

Government Partnership (OGP). Through the Anti-Corruption Working Group of OGP, TI-S worked with governments, National Chapters and other NGOs in the elaboration of their anti-corruption commitments for OGP National Action plans. In all instances, the revised national action plans included some of the changes TI-S and TI chapters proposed. Significant progress has been made on the global and national level in the area of climate finance accountability either through strong partnerships (e.g. in the Sub-Saharan African region) and cooperation (e.g. with Climate Investment Fund) or strong advocacy (OGP meeting in Paris).

A key focus in 2016 was building coalitions to monitor the implementation of SDGs at national and regional levels. In 2016 TI became a key player in coalitions in the EU and Asia: it influenced the New European Consensus on Development and built an ASEAN coalition on SDGs. TI also played an active role in the SDG 16 data initiative, in cooperation with Saferworld, to build an alternate set of indicators to monitor the targets under Goal 16.

In the area of public procurement, 17 EU government entities committed themselves to engaging with civil society on clean contracting in 2016. Monitoring began for six public procurement processes. In the field of land governance, transparency standards were incorporated in government land reform efforts in Africa. TI Zimbabwe worked together with local community-based organisations and communities on joint anti-land corruption and anti-land grabbing advocacy, thereby contributing to the dismissal of local land authorities who were involved in illicit land deals.

Prevention, Enforcement and Justice

2016 saw the expansion of our work on lobbying transparency and accountability at the European level, accompanied by significant media attention to the issue of money in politics. TI EU, our representative office in Brussels, continued its successful advocacy work in this regard, for example through the mobilisation of over 70.000 citizens across Europe to sign a petition for a mandatory register for lobbyists.

In the business sector, TI's research and reporting on transparency in corporate reporting at national (South Korea, South Africa) and global levels (*Transparency in Corporate Reporting: Assessing Emerging Market Multinationals*) yielded a strong response in the private sector and widespread attention in the news media. Many companies that were evaluated in these reports engaged with TI and changed their policies as a result.

In December 2016, TI's Annual Membership Meeting approved a movement-wide policy position on corruption and tax abuse, identifying the overlaps between corruption and abusive tax behaviour and pointing to issues that need to be tackled to address both, including regulatory capture and undue influence in the lobbying processes around tax policy, bribery in tax administration and the risks of secrecy in high risk sectors, such as the extractive industries.

In 2016 it was time for justice in some high profile grand corruption cases that TI has been working to resolve. When the former President of Panama Riccardo Martinelli fled his country because of corruption charges, TI pressed the current Panamanian government to investigate allegations of corruption that took place during his administration. We also advocated for his extradition from the US so that Panamanian courts could try him. The extradition process started in September 2016.

Due to our strong advocacy, partnerships and networking, Transparency International established itself as a key driver and influencer behind the Anti-Corruption Summit held in London in May 2016. We worked closely with the UK government on the summit design and agenda, gaining approval for a pre-summit day that included government, the private sector and civil society. The Summit saw 43 governments, including 12 heads of government, and seven international organisations come together to issue a global declaration against corruption, sign a detailed communiqué and make individual country-specific commitments to ending corruption. TI has worked with these commitments, via OGP and other fora, to follow up and ensure government implementation and civil society monitoring.

Strong Movement

For Transparency International, a strong movement is built on the highest quality research, on best in class organisational standards and practices, and on a vibrant network of affiliates who lead our work around the world.

On the research front, TI's flagship Corruption Perceptions Index (CPI) facilitated engagement with many national governments, for example Paraguay, DRC and Madagascar. As in years past, many companies used the CPI widely and integrated CPI scores into their own risk assessment frameworks. Data from the Corruption Barometer for the Middle East and North Africa was used by relevant stakeholders and influencers such as U.S. Secretary of State John Kerry in an op-ed.

Another TI innovation much valued in the anti-corruption community, our Helpdesk services, provided invaluable information to ongoing projects, programmes and policy processes, servicing a variety of stakeholders. A highlight of TI Helpdesk services' impact was the use of information provided to various branches of the British government in the period right after a change in its top leadership. Given the UK's influential position in the world of anti-corruption, this presented TI with an opportunity to ensure that the civil service were equipped with the evidence they needed to persuade ministers in the new British government to maintain efforts to coordinate international action against corruption. Altogether, the Helpdesk responded to 112 queries in 2016, resulting in the publication of 43 fully developed anti-corruption briefs. Of particular note, 15 Helpdesk papers related to our new research stream on "what works" in the fight against corruption. These papers covered areas such as evidence of citizen engagement impact in promoting good governance, the correlation between women's representation and corruption levels as well as good practice of citizens' participation in decision making.

TI also took a big step toward strengthening the TI movement and advancing best governance and organisational standards in October 2016 with the revision of TI's membership accreditation process to enhance its focus, efficiency and objectivity. In particular, impact assessment was given more prominence and better integrated into the process. Compliance mechanisms were strengthened and a change to our Charter enabling the withdrawal of voting rights provided intermediate sanction mechanisms for suspension or disaccreditation and will support better enforcement. The TI network remained one of our strongest assets. While we offer support for national chapters through a range of programmes and capacity building, we focused on strengthening our presence in a small number of key countries. In Brazil, 2016 was a highly successful year: with TI-S support, a local entity was established that raised funds, established wide respect for its engagement

and expertise, and began to establish programmatic work, such as on climate and the private sector. There was more limited progress in other key countries, such as the US and China. The disaccreditation of the national chapter in India in 2016 was a setback, and we had to put the development of a new chapter or presence in the country on hold.

PROGRESS AND IMPACT

This section provides a detailed narrative of progress and impact achievements in the three strategic areas: People and Partners; Prevention, Enforcement and Justice; and Strong Movement.

PEOPLE AND PARTNERS

The TI global strategy, *Together against Corruption*, commits our movement to the following changes in the area of People and Partners by the end of the strategic cycle:

THE CHANGE BY 2020
People around the world denounce corruption and take increased action to confront it, by demanding transparency, accountability and integrity. A growing number of key partners and leaders drive anti-corruption progress. Greater freedom of action and voice for anti-corruption activists.

HIGHLIGHTS 2016
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- 81% of national chapters indicated that ALAC work contributed to broader systemic changes in their countries in 2016.
- TI-S was a key actor in the promotion of whistleblowers and contributed to a more positive perception of whistleblowers in several countries.
- TI-S contributed to the passage of whistleblowing legislation in two EU countries (France and Sweden)
- With the support of TI-S, 35 TI chapters engaged with government on public accountability initiatives that resulted in a range of changes.
- TI-S enabled significant progress in Sub-Saharan Africa working with women and youth organisations in the context of public accountability initiatives, with 9 partnerships initiated.
- TI-S built coalitions and developed approaches to monitor the implementation of SDGs at national and regional levels.

TI-S CONTRIBUTION 1: TI-S WILL SUPPORT THE CREATION OF SAFE MECHANISMS FOR VICTIMS AND WITNESSES OF CORRUPTION TO DENOUNCE CORRUPTION AND SEEK REDRESS.

Change Markers	Status of progress towards change
TEN INSTANCES OF CHAPTER WORK WITH CASES OF CORRUPTION INFLUENCING POLICY AND/OR BEHAVIOUR DOCUMENTED AND SYSTEMATICALLY PROMOTED	Achieved
PEOPLE ENGAGEMENT AROUND THE RESOLUTION OF SPECIFIC CORRUPTION CASES OCCURRING IN EIGHT COUNTRIES	Significant progress

INCREASED MOBILISATION OF SUPPORTERS AND PUBLIC ENGAGEMENT DUE TO USE AND MARKETING OF HUMAN INTERESTS STORIES, DATA AND IMPACT	Some progress
MINIMUM STANDARDS FOR ALAC SAFETY AND SECURITY	Significant progress
WHISTLEBLOWING EFFECTIVELY PROMOTED IN SELECTED COUNTRIES, NETWORKS AND INSTITUTIONS	Significant progress
EFFECTIVE WHISTLEBLOWING LEGISLATION HAS BEEN ADOPTED IN TWO ADDITIONAL COUNTRIES	Significant progress
SELECTED BUSINESSES, SECTORS AND BUSINESS ORGANISATIONS ENGAGE WITH TI AROUND THE ISSUE OF WB GOOD PRACTICE IN THE PRIVATE SECTOR	Some progress

The **Advocacy and Legal Advice Centres** (ALACs) are one of the most visible TI initiatives. They provide support and legal advice to victims and witnesses of corruption and advocate for systemic changes in their respective countries. TI-S has continued to support this network of more than 100 national chapter ALACs in over 60 countries worldwide in the field of fundraising, capacity building, case management, safety, communications, and monitoring, evaluation and learning support. At least 47 National chapters also received direct financial support for their citizen's complaints work through multi-country projects managed by TI-S.

According to the TI global database, the ALACs handled a minimum of 5,807 corruption-related complaints from over 7,000 individuals in 2016. Of the 3,206 resolved cases recorded in the database, 91% were listed by NCs as having been successful (24%), or very successfully (67%) resolved. In an ALAC Global Survey conducted by TI-S in November 2016, 82% of National chapters have indicated that their ALAC work has contributed to broader systemic changes in their countries during the year, from influencing policy and institutional reform, to the setting of judicial precedents and greater anti-corruption activism by citizens.[2]

As an example of this impact, the ALAC in Kosovo successfully resolved a case of corruption and discrimination in the employment of 130 medical specialists, leading to their ultimate employment and a revision of the state budget allocation for medical specialists. It supported the group to raise public awareness and pressure and produced the following publication[3]. Two ALAC cases from the Ukraine and Italy have been highlighted in the regional Global Corruption Barometer Report (see below) as well as five short national chapter interview videos (Bangladesh, Guatemala, Sri Lanka, Jamaica and Tunisia).

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[2] Examples of ALAC successes can be found on our website at http://www.transparency.org/news/stories/.
[3] https://www.kdi-kosova.org/publikime/82-no_more_discrimination_eng.pdf

Ensuring that help goes to those in need: A case from Ukraine

Shortly after the Euromaidan protests Anna Burdyliak and Mykhailo Tylskyi became volunteers for the Ukrainian Red Cross Society (URCS). They were eager to help the thousands of Ukrainian citizens suffering from the economic crisis and fleeing the war in the east. The last thing they expected to encounter was large-scale corruption.

The volunteers were shocked when they saw that people were being asked for payment to receive basic humanitarian aid or to join first aid courses, which should have been provided for free.

Anna and Mykhailo did not want to remain silent and approached Transparency International Ukraine for help. TI Ukraine's lawyer investigated the allegations, contacted the URCS directly and verified the facts. Law enforcement bodies and the Ministry of Health were alerted and TI Ukraine also went public with the case.

As a result different entities were audited and the State Audit Service of Ukraine revealed that the URCS received 252.3 million hryvnias (equivalent to approximately 9.8 million US Dollars of government funds from the Ministry of Healthcare, but URCS did not provide any healthcare services for this. Investigations are still on-going. *(Global Corruption Barometer 2016: People and Corruption: Europe and Central Asia, p. 23)*

What happens to whistleblowers?

When Andrea Franzoso was conducting a routine audit of the Italian railway company he was working for, he discovered that embezzlement and fraud went right to the very top – the president was siphoning off thousands of euros in public funds from the company accounts. But when he spoke out about what he had found, rather than being rewarded for his courage, he was shunned by his co-workers and moved from the audit unit to another office. He took his company to court, asking for the restoration of his position, but he lost because there is no whistleblower protection in Italy.

Unfortunately, this is an experience shared by other reporters of corruption. In our survey, of the respondents who had reported bribery to the authorities, nearly two in five say that they experienced some negative consequences as a result and only a third say that the authorities actually took any action against the perpetrator. When the social barriers to reporting are so high and the consequences for whistleblowers so severe, while at the same time there is scant
evidence of positive redress in corruption cases, it remains a real challenge to encourage people to come forward and report corruption.

But, Andrea Franzoso's story did not end there. He exposed his findings to Transparency International Italy and to the police, which led to the company's president stepping down and the courts opening a file to look into the case. *(Global Corruption Barometer 2016: People and Corruption: Europe and Central Asia, p. 26)*

In many countries, the ALACs provide the only mechanism for lodging complaints about corruption. ALACs enable TI to use individual cases strategically to enable systemic change. For example, TI chapters in Bangladesh, Maldives, Kenya, Cameroon, Ghana, Zambia, and Zimbabwe began developing participatory public accountability approaches to monitor and address governance weaknesses in climate projects as a result of individual ALAC cases that were reported.

In Bangladesh, where this work is most advanced, the chapter used community monitoring and social audits to engage beneficiaries of climate adaptation projects in assessing their

effectiveness, identifying corruption and other wrong-doing, and in relaying grievances to relevant local authorities/enforcement entities to seek redress.

A document on ALAC digital security was compiled that lists digital risks prevalent in ALACs' work and tools and sets out tactics for achieving effective minimum digital security standards. This will help TI national chapters protect ALACs' clients, staff, their families and friends.

In 2016, TI positioned itself as a key actor in promoting **whistleblowers** and contributing to a positive perception of whistleblowers with three small, but highly successful promotional campaigns.

The two whistleblowers (Antoine Deltour and Raphael Halet) and the journalist who revealed secret tax rulings between the Luxembourg authorities and multinationals that led to the so-called "LuxLeaks" went on trial in front of a Luxembourgish criminal court in April 2016. The whistleblowers faced charges of theft, violating Luxembourg's professional secrecy laws, violation of trade secrets, and illegally accessing a database.

In cooperation with other CSOs, Transparency International launched a mini-campaign in support of these whistleblowers, and started a petition that was signed by more than 200,000 people. The campaign helped raise interest in the story on the international scene. Through its social media channel, TI reached more than 1.3 million people, with more than 17,000 actively engaging through re-tweets/sharing, replies/ comments and/or or likes[4]. Deltour and Halet received 12 and nine month suspended sentences. Both appealed the decision. With the Luxleaks campaign, TI not only publically supported two whistleblowers under attack, but also promoted the importance of whistleblowing and whistleblower protection as part of the campaign[5]. In the Maldives, TI-S also played a significant role in helping a whistleblower to be freed from prison[6].

At the same time, TI built a solid network with all key actors in the area of whistleblowing at the European and international level. An ongoing EU-policy process draws heavily on TI's expertise and on international principles for whistleblowing legislation, developed by TI. In 2016, we were actively involved in all related debates and contributed to the draft EU directive on whistleblowing.

Whistleblowing legislation was passed in two EU countries. In one case (France) the chapter played a key role in this process, supported by TI-S[7]. In Sweden the chapter played a

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[4] In addition, the campaign was supported by press releases, http://www.transparency.org/news/pressrelease/corruption_whistleblower_should_be_protected_not_punished, http://www.transparency.org/news/pressrelease/transparency_international_calls_for_luxleaks_whistleblowers_to_be_exonerat
[5] Media Coverage with TI mention (selection): http://www.economist.com/news/finance-and-economics/21701532-good-deeds-luxembourg-leakers-do-not-go-unpunished-grand-dodgy, http://dw.com/p/1JFEp, http://www.bbc.com/news/world-europe-36135626, http://fr.reuters.com/article/frEuroRpt/idFRL5N17T1JX.
[6] http://www.transparency.org/news/pressrelease/release_of_maldives_whistleblower_gasim_abdul_kareem_welcomed_he_should_now, http://transparency.mv/2016/09/transparency-maldives-calls-on-all-state-institutions-not-to-ignore-the-accusations-of-widespread-corruption-and-conduct-an-independent-investigation-free-from-political-investigation/
[7] TI France set up a coalition of like-minded CSOs which managed, through an awareness campaign, to put the issue on the agenda of decision-makers, civil society and the media. They became a key stakeholder and a reference on the issue of whistleblowing and as a result were invited to participate in several consultations initiated by the government. In addition, in collaboration with a Member of Parliament (MP), TI France set up a working group of whistleblowing experts composed of CSOs and lawyers which developed a proposal for a new law. The resulting draft law was co-signed by 44 French MPs and introduced in Parliament as a bill. The following day, the government introduced another bill that included provisions on whistleblower protection. TI France, in coalition with 16 other CSOs and trade unions, launched a mini-campaign to push the government to include all the dispositions of their whistleblowing bill in it. The campaign included communication activities, numerous advocacy meetings with all relevant stakeholders as well as a petition that collected more than 67,000 signatures. The campaign was directly linked to several pending whistleblower cases in France, including the French whistleblower Antoine Deltour. As a result, the law adopted by parliament includes most of the provisions of the draft whistleblowing law developed by

secondary role. In several other EU countries legislative processes are under way, with significant contributions from TI chapters and support from TI-S. TI-S also reviewed a number of whistleblowing legislation proposals:

- The Anti-Corruption/Whistleblowing Bill of the Seychelles.
- A draft law on whistleblowing for TI Ukraine.
- The second version of the draft whistleblowing law of Colombia for TI Colombia. The government published the comments received and accepted a significant number of TI's comments.

Some proposals were also well received by respective governments. For instance, TI Macedonia played a key role in the development of a law to protect whistleblowers. After a long preparatory process, the law was finally passed on 9 November 2015 and came into effect on 17 March 2016. It included most of the recommendations made by TI Macedonia. It is a standalone law which contains provisions for various ways of whistleblowing and offers extensive protection of whistleblowers.

TI-S increased its efforts to mainstream the issue of whistleblowing in the private sector. In June 2016, for the first time the issue of whistleblowing was tabled for discussion during a Business Principles Steering Committee meeting in Berlin. Representatives from 8 companies and the European Bank for Reconstruction and Development (EBRD) discussed the relevance of whistleblowing, its reputation in companies, as well as ways to strengthen whistleblowing mechanisms in organisations.

TI-S CONTRIBUTION 2: TI-S WILL SUPPORT CHAPTERS' EFFORTS TO CREATE PUBLIC DEMAND FOR ACCOUNTABILITY

Change Markers	Status of progress towards change
AT LEAST 75 PER CENT OF CHAPTERS PER REGION ARE WORKING WITH GOVERNMENT PUBLIC ACCOUNTABILITY INITIATIVES (SUCH AS OGP) AIMED AT FIGHTING CORRUPTION	Significant progress
REGIONAL PARTNERSHIP APPROACHES TO WORKING WITH WOMEN AND YOUTH ON PUBLIC ACCOUNTABILITY INITIATIVES	Significant progress
DEFINED SET OF EFFECTIVE POLICY AND ADVOCACY ACTIONS TO CHANNEL CITIZEN DEMANDS FOR PUBLIC ACCOUNTABILITY ON CORRUPTION (IN LAND, EDUCATION, PUBLIC SECURITY, HEALTH, PUBLIC FINANCES AND/OR DEVELOPMENT AND CLIMATE FINANCING)	Significant progress
TARGETED INTERNATIONAL GOVERNANCE AND DEVELOPMENT PLATFORMS RELATED TO SUSTAINABLE DEVELOPMENT PLACE CORRUPTION ON THEIR AGENDA IN LINE WITH TI'S POSITIONS	Some progress
RECOMMENDED POLICY INTERVENTIONS FOR HOW TO BEST ADDRESS CORRUPTION IN THE SDGS	Significant progress
AT LEAST 10 PER CENT OF COUNTRIES WHERE TI HAS A CHAPTER USE SDG MONITORING OF GOAL 16 TO HOLD GOVERNMENTS TO ACCOUNT ON CORRUPTION	Some progress

TI France's working group. It should be noted that, demonstrating its engagement to support victims of corruption, TI France hired a whistleblower to lead its advocacy work on the issue, which proved to be a success factor of the campaign as decision makers and the media showed interest for her personal story.

More than 35 TI chapters[8] across all regions are currently engaged in working with government on public accountability initiatives. Although this is lower than the expected target (3/4 of the movement), the initiatives have resulted in a **range of changes** including:

- New cooperation agreements between TI partners and government public contracting officials to advance clean contracting. 17 EU government entities committed themselves to engage with civil society on clean public procurement. Monitoring has already begun for 6 public procurement processes and collaboration between project stakeholders has run well. In Argentina, work on introducing the Integrity Pacts into public contracting processes for the City of Saint Luis was successful.

- Incorporation of transparency standards into government land reform efforts in Africa.

- Incorporation of chapters' recommendations into Open Government Partnership (OGP) national action plans. An example can be found in the case of Kenya (new action plan 2016-18), with its commitments on transparency in bids and expenditure, and on public participation in budgeting processes. Another example comes from Ghana where the chapter organised various dialogue events on Open Governance and the Open Governance Partnership. In Indonesia, the Open Governance Standards have been used for public consultations on a draft Presidential decree on public participation.

- TI-S influenced political spaces, most notably at the London Anti-Corruption Summit where the group worked with a select number of target countries ahead of the Paris Integrity meeting and London Summit to align their Summit and forthcoming OGP commitments. Through the Anti-Corruption Working Group of OGP, which TI-S coanchors, TI-S worked with eleven governments and the corresponding national chapters (where possible), in the elaboration of their anti-corruption commitments for the OGP National Action plan. In all instances the revised national action plans included some of the changes proposed.

- TI chapters developed a range of public accountability approaches to monitor and address governance weaknesses in climate projects. In Bangladesh, the chapter used community monitoring and social audits to involve beneficiaries of climate adaptation projects in assessing their effectiveness, identifying corruption and other wrong-doing and passing grievances along to relevant local authorities/implementing entities to seek redress.

Progress has also been made in terms of channelling demands for public accountability on corruption. In many cases, the TI movement put basic systems in place to tackle public sector corruption and corruption as it affects public services. Some examples are listed below:

- TI Zimbabwe worked together with local community-based organisations and communities on joint anti-land corruption and anti-land grabbing advocacy to increase the volume of voices for change. The chapter's advocacy contributed to the dismissal of local land authorities who were implicated in illicit land deals.

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[8] The achievement is significantly lower than the target because the figure only includes chapters that were supported by the TI secretariat. Aside from that, many more chapters work on public accountability initiatives. The change markers will be revised for 2017 to avoid this issue.

- In June, Acción Ciudadana (Transparency International Guatemala) launched its [people's engagement platform](#) for bus riders and other stakeholders to monitor and report problems in service delivery and safety on the Guatemala City bus line. The project has already contributed to a significant change in terms of political will of key officials to improve the system, e.g. (1) commitments of the government to make PPP subsidies for the sector more transparent and accountable, (2) the major corruption investigation on the biggest bus company in Guatemala, and (3) the more than 130 fines given out as a result of 250 plus reports made to the chapter by users of the bus system, thanks to the online reporting platform funded under the project.

- In the area of climate finance, TI has an established and strong reputation with climate funds such as the Climate Investment Fund and the Global Environmental Facility. As a result, the Green Climate Fund actively invited TI's input. national chapters in Peru, Bangladesh and Maldives increasingly focused on monitoring and redress for victims and witnesses of corruption in the area of climate finance. For example, in the Maldives, right to information requests were submitted by citizens regarding the bidding process for a climate/ socio-economic project and offenses recorded on environment-related issues. A local NGO also expressed their interest in replicating the chapter's anti-corruption work in their community.

At the **regional level**, an important highlight in Sub-Saharan Africa was the work with women's and youth organisations in the context of public accountability initiatives in the land and forestry/climate sectors. Overall, nine partnerships were initiated in 2016. Some examples:

- In Cameroon, in partnership with six universities, more than 500 students were educated on REDD+/forestry in general and why it is important to address issues of transparency and integrity within. This is an important partnership to build given that university students represent the future of the forestry sector – both in the public and private sectors. Instilling an understanding for the importance of good governance and the methods to apply in order to achieve it is best established before they enter the work environment.

- In Uganda, TI Uganda began to build a partnership with a local women's organisation (UCOBAC) on public dialogue forums between women and local leaders on land governance and land corruption.

- In Ghana, the Ghana Integrity Initiative set out to partner with Women in Law and Development (WILDAF) on capacity building of women's groups and community paralegals on land governance and land corruption.

International governance and development platforms have also been useful in getting our messages across. In the climate arena, the momentum of the Paris agreement was used in 2016 to achieve a range of advocacy successes in terms of the integration of TI recommendations on major climate platforms. Anti-corruption investigation and complaints mechanisms for the Green Climate Fund (GCF) are function more effectively as a result of the TI-S input. A case in point was the adoption by the Fund of Accreditation Master Agreement (AMA) which requires accredited entities to have anti-corruption policies, anti-money laundering policies and compliance regimes, grievance handling mechanisms,

sanctions, and appraisal stage civil society consultations. Importantly, as TI had advocated, the AMAs also specify that money lost to corruption may be repayable to the Fund.

The European Consensus on Development is a policy statement that commits the EU to eradicating poverty and building a more fair and stable world. Through the inputs of TI EU regarding specific anti-corruption targets, the Consensus has a strong link to Goal 16 of the SDGs and states it will support initiatives to tackle corruption and that an increased focus would be placed on tackling illicit financial flows.

Finally, following participation by TI-S, Ghana Integrity Initiative, TI Kenya, TI Uganda, and TI Zimbabwe in the World Bank's Land and Poverty Conference in March 2016, Thomson Reuters published an article about TI's policy research on how women are forced to trade sex for land, therefore increasing awareness of the topic. TI also delivered a joint statement with Fern (Food and Environment Reporting Network) on New Alliance for Food Security support to large scale land-based investments in Africa.

In 2016, TI played a lead role in promoting and monitoring implementation of **Goal 16**, especially anti-corruption, and integration of anti-corruption into other targets. TI-S focused on building capacity and tools related to Goal 16, with more policy interventions expected on the back of this in years to come. Several TI chapters mainstreamed SDG anti-corruption targets into their work.

As part of the Transparency, Accountability and Participation network, TI played an active role in the SDG 16 Data Initiative which was spearheaded by Saferworld. The initiative aims at building an alternate set of indicators to monitor the targets under goal 16. TI introduced both the results of the Global Corruption Barometer and the Corruption Perceptions Index into the alternative measurement indicator list. The website of the initiative was launched in July 2016 and at present is going through a number of further improvements.

TI was invited to take part in the initiative started by UNDP to implement SDG goal 16 in the Asia Pacific region. TI joined UNDP in selecting projects to be carried out by UNDP country offices, and was able to push for the implementation of anti-corruption projects.

Further, in collaboration with the Asian Democracy Network in August 2016 TI-S facilitated the creation of the Asian SDG 16 coalition. The coalition consists of a number of CSOs working on human rights to anti-corruption issues in Asia whose work at large related to the specific targets under SDG goal 16. The group will meet annually to share experiences and will be trained to monitor SDG implementation in their national countries.

Four chapters have been active in advocating to create space for their citizens to hold their governments to account for delivery on the Sustainable Development Goals:

- TI Germany hosted a high-level meeting with the German government on their commitments on the SDGs and Goal 16 in February 2016.

- TI New Zealand had high-level discussions with New Zealand Statistics and its Ministry of Foreign Affairs and Trade regarding how New Zealand was planning to monitor Goal 16 and the importance of third party data.

- TI UK sent a letter in January 2016 to their statistical office to call for the need for third party data on Goal 16 and the importance of selecting the right indicators.

- When the Venezuelan government prepared a voluntary report on their SDG commitments, TI Venezuela produced a shadow report analysing the country

commitments. On the basis of its success, TI plans to have a larger scale shadow reporting process with the involvement of TI chapters in countries that have volunteered to report.

TI-S CONTRIBUTION 3: TI-S WILL LEAD IN THE PROMOTION OF CIVIL SOCIETY SPACE FOR OUR ANTI-CORRUPTION ACTIVISTS

Change Markers	Status of progress towards change
INTERNATIONAL ADVOCACY FOCUSED ON MOST RESTRICTIVE CSO COUNTRIES WHERE TI NCS EXIST	Achieved
INCREASED AWARENESS AMONG TARGETED FORA/ MULTI-STAKEHOLDERS INITIATIVES OF CIVIL SOCIETY SPACE RELATED ISSUES	Significant progress
INTERNATIONAL/REGIONAL HUMAN RIGHTS MECHANISMS USED TO RAISE PROTECTION ISSUES IN AT LEAST TWO COUNTRIES	Achieved
STRONG ADVOCACY AND SUPPORT FOR SAFEGUARDING ANTI-CORRUPTION ACTIVISTS	Achieved

In 2016, TI strongly **supported anti-corruption activists** under threat around the world. A case in point is Gasim Abdul Kareem, a Maldivian whistleblower, who had disclosed that money that should have gone into the public purse had been diverted into private accounts. TI's involvement had the direct result of his sentence being reduced. In Nepal we supported Kunda Dixit, brother of the renowned anti-corruption activist and editor of Himal magazine Kanal Mani Dixit[9].

We expressed our views on whistleblower protection and joined the campaign to support Antoine Deltour, the LuxLeaks hero. We further worked with freedom of expression organisations (Article 19 & IPI) to call for Okke Ornstein's release in Panama. This, along with pressure from the Dutch Government, and the speech by TI chair Jose Ugaz at the IACC, resulted in his release and pardon.

In order to counter restrictions and **attacks on civil society**, TI issued statements on behalf of activists and movement members under threat in Bahrain[10], Venezuela[11], Macedonia[12], Cambodia[13], Maldives[14], Papua New Guinea[15], and Honduras[16]. For instance, TI condemned the intimidation and harassment of anti-corruption activists and human rights defenders in Bahrain amid reports of activists being stopped from traveling outside the country. The ban was eventually lifted and the head of the chapter was allowed to travel. The TI national chapter in Venezuela is subject to ongoing attacks in the press. TI issued a statement and monitors the situation regularly. In Cambodia, the threat to the chapter is ongoing. TI called

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[9] http://www.newyorker.com/books/page-turner/the-slow-strangulation-of-a-south-asian-magazine
[10] http://www.transparency.org/news/pressrelease/transparency_international_calls_on_bahrain_to_stop_restricting_travel_of_a
[11] http://www.transparency.org/news/pressrelease/transparency_international_concerned_venezuela_will_use_emergency_decree_to
[12] http://www.transparency.org/news/pressrelease/macedonia_must_postpone_elections_and_the_president_must_resign
[13] http://www.transparency.org/news/pressrelease/transparency_international_calls_on_the_cambodian_authorities_to_stop_haras
[14] http://www.transparency.org/news/pressrelease/release_of_maldives_whistleblower_gasim_abdul_kareem_welcomed_he_should_now
[15] http://www.transparency.org/news/pressrelease/transparency_international_says_stop_the_violence_and_protect_civil_society
[16] http://www.transparency.org/news/pressrelease/transparency_international_condemns_attack_on_honduras_chapter_board_member

on the Cambodian authorities to stop harassing civil society. In addition, six national chapters and one implementing partner benefitted from safety and security missions, including four in the MENA region and Afghanistan. TI conducted a review of the movement's HTTPS digital security.

To strengthen our visibility and presence in Bangladesh, a country where our chapter was facing severe restrictions in terms of operational space, we supported a country visit by Transparency International Chair Jose Ugaz. In a show of global solidarity to the chapter, the Chair delivered a key note speech on *Together against Corruption*, to an audience that included Prof. Dr. Gowher Rizvi, Adviser to the Honourable Prime Minister and other stakeholders from both public, private and non-government sector, academia, researchers, civil society, and media.

TI-S raised the issue of civil society space at **international fora** as well, such as the CIVICUS annual conference on civil society in April 2016. This has led to TI joining a working group for a global campaign on the protection of civil society space. The meeting also started discussions with Amnesty International on possible partnerships around human rights defender/ protection issues.

Additional connections were made with the security teams of Human Rights Watch and Global Witness, and these included peer exchanges on protecting activists and staff. TI-S is also speaking with the American Bar Association (ABA) Human Rights Programme to explore how the ABA may assist TI chapters on the ground.

At the UK anti-corruption summit TI asked for governments to issue a 'London declaration' of support to protect civil society space, activists and whistle-blowers and support protective measures for activists and whistle-blowers. Across 16 countries there were 19 commitments made with reference to protecting whistle-blowers and civil society space. The communiqué commits to making it easier for people to report suspected acts of corruption and to protecting whistleblowers from discriminatory and retaliatory actions.

The presence of Michael Frost, United Nations Special Rapporteur on the Situation of Human Rights at the IACC was timely and crucial in securing the safety of Joe Moses, a Papua New Guinean who spent years struggling to save his 3,000 strong community from being forcibly evicted to build the Paga Hill development. Joe had risked his life fighting those who would profit from uprooting the Paga Hill community. On his way to the IACC Joe Moses was detained without cause for 34 hours at an airport without access to food and it became clear he could not safety return home to Papua New Guinea as a policeman had also followed Joe onto his flight to Singapore. At the IACC in Panama, Joe was introduced to Michel Frost, and the Special Rapporteur took Joe Moses under his protection, with Joe now residing in the UK and pursuing his dream of studying International Human Rights Law. Joe has been participating in sessions at the UN together with the Special Rapporteur to further the protection mandate and extend it to the protection of the victim's family.

At the start of 2016 we mapped out and began to inform chapters of opportunities for increased **engagement with human rights mechanisms** to increase international legal accountability in tackling corruption and to strengthen the protection of anti-corruption activists. We made a submission to the UN Committee on Economic, Social and Cultural Rights' pre-sessional review of Sri Lanka, 13/10/16: on corruption and land-related issues. As a result the issues highlighted were included in the UN Committee on Economic, Social and Cultural Rights "list of issues" in advance of the review of Sri Lanka. The Committee directly requested more information from the state on "the impact of the measures taken by

the State party to prevent and address corruption in the acquisition, occupation and sale of land and property by the military, members of political parties and civil servants"

A number of TI chapters engaged with international mechanisms in 2016 in cooperation with TI-S:

- TI Hungary and TI-S' joint submission under the Universal Periodic Review mechanism of the United Nations (UN) Human Rights Council focused on the state failure to uphold the right to freedom of peaceful assembly and association, and the right to a fair and public hearing by an independent and impartial tribunal established by law. The submission recommendations were taken in the summary report of the UN and the review.

- TI chapters in Lebanon and Colombia made submissions to the Committee on Economic, Social and Cultural Rights.

- TI chapters in Zimbabwe and Venezuela provided written submissions to the Universal Periodic Review mechanism, with Peru and Ghana lined up for early 2017.

- TI chapters in Azerbaijan and Hungary engaged with the UN Special Rapporteur on Human Rights Defenders during country visits.

PREVENTION, ENFORCEMENT AND JUSTICE

The TI global strategy, *Together against Corruption*, commits our movement to the following changes in the area of Prevention, Enforcement and Justice by the end of the strategic cycle:

HIGHLIGHTS 2016
- Petition for a mandatory register for lobbyists attracted over 70,000 signatures across Europe
- Our report "Transparency in Corporate Reporting" has raised awareness of the anti-corruption disclosure practices of 100 multinational enterprises based in 15 emerging markets
- Movement-wide policy position on Corruption and Tax Abuse
- Time for Justice: the procedure for the extradition of Martinelli has started
- TI was a key driver and influencer behind the Anti-Corruption Summit held in London and has been a leading contributor to changing standards in the illicit flows agenda, such as on beneficial ownership and country by country reporting.

TI-S CONTRIBUTION 4: TI-S WILL LEAD A TI MOVEMENT-WIDE INITIATIVE IN THE AREA OF MONEY IN POLITICS

Change Markers	Status of progress towards change
CHAPTERS' CLUSTERS AROUND A SET OF KEY MIP SUB-THEMES WORK TOWARDS JOINT FUNDING PROPOSALS, INCLUDING A PILOT PROJECT ON POLICY/STATE CAPTURE	Significant progress
POOL OF MIP EXPERTISE AVAILABLE TO THE MOVEMENT THAT COVERS MIP STRATEGIC AREAS	Achieved
ACCESS TO CONSOLIDATED TI AND OTHER RELEVANT RESEARCH ON MIP, INCLUDING INNOVATIVE APPROACHES TO COUNTERING DISPROPORTIONATE INFLUENCE	Achieved
'INTERNATIONAL STANDARDS ON LOBBYING' USED BY MORE CHAPTERS, AND AT EU LEVEL TO PROMOTE HIGH STANDARD OF LOBBYING REGULATION	Significant progress
IMPROVED NORMS AND STANDARDS IN TWO OTHER AREAS OF MIP IN TARGETED COUNTRIES (E.G. RESPONSIBLE CORPORATE POLITICAL ENGAGEMENT, REVOLVING DOORS, AND ASSET/INCOME/INTER ESTS DISCLOSURE)	Significant progress
INCREASED PRESSURE IN GLOBAL CENTRES OF POWER - EU, USA AND THE G20 – ON KEY MIP ISSUES	Some progress

TI-S expanded the **expertise**, **research and tools** available for Money in Politics. A scoping paper on what works and what does not against political corruption was published as well as shared and promoted on the Global Anti-Corruption Blog. The scoping exercise reviewed more than 100 scientific, published peer-reviewed studies on the issue. In addition, TI identified more than 50 relevant new studies that will form the content basis for the related Money in Politics knowledge repository. This search has also helped identify a group of

possible experts in relevant sub-themes that can be invited to act as expert contributors once the overall knowledge community/expert network structure materialises.

An evaluation of all national chapters' work in the area of **Money in Politics** was underway and almost completed in 2016[17]. TI-S and a number of national chapters have started the sharing of updates on their activities in different Money in Politics themes.

An innovative concept note for exploring the potential of artificial intelligence to support asset/ income/ interest disclosure was prepared, shared for inspiration and presented at Oxford University for feedback by related experts. A sizable number of additional ideas and new, highly topical sub-issues in Money in Politics have surfaced (e.g. focus on levelling up, computational propaganda, corporate political activity) but could not be pursued further due to time and capacity constraints placed on Money in Politics work in the TI-S.

At the EU level, our office in Brussels created a pool of expertise in the area of lobbying for transparency and conflicts of interest. Other than for the joint hearing of the European Commission and Parliament, TI EU was also invited to testify on lobby regulation during hearings in front of the Italian and German Parliaments as well as the Council of Europe, where we had previously submitted detailed recommendations for lobbying regulation to be applied across the 47 member states.

With the help of students from the London School of Economics two studies were also prepared on how parliamentary representation influences policy capture and on evidence regarding overseas lobbying practices of multinational corporations. In this case TI-S's good relations with universities could be used to undertake essential exploratory work by pro-bono student teams with only limited input from TI-S.

We further promoted the EU Integrity Watch – which generated significant interest in the media[18] – to new users at tech conferences and hackathons, including at the Data Harvest in Belgium, Transparency Camp in Amsterdam, Diplohack at the EU Council in Brussels and the European Youth Festival in Strasbourg.

TI EU continued its advocacy on **lobbying transparency** and conflict of interest prevention with a joint letter, petition, meetings, press work, public speaking, hearings and conference participations.

Particularly successful was our outreach to new partners, from business lobbyists, to consultancies, to lawyers in order to build a strong coalition in favour of a mandatory lobby register. Another success story has been the online petition "Turn the spotlight on EU lobbying!" that was launched in English, French, Italian and German together with our chapters, as well as other partner organisations, including Change.org and Riparte Il Futuro. So far the petition has gathered more than 70,000 signatures from across Europe – by far the most successful online petition that TI has ever initiated. In order to show that increased

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[17] For example, there is strong and expanding Chapter activity clustering around the areas of political finance (e.g. TI UK, TI Latvia, Chile, Western Balkans, Bahamas, Argentina), lobbying (e.g. TI Russia), asset/income/interest declarations (various Chapters in different regions); corporate political engagement (TI UK, France, Italy, Ireland, strong interest TI New Zeeland, TI Australia).

[18] The high interest among media was triggered by TI-EU's launch of two tools on Brussels lobbying on EU Integrity Watch in June 2015. The launch was widely covered in the European and global media with over 60 different articles from all across Europe, including from the FT, the Spiegel, the Guardian, Politico (plus two articles in the print edition – they also liked Integrity Watch so much that they attempted to build their own), Süddeutsche Zeitung, Les Echos (including a longer interview) and TechCrunch. Spiegel provided us with the numbers for their coverage and reported 115,000 page views on their article alone. For the project period Google Analytics indicates that EU Integrity Watch has had 47,072 visitors and that 529 websites have reported on our findings in over 20 languages. Several media regularly come back to EU Integrity Watch to underpin their pieces, as evidenced by the repeated coverage in the Financial Times, the Wall Street Journal and particularly in Politico, which features us in their regular coverage or their "Brussels Influence" newsletter at least once a month.

lobby transparency and a mandatory register are also broadly supported among Brussels lobbyists, TI EU initiated a joint letter, "Lobbyists for transparent lobbying". The letter was drafted and signed together with the major associations representing EU public affairs professionals (SEAP), consultancies (EPACA) and lawyers (CCBE) and was supported by umbrella groups, such as the European Youth Forum and Social Platform.

TI EU's main recommendations for lobbying regulation are shaping the debate. Our arguments and information are widely used by other organisations active on lobbying transparency as well as MEPs and Commission officials. Evidence is the wide-spread use of our language, recommendations and data from EU Integrity Watch. TI EU's policy recommendations are also picked up by the EU institutions as evidenced by the current state of negotiations of the Giegold report on the Transparency and Accountability of the EU, or the framing of the EC consultation on the "mandatory EU lobby register". The Council of Europe resolution 2125 (2016) on "Transparency and openness in European institutions" also included our recommendations on the mandatory lobby register, legislative footprints, Code of Conduct reform and new access to document rules.

The International Standards on Lobbying Regulation continue to be a core resource for TI EU's advocacy work on lobby transparency. The standards have been the basis for the 34 pages of recommendations to the European Commission consultation on a mandatory EU lobby register.

At the national level, TI France was an example of a chapter advocating for best practices on lobbying. In collaboration with a pilot group of companies that co-signed a joint statement on lobbying, they published a guide to declare lobbying expenses.

We have contributed to **shaping international standards** on Money in Politics through informal engagement, e.g. expert feedback to Council of Europe efforts for a legislative toolkit on Asset/Income/Interest disclosure (AII), cross-country data exchange on AII and lobbying regulation. TI-S prepared an advocacy note for AII as shadow reporting mechanism for SDG 16 and promoted it via a post at the highly visible Global Anti-Corruption Blog. Suggestions have been provided as inputs to the SDG 16 indicator selection process.

In 2016, TI EU met most of the members of the European Parliament Advisory Committee on the Code of Conduct to discuss the detailed proposals for reform that it has suggested. Many of the proposals have been supported and this work will feed the reform process of the European Parliament rules of procedures that is currently ongoing.

TI-S CONTRIBUTION 5: TI-S WILL SET GLOBAL STANDARDS FOR BUSINESS INTEGRITY

Change Markers	Status of progress towards change
EFFECTIVE ADVOCACY BASED ON BUSINESS RELATED KNOWLEDGE PRODUCTS IN AT LEAST SEVEN COUNTRIES (TRAC, BICA)	Achieved
COMPREHENSIVE BUSINESS INTEGRITY PROGRAMME FOR BRAZIL	Significant progress
TEN SOES ENGAGED IN THE DEVELOPMENT OF TI'S BPCB SOE STANDARDS	Some progress
TAX AND CORRUPTION POSITION ADOPTED BY TI MOVEMENT	Achieved

FATF RECOGNISES TI AS A CREDIBLE PARTNER AT GLOBAL AND NATIONAL LEVELS	Significant progress
AN INCREASING NUMBER OF CHAPTERS ENGAGE WITH REGULATORS TO IMPROVE A-C ENFORCEMENT	Significant progress
FIVE BANKS ENGAGE IN A DIALOGUE WITH TI	Significant progress
ESTABLISHMENT OF CLOSER ALLIANCES WITH THE MEDIA	Achieved
SET NEW STANDARDS FOR A-C TRANSPARENCY PRACTICES IN TWO PRIORITY SECTORS (MINING AND PHARMA)	Limited progress

On July 11, TI launched the second of its global reports looking at the disclosure performance of 100 emerging market multinationals: **Transparency in Corporate Reporting** – Assessing Emerging Market Multinationals (TRAC EMM). The report garnered considerable media interest with major media outlets such as Reuters, AP and the Financial Times. It also generated considerable attention in Brazil where the corporate scandals of the last year have heightened interest in corporate anti-corruption and transparency matters.

The TRAC EMM covers 100 of the fastest-growing companies based in 15 emerging market countries and operating in 185 countries around the world. Twenty-three firms included in the sample engaged with TI during the data validation period and several more communicated with the team in the run-up to the launch and after. Examples:

- Five Chinese firms communicated with the business integrity team, which is a notable improvement compared to the first report published in 2013 when not one Chinese company engaged with TI.

- Alibaba Group from China changed a number of its policies in order to be more in line with the criteria of the TRAC assessment.

- The Mexican company Mabe made its anti-corruption measures public for the first time.

- A number of companies, including a very large Thai conglomerate with more than 300,000 employees, communicated with the team after the launch to discuss their results and possible means of improving their performance in future.

Regarding visibility, the TRAC EMM has been downloaded 24,817 times since it was published. This represents more than a threefold increase over cumulative downloads of the first edition of the TRAC EMM report which was published in 2013.

In order to strengthen the potential for advocacy following the publication of the TRAC EMM, TI-S produced additional materials for use by companies and interested national Chapters. In addition, 15 country papers were produced, providing more country-specific analysis and tracing the footprint in a given country of the companies included in the study's sample.

Over the course of 2016, TI chapters in South Korea and South Africa (Corruption Watch) conducted research and launched national reports on transparency in corporate reporting (**national TRAC reports**) withanother seven chapters currently in the research phase for compiling their own reports.

In South Africa, where the TRAC research phase yielded an unprecedented response rate from companies (32 out of 36 companies gave feedback on their data), the launch of the

TRAC report led to the inception of a new integrity programme for Corruption Watch. The Chapter continues to engage with five companies.

The launch of TI Korea's report in May was attended by more than 60 people, including 29 major companies. The chapter engaged with ten companies during the data review phase, three of which signalled their interest to join TI Korea's newly established Corporate Supporters Forum.

In February 2016 the TI chapter in Mozambique, the Centro de Integridade Publica (CIP), launched the **Business Integrity Country Agenda** assessment. It is important to note that the TI chapter in Mozambique has traditionally not worked with the business sector but has focused almost exclusively on public sector issues. Since the publication of the report, the chapter has expanded the multi-stakeholder National Advisory Group which now stands at 19 members. The "National Group on Business Integrity" was constituted to develop and help spearhead the reforms that flow from the diagnosis established by the BICA study. Its members met for a strategic planning session where they decided to focus their efforts on a multi-stakeholder initiative on transparency and anti-corruption in the extractive industry due to the newness of this sector in the country and the presence of ENI as a potential champion for the cause within the industry.

In addition to advocacy based on TRAC and BICA reports, national chapters **engaged with regulators** to improve anti-corruption enforcement. In October 2016 Transparency International New Zealand submitted written feedback to an official consultation regarding phase two of the anti-money laundering/combatting the finance of terrorism (AML/CFT) Act. In September, following engagement with the Central Bank of Mauritius, TI-S provided materials to the TI chapter in Mauritius regarding the development of a code of ethics and gifts policy.

In 2016 **Brazil** was a priority for TI, especially with regards to business integrity. TI is now perceived by Brazilian companies as the "go to" organisation for anticorruption tools and initiatives. This perception, combined with the consequences of the Petrobras and Odebrecht scandals and the recently enacted "Clean Company Law", create an extraordinary window of opportunity for engagement with businesses. The expanding TI team in Brazil is seizing this opportunity as much as its modest resources permit. The "Emerging Markets Integrity Programme - EMIP" is one of the three initial work streams within the "TI Brazil Programme".

Examples of concrete work currently being implemented are:

- The TI Business Integrity Forum: Grupo Brasil. This group is a local business forum and now has one member company signed up (Arcelor Mittal), one that has verbally accepted (PwC) and two others in very advanced conversations (TUV Rheinland and Parnaíba Gas Natural).

- TI Brazil Business Advisory Group. This group is a joint initiative of TI Brazil and GIZ's Alliance for Integrity. It was launched on 24 May 2016, in Brasilia. The newly established Advisory Group is composed of high-level participants from all sectors: private, public and civil society.

- TRAC EMM 2016. The report was featured in 46 news pieces in the Brazilian media, including a front-page piece in the country's most important business newspaper, Valor Econômico. The report also produced a concrete impact that can be attested to by the companies' reactions. One example, the statement of the CEO of "Coteminas" (the worst performing Brazilian company) to the BBC in Brazil:

"[The company] will seek to improve its reporting to adopt best practices regarding the dissemination of anti-corruption actions, creation of complaints mechanisms and ways of combating deviations, as the recent report by Transparency International points out the disclosure deficiencies that the company needs to fix".

On 30 June 2016, some 16 companies and experts were convened by the business integrity team at the TI-S in Berlin to participate in a scoping meeting focused on TI plans to develop anti-corruption principles for state-owned enterprises in the coming year. The meeting included three **state-owned enterprises (SOEs)** – Petronas from Malaysia, Statoil and Norsk Hydro from Norway – as well as experts on the topic of SOEs and a representative from the Organisation for Economic Co-operation and Development (OECD).

The meeting validated the value and timeliness of developing anticorruption principles for SOEs. There was agreement at the meeting about the scope of the envisaged principles which should be wider than bribery only, in line with the Business Principles for Countering Bribery and, where possible, be consistent with current OECD work on SOEs looking at the issue from the perspective of governments as owners of SOEs.

A working group of 12 members (including four SOEs) was established and will provide advice on the content and format of the SOE Principles. The launch is currently envisaged for October/November 2017, followed by a roll-out of the Business Principles for SOEs in key countries such as Brazil and India.

We sought the recognition of the **Financial Action Task Force (FATF)** in order to increase our credibility on business integrity issues. During the year, TI staff engaged with FATF TI-S staff at various policy fora including the London Anti-Corruption summit, the OECD and the Open Government Partnership.

Banks were a priority target for our engagement with businesses in 2016. A three-day workshop organised by TI in March of 2017 included a plenary panel on the banking sector. The panellists included Bart Koch of the Dutch Bank NIBC and Carolin Gardner of the European Banking Authority, who made recommendations for further civil society engagement with the banking sector. In addition, TI is engaged in a discussion with the board of HSBC bank around the strengthening of their integrity policies.

TI-S also organised a panel at the International Anti-Corruption Conference with representatives of Clearing House, FACT Coalition, EG Justice and Global Witness to discuss the role of gatekeepers in preventing corrupt capital flows. This has led to the establishment of key relationships to advise our work on gatekeepers which is a priority for 2017.

Another priority target to promote business integrity was **the media**. Following the Panama Papers revelations in April of 2016, TI-S and national chapters were approached for comment by numerous media outlets. This led to regular contact for background input on policy issues with leading media, including the International Consortium of Investigative Journalists. As a result, TI-S and chapters were quoted in end of year articles, for an example see https://panamapapers.icij.org/20161219-panama-offshore-reform-challenge.html

In addition, in December 2016 Transparency International and the Organized Crime and Corruption Reporting Project (OCCRP) joined forces in a first of its kind partnership to root out grand corruption on a global scale. This new initiative, which will launch in January of 2017, will connect investigative journalists turning a spotlight on the secretive shadow

economy with anticorruption activists to translate complex information into compelling campaigns for change. The project is structured to ensure the independence of reporters and activists to pursue their distinct goals, and will generate information sharing between those communities on an unprecedented scale, with common themes agreed upon at the editorial level.

Following publication of FATF country assessments, TI-S worked with TI chapters to publish blog posts summarizing and promoting the main findings. In addition to social media coverage of these posts, the blog post on the USA FATF report in December 2016 was quoted in the Financial Times.

At a sectoral level, TI focused on two specific industries: the **mining** and the **pharmaceutical** industries. The framework for TI's work on standards for anti-corruption transparency practices in the area of mining was set in the second half of 2016. TI-S provided support to the "Mining for Sustainable Development" Program, led by TI Australia. The programme became fully operational at the end of 2016 and is in a good position to demonstrate the programme's anticorruption impact by the end of 2017.

For TI's Pharmaceuticals & Healthcare Programme led by TI UK, 2016 was the first year of activity, including recruitment of the team and engaging with the key stakeholders within this diverse sector. The programme succeeded in forming strategic partnerships with academia to work on global policy issues and anti-corruption measures, as well as with key decision makers from various sectors to shape policy discussions.[19]

Finally, in June 2016, the TI International Board approved the proposal for a position on **tax and corruption** to be discussed at the Annual Membership Meeting in December. TI S produced the position paper, working with a task force of Board members, chapters, and individual members. The policy position, '*Corruption and Tax Abuse: two sides of the same coin*" was approved by the Annual Membership Meeting in December 2016.

TI-S CONTRIBUTION 6: TI-S WILL LEAD THE TI MOVEMENT IN A GLOBAL EFFORT TO END IMPUNITY FOR GRAND CORRUPTION

Change Markers	Status of progress towards change
INCREASED RECOGNITION OF NATURE & TYPOLOGY OF GRAND CORRUPTION BY RELEVANT EXPERTS AND INTERNATIONAL INSTITUTIONS	Significant progress
INCREASED PUBLIC AWARENESS ABOUT VICTIMS OF GRAND CORRUPTION	Significant progress
LEGAL SANCTIONING OF AT LEAST ONE GRAND CORRUPTION PERPETRATOR INITIATED	Significant progress
INCREASED USE OF AVAILABLE APPROACHES TO REDRESS VICTIMS OR GRAND CORRUPTION BY RELEVANT EXPERTS AND INTERNATIONAL INSTITUTIONS	Significant progress
INCREASED SUPPORT AMONG UN MEMBER STATES FOR THE CREATION OF THE MANDATE ON HRS, CORRUPTION & GRAND CORRUTION	Some progress

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[19] TI UK Annual Report: file:///C:/Users/kdecker/Desktop/TRANSPARENCY-INTERNATIONAL-UK-FINAL-SIGNED-ACCOUNTS-2015-16.pdf

ACTIVE ENGAGEMENT OF A GLOBAL COMMUNITY OF TI SUPPORTERS IN COLLECTIVE ACTIONS IN AT LEAST FOUR SYMBOLIC CASES OF SYSTEMIC WEAKNESSES ALLOWING GRAND CORRUPTION	Achieved
GAPS IN A-C LEGISLATION AND OVERSIGHT OF REAL ESTATE IN KEY COUNTRIES ARE PUBLICLY EXPOSED	Achieved
HIGH LEVEL POLITICAL SUPPORT FOR BENEFICIAL OWNERSHIP TRANSPARENCY IN FIVE COUNTRIES (E.G. PUBLIC STATEMENT/DECLARATION)	Achieved
FIVE OGP ACTION PLANS CONTAIN COMMITMENTS ON BENEFICIAL OWNERSHIP AND PROCUREMENT	Achieved
5 GLOBAL COMPANIES COMMIT TO DISCLOSE BENEFICIAL OWNERSHIP TRANSPARENCY	Significant progress

For decades discussions on corruption were centred mostly on bribery and petty corruption. TI identified the need to shift the attention towards grand corruption[20], a need which was re-affirmed with the 2008 financial crisis.

During 2016, TI continued its advocacy on the issue of grand gorruption in **international policy settings**, including at the OECD Anti-Bribery Ministerial Meeting (16th of March 2016, Paris), the London anti-corruption summit, the UN Commission on Crime Prevention and Criminal Justice (25th of May 2016, Vienna) and the UNCAC Implementation Review Group (20th-24th of June 2016, Vienna).

The communiqué of the London Anti-Corruption summit (12th of May 2016) welcomed "the proposal to establish an International Anti-Corruption Coordination Centre by interested countries, which will work closely with relevant international and national organisations, including FIUs, and support countries that have suffered from grand corruption. TI briefed the UK organisers of the Summit in September 2015 and it resulted in the communiqué's final text.

At the UN, TI pushed for the creation of the mandate on human rights, corruption and grand corruption, but progress has been limited. A biennial resolution of the Council on corruption and human rights has been co-sponsored by Morocco (lead), Argentina, Austria, UK, and Switzerland and with some support from Brazil, Poland, and Indonesia. The next resolution is due in 2017. There has been no indication in 2016 whether Morocco or other supportive governments will push for a new special procedures mandate on human rights and corruption.

A number of other initiatives in 2016 show Transparency International's progress in achieving a higher degree of recognition and awareness of grand corruption issues by experts and international institutions:

- Following the revelations of the Panama Papers, TI was contacted for comment and policy background by a number of media outlets. In addition to TI's input to immediate media coverage in the weeks following the launch of the stories, we also built relationships with journalists which resulted in our policy asks being included in end-of-year review stories. This included a story by the International Consortium of

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[20] TI defines Grand Corruption as the abuse of high-level power that benefits the few at the expense of the many and causes serious and widespread harm to individuals and society. It often goes unpunished.

Investigative Journalists (ICIJ), which specifically mentioned TI's call for public registries of the real owners of companies (beneficial owners) to be established in all countries[21].

- During the meeting of the OECD Working Group on Bribery that TI attended in March 2016, the representative for Italy used the term 'grand corruption' in his intervention. TI has been advocating for making grand corruption an international crime, and this is an indication that states have started using the term and discussing the topic.

- At an UNCAC multi-stakeholder meeting in Vienna in September 2016, TI presented the grand corruption initiative and definition and the deputy commissioner of the Anti-Corruption Commission in Sierra Leone indicated interest in introducing grand corruption legislation in Sierra Leone and in raising the issue in the sub-region.

- TI engaged with other NGOs to build a partnership on a grand corruption related International Criminal Court (ICC) case.

The *Unmask the Corrupt* **public contest** was designed and implemented with the purpose of illustrating the cases of grand corruption and of increasing awareness about the phenomenon. The contest was centred on testing and developing TI's aspirations for engaging the public from around the world on our core work and creating a basis for future work in this area.

We aspired to reach 3 million people, engage 50,000 people and receive 10,000 votes for the cases featured in the contest. We exceeded all these targets. In phase one of the campaign our visibility included 52 media mentions and a total reach of 4.5 million people. In phase two outreach for awareness raising again exceeded our expectations:

- TI reached more than 32.5 million people, engaged on social media with more than 650,000 people, and got votes from tens of thousands of concerned citizens from around the world.

- TI tracked 262 media mentions for the phrase *Unmask the Corrupt* in the two months of the voting phase. The term "grand corruption" was mentioned more than 2,100 times during the voting phase.

- We engaged 'new audiences' for the contest, including a global creative community of 80,000, resulting in 52 submissions of potential social sanctioning follow-up campaigns.

- The supporters base for TI, and *Unmask the Corrupt*, also grew exponentially from 1,100 at the start of the contest to a database of more than 24,000 *Unmask the Corrupt* voters, newsletter subscribers and donors.

There were nevertheless some challenges documented in a publicly available evaluation of the campaign. The learning from this pilot campaign has been incorporated in the planning of future grand corruption outreach and awareness work.

With a view to advocating for **legal sanctions for grand corruption crimes**, TI-S singled out for action one of the cases nominated through the contest – the case of the former president of Panama, **Ricardo Martinelli**, recognising that this type of work takes time. We carried out preparatory research and contact-building to be effective in future interventions, namely:

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[21] See: https://panamapapers.icij.org/20161219-panama-offshore-reform-challenge.html

- An evaluation of legal strategies and feasibility of filing a civil action against Martinelli in the USA, which appears to be the most promising avenue for justice in the case.

- An evaluation of the legal strategies and feasibility of filing a civil action against Martinelli in Panama, which would be the most logical place but less politically feasible currently.

- A study of the issues around lifting immunities of former high-level public officials.

- A study of the damage caused by grand corruption to society.

- A study of the successful prosecution of acts of grand corruption and the legal reforms that made them possible.

TI-S issued an open letter to the Central American Parliament (PARLACEN) in March 2016 to request that organisation dismiss Martinelli as a member. Martinelli responded via a letter and through Twitter. TI-S then submitted questions to him about allegations of corruption. They will form the basis of a public statement in the US to further substantiate TI's expertise on the case and pressure US authorities to investigate. Public statements by TI's Chair in the US and Guatemala in late 2016 and early 2017 further substantiated TI's expertise on the case and pressured US authorities to investigate.

TI-S advocated throughout 2016 with the Panamanian Supreme Court, US State Department and the US Department of Justice Kleptocracy Unit for the legal sanctioning of the ex-Panamanian President, who lives in Miami, Florida. This pressure contributed to the extraditions proceedings, initiated by the Panamanian authorities, on 27th September 2016. The TI-S approaches to the US government appear to have succeeded. There was confirmation through official, though confidential, sources that the government was examining the case and cooperating with the Panamanian officials.

All the public actions through the *Unmask the Corrupt* campaign, as well as all the communication surrounding the Martinelli case were used for and contributed to **engaging a number of supporters**. Of note are:

- Media outreach in the Central American region, publicising the open letter and Transparency International's questions to Martinelli.

- A petition on Avaaz.org, asking Central American citizens to support the campaign and demand answers from the PARLACEN.

- Social media outreach globally and customised to the region (more than 168,000 people reached and 9,000 engaged).

Advocacy on other specific cases were also used to the same effect:

- TI-USA, with the support of TI-S, advocated for an end to secret companies (State of Delaware case) by asking people to write to members of congress or tweet at them urging them to pass legislation (H.R. 4450) to end secret companies. In this effort, a newsletter was sent to 20,000 supporters of *Unmask the Corrupt* to support this campaign, and a Twitter campaign was organised.

- In the lead-up to the FIFA presidential elections to replace Sepp Blatter, we launched a campaign asking football fans and concerned citizens to demand that the FIFA presidential candidates endorse independent oversight to win back trust and #CleanUpSports (more than 4.5 million people through this hashtag alone).

- TI launched the #StopKadyrov campaign on Thunderclap to encourage citizens to tell the EU Council to keep all sanctions against Akhmad Kadyrov (over 300,000 people reached). In the social media outreach #StopKadyrov more than 1,294,591 people were reached.

In the area of grand corruption, two topics were particularly important for TI last year: the real estate sector and beneficial ownership transparency. Regarding **the real estate sector**, TI's work focused on two main areas. Firstly, we are developing research in four G20 countries which will help support chapters with evidence for their national advocacy on increasing oversight in real estate. The research has commenced but will only be completed in 2017.

TI Canada investigated money laundering and tax evasion vulnerabilities in the luxury real estate market of Vancouver, and discovered that almost half of Vancouver's 100 most expensive homes were bought using shell companies or other financial tools that obscure the identity of the true owners. Other findings were summarised in an infographic.

Secondly, we advocated that countries commit to the mandatory disclosure of beneficial ownership information for any company buying or owning property before being allowed to do so. We did this through targeted advocacy of the UK government as host of the anti-corruption summit (so as to shape the agenda), and via chapters to the majority of the 43 countries who attended the Summit (see TI Policy Brief here and our pre-Summit publication here).

The UK Summit Communique, in line with TI-S advocacy, makes strong statements on the need to better regulate real estate agents:

> "We will work with each other and the private sector to drive out those lawyers, accountants, real estate agents, trust and company service providers, and other professional service providers who facilitate or are complicit in corruption and to deprive them of the opportunity to carry out professional activities in future."

Further to this:

- The UK committed to a central public database that discloses the beneficial ownership information of companies owning and purchasing property in the UK.

- Three additional countries committed to establishing beneficial ownership transparency in property (Kenya, Italy, Jordan).

- Seven additional countries (Tanzania, Nigeria, Spain, Mexico, Afghanistan, Argentina, and France) committed to taking unspecified steps to increase beneficial ownership transparency in property.

- One country (Norway) committed to exploring the possibility of taking steps towards greater transparency of beneficial ownership in property.

To increase visibility of the issue, we ensured that property owned by corrupt money from overseas was a key line in our media messaging ahead of the UK Summit. Examples of TI citations include but are not limited to the Agence France Press, the Financial Times and Le Monde (examples here, here, and here). Finally, we contributed to various public letters and appeals which included language on beneficial ownership and property in the lead-up to the UK Summit, namely this letter published in the Financial Times, which included signatories such as Bono, Paul Collier and George Soros.

Beneficial ownership transparency was one of our top advocacy goals at the UK anti-corruption summit. Transparency International was a key driver and influencer behind the Anti-Corruption Summit held in London, May 2016. The Summit was the first of its kind to bring together heads of government to specifically address corruption.

We conducted advocacy through policy positions and papers, direct meetings with the UK government as host, but also through chapters and through media work. We arranged a number of events in the lead-up to the Summit and invited government officials in our efforts to influence their decisions on the content of the agenda.

A Global Declaration Against Corruption was published at the Summit. It issued strong language on tackling beneficial ownership secrecy:

> "Corruption should be exposed – ensuring there is nowhere to hide…By ending the misuse of anonymous companies to hide the proceeds of corruption."

In addition,

- Five new countries signed up to public beneficial ownership registers (Afghanistan, Kenya, Nigeria, Netherlands, and France) joining the UK.

- Six countries (Georgia, Indonesia, Jordan, New Zealand, Norway, and Ireland) committed to exploring the establishment of public registers containing beneficial ownership information for domestically incorporated companies.

- One country (Colombia) publicly supported the Global Beneficial Ownership Register concept. Transparency International is co-chair of the steering committee on the Global Register.

A symbolic instance of TI-S influencing the language a key stakeholder is found in Prime Minister (PM) David Cameron's closing remarks for the Summit, where he said:

> "We've talked about the need for every country to ultimately reach what I call the gold standard of having a public register of beneficial ownership."

Regarding outreach and awareness, we succeeded in a large number of media articles and TV/radio appearances on the issue of beneficial ownership transparency:

Following their commitments made at the Anti-Corruption Summit, 10 Countries established follow-up plans: At the Anti-Corruption Summit 41 countries made 648 specific commitments to tackle corruption. Mindful that these commitments risk staying on paper, TI convened a follow-up event with country representatives, civil society and the private sector, by the end of which each country had drafted an action plan (not published) to move the country from commitment to action. (see here for videos, agenda and workshop report)

Finally, in November 2016 Germany committed to the establishment of a public beneficial ownership register[22], followed by a bill going through parliament.

TI used two other approaches to promote beneficial ownership transparency: integrating it to **Open Government Partnership** (OGP) action plans, and getting **public commitments from global companies**.

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[22] http://ownershiptransparency.com/country-action/hello-world/

Since March 2015 we have looked at different ways that we can promote beneficial ownership transparency as a means to end grand corruption. One of the areas that we focused on is the impact of beneficial ownership secrecy on the public procurement processes. Therefore, where a country may not yet be fully in agreement to adopt a public beneficial ownership register, they may agree to adopt public beneficial ownership requirements for companies bidding for public contracts. One mechanism through which we can achieve those commitments is the OGP national action plans. The following commitments should be highlighted:

- South Africa - Commitment: "Implement South Africa's action plan on the G20 High Level Principles on Beneficial Ownership Transparency and implement a register of legal persons and arrangements which is available to the public in open data formats, in order to protect the integrity and transparency of the global financial and public procurement systems: Department of Public Service and Administration and Treasury."

- UK – with explicit commitments:

    - "We will establish a public register of company beneficial ownership information for foreign companies who already own or buy property in the UK, or who bid on UK central government contracts. Ambition: From 6 April 2016, all UK companies are required to hold a register of People with Significant Control (PSC) and from 30 June 2016 UK companies will start providing PSC information to the Companies House public register. The UK is a founding country of the initiative for the automatic exchange of beneficial ownership information. This commitment will require foreign companies who own or buy property in the UK, or bid on central government public contracts, to identify and register their beneficial owners."

    - "To implement the Open Contracting Data Standard (OCDS) in the Crown Commercial Service's operations by October 2016; we will also begin applying this approach to major infrastructure projects."

- Australia (G20 country and Summit attendee) "will ensure transparency in government procurement and continue to support the open contracting global principles" (of which beneficial ownership transparency is a core component).

- Bulgaria (Summit attendee) committed to "Amendments to the Public Procurement Act introducing an obligation for applicants for large contracts to disclose their beneficial owners and undergo preliminary checks"

- Nigeria (Summit attendee) committed to "full implementation of Open Contracting and of Open Contracting Data Standards in the public sector" and to a " Public Central Register of Beneficial Owners of companies".

Another set of countries went partway with their commitments, such as Canada more broadly committing to "increase the transparency of government spending and procurement to hold government accountable for public expenditures."

On convincing global companies to disclose beneficial ownership, we have worked very closely with the BTeam in 2016 to bring them into global advocacy spaces (such as the B20)

and take a leading role, inspiring others to change. We invited the BTeam to key policy forming events that we ran (such as the TI-OECD Policy Symposium in Paris that we held in the run up to the Summit) but we also recommend they be consulted/invited by others (such as the UK government to the Anti-Corruption Summit). As a result, beneficial ownership became a top priority last year for the B20 anti-corruption working group and continues to get referenced in texts. Two companies have publicly released their beneficial ownership information: Natura, a Brazilian registered cosmetics company, and Unilever. Finally, and linked to relentless advocacy efforts, key actors came out expressing support for disclosure:

- Mo Ibrahim, CEO of Safaricom joined up to several joint letters - co-signed and often driven by TI - on the issue of beneficial ownership transparency. He also spoke at the UK anti-corruption summit on the need for beneficial ownership transparency[23].

- Paul Polman of Unilever signed on to joint letters on the issue of beneficial ownership transparency and made similar statements in his manifesto entry.

- BHP Billiton issued a public statement supporting government legislation calling for beneficial ownership transparency legislation.

STRONG MOVEMENT

The TI global strategy, *Together against Corruption*, commits our movement to the following changes in the area of Strong Movement by the end of the strategic cycle:

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[23] See also: http://anticorruption-manifesto.org/statement.php?i=33&name=dr-mo-ibrahim

HIGHLIGHTS 2016
- Corruption Perception Index 2016
- Global Corruption Barometer on the MENA and ECA region
- Conclusion of five year ANTICORRP research project and acceptance of its 14 deliverables by the European Commission
- Start of a new research stream on "what works in fighting corruption"
- Revised Accreditation Process with a strengthened focus on compliance, governance and impact
- TI established a local operation in Brazil

TI-S CONTRIBUTION 7: TI-S WILL ADVANCE OUR COLLECTIVE UNDERSTANDING ABOUT WHAT WORKS TO STOP CORRUPTION AND SUPPORT OUR TI GLOBAL PRIORITIES WITH ACTION-ORIENTED RESEARCH

Change Markers	Status of progress towards change
TI RESEARCH PRODUCTS ARE INCREASINGLY CONTRIBUTING TO IMPACT AT POLICY AND BEHAVIOUR LEVELS, ACROSS THE IP CONTRIBUTIONS	Achieved
TI IS INCREASINGLY RESPONSIVE TO KNOWLEDGE NEEDS ON ANTI-CORRUPTION	Achieved
AN ACTIVE RESEARCH COMMUNITY CONTRIBUTES TO ADDRESSING CONCRETE KNOWLEDGE AND RESEARCH NEEDS	Significant progress
RESEARCH PRODUCTS ARE WIDELY DISSEMINATED AND AVAILABLE	Some progress
GREATER UNDERSTANDING OF 'WHAT WORKS' IN RELATION TO AT LEAST ONE STRATEGIC ASSUMPTION	Significant progress
ACTIVE EXPERT COMMUNITY ON WHAT WORKS AGAINST CORRUPTION (THAT SUPPORTS THE MOVEMENT)	Significant progress
KNOWLEDGE ON WHAT WORKS IS WIDELY DISSEMINATED AND AVAILABLE	Some progress

Released in January 2016, our flagship **Corruption Perception Index** (CPI) assisted national chapters to hold a dialogue with their governments as well as other stakeholders nationally:

- In DRC and Madagascar, the CPI was used to engage with government and donors on public sector corruption.

- The CPI was also picked up by media outlets across all regions leading to debates/ conversations about public sector corruption.

- In a survey conducted by Aid data[24] amongst policy makers, TI's CPI and GCB came as one of most well-known governance data sources that policy makers are aware off.

- TI-S was Invited by the European Court of Auditors to present on the CPI and how the index could be used in their policy work.

Data from our second major publication, the corruption **Barometer** for the [Middle East and North Africa](#) (launched in May 2016) as well as for [Europe and Central Asia](#) (launched in November 2016), has been used by stakeholders such as U.S. Secretary of State John Kerry in an op-ed. Both reports were published on our website, supported by social media activities and resulting in widespread dissemination[25]. In addition, TI assisted the national chapter in Mozambique in their Business Integrity Country Agenda (BICA) research work – which led to the launch of the first ever BICA report in February 2016 – as well as stakeholder engagement.

As a demand driven service, this is the very nature of the Helpdesk to **respond to knowledge needs on anti-corruption** from various stakeholders. In 2016, the **Helpdesk** responded to 112 queries, resulting in the publication of 43 fully developed anti-corruption briefs, covering issues as diverse as corruption and commodity trading, corruption risks and mitigation in cash for work programmes, social damages for corruption, transparency of the media, and the linkages between corruption and human rights. Altogether 45 of the Helpdesk answers have been posted on the TI website with a wide outreach,[26] including currently 2609 subscribers to the Helpdesk mailing list. Helpdesk answers frequently arrive on top of Google searches on topical issues. The Helpdesk continues to receive excellent feedback from service users.

New knowledge products have been produced in support of TI strategic priorities in 2016, among others a topic guide on [gender and corruption](#) and a resource guide on SDG corruption indicators to support chapters wishing to engage with the SDG process. In addition, one of the members serves as a champion for corruption data for the SDG data platform put together by Open Knowledge Germany.

In 2016, Helpdesk services informed ongoing projects, programmes and the policy processes of various stakeholders and as such had an influence on policies and behaviours[27]. For example, two blog posts on what works against corruption[28] were published on the TI website and one post was published on the Global Anticorruption Blog (GAB)[29] based on materials developed by the Helpdesk. More precisely, information provided by the Helpdesk were used by national chapters for:

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[24] Full report available here: http://aiddata.org/sites/default/files/2016_gda_report_-_full_version.pdf

[25] According to our statistics, the regional GCBs report saw high download rates in 2016 (5795 downloads for the GCP on Europe and Central Asia and 3886 (Arabic) and 4432 (English) downloads for the report on the MENA region. Both reports also found strong pick-up rates in the media (approx. 300 - 600 media articles (depending on the language) for the MENA report and around 950 media articles mentioning the report on the Europe and Central Asia region.

[26] Between the 1st of January and the 31st of December 2016, the Helpdesk had a total of 122,489 page views. Our most popular answers were "The impact of corruption on growth and inequality" (total read: 19,038 times), "Examples of national anti-corruption strategies (visited 7,716 times) and "Influence of interest groups on policy making" (consulted 5,567 times). In addition, the time visitors spend on the Helpdesk page was high (4:40 mon on average), indicating that visitors actually read the posted information.

[27] In numbers this means that 26 Helpdesk queries were used to inform policy or legislation processes; 39 answers were used to inform project or programme design; and 5 answers were used to raise corruption issues/ chapter work in the media.

[28] http://www.transparency.org/news/feature/three_ways_to_fight_corruption_in_the_media, http://www.transparency.org/news/feature/how_to_stop_corruption_5_key_ingredients

[29] https://globalanticorruptionblog.com/2016/12/01/guest-post-when-and-how-will-we-learn-how-to-curb-corruption/

- Providing input and/or commenting on (draft) laws in Italy (lobbying), France (anti-corruption), Ghana (land), Guyana (whistleblower protection),

- Providing input into the development of a policy recommendation on whistleblowing for the city of Helsinki (TI Finland) as well as for the development of the NGO sector in Slovenia till 2020 (TI Slovenia). The Slovenian chapter also advised parliament on the adoption of a code of ethics for parliamentarians and setting up of a parliamentary ethics committee.

- Advocating for the implementation of political party finance rules ahead of the parliamentary elections (TI Bahamas) as well as for the Department of Finance to conduct enhanced due diligence and anti-corruption controls on the buyer-side in a state privatisation scheme (TI Ireland).

A highlight of TI Helpdesk services' impact was the use of information provided to various branches of the British government. Following the Brexit vote, the TI Helpdesk received queries from the Cabinet Office, the Home Office and DFID. All three of these departments had been heavily involved in Prime Minister Cameron's Anti-Corruption Agenda, and wanted to shore up support for ongoing anti-corruption efforts in the new political context.

Given the UK's influential position in the world of anti-corruption, this presented TI with an opportunity to ensure that those in the civil service who had invested political capital in the anti-corruption agenda were equipped with the evidence they needed to persuade ministers, so that the new British government did not abandon efforts to coordinate international action against corruption.

> "The piece you did on trade/FDI for the FCO was praised by DFID yesterday. We were told how it has been circulated at Whitehall and added new perspectives to why the UK should be engaged in the global fight against corruption. The impact was reported to have been considerable, not least in the light of Brexit and the fear that trade will be lost. Be proud! "(U4)

> "There are vital lessons here for our future international trade strategy… business integrity and anti-bribery need to be seen as a pathway to trading success not a barrier or obstacle. Lots of evidence here to support that approach." (Head, Anti-Corruption policy at DFID, December 2016, Literature review of corruption's impact on international trade, FDI and exports).

As evidenced by the quotes above, all three Helpdesk pieces had considerable impact on high level discussions within the British government, providing officials with a positive business case for anti-corruption measures.

Responding to needs in terms of anti-corruption knowledge also means exchanging with and contributing to an **active research community**.

"Campus for Transparency" offers a matchmaking service between graduate students and Transparency International chapters with specific research or expertise needs. In 2016, 13 Campus for Transparency projects took place, involving prestigious universities such as LSE, Hertie School of Governance, Colombia University, and Copenhagen Business School. in diverse areas such as quantifying grand corruption costs, corruption risks assessments in the land sector and developing business models for TI's ALACs. For example, two student

projects were designed that focus on two strategic areas of our work as defined by the TI 2020 Strategy, i.e. on future leaders anti-corruption surveying and on the future of asset/income/ interest disclosure regimes. The impact and outcome of these research projects and how the research has been used and disseminated is not clear at this point and should be investigated further.

In its work, the TI Helpdesk is relying on the pro-bono contribution of a network of experts. Therefore, a database of 573 experts and practitioners with specialist knowledge on a particular topic or region is being maintained and updated. 17 additional experts joined the network in 2016. While the responsiveness of the expert network is good, there still lies the opportunity to better exploit the potential of this rich expert pool.

Another area where efforts were intensified is in increasing our **understanding of what works to fight corruption**. In 2016, we initiated an evidence review on corruption grievances as a motivator for anti-corruption engagement. This work is still ongoing and has been delayed. We also co-organised a learning event on what works in Social Accountability, bringing together national chapters and external experts. In addition, we completed an initial scoping and a [review of evidence](#) on what works in stopping political corruption.

Finally, 15 Helpdesk answers related to "what works" were submitted in 2016, in areas such as:

- Evidence of the impact of citizen engagement in promoting good governance.
- Correlation between women's representation and corruption levels.
- Good practices of citizens' participation in decision making.
- Asset declaration for judges.
- Collusion in procurement.

This demonstrates the interests of experts and national chapters in this area. It can be considered a simple proxy of the activism that TI-S instils in others regarding this type of knowledge.

TI-S CONTRIBUTION 8: TI-S WILL SUPPORT THE DEVELOPMENT AND SHARING OF BEST GOVERNANCE AND ORGANISATIONAL STANDARDS AND PRACTICES ACROSS THE TI MOVEMENT

Change Markers	Status of progress towards change
GOOD GOVERNANCE STANDARDS ON CODES OF ETHICS, DECLARATIONS OF INTEREST, WHISTLEBLOWING AND ANTI-CORRUPTION RULES ARE DISSEMINATED TO THE MOVEMENT	Significant progress
SYSTEMATICALLY EXCHANGE AND LEARN FROM GOOD PRACTICE IN OTHER INGOS, INCLUDING THROUGH INTERACTIONS WITH THE INTERNATIONAL CIVIL SOCIETY CENTRE	Some progress
REVISED ACCREDITATION PROCESS, COVERING COMPLIANCE, GOVERNANCE, AND IMPACT	Significant progress
A CONCEPT FOR MOVEMENT-WIDE LEADERSHIP DEVELOPMENT HAS BEEN AGREED AND INFORMS RELATED FUNDRAISING PROPOSALS	Limited progress

INCREASED EFFECTIVENESS OF TI-S SUPPORT TO CURRENT GLOBAL THEMATIC NETWORK INITIATIVES (GTNIs)	Significant progress
AGREEMENT ON AREAS IN WHICH TI WANTS TO DEVELOP MOVEMENT-WIDE ORGANISATIONAL AND FINANCIAL MANAGEMENT STANDARDS	Some progress
REGULAR EXCHANGE WITH OTHER NGOS TO LEARN ABOUT 'GOOD-PRACTICE' IN ORGANISATIONAL MANAGEMENT	Significant progress
A FINANCIAL MANAGEMENT BENCHMARKING PROCESS IS PILOTED BY APPROXIMATELY TEN TI CHAPTERS, AND READY FOR ROLL-OUT	Achieved

In terms of **dissemination of standards**, the TI Board registers of interests are available on our website and are updated/confirmed at least twice a year. The TI-S Governance Manual includes all governance policies of TI-S and of the international movement, including the TI-S Code of Conduct and the TI-S Whistleblower Policy. All national chapters and individual members have access to the intranet where the manual and other documents are uploaded. There is, however, more to do in terms of promoting the manual.

Promoting declarations of interests for chapter board members found new momentum in 2016, not least because of the publication of the Panama Papers. Requirements for the publication of registers of interests have been strengthened as we updated our accreditation process (see below)[30]. Cases of best practice are being identified on an ongoing basis and referred to as good examples e.g. for neighbouring NCs. The tracking framework for registers of interests will continue to be rolled out, together with a new compliance framework supported by an enforcement framework.

A lack of resources and delays with the CRM platform made it impossible in 2016 to track the support TI-S gave to the advancement of chapter performance in all these areas. Given the limited capacity available in TI-S, the change markers need to be reviewed to establish more realistic data collection goals.

In 2016, we pursued our engagement of **best practices learning with other NGOs** through our representation on the board of the International Civil Society Centre. As signatories of the Accountability Charter, we received feedback on our yearly reporting and had the opportunity to interact with the 23 member organisations at the AGM and at the yearly members' event, Accountable Now, which focussed on "How to ensure that CSO Boards are fit for a globally networked world". We have also been actively involved in a community of practice with International NGO governance specialists from Oxfam, Amnesty International, Greenpeace, IPPF, WWF, Action Aid, Plan International, WaterAid, MSF and Care. This network has been instrumental in informing the (still ongoing) Board discussion on the de-concentration of our global work, drawing on the experiences of from other large international NGOs.

A more focussed and systematic approach to these exchange activities is needed so that we can enhance learning for those participating in INGO interactions and then share this across TI-S and TI.

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[30] Following an initial push in April-May by a newly established position in the Governance Team, out of 95 Chapters concerned, 54 Chapter had registers of interests online for their Board members. Half of them had registers which were less than one-year old and 16 of them had at least one Board members for whom no interest was itemised in the register. 35% of Chapters had an average of 4.5 items or more registered per Board member, 40% at 3.5 or less, with 25% were in-between. Following consistent insistence on published registers in accreditation reviews and as pre-requisite for TI-S financial support for participation to our Annual Membership Meeting, a further improvement of ca 10% was on record as of November.

The **accreditation** workshop in October 2016 was an important step in advancing our thinking and practice at TI-S in this area. Based on this workshop, the Board adopted the recommendations for updating the accreditation system to enhance the focus, efficiency and objectivity of the process.

In particular, the accreditation review for our network of over 100 national chapters worldwide focusses more on impact, based on a cutting-edge new impact monitoring system. The compliance dimension of the accreditation process was also strengthened to include annual exercises that focus on audited financial statements, budgets, board members' registers of interests and to make non-compliance subject to intermediate sanctions. In parallel, we introduced a platform for the submission of financial data to make it easier to review submitted data systematically and to support the efficiency and accuracy of these assessments. The national chapters' transparency and independence are the other two criteria of the process.

Internal controls on financial management were strengthened considerably. The review of the national chapter's governance is now supported by a newly developed **financial benchmarking tool** (Chapter Financial Risk Assessment), which has been tested with 10 per cent of our network.

Unfortunately, the re-organisation of the TI Secretariat prevented us from starting the **leadership development** consultation as planned and we were unable to have an "organisational standards workshop" at a cross-regional meeting during the Annual Membership Meeting in Panama because of budget constraints. As a result, consultation at TI-S as well as with the TI movement to develop a way forward in this area has not taken place.

However, leadership in the movement was promoted through the **Global Thematic Network Initiatives** (GTNI). Based on an external learning review of the model, which enables a chapter to take the lead in the TI movement on a particular topic, the TI Board of Directors decided in June 2016 to:

- Remove the current cap on the maximum number of chapter-led GTNI to pro-actively seek an expansion of these initiatives.

- Request TI-S to work in partnership with current GTNI host chapters to develop effective consultation, communication and accountability mechanisms that establish standards for the future use of the TI global brand by GTNIs.

- Improve internal communication about GTNIs, in order to increase visibility and facilitate active engagement by TI chapters.

Following a GTNI host chapter meeting in September 2016, the GTNI Governance and Implementation Guidelines were reviewed and amended. They now provide a framework for devolving responsibility for global policy-making, research methodologies and publications (using the global TI brand) to GTNI host chapters within their specific thematic areas of expertise, and clarify the roles and responsibilities in this context. As such, the new guidelines will further increase TI's ability to achieve the strategic aims set out in TI Strategy 2020 by empowering GTNI host chapters, while strengthening their accountability to the global movement. Along the same lines, the process of TI-S Editorial Committee reviews of GTNI publications carrying the global brand was streamlined and a 'checklist' agreed between TI-S and GTNI host chapters to ensure mutual accountability, quality assurance and joint learning.

Thanks to support from TI-S, the Mining for Sustainable Development Programme, led by TI Australia, has become fully operational and is expected to report on its anti-corruption impact by the end of 2017.

TI-S support of the Humanitarian Aid Integrity Programme, led by TI Kenya, is increasingly effective. For example, in December TI-Kenya launched its first report on corruption risks and mitigation measures in difficult aid situations, including Afghanistan, Somalia and the refugee operation in Lebanon. The Somalia section found endemic corruption affecting the entire programme cycle, across various agencies. Yet it also identified isolated instances of good work. This work will be followed up by explaining the results to the stakeholders and pushing for the implementation of recommendations. This will be a slow process, given the different views between headquarters' and field staff in aid agencies.

In an effort to **expand movement-wide standards**, research and consultations were carried out in the first half of 2016 to develop a shared definition of "organisational standards". Following the re-organisation of the TI Secretariat and internal changes in roles, it was not possible to take this area of work forward. Efforts focused on a soft approach to further raising awareness of existing 'organisational standards' e.g. by engaging chapters on risk management (TI Risk Management Health Check), and monitoring, evaluation and learning (TI Impact Monitoring Approach).

TI-S CONTRIBUTION 9: TI-S WILL CONTINUE STRENGTHENING TI'S PRESENCE IN BRAZIL, CHINA, INDIA, AND THE UNITED STATES; IN GLOBAL AND REGIONAL ADVOCACY HUBS; AND IN LOCATIONS WHERE CRISIS DEMANDS IMMEDIATE ACTION

Change Markers	Status of progress towards change
INCREASE RECOGNITION OF TI'S WORK AND PRESENCE IN ALL FOUR KEY COUNTRIES (BRAZIL, CHINA, INDIA AND THE UNITED STATES) BY THE MEDIA AND RELEVANT STAKEHOLDERS	Some progress
MINIMUM OPERATING STRUCTURE SET UP IN BRAZIL THAT IS FINANCIALLY SUSTAINABLE	Achieved
GREATER VISIBILITY OF GRAND CORRUPTION WORK IN THE USA AND BRAZIL	Significant progress
AGREEMENT ON THE PURPOSE OF THE HUBS AND THE DIFFERENT ORGANISATIONAL AND GOVERNANCE MODALITIES	Significant progress
PERMANENT STRUCTURE AT TI IN PLACE TO TAKE ACTION IN CRISES SITUATIONS	Limited progress

There has been mixed progress on the four key countries in 2016. Resource constraints have required a phased approach to our strengthening of presence in these key countries.

2016 was a successful year for our work in **Brazil**. Following TI's four-year programme to establish a strong presence in Brazil, we established a local entity that runs TI's core administrative and programmatic work in the country. The growth of our operation in Brazil is reflected in the formalisation and diversification of stakeholder support and partnership

development. In addition, communications professionals were hired in Brazil and we grew our network of press contacts, which helped make TI more visible.

For example, one of the top priorities for advocacy engagement in Brazil was the campaign "10 Measures against Corruption" promoted by the Prosecutors Office. This is a package of reforms to improve the capacity of law enforcers to investigate and prosecute corruption and to prevent it. After the publication of an open letter to support the campaign and the collection of over two million signatures, the "10 Measures" were presented to the National Congress, where they were analysed by a special commission.

In addition, as part of the Lava Jato investigation ("Car Wash" task force case involving the state oil giant Petrobras and a cartel of construction companies), TI developed a strong dialogue and collaboration with the brave team of prosecutors leading the case. We were part of an initiative to stop the national congress limiting their capacities to investigate corruption cases. TI-S communicated extensively on the ongoing Petrobras case, through press statements calling for all ministers in the government tainted by corruption to be dismissed and on social media resulting in significant national media coverage. The *Unmask the Corrupt* contest, which asked people to vote for the worst cases of corruption, demonstrated interest and engagement of the public in Brazil around the issue of grand corruption. The Petrobras case received 11,900 votes (second highest in the contest). At the 17th International Anti-Corruption Conference (IACC) in Panama, the 13 prosecutors of the Carwash Operation accepted the 2016 Transparency International Anti-Corruption Award.

With regards to the business sector, TI's team in Brazil is beginning to engage with the private sector, all the while aware of "whitewashing" attempts by certain companies. The work has resulted in the creation of a Business Council, an advising body for promoting business integrity, in partnership with the Alliance for Integrity. The Business Council - comprising leading companies, business associations and government agencies – is part of the TI and GIZ initiative to promote business integrity in Brazil. There are also moves in Brazil to establish a local corporate supporters group, a permanent platform for dialogue between TI and the Brazilian private sector and for collective action.

While the strengthening of the TI presence in Brazil advanced considerably, there was only limited progress in the **US and China**.

TI was able to use the Panama Papers to strengthen its presence in the US and was outspoken on the issue of secret companies. In addition, we established Friends of TI (FOTI). It complies with high organisational standards of the TI Movement[31] and will allow TI to pursue its ambitions to find new partners in the US.

An exploratory mission to China took place in 2016 to discuss organisational arrangement options with INGOs. There has been little media recognition of TI's work in China, both on the national and international level as our website and materials have been blocked in the country.

The disaccreditation of the chapter in **India** has left us without a spokesperson in 2016, making it difficult for us to get media attention. Despite continuing to reach out to potential successors, the plan to set up a new chapter has been put on hold because it may

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[31] The cooperation with our existing coalition member was ceased after TI's International Board of Directors decided on 10 January 2017 to disaccredit Transparency International-USA as the National Chapter in the United States. As stated by the former chapter, the basis for the dis-accreditation was the Board's recognition of differences in philosophies, strategies, and priorities between the former chapter and the Transparency International Movement.

exacerbate the dispute with the former chapter on its dis-accreditation and the return of branding rights to the TI movement. We focussed our efforts in 2016 on resolving this issue.

TI's approach – including the definition of **strategic presence/ hubs and deconcentration** as well as criteria and a matrix for decision making on these organisational and governance modalities – has been outlined and discussed in TI-S. A short paper was also provided to the International Board of Directors during its November meeting.

The pillars for a permanent structure to take action in **crisis situations** were developed through a consultation process within TI-S. However, it has not been implemented yet. An additional deliverable for 2016 was a concept note for an innovative "Corruption Crises Response Platform Tracker (CCRT)". The goal of the CCRT is to enable the TI movement, other civil society organisations and governments to track corruption crises and responses. This will reveal patterns over time, bring more transparency to corruption crises and will enable stronger, more effective responses.

LESSONS LEARNED

The annual impact report paints an encouraging picture of progress by TI-S against our Implementation Plan in 2016. It shows substantial progress was reported for three quarters of all change markers (in just under half, significant progress was reported, and in just over a quarter the committed change markers were fully achieved). Some progress – a low level -- was reported on one in five change markers and in five per cent of cases either limited progress or no progress was reported in 2016.

There is little doubt that the organisational change process, in conjunction with an anticipated decrease in unrestricted funding, took up time and energy, and created a certain degree of uncertainty for TI-S staff and external stakeholders. The impact report of 2016, however, shows that TI-S continued to add value to our movement and broader efforts to stop corruption. Success was greatest where there was clear leadership and focus, expertise and coordination. The change process was thus a significant but important investment in making sure the organisation is aligned with and conducive to delivering the ambitious goals outlined in TI's Strategy 2020 *Together against Corruption*.

For example, the results of the newly constituted team working on grand corruption showed how the new structure can work well. The team included a diverse set of expertise (policy, legal, research and advocacy) which allowed team members to plan their interventions more holistically, and to react quickly and comprehensively to internal demands and external opportunities.

Collaboration with external stakeholders continued to be critical to achieving our goals. TI-S' existing relationships with key governments, multi-stakeholder networks, universities, anti-corruption experts and other CSOs that have been built up over the years led to new achievements in 2016, such as SDG 16 Data Initiative and Open Ownership. TI pushed for key policy changes consistently, through multiple channels, and provided a robust evidence base to back up the recommendations. This was the basis for our success, especially at the Anti-Corruption Summit in London and the follow-up on its commitments so far.

The legal pursuit of Ricardo Martinelli, the former President of Panama, shows the advantages of TI's leveraging of its global network. TI, through its chapters in Italy and Canada, respectively, brought together a strong legal team to help file a submission with the Canadian authorities on alleged insider trading. This included the Prosecutor for Rome and the Panamanian Ambassador to Italy who helped obtain court records related to a 2016 ruling that were connected to a Canadian corruption investigator.

At the same time, via the Public Demand for Accountability framework, we have been able to make our contracting work more systematic and geared it towards genuine engagement of affected communities in the monitoring and reporting of irregularities in procurement processes. To that end, we have rebranded and repurposed the existing Integrity Pacts conceptual framework toward Clean Contracting.

The Brazil programme should also be highlighted to showcase new innovative ways of working. It does not follow the more traditional chapter-building approach based on reaching

out to an existing NGO, but rather has TI-S directly involved in the initial stages of the incubation of a presence in a key country.

Innovation and learning are important to TI. Besides the ongoing monitoring of our work, TI regularly conducted 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 notable examples of the evaluations that took place in 2016 included a review of two of TI's Climate Finance Integrity Initiatives, a review of TI's *Unmask the Corrupt* campaign, and an evaluation of the clean business project.

In terms of the MEL journey, the quality of the reporting has improved in 2016 compared to the last strategic cycle. However, more needs to be done. Most teams do apply the TI impact monitoring approach to varying degrees. Systemic collection of feedback from external stakeholders is one issue we need to work on more. In some cases, the evidence submitted in support of the statements was still weak. Moving forward, more support and training will be provided to teams in order to improve the quality, and greater emphasis will be given onto the validation of the evidence.

ANNEX 1 – MAPPING OF THE 2016 CHANGE MARKERS AGAINST TI-S IMPACT MATRIX

POLICY AND INSTITUTIONAL CHANGE GOVERNMENTAL INSTITUTIONS ● POLITICAL PARTIES ● BUSINESSES	BEHAVIOUR CHANGE PEOPLE ● COMMUNITIES ● CIVIL SOCIETY ORGANISATIONS
IMPROVED ENFORCEMENT OF POLICIES An increasing number of chapters engage with regulators to improve a-c enforcement.	**ANTI-CORRUPTION ACTIVISM** At least 75 per cent of chapters per region are working with government on public accountability initiatives (such as OGP) aimed at fighting corruption. Active engagement of a global community of TI supporters in collective actions in at least four symbolic cases of systemic weaknesses that enable grand corruption.
POLICY ADOPTION AND AMENDMENT Effective whistleblowing legislation has been adopted in two additional countries.	**COMMUNITY ACTION** Defined set of effective policy and advocacy actions to channel citizens' demands for public accountability on corruption.
BETTER INSTITUTIONAL PROCESSES Whistleblowing effectively promoted in selected countries, networks and institutions. Targeted international governance and development platforms related to sustainable development place corruption on their agenda in line with TI's positions. International/ regional human rights mechanisms used to raise protection issues in at least two countries. 'International standards on lobbying' used by more chapters, and at EU level to promote high standard of lobbying regulation. Improved norms and standards in two other areas of Money in Politics in targeted countries (e.g. responsible corporate political engagement, revolving doors, and asset/income/interest disclosure). Five OGP Action Plans contain commitments on beneficial ownership registers and procurement. Five global companies commit to disclose beneficial ownership transparency	**SEEKING REDRESS AGAINST CORRUPTION** People's engagement around the resolution of specific corruption cases occurring in eight countries. Increased mobilisation of supporters and public engagement due to use and marketing of human interest stories, data and impact. Legal sanctioning of at least one grand corruption perpetrator initiated.

AWARENESS
Increased awareness among targeted fora/ multi-stakeholder initiatives of the closing of civil society space and related issues. Access to consolidated TI and other relevant research on Money in Politics, including innovative approaches to countering disproportionate influence. Increased pressure in global centres of power - EU, USA and the G20 - on key Money in Politics issues. Effective advocacy based on business related knowledge products in at least seven countries (TRAC, BICA). FATF recognises TI as a credible partner at global and national levels.

Increased recognition of nature and typology of grand corruption by relevant experts and international institutions.

Increased public awareness about victims of grand corruption.

Gaps in anti-corruption legislation and oversight of real estate in key countries are publicly exposed.

High level political support for Beneficial Ownership Transparency in five countries (e.g. public statement/declaration).

Increase recognition of TI's work and presence in Brazil, China, India and the United States by the media and relevant stakeholders / Greater visibility of grand corruption work in the USA and Brazil.

OUTREACH

Regional partnership approaches to working with women and youth on public accountability initiatives.

Comprehensive business integrity programme for Brazil.

Ten SOEs engaged in the development of TI's BPCB SOE standards.

Five banks engage in a dialogue with TI.

TI research products are increasingly contributing to impact at policy and behavioural levels, and are widely available.

ANNEX 2 - REPORTING STATUS ON PROGRESS TOWARDS CHANGES

PEOPLE & PARTNERS

TI-S WILL SUPPORT THE CREATION OF SAFE MECHANISMS FOR VICTIMS AND WITNESSES OF CORRUPTION TO DENOUNCE CORRUPTION AND SEEK REDRESS

Change Markers	Status of progress towards change
TEN INSTANCES OF CHAPTER WORK WITH CASES OF CORRUPTION INFLUENCING POLICY AND/OR BEHAVIOUR DOCUMENTED AND SYSTEMATICALLY PROMOTED	Achieved
PEOPLE ENGAGEMENT AROUND THE RESOLUTION OF SPECIFIC CORRUPTION CASES OCCURRING IN EIGHT COUNTRIES	Significant progress
INCREASED MOBILISATION OF SUPPORTERS AND PUBLIC ENGAGEMENT DUE TO USE AND MARKETING OF HUMAN INTERESTS STORIES, DATA AND IMPACT	Some progress
MINIMUM STANDARDS FOR ALAC SAFETY AND SECURITY	Significant progress
WHISTLEBLOWING EFFECTIVELY PROMOTED IN SELECTED COUNTRIES, NETWORKS AND INSTITUTIONS	Significant progress
EFFECTIVE WHISTLEBLOWING LEGISLATION HAS BEEN ADOPTED IN TWO ADDITIONAL COUNTRIES	Significant progress
SELECTED BUSINESSES, SECTORS AND BUSINESS ORGANISATIONS ENGAGE WITH TI AROUND THE ISSUE OF WB GOOD PRACTICE IN THE PRIVATE SECTOR	Some progress

TI-S WILL SUPPORT CHAPTERS' EFFORTS TO CREATE PUBLIC DEMAND FOR ACCOUNTABILITY

Change Markers	Status of progress towards change
AT LEAST 75 PER CENT OF CHAPTERS PER REGION ARE WORKING WITH GOVERNMENT PUBLIC ACCOUNTABILITY INITIATIVES (SUCH AS OGP) AIMED AT FIGHTING CORRUPTION	Significant progress
REGIONAL PARTNERSHIP APPROACHES TO WORKING WITH WOMEN AND YOUTH ON PUBLIC ACCOUNTABILITY INITIATIVES	Significant progress
DEFINED SET OF EFFECTIVE POLICY AND ADVOCACY ACTIONS TO CHANNEL CITIZEN DEMANDS FOR PUBLIC ACCOUNTABILITY ON CORRUPTION (IN LAND, EDUCATION, PUBLIC SECURITY, HEALTH, PUBLIC FINANCES AND/OR DEVELOPMENT AND CLIMATE FINANCING)	Significant progress

TARGETED INTERNATIONAL GOVERNANCE AND DEVELOPMENT PLATFORMS RELATED TO SUSTAINABLE DEVELOPMENT PLACE CORRUPTION ON THEIR AGENDA IN LINE WITH TI'S POSITIONS	Some progress
RECOMMENDED POLICY INTERVENTIONS FOR HOW TO BEST ADDRESS CORRUPTION IN THE SDGS	Significant progress
AT LEAST 10 PER CENT OF COUNTRIES WHERE TI HAS A CHAPTER USE SDG MONITORING OF GOAL 16 TO HOLD GOVERNMENTS TO ACCOUNT ON CORRUPTION	Some progress

TI-S WILL LEAD IN THE PROMOTION OF CIVIL SOCIETY SPACE FOR OUR ANTI-CORRUPTION ACTIVISTS

Change Markers	Status of progress towards change
INTERNATIONAL ADVOCACY FOCUSED ON MOST RESTRICTIVE CSO COUNTRIES WHERE TI NCS EXIST	Achieved
INCREASED AWARENESS AMONG TARGETED FORA/ MULTI-STAKEHOLDERS INITIATIVES OF CIVIL SOCIETY SPACE RELATED ISSUES	Significant progress
INTERNATIONAL/REGIONAL HUMAN RIGHTS MECHANISMS USED TO RAISE PROTECTION ISSUES IN AT LEAST TWO COUNTRIES	Achieved
STRONG ADVOCACY AND SUPPORT FOR SAFEGUARDING ANTI-CORRUPTION ACTIVISTS	Achieved

PREVENTION, ENFORCEMENT & JUSTICE

LEAD A TI MOVEMENT-WIDE INITIATIVE IN THE AREA OF MONEY IN POLITICS (MIP)

Change Markers	Status of progress towards change
CHAPTERS' CLUSTERS AROUND A SET OF KEY MIP SUB-THEMES WORK TOWARDS JOINT FUNDING PROPOSALS, INCLUDING A PILOT PROJECT ON POLICY/STATE CAPTURE	Significant progress
POOL OF MIP EXPERTISE AVAILABLE TO THE MOVEMENT THAT COVERS MIP STRATEGIC AREAS	Achieved
ACCESS TO CONSOLIDATED TI AND OTHER RELEVANT RESEARCH ON MIP, INCLUDING INNOVATIVE APPROACHES TO COUNTERING DISPROPORTIONATE INFLUENCE	Achieved
'INTERNATIONAL STANDARDS ON LOBBYING' USED BY MORE CHAPTERS, AND AT EU LEVEL TO PROMOTE HIGH STANDARD OF LOBBYING REGULATION	Significant progress
IMPROVED NORMS AND STANDARDS IN TWO OTHER AREAS OF MIP IN TARGETED COUNTRIES (E.G. RESPONSIBLE CORPORATE POLITICAL ENGAGEMENT, REVOLVING DOORS, AND ASSET/INCOME/INTER ESTS DISCLOSURE)	Significant progress

INCREASED PRESSURE IN GLOBAL CENTRES OF POWER - EU, USA AND THE G20 – ON KEY MIP ISSUES	Some progress

TI-S WILL SET GLOBAL STANDARDS FOR BUSINESS INTEGRITY, WITH SPECIAL FOCUS ON THE BANKING SECTOR

Change Markers	Status of progress towards change
EFFECTIVE ADVOCACY BASED ON BUSINESS RELATED KNOWLEDGE PRODUCTS IN AT LEAST SEVEN COUNTRIES (TRAC, BICA)	Achieved
COMPREHENSIVE BUSINESS INTEGRITY PROGRAMME FOR BRAZIL	Significant progress
TEN SOES ENGAGED IN THE DEVELOPMENT OF TI'S BPCB SOE STANDARDS	Some progress
TAX AND CORRUPTION POSITION ADOPTED BY TI MOVEMENT	Achieved
FATF RECOGNISES TI AS A CREDIBLE PARTNER AT GLOBAL AND NATIONAL LEVELS	Significant progress
AN INCREASING NUMBER OF CHAPTERS ENGAGE WITH REGULATORS TO IMPROVE A-C ENFORCEMENT	Significant progress
FIVE BANKS ENGAGE IN A DIALOGUE WITH TI	Significant progress
ESTABLISHMENT OF CLOSER ALLIANCES WITH THE MEDIA	Achieved
SET NEW STANDARDS FOR A-C TRANSPARENCY PRACTICES IN TWO PRIORITY SECTORS (MINING AND PHARMA)	Limited progress

TI-S WILL LEAD THE TI MOVEMENT IN A GLOBAL EFFORT TO END IMPUNITY FOR GRAND CORRUPTION

Change Markers	Status of progress towards change
INCREASED RECOGNITION OF NATURE & TYPOLOGY OF GRAND CORRUPTION BY RELEVANT EXPERTS AND INTERNATIONAL INSTITUTIONS	Significant progress
INCREASED PUBLIC AWARENESS ABOUT VICTIMS OF GRAND CORRUPTION	Significant progress
LEGAL SANCTIONING OF AT LEAST ONE GRAND CORRUPTION PERPETRATOR INITIATED	Significant progress
INCREASED USE OF AVAILABLE APPROACHES TO REDRESS VICTIMS OF GRAND CORRUPTION BY RELEVANT EXPERTS AND INTERNATIONAL INSTITUTIONS	Significant progress
INCREASED SUPPORT AMONG UN MEMBER STATES FOR THE CREATION OF THE MANDATE ON HRS, CORRUPTION & GRAND CORRUTION	Some progress

ACTIVE ENGAGEMENT OF A GLOBAL COMMUNITY OF TI SUPPORTERS IN COLLECTIVE ACTIONS IN AT LEAST FOUR SYMBOLIC CASES OF SYSTEMIC WEAKNESSES ALLOWING GRAND CORRUPTION	Achieved
GAPS IN A-C LEGISLATION AND OVERSIGHT OF REAL ESTATE IN KEY COUNTRIES ARE PUBLICLY EXPOSED	Achieved
HIGH LEVEL POLITICAL SUPPORT FOR BENEFICIAL OWNERSHIP TRANSPARENCY IN FIVE COUNTRIES (E.G. PUBLIC STATEMENT/DECLARATION)	Achieved
FIVE OGP ACTION PLANS CONTAIN COMMITMENTS ON BENEFICIAL OWNERSHIP AND PROCUREMENT	Achieved
5 GLOBAL COMPANIES COMMIT TO DISCLOSE BENEFICIAL OWNERSHIP TRANSPARENCY	Significant progress

STRONG MOVEMENT

ACTION-ORIENTED RESEARCH AND ADVANCE OF OUR COLLECTIVE UNDERSTANDING ABOUT WHAT WORKS TO STOP CORRUPTION

Change Markers	Status of progress towards change
TI RESEARCH PRODUCTS ARE INCREASINGLY CONTRIBUTING TO IMPACT AT POLICY AND BEHAVIOUR LEVELS, ACROSS THE IP CONTRIBUTIONS	Achieved
TI IS INCREASINGLY RESPONSIVE TO KNOWLEDGE NEEDS ON ANTI-CORRUPTION	Achieved
AN ACTIVE RESEARCH COMMUNITY CONTRIBUTES TO ADDRESSING CONCRETE KNOWLEDGE AND RESEARCH NEEDS	Significant progress
RESEARCH PRODUCTS ARE WIDELY DISSEMINATED AND AVAILABLE	Some progress
GREATER UNDERSTANDING OF 'WHAT WORKS' IN RELATION TO AT LEAST ONE STRATEGIC ASSUMPTION	Significant progress
ACTIVE EXPERT COMMUNITY ON WHAT WORKS AGAINST CORRUPTION (THAT SUPPORTS THE MOVEMENT)	Significant progress
KNOWLEDGE ON WHAT WORKS IS WIDELY DISSEMINATED AND AVAILABLE	Some progress

SUPPORT THE DEVELOPMENT AND SHARING OF BEST GOVERNANCE AND ORGANISATIONAL STANDARDS AND PRACTICES ACROSS THE TI MOVEMENT

Change Markers	Status of progress towards change
GOOD GOVERNANCE STANDARDS ON CODES OF ETHICS, DECLARATIONS OF INTEREST, WHISTLEBLOWING AND ANTI-CORRUPTION RULES ARE DISSEMINATED TO THE MOVEMENT	Significant progress

SYSTEMATICALLY EXCHANGE AND LEARN FROM GOOD PRACTICE IN OTHER INGOS, INCLUDING THROUGH INTERACTIONS WITH INTERNATIONAL CIVIL SOCIETY CENTRE	Some progress
REVISED ACCREDITATION PROCESS, COVERING COMPLIANCE, GOVERNANCE, AND IMPACT	Significant progress
A CONCEPT FOR MOVEMENT-WIDE LEADERSHIP DEVELOPMENT HAS BEEN AGREED AND INFORMS RELATED FUNDRAISING PROPOSALS	Limited progress
INCREASED EFFECTIVENESS OF TI-S SUPPORT TO CURRENT GLOBAL THEMATIC NETWORK INITIATIVES (GTNIs)	Significant progress
AGREEMENT ON AREAS IN WHICH TI WANTS TO DEVELOP MOVEMENT-WIDE ORGANISATIONAL AND FINANCIAL MANAGEMENT STANDARDS	Some progress
REGULAR EXCHANGE WITH OTHER NGOS TO LEARN ABOUT 'GOOD-PRACTICE' IN ORGANISATIONAL MANAGEMENT	Significant progress
A FINANCIAL MANAGEMENT BENCHMARKING PROCESS IS PILOTED BY APPROXIMATELY TEN TI CHAPTERS, AND READY FOR ROLL-OUT	Achieved

CONTINUE STRENGTHENING TI'S PRESENCE IN BRAZIL, CHINA, INDIA, AND THE UNITED STATES, IN GLOBAL AND REGIONAL ADVOCACY HUBS, AND IN LOCATIONS WHERE CRISIS DEMANDS IMMEDIATE ACTION

Change Markers	Status of progress towards change
INCREASE RECOGNITION OF TI'S WORK AND PRESENCE IN ALL FOUR KEY COUNTRIES (BRAZIL, CHINA, INDIA AND THE UNITED STATES) BY THE MEDIA AND RELEVANT STAKEHOLDERS	Some progress
MINIMUM OPERATING STRUCTURE SET UP IN BRAZIL THAT IS FINANCIALLY SUSTAINABLE	Achieved
GREATER VISIBILITY OF GRAND CORRUPTION WORK IN THE USA AND BRAZIL	Significant progress
AGREEMENT ON THE PURPOSE OF THE HUBS AND THE DIFFERENT ORGANISATIONAL AND GOVERNANCE MODALITIES	Significant progress
PERMANENT STRUCTURE AT TI IN PLACE TO TAKE ACTION IN CRISES SITUATIONS	Limited progress