



Call for Collective Actions: Ukrainian Network of Integrity and Compliance

ROUND TABLE ON BUSINESS INTEGRITY IN UKRAINE
27 January 2017

How to Develop a National Business Integrity Deal?

*The fight against malpractice needs to draw on support from a wide variety of actors, especially the **business community**. The business community's importance derives from the fact that it is **on the front lines** in such fight. In its turn, battling malpractice requires leaders to demonstrate an **active commitment**.*

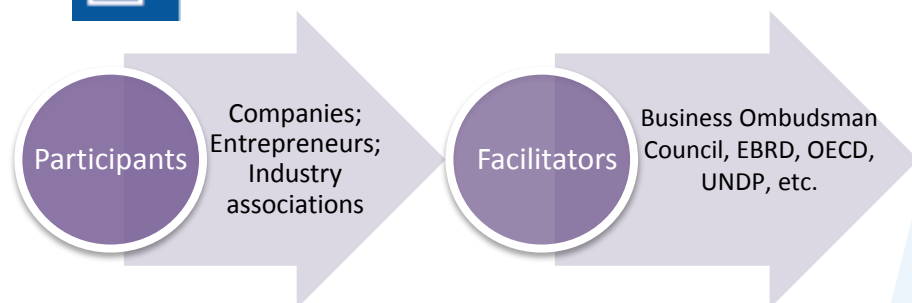
*The difficulty of framing of such commitment arises mainly in **approaches to team up like-minded and like-acted business**.*

Initial vision:

- ✓ The Network is a **long-term initiative** and constitutes a platform for active business-to-business dialogue;
- ✓ The Network strives to develop the capacity of business to act **together** by promoting an ethical and socially responsible conduct;
- ✓ The Network supports its members in their efforts to prevent malpractice and fight corruption;
- ✓ The Network is **Q&A hub** for business willing to implant the best business integrity practice;
- ✓ The Network boosts knowledge about business integrity risks;
- ✓ The Network provides examples of good practices that business can take to prevent corruption and to promote integrity.







Measuring the scope



Measures to be implemented:

- ✓ Identification of corruption and other compliance risks and striving to remedy them via collective actions;
- ✓ Developing business integrity policies, making joint contribution to development of leading guidance;
- ✓ Developing and implementation of Ukrainian Business Integrity Strategy;
- ✓ Arranging trainings and conferences to share the knowledge among peers;
- ✓ Maintenance of Clean Business List or self-certification of the business with further double-check by the Network.

Project name	Bodies
Ukrainian Network of Integrity and Compliance	 General Assembly of Members*
	 Executive Committee
	 Expert Group
	 Business Integrity Committee
	<p>Monitors conducting of root cause analysis of unfair practices, corruption and noncompliance to be mitigated; Elects members of the Executive Committee/Business Integrity Committee; Decides on the most important issues related to the activity of the Network.</p> <p>Is responsible for day-to-day activity of the Network; Approves fellowship / termination of the membership; Maintains a list of all admissions to and departures from the membership.</p> <p>Performs root cause analysis of unfair practices, corruption and noncompliance to be mitigated; provides continuous analytical and logistical assistance to the bodies and members of the Network; Serves as a central Q&A hub.</p> <p>Takes actions as the case may be (e.g., verify compliance of members with commitments); Identifies facts of infringement and initiates exclusion from the Network.</p>

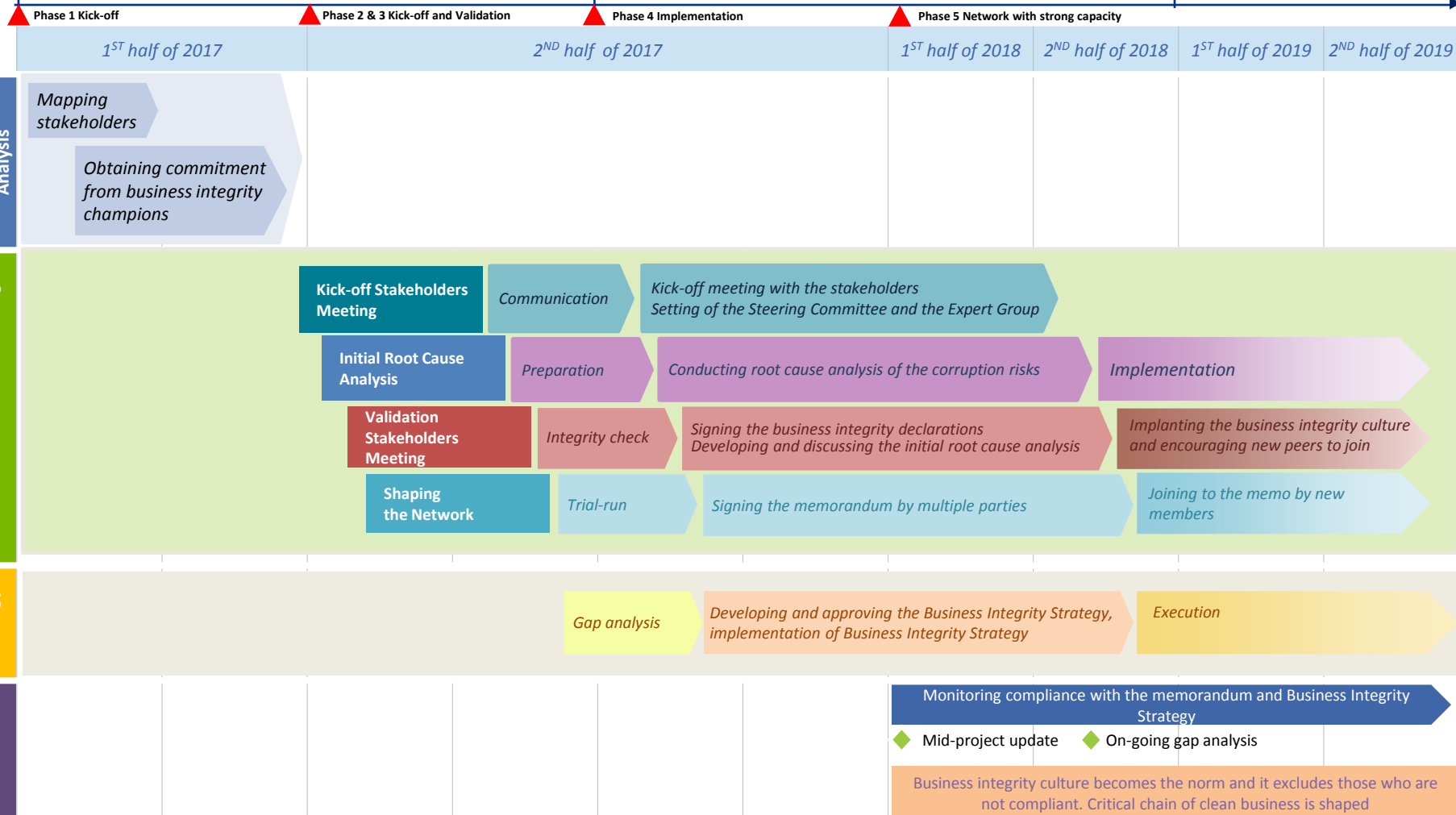
**At the initial stage, the Network will be governed by the Steering Committee composed of representatives from partner organizations and business integrity leaders. Once the memorandum is signed it will assign its functions to the General Assembly of Members.*

Proposed timeline

2017

2018

2019





What are the Benefits?

1

Create safe environment for good business practices

2

Protect vulnerable individual players (e.g., SMEs) by bringing them into an alliance of like-minded organizations

3

Create a single transparency standard among the Network's peers under the supervision of neutral third parties

4

Benefit from the experience of the Network's members in addressing the same challenges

5

Minimize opportunities to operate outside the rule of law

6

Introduce a sustainable commercial model and improve CPI in the country

What are the Challenges?

Prevalent belief that the initiative involves all talk and no actions

Restricted mindset that corruption cannot be solved by private parties

Expectation of joining for reputation building / brand image only

Additional cost of business to introduce workable compliance system

Lack of trust, ownership and resources

Questions for discussion:

- *How to do right thing even when no one else is doing around?*
- *How to "sell" business integrity to the small companies?*
- *What are the effective ways to assess the business integrity of the Network's members?*
- *What role might the state agencies play in the Network?*



Contacts



You are most invited to comment on necessity to adjust any proposal at the reasonable discretion. Please contact us for the purpose of further discussion and joining the Expert group.

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