



Session Report

Please know you may design the structure of this report to better suit the session. It's important to capture the key outcomes and solutions proposed for the future.

Session Title: Plenary 3: Building the Path Towards a Fair and Sustainable Future

Date & Time: Wednesday, 07.12.2022, 1:30 pm - 3:00 pm GMT -5

Report prepared by: Frederik Weidner, Project Associate, Transparency International Secretariat (TI-S)

Moderated by: Anna Therese Day, Award-winning independent reporter and filmmaker

Panellists:

- Peter Eigen - Founder, Transparency International
- Olajobi Makinwa - Chief, Intergovernmental Relations & Africa, United Nations Global Compact
- Nicola Allocca - Risk, Compliance & Quality Director Autostrade per l'Italia & Chair of the Business at OECD Anticorruption Committee
- Suneeta Kaimal - President and Chief Executive Officer, Natural Resource Governance Institute (NRGI)
- Klaus Moosmayer - Chief Ethics, Risk & Compliance Officer Novartis

Share the thematic focus of the session, its purpose and corruption risks?

The Global Challenge: Corruption impacts citizens in their everyday life, siphoning resources needed for public goods like infrastructure and health systems, inhibiting small business and economic prospects. In short, corruption erases hopes for equal opportunities and a fair future, standing in the way of realising the global aspirations contained in the 2030 Agenda for Sustainable Development. This, in turn, makes it all the harder to cope with the unparalleled impacts of the COVID-19 pandemic and rising inequalities. People and communities living in already vulnerable conditions

suffer the most. Everyone in our societies – from business leaders to activists to government reformers – has a role to play in advancing greater social justice. What are the major corruption challenges blocking the road for the future we imagined at the beginning of the new millennium? How are citizens driving innovation? Where can grassroots action drive momentum in the global fight? How can we energise existing partnerships to confront corruption as an impediment to pandemic recovery, quality infrastructure, climate progress, etc.?

Key Topics: Sustainable development, public funds, emergency responses, COVID Pandemic, social justice, economic justice, health, education, safety, equality, business integrity

Summary of panellists' contributions & discussion points (please be as detailed as possible)

FIRST SPEAKER: Olajobi Makinwa, Chief, Intergovernmental Relations & Africa, United Nations Global Compact

The speaker highlights the role of corruption on the private sector adding to the eventual price the consumer must pay for. Students who get certificate through corruption not fit for facing the work challenges of the 21st century. Sometimes the private sector is the victim, sometimes perpetrator. The UN Global Compact works with investors to make the fight against corruption part of their decision where to invest. Corruption is a major influence on sustainable development and goes against 2030 agenda. Speaker believes world is now better equipped to fight corruption than ever before. Data from participants of the Global Compact shows the world is moving ahead in the fight against corruption. But governments cannot fight against corruption on their own. The private sector has done much more against corruption than governments. Corruption impediment to realize the SDGs. Next year will be a review of the SDGs, global compact playing a key role working with the private sector.

Small and medium enterprises don't have the capacity to fight corruption, so we conduct training and have resources on our website.

SECOND SPEAKER: Nicola Allocca, Risk, Compliance & Quality Director Autostrade per l'Italia & Chair of the Business at OECD Anticorruption Committee

Corruption is a disease and we need a vaccine to eliminate it. We need courage to say it is possible to eliminate corruption. The business anti-corruption committee has drafted a manifesto that can be adopted by business globally. We also designed specific programme to upgrade internal procurement system, based on OECD, Transparency International and other global standards. We have specific solutions using artificial intelligence to increase our monitoring system. There's no trade-off between compliance and performance.

THIRD SPEAKER: Suneeta Kaimal, President and Chief Executive Officer, Natural Resource Governance Institute (NRGI)

Corruption in mining and fossil fuel sector stands between us and greener planet. In order to meet the 2015 Paris Goals we need to quadruple extraction of minerals by

2040 for solar panels etc. The mining sector is notoriously problematic. Transition minerals can make or break our green future for the planet. Cop 27 had more fossil fuel lobbyists than representatives from the top ten most impacted climate countries. We know we need to lie down the fossil fuel sector but a corrupt elite stands in the progress.

The global fight against corruption imperilled by kleptocrats whose lifeblood is based on extractive industries. Countries with authoritarian regimes produce 50% of worlds oil, they don't work alone and are enabled by US and EU companies. To bring down kleptocrats we have to stop companies enabling them. Bottom line: addressing corruption in oil and gas and extracting minerals sector can tip the balance essential for a better future.

We are facing two potential scenarios:

- 1) Rich countries in minerals see the demand and it lifts them out of poverty.
- 2) Producing countries fall prey to state capture and corruption and planet continues to burn. Currently the world goes into this direction. Because the countries where the minerals are mined are in lower half of the CPI and civic space is severely constrained, there is no civil society voice to combat corruption.

Some recommendations:

- 1) Need to prevent corruption from weakening environmental standards
- 2) Need to prevent elites from capturing states
- 3) Discontinue business relationships were appropriate.

FOURTH SPEAKER: Klaus Moosmayer, Chief Ethics, Risk & Compliance Officer Novartis

Trust is the most difficult topic. Corruption can't be addressed by the public sector alone or NGOs or private sector. Everything is interconnected. Corruption is a pandemic as well. Trust building difficult. There will always be issues because a company is part of society. Companies talking about corruption are not bad companies, we need honesty and respect, companies saying everything is perfect are the bad ones! We need to keep the topic of anti-corruption on international platforms. Not a given when there's a new topic like the pandemic, the Ukraine war or fighting climate change. Companies reprioritise so we need to keep anti-corruption on the agenda. Make boards in private sector more knowledgeable and educated. My only wish: let's make the fight against corruption not a bureaucratic monster, the more controls and paper we put into system people get tired, we need to address the culture. Impact is relevant not reporting. Always need to ask question where the real impact is or are we just using another accounting standard without real impact. Business fighting corruption is about impact and not only reporting standards.

People should write the code of ethics not imposed to them by managers. In a multinational organisation the issue und challenge is not the tier one suppliers but tier two three where we don't have a direct contractual relationship.

FIFTH SPEAKER: Peter Eigen, Founder, Transparency International

Speaker points out that this year is the 25th birthday of the IACC and asks participants to stand up for one minute of silence for the victims of the war in Ukraine.

The mighty stakeholder approach helps since very beginning of TI. We should adapt this approach as one of our most powerful tools. It is a triangle of government, private sector and civil society. My recommendation for this meeting: let's make this mighty stakeholder approach to one of our most important tools in many areas.

Encourages audience to consider civil society beyond organised civil society. Also acknowledges that TI needs to learn to include more people from various backgrounds.

Main outcomes of session (include quotes/highlights and interesting questions from the floor)

Transparency International (TI) Kazakhstan: Do you think it's realistic to set legislation for EU and US companies to publish their current contracts with oil rich countries?

A: Contract transparency is a piecemeal process, so we need mandatory disclosure rules, and we advocate for that.

Key recommendations for the future and concrete follow-up actions

Olajobi Makinwa - Chief, Intergovernmental Relations & Africa, United Nations Global Compact highlights the public review of the SDGs in 2023. Encourages audience to take part in the process and raise their voices.

Klaus Moosmayer - Chief Ethics, Risk & Compliance Officer Novartis points out how no single MBA programme includes an ethics part and recommends institutions to change that.

Rapporteur's name and date submitted

Frederik Weidner, 20.12.2022