



**United Nations**  
Office on Drugs and Crime

**USING  
INCENTIVES  
TO STRENGTHEN  
BUSINESS  
INTEGRITY  
IN PUBLIC  
PROCUREMENT**

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## ACRONYMS

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|              |  |
|--------------|--|
| <b>AFA</b>   | French Anti-Corruption Agency                          |
| <b>AGCM</b>  | Italian Competition Authority                          |
| <b>BSI</b>   | British Standards Institution                          |
| <b>CGU</b>   | Office of the Comptroller General of the Union, Brazil |
| <b>ISO</b>   | International Organization for Standardization         |
| <b>OECD</b>  | Organisation for Economic Co-operation and Development |
| <b>UNODC</b> | United Nations Office on Drugs and Crime               |

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# 1. BACKGROUND

Public procurement is one of the most significant activities undertaken by Governments, involving substantial amounts of public funds. According to the Organisation for Economic Co-operation and Development (OECD), public procurement accounts for between 12 and 30 per cent of global gross domestic product (GDP), with Governments worldwide spending an average of \$13 trillion annually on public contracts for goods, services and works.<sup>1</sup> However, the complexity and high financial stakes of public procurement make it particularly vulnerable to corrupt practices. Of the government expenditure on public procurement, OECD estimates that approximately \$2 trillion is lost to corruption,<sup>2</sup> while the RAND Corporation, in a 2023 study, estimates that corruption in European Union public procurement cost 29.6 billion euros between 2016 and 2021.<sup>3</sup> Corruption in procurement undermines the quality and efficiency of public services, inflates costs and diverts resources from critical sectors such as healthcare, education and infrastructure. Moreover, it erodes public trust in government institutions and discourages fair competition, which can deter potential investors and hinder economic growth, as well as affect social cohesion.

Since most goods, services and works are purchased from the private sector, strengthening business integrity is a meaningful way of preventing and countering corruption in public procurement. In the **United Nations Convention against Corruption**, the importance of promoting integrity in public procurement and in the private sector is emphasized as key components of anti-corruption efforts. Various articles in the Convention against Corruption deal with the matter:

- » Article 9, on public procurement and management of public finances
- » Article 12, on the private sector
- » Article 26, on the liability of legal persons

States Parties to the Convention have also recently adopted a number of resolutions reinforcing these commitments. In **resolution 10/9**, on promoting transparency and integrity in public procurement in support of the 2030 Agenda for Sustainable Development, adopted at the tenth session of the Conference of the States Parties to the United Nations Convention against Corruption, held in December 2023, in Atlanta, United States of America, States Parties are urged to promote transparency, competition and objective criteria in decision-making in public procurement. It also calls upon companies to self-report integrity challenges and to adopt and implement anti-corruption ethics and compliance programmes to prevent, detect and address corruption issues. More specifically, the Conference of the States Parties, in its **resolution 10/12**, on providing incentives for the private sector to adopt integrity measures to prevent and combat corruption, encourages States Parties to consider establishing regulatory frameworks, in accordance with the fundamental principles of their legal systems, that provide incentives for the private sector to develop and implement effective integrity measures to prevent and combat corruption by taking such measures into account in decisions relating to participation in public programmes, such as those related to subsidies, licences, procurement contracts and export credits, while also considering the structure and size of private enterprises.

UNODC has developed the present paper as a practical tool to help States strengthen efforts to provide incentives for business integrity in public procurement and to support Governments in meeting the requirements of the Convention against Corruption and implementing the

<sup>1</sup> Open Contracting Partnership and Spend Network, “How governments spend: opening up the value of global public procurement” (2020).

<sup>2</sup> OECD, *Public Procurement Enforcement: A Framework for Measuring Efficiency, Compliance and Strategic Goals* (Paris, 2023).

<sup>3</sup> Marco Hafner et al, “A quantitative analysis of the costs of corruption in the EU”, in *Stepping Up the EU’s Efforts to Tackle Corruption: Cost of Non-Europe Report* (Brussels, European Parliamentary Research Service, 2023).

resolutions adopted by the Conference of the States Parties to the United Nations Convention against Corruption.

Incentives can be a powerful tool to promote ethical behaviour in companies and to prevent corruption in public procurement. By rewarding companies that demonstrate a strong commitment to integrity, transparency and compliance, Governments can create an environment where ethical behaviour is not just expected but is also beneficial for the private sector. Incentives counterbalance sanctions, creating a framework where companies are motivated to prevent corruption proactively rather than merely responding to enforcement. This approach helps foster a culture of integrity, where the pursuit of business goals aligns with ethical practices, ultimately contributing to a more effective and accountable procurement process.

Leveraging incentives to strengthen business integrity in public procurement depends on three

key elements: establishing relevant integrity standards as the basis for granting incentives, assessing anti-corruption ethics and compliance programmes to ensure compliance with these standards, and offering effective incentives. Governments play a vital role in setting these standards and ensuring compliance by companies involved in public procurement, thereby fostering transparency, reducing corruption and ensuring the effective use of public funds. While incentives are aimed at encouraging ethical business practices, a well-defined integrity framework can guide their application and ensure that they are granted only to companies with robust anti-corruption ethics and compliance programmes. These three pillars form the foundation of a strong framework to promote business integrity in public procurement, working together to cultivate a culture of integrity, accountability and responsible governance within both the private sector and the wider economy.

## 1.1 About the present paper

In the present paper, it is outlined how Governments can use incentives to promote business integrity in public procurement. It also provides examples and guidance on how to conduct effective assessments of anti-corruption ethics and compliance programmes as a basis for granting such incentives.

Common corruption risks in public procurement from both public and private sector perspectives are also examined in the paper. Existing good practices, case studies and lessons learned for promoting business integrity in public procurement through incentives are highlighted, as are good practices for establishing integrity standards and assessing the effectiveness of anti-corruption ethics and compliance programmes as a basis for granting incentives.

The paper is intended as a reference document for Governments that can be used to strengthen their internal frameworks on incentives. It is also aimed at inspiring the private sector, civil society and academia to engage collectively in strengthening business integrity in public procurement through incentives.

## 1.2 Methodology

The present paper has been compiled based on a desk review of academic and professional literature, with a focus on the UNODC, United Nations Global Compact and OECD publication entitled *A Resource Guide on State Measures for Strengthening Business Integrity*. This key resource, alongside the *United Nations*

*Convention against Corruption* and the resolutions of the Conference of the States Parties to the United Nations Convention against Corruption (e.g. *resolution 10/9* and *resolution 10/12*), is the core reference for aligning the discussion with internationally recognized standards. In the paper, responses shared by States with UNODC in September 2022 in *response to a questionnaire on State measures for strengthening business integrity* are also considered. The purpose of the questionnaire was to invite States Parties to the Convention against Corruption to share information on good practices, practical examples and lessons learned in relation to the engagement of the private sector and the use of sanctions and incentives to strengthen business integrity in the previous decade.

In addition to these foundational resources, the paper draws on other UNODC publications, such as *An Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide* and *Guidebook on Anti-Corruption in Public Procurement and the Management of Public Finances*, to provide practical advice and case studies. For a full list of resources used, please refer to the resources section at the end of the paper. The informal consultations on business integrity held by UNODC on 15 and 16 October 2024 in Vienna, and the subsequent interviews and surveys, were also essential for validating the findings of the desk review conducted for the paper. Participants in these consultations included representatives from Governments, the private sector, civil society, academia and international organizations with experience in implementing incentives to strengthen business integrity in public procurement.

Public procurement involves the acquisition of goods, works and services, from basic supplies to large infrastructure projects, by Governments, typically following three phases: (a) pre-tender and planning, (b) tendering and bidding, and (c) contract award and implementation. Corruption risks can emerge at any stage, with both public and private sector actors potentially involved. Common risks include bribery, favouritism, bid rigging, price fixing, facilitation payments and collusion, exacerbated by a lack of transparency and inadequate reporting mechanisms. Specific risks related to each phase of public procurement may include:

Pre-tender and planning:

- » **Needs manipulation:** Inflating or fabricating demand to justify procurement
- » **Biased specifications:** Drafting requirements to favour a specific supplier (“tailor-made tenders”)
- » **Budget manipulation:** Artificially increasing project costs or diverting funds
- » **Leaking of insider information:** Sharing confidential plans with preferred bidders
- » **Collusion in design:** Public officials and suppliers conspiring to structure tenders

Tendering and bidding:

- » **Bid rigging and collusion:** Competitors coordinating bids (e.g. cover bidding, bid rotation)
- » **Bribery and kickbacks:** Suppliers offering payments or favours to secure contracts
- » **Exclusionary practices:** Wrongful disqualification of eligible bidders
- » **Manipulation of deadlines and access:** Restricting submission time or access to tender documents
- » **Conflict of interest:** Decision-makers with ties to bidders influencing the process
- » **Fake competition:** Creating shell companies to simulate bidding diversity

Contract award and implementation:

- » **Contract steering:** Awarding contracts despite non-compliance or poor scoring
- » **Overpricing and false invoicing:** Inflating costs and billing for undelivered goods and services
- » **Substandard delivery:** Accepting lower quality goods and works than stipulated in a contract
- » **Change order abuse:** Manipulating contract amendments to inflate costs
- » **Cost mischarging:** Improperly charging for costs not covered by a contract
- » **Ghost projects:** Payments made for non-existent works and services

### 3. USE OF INCENTIVES TO PROMOTE BUSINESS INTEGRITY IN PUBLIC PROCUREMENT

In the United Nations Convention against Corruption, States Parties are urged to take the necessary steps to establish appropriate systems of procurement, based on transparency, competition and objective criteria in decision-making, to effectively prevent corruption.

- » **Transparency.** This means ensuring equal access to information, including the open publication of procurement notices and criteria for eligibility and selection.
- » **Competition.** This usually means that two or more bidders act independently and engage in a contest for the opportunity to secure the procuring entity's contract by offering the most favourable terms. Open procedures should be used whenever possible.
- » **Use of objective decision-making criteria.** This refers to striving (as far as possible) to reduce or eliminate biases, prejudices and subjective evaluations. For example, objectivity can be safeguarded by ensuring that in technical specifications or terms of references no trademarks are used and that goods and services are described generically.

In line with these principles, effective practices identified to counter corruption in public procurement include:

- » **Transparency and regulation.** Establish a single, clear, standardized rulebook and use e-procurement systems linked to a public database of planned and active tender opportunities, awards and contracts available as open data to enable public oversight.
- » **Legal frameworks and penalties.** Enforce penalties such as debarment and provide whistle-blower protection.
- » **Collective action initiatives.** Broader efforts involving multiple stakeholders that promote good governance and anti-corruption across sectors and industries (e.g. consensus frameworks). These include integrity pacts (which are mechanisms to implement

agreements between public entities and bidders to prevent corruption), supported by independent monitoring, typically by civil society organizations.

- » **Capacity-building.** Provide ethics and compliance training for government officials and raise awareness among businesses of legal risks and the benefits of business integrity.
- » **Beneficial ownership transparency.** Require disclosure of true company ownership to prevent fraud and favouritism as a prerequisite to participating in the public procurement market.
- » **Incentives.** Use sanctions and incentives, such as preferential bidding treatment, to encourage ethical conduct in the private sector.

In the present paper, the crucial role of incentives in promoting business integrity in public procurement is highlighted, with the aim of reducing corruption and enhancing the efficiency and effectiveness of public spending.

In this section, good practices, case studies and lessons learned on promoting business integrity in public procurement, focusing on the use of incentives, are outlined.

This section also draws on the UNODC publication entitled *Guidebook on Anti-corruption in Public Procurement and the Management of Public Finances*, in which key requirements under article 9 of United Nations Convention against Corruption, focusing on corruption in public procurement, are outlined. For further details on promoting ethical behaviour in the private sector and strengthening business integrity through State measures, please see the UNODC, United Nations Global Compact and OECD publication entitled *A Resource Guide on State Measures for Strengthening Business Integrity*. The present paper provides an overview of relevant sanctions and incentives.

## 3.1 Good practices for incentives for business integrity in public procurement

### 3.1.1 Exemptions from prosecution and penalty mitigation

A powerful incentive that Governments can provide to promote business integrity in public procurement is offering leniency, exemption from prosecution or reduced penalties to individuals and companies who report corruption, cooperate with investigations and/or take proactive measures to address any wrongdoing.

The UNODC, United Nations Global Compact and OECD publication entitled *A Resource Guide on State Measures for Strengthening Business Integrity* provides case studies on penalty mitigation from Algeria, Brazil, Colombia and the United States. For the present paper, additional insights were gathered on the use of these instruments, specifically in corruption cases involving public procurement. The following case studies demonstrate the use of exemption from prosecution and penalty mitigation in countries that have successfully adopted these practices in public procurement.

#### ◦ BRAZIL

The **Clean Company Act** shifted anti-corruption efforts in Brazil towards a more collaborative approach, allowing for the mitigation of penalties and the possibility of non-trial resolutions (such as leniency agreements) as incentives for promoting business integrity.

The law introduced mechanisms that require companies to undertake more detailed assessments of integrity programmes when participating in leniency agreements. These assessments include:

- » **Substantive analysis:** analysing relevant internal policies, procedures and integrity programme rules alongside evidence of implementation.
- » **Interviews:** engaging with employees and stakeholders to understand the extent of compliance and areas requiring improvement.
- » **Substantive testing:** evaluating the effectiveness of internal controls and compliance procedures to ensure they align with legal requirements.

By mandating these assessments, the law encourages companies to adopt a proactive approach to compliance and integrity, as

the results of these assessments may have an impact on the sanction determined, and if the assessment results indicate that good compliance practices are in place, the company may receive a reduced sanction (e.g. reduced fines).

The case of Odebrecht, one of largest construction firms in Brazil, is an example of the application of the law. In 2016, Odebrecht was embroiled in a major corruption scandal tied to the Operation Car Wash investigation. Many Odebrecht executives were willing to act as witnesses and provide information about the broader corruption scheme because of the sentence reduction incentives offered to them in line with the “rewarded collaboration” clauses in the Clean Company Act.

In Brazil, the primary entity responsible for promoting integrity and combating corruption in the private sector is the **Office of the Comptroller General**. The Office plays a pivotal role in developing and enforcing anti-corruption policies, encouraging corporations to implement integrity mechanisms and fostering transparency within business operations.

Sources: Interviews and inputs from the UNODC consultation, held in Vienna on 16 October 2024; and Brad Brooks, “Exclusive: Leniency deal for Brazil’s Odebrecht may be world’s largest”, Reuters, 8 November 2016.

## –o FRANCE

A new judicial tool against corruption, the Public Interest Judicial Agreement, was established in France as part of the 2016 Sapin II Act. The Public Interest Judicial Agreement is equivalent to the Deferred Prosecution Agreement in the United Kingdom of Great Britain and Northern Ireland.

The Agreement allows an alternative to prosecution for entities such as companies, associations and local authorities accused of corruption, influence peddling, tax fraud, money-laundering and related offences, including in the area of public procurement. Entities must fulfil, in part or in whole, the following obligations laid out in the Agreement:

- » The payment of a public interest fine to the State, the amount of which may not exceed 30 per cent of the average annual turnover of the entity
- » The payment of compensation to victims
- » The implementation, under the monitoring of the French Anticorruption

Agency (AFA), of a compliance programme in order to prevent any further illegal action, for a maximum period of three years

The use of the Agreement as alternative to prosecution must be validated by a judge at a public hearing, with the agreement and the validation decision published on the AFA website.

Since 2016, the Agreement has been applied in 24 corruption cases, with 16 cases including monitoring by AFA. This use underlines the important role that monitoring plays in supporting entities in their efforts to raise awareness of corruption and to strengthen their anti-corruption frameworks.

A similar Public Interest Judicial Agreement for violations of environment law was established as part of Act No. 2020-1672, which was enacted in December 2020.

Sources: French Anticorruption Agency, “CJIP: The French DPA”; and Ministry of Justice of France, “Conventions judiciaires d’intérêt public”.

## –o SAUDI ARABIA

In Saudi Arabia, specific measures are employed to mitigate sanctions in cases of corruption, as outlined in the **Anti-Bribery Law** and the **national strategy for protecting integrity and combating corruption**.

Under article 16 of the Anti-Bribery Law, individuals who engage in bribery or act as intermediaries can be exempted from principal and consequential punishment if they proactively report the offence to authorities before it is discovered. This

provision incentivizes early disclosure, helping authorities intercept and address corruption more effectively. This practice is commonly used in cases of corruption in public procurement.

In Saudi Arabia, the **Oversight and Anti-Corruption Authority**, commonly known as Nazaha, is the primary entity responsible for promoting integrity and combating corruption across the public and private sectors.

Sources: Interviews and inputs from the UNODC consultation, held on 16 October 2024 in Vienna.

### 3.1.2 Preferential procurement treatment

Preferential procurement treatment is an incentive designed to encourage companies to adopt and maintain high ethical standards by rewarding them with enhanced opportunities in public procurement, such as easier access to contracts or advantages in competitive tenders. Such treatment may include eligibility requirements, preferred supplier status, reduced scrutiny, preferential treatment for beneficial ownership transparency and specific criteria for awarding contracts.

**Eligibility requirements.** Governments can set a baseline of anti-corruption measures that bidders must adhere to participate in tenders. This incentivizes companies to implement robust anti-corruption ethics and compliance programmes, as meeting these requirements is crucial for securing business.

#### → WORLD BANK GROUP

The World Bank Group incorporates anti-corruption in its pre-qualification processes. For example, in investment project financing, the Bank's Anti-Corruption Guidelines must be incorporated in requests for proposals, contracts and related documents, and entities may be excluded from participating if they have engaged in corrupt, fraudulent, collusive, coercive or obstructive practices.

Furthermore, the International Finance Corporation conducts integrity due diligence on its business partners and clients, while the Multilateral Investment Guarantee Agency conducts integrity risk assessments for projects considered for its guarantees. Such efforts are designed to reduce fraud and corruption risks associated with World Bank Group projects.

Sources: World Bank Group, *Procurement Regulations for IPF Borrowers* (Washington, D.C., 2025); International Finance Corporation, *"Unique markets, responsible investing: IFC's integrity due diligence process"* (Washington, D.C., 2017); Multilateral Investment Guarantee Agency, "Integrity" web page; and World Bank Group, *"Guidelines on preventing and combating fraud and corruption in projects financed by IBRD loans and IDA credits and grants"* (Washington, D.C., 2016).

Eligibility can also be linked to obtaining certain certifications or accreditations that reflect quality standards.

#### → GREECE

ISO 37001:2016 certification is a mandatory prerequisite in Greece for participation in public procurement tenders put out by the central purchasing authority of the healthcare sector, as healthcare has been determined to be a high-risk sector. This is intended to motivate companies to strengthen their integrity safeguards. It specifies requirements and provides guidance to companies for establishing, implementing, maintaining, reviewing and improving an anti-bribery management system.

Several accredited bodies (third parties, such as independent auditors and assessors) provide the standards and monitor their implementation through inspections and audits.

In Greece, the **National Transparency Authority**, established by articles 82 to 103 and 118 and 119 of Law 4622/2019, is the primary entity responsible for promoting integrity and combating corruption across the public and private sectors.

Sources: National Transparency Authority response to a UNODC questionnaire (2025); and responses of States Parties to the 2022 UNODC questionnaire on State measures for strengthening business integrity.

The UNODC, United Nations Global Compact, and OECD publication entitled *A Resource Guide on State Measures for Strengthening Business Integrity* provides additional case studies from Czechia, the European Union and New Zealand on using eligibility requirements to grant preferential procurement treatment.

**"Allowlists" or preferred supplier status.** Another form of preferential procurement treatment is the creation of "allowlists" or the granting of preferred supplier status. Companies that demonstrate

ethical behaviour, strong anti-corruption ethics and compliance programmes, and a reliable track record may be placed on these lists, giving them priority in the procurement process. An example of this approach is the Pro-Ethics Register in

Brazil (Empresa Pró Ética). Further details on this initiative can be found in the *A Resource Guide on State Measures for Strengthening Business Integrity*.

## ◦ BRAZIL

The Office of the Comptroller General in Brazil (CGU) has established the Pro-Ethics Register to recognize companies that uphold high standards of anti-corruption practice. To qualify, companies must meet several requirements, including a rigorous code of conduct, effective training programmes, a reporting and complaints mechanism, financial disclosure, participation in collective action initiatives and environmental, social and governance and human rights criteria. Assessments are carried out by CGU, acting as the executive secretariat of the programme, with oversight provided by an independent panel of experts. Both the benchmark standards and the company assessments are updated periodically. The Pro-Ethics Register is a biannual evaluation process governed by regulation, requiring companies to complete profile and conformity questionnaires and submit supporting documentation.

Companies recognized in the Pro-Ethics Register receive public acknowledgement of their commitment to implementing compliance measures and are authorized to use programme branding. The initiative promotes a culture of integrity and is aimed at reducing risks of fraud

and corruption in public-private interactions. In addition to an evaluation report containing recommendations for improvement, each participating company receives feedback, and CGU publishes a dedicated report for each edition. This report provides a critical analysis of company profiles and highlights strengths and weaknesses in their anti-corruption programmes. The results are announced at an award ceremony, which can significantly enhance a company's reputation.

The **Brazil Pact for Business Integrity (Pacto Brasil)** also encourages businesses to adhere to integrity standards, as companies voluntarily make a public commitment to business integrity. Participation involves signing a term of adherence and completing a self-assessment. Companies that commit to the pact receive positive publicity and reputational gain.

Companies included in the Pro-Ethics Register or participating in the Pact for Business Integrity may benefit from tie-break advantages in public procurement, while also receiving public recognition for their integrity efforts.

Sources: Brazil, Office of the Comptroller General of the Union, "Empresa Pró Ética" web page and "Pacto Brasil" web page.

**Reduced scrutiny.** Reduced scrutiny in procurement refers to offering qualified suppliers the benefit of streamlined oversight and evaluation procedures. This form of preferential treatment is typically granted to companies that have demonstrated strong compliance with anti-corruption and ethical business standards. By lowering the level of scrutiny for these suppliers, Governments can reduce administrative burdens, accelerate the procurement process and allocate

resources more efficiently by focusing their oversight on higher-risk entities.

**Preferential treatment for beneficial ownership transparency.** Using beneficial ownership transparency as an incentive in public procurement can significantly enhance integrity and competition. By requiring companies to register their ultimate beneficial owners, Governments can mitigate the risk of corruption, fraud and bid rigging in procurement processes.

Companies that register with a beneficial ownership registry and disclose their ownership structures can receive advantages, such as easier access to public tenders, reduced scrutiny and preferential consideration in the procurement process.

Requiring up-to-date beneficial ownership information as a requirement to bid on tenders and participate in public procurement is an effective measure to reduce conflicts of interests. In Chile, domestic and foreign businesses are

required to disclose their ultimate beneficial owners and administrators as part of the registration process. This framework is a good example of how embedding a build-operate-transfer delivery model in public procurement systems can produce measurable improvements in integrity and oversight. As a result of the requirement, the number of conflicts of interest detected by the national public procurement platform, ChileCompra, fell by 69 per cent, from a monthly average of 18.7 to 5.8 cases.

#### → CHILE

In December 2023, Law No. 19886 (the Public Procurement Law) was significantly reformed in Chile. A key focus was introducing changes aimed at enhancing transparency, strengthening competition and improving efficiency in public procurement.

A key feature of the reform was the integration of build-operate-transfer measures into the procurement system. Since December 2024, domestic and foreign legal entities are required to disclose their ultimate beneficial owners and administrators as part of the registration

process for public procurement tenders. These data are available on the national public procurement platform, ChileCompra.

The reform of the Public Procurement Law also strengthened the institutional role of ChileCompra by granting it the authority to require information from other public entities and to report potential violations to oversight bodies, such as the Public Prosecutor's Office, the Office of the Comptroller General and the National Economic Prosecutor's Office.

Source: Open Contracting Partnership and Open Ownership, "Beneficial ownership in Chile's public procurement reform: A case study" (May, 2025).

Rated criteria to award contracts. A further example of preferential procurement treatment is using rated criteria to reward companies that meet certain standards related to compliance. In this approach, procurement agencies evaluate bids not only based on price but also on non-price factors, such as the robustness of a company's compliance system. Companies with stronger anti-corruption ethics and compliance programmes receive higher scores, increasing their chances of winning contracts. This incentivizes businesses to invest in comprehensive integrity frameworks, as their compliance efforts are directly tied to their procurement success.

#### → WORLD BANK

The World Bank's **Procurement Framework** encourages the use of rated criteria to evaluate not only the price but also other factors such as quality, sustainability risk and innovation in procurement bids. This is aimed at reducing integrity risks in the procurement process. The World Bank also recommends incorporating risk analysis in the creation of evaluation criteria for bids.

Sources: World Bank, *Evaluating Bids and Proposals: Including Use of Rated Criteria for Procurement of Goods, Works, and Non-Consulting Services* (2025); and World Bank, "Rated criteria – a game changer for promoting value in World Bank procurement", 8 March 2023

### 3.1.3 Performance-based contracting

Performance-based contracting introduces contracts with performance-based incentives linked to ethical conduct and compliance outcomes. These incentives can take the form of bonuses for meeting integrity benchmarks or penalties for failing to adhere to ethical standards. This approach motivates contractors to maintain high integrity standards throughout the execution of their projects.

This incentive differs from other types in that it is applied during the execution of an existing contract, rather than at the pre-award stage. Contractors that demonstrate ethical behaviour, introduce integrity measures tailored to the specific project and actively implement elements of their compliance programmes throughout the contract period are more likely to be considered for contract renewals on more favourable terms (for example, with reduced monitoring requirements or streamlined administrative procedures).

### 3.1.4 Reward and recognition programmes and integrity certifications

Establishing reward and recognition programmes and integrity certifications, which publicly acknowledge companies for upholding high standards of integrity, can help foster a culture of ethics and motivate others to follow suit. These programmes and certifications may include public recognition and financial incentives. By showcasing companies that exemplify ethical behaviour, Governments can set benchmarks for others to aspire to, creating a competitive environment in which integrity is valued. To ensure the effectiveness of these measures in promoting integrity standards, it is important that certifications are either temporary or reassessed periodically.

#### → ITALY

In Italy, Legality Rating is an initiative introduced by law and administered by the **Italian Competition Authority** (AGCM) to promote ethical business conduct and strengthen corporate compliance with integrity standards. Introduced in 2012, by Law Decree No. 1/2012, converted with amendments by Law no. 27 of 24 March 2012, further amended, the programme awards companies a public rating, expressed in stars, based on their adherence to legality requirements and their adoption of additional integrity measures.

The rating is a voluntary certification system designed to incentivize transparency, anti-corruption and responsible business conduct, particularly in the context of public procurement. The more comprehensive a company's compliance framework, the higher the rating it can obtain – ranging from one to three stars.

The process by which companies can obtain the legality rating is as follows:

- » **Application using the WebRating online platform.** Companies complete a digital self-declaration form, detailing their compliance status and internal controls.
- » **Verification of legality requirements.** AGCM checks that the company and its key personnel who hold top or management positions (e.g. majority shareholders and directors) have no criminal or administrative convictions that are significant from a broad business ethics perspective. Controls are based on the use of national and international databases and on collaboration with other public institutions.
- » **Assessment of additional requirements.** Companies may earn extra points for documented actions such as adopting anti-corruption models, adhering to legality protocols (e.g. recommended compliance good practices) or implementing corporate social responsibility programmes.

- » **Award and monitoring.** The rating is valid for two years (soon to be extended to three) and can be renewed on request, with ongoing monitoring. It may be revoked if disqualifying information comes to light.

Incentives to certified companies are:

- » **Preferential treatment in public procurement.** Under Legislative Decree No. 36 of 31 March 2023, companies with the rating may receive additional points in bid evaluations and enjoy a reduction of up to 20 per cent in the required bid bond.
- » **Access to public funding.** Companies may benefit from preferential placement in ranking lists, additional scoring points or a reserved share of allocated funds.
- » **Improved access to credit.** Companies may benefit from more favourable conditions. According to Bank of Italy data from 2024, the number of companies with a legality

rating that have received financing is increasing.

- » **Reputational benefits.** The rating serves as a public endorsement of a company's integrity, strengthening its image with consumers, partners and procurement authorities.
- » **Dynamic recognition model.** The rating's tiered structure and periodic reassessment create incentives for continuous improvement and active engagement with integrity measures.

#### Results of the initiative:

As of 30 April 2025, 15,055 companies held the legality rating. The number of companies awarded the rating has steadily increased since the initiative was introduced.

Sources: Italian Competition Authority response to a UNODC questionnaire (2025). See also the [Italian Competition Authority legality rating website](#).

## → ARGENTINA

In Argentina, the Integrity and Transparency Registry of Companies and Entities (RITE) platform was developed as part of the Government's efforts to promote business integrity and combat corruption in the private sector. The initiative is spearheaded by the national **Anti-Corruption Office** and involves a collaborative approach with academics, experts and representatives from Government, business and civil society.

RITE is designed to be a voluntary, flexible and adaptive system for companies operating in Argentina. The platform encourages companies to adopt ethical business practices, establish robust anti-corruption ethics and compliance programmes, and demonstrate commitment to transparency.

The process by which companies can become part of RITE is as follows:

- » **Self-declaration using the RITE platform.** Companies fill out a detailed questionnaire

that automatically assesses their anti-corruption practices (e.g. governance, internal controls and corporate culture). The questionnaires vary according to the size and economic capacity (small, medium or large) of the organization.

- » **Assessment of integrity programmes according to RITE standards.** Programme components are assessed at three levels: beginner, intermediate or advanced. The levels reflect the degree of maturity of companies' compliance measures.
- » **Issuing of a RITE assessment report.** Companies receive a report on the progress of their integrity programmes, the status of which they can improve by evolving and recording the development of the programmes.
- » **Ongoing monitoring and recertification.** Companies can record progress and update their anti-corruption policies to reflect evolving good practices and regulatory changes.

Incentives to registered companies are as follows:

- » **Preferential treatment in public procurement.** Registered companies from some industries may receive a better evaluation in some government contracts. Article 24 of Law 27.401 also requires a bidder for contracts above approximately \$1.5 million to have an integrity programme, which can be accredited through RITE.
- » **Public recognition.** Having the RITE registration can lead to a reputational advantage.
- » **Training programmes.** RITE offers ongoing training to companies and their employees, aimed at strengthening their capabilities. Large companies can play a role in this training and mentor small and medium-sized enterprises.

#### Results:

Since its launch in 2022, over 460 organizations have been registered on the RITE platform, including small, medium and large enterprises in 19 of the country's 23 provinces. The majority of participants come from the services, industry and commerce sectors. The platform has been recognized as a high-quality public policy tool that supports the implementation of integrity programmes aligned with Law 27.401. It has also introduced specialized modules, such as one on data protection that won a 2024 Global Privacy Award, and has become increasingly integrated into public procurement processes, with some government agencies requiring RITE registration as a condition for participation.

Sources: UNODC interviews (2025). See also the [Register for Integrity and Transparency for Companies and Entities \(RITE\) website](#).

## –o THAILAND

In 2010, the **Collective Action Against Corruption** (ThaiCAC) programme was established to combat corruption in the private sector in Thailand. The programme is focused on promoting anti-corruption practices and supporting companies to develop their own integrity systems, using a collective approach to reduce corruption risks across industries. Since its inception, the programme has grown to include over 1,800 companies committed to anti-corruption practices. The programme is a collaborative effort involving the private sector, the Government and international organizations, offering certification for companies that meet specific anti-corruption standards.

The process by which companies can obtain the programme certification is as follows:

- » **Declaration.** The registration of an expression of interest by a company on the programme portal.

#### » **Development of anti-corruption system.**

The company is then given 18 months to develop its anti-corruption ethics and compliance programme.

- » **Audit and documentation.** The programme certification committee reviews the submission.

- » **Recertification.** Every three years, a company must reassess its anti-corruption ethics and compliance programme, otherwise its certificate expires.

Incentives to certified companies are as follows:

- » **Preferential treatment in public procurement.** Section 19 of the Public Procurement and Supplies Administration Act requires companies bidding for contracts above 300 million baht (approximately \$9 million) to be holders of an integrity certificate. This can be either the programme certificate or ISO 37001.

- » **Public recognition.** Holding the certificate can lead to a reputational advantage.
- » **Training programmes.** Ongoing training for companies and their employees aimed at strengthening their capabilities. More than 1,000 training sessions have been held since the inception of the programme.
- » **Subsidies to small and medium-sized enterprises.** The programme provides financial support to small and medium-sized enterprises by covering certification fees and offering credit-term benefits.

#### Results:

The certification programme has led to significant growth in the number of companies adopting anti-corruption measures, as evidenced by the increase in certified companies between 2010 and 2023. By 2023, over 1,800 companies had joined, including over 174 small and medium-sized enterprises. The initiative has had a tangible impact on corporate governance and corruption reduction in Thailand, notably within publicly listed companies and state-owned enterprises.

Sources: UNODC interviews (2025). See also the [Collective Action Against Corruption \(ThaiCAC\) website](#).

## –o MOROCCO

In recent years, significant steps have been taken in Morocco to promote business integrity and reduce corruption in the private sector by encouraging the implementation of anti-corruption ethics and compliance programmes. One of the key initiatives promoting business integrity is the corporate social responsibility label awarded by the **General Confederation of Moroccan Enterprises**. The label signifies that companies implement effective anti-corruption ethics and compliance programmes and maintain high ethical standards in their operations. The label serves as a form of recognition and reward, enhancing the company's public image and credibility in the market. It also helps businesses attract investment and form stronger partnerships, both domestically and internationally.

In Morocco, the National Anti-Corruption Commission is responsible for monitoring the implementation of the National Anti-Corruption Strategy, which encompasses 239 projects aimed at enhancing transparency and integrity across various sectors. The **National Authority for Probity, Prevention and the Fight Against Corruption** is also tasked with coordinating and overseeing anti-corruption policies, upholding good governance principles and reinforcing the rule of law. These institutions work collaboratively to combat corruption and promote ethical practices in Morocco.

Sources: Responses of States Parties to the 2022 UNODC questionnaire on State measures for strengthening business integrity; and inputs from the UNODC consultation, held on 16 October 2024 in Vienna.

## → MEXICO

In Mexico, the Business Integrity Registry is an initiative to encourage ethical behaviour by companies. Implemented through the Secretariat for Anticorruption and Good Governance, the initiative is part of the commitment of the Government of Mexico to reducing corruption.

The Business Integrity Registry is a voluntary programme that allows companies to demonstrate their commitment to integrity and the fight against corruption by complying with ethical standards. To be added to the registry, companies must meet several criteria, such as complying with their tax obligations and implementing concrete integrity policies. Based on article 25 of the **General Law on Administrative Responsibilities** (Ley General de Responsabilidades Administrativas; latest amendment published in the Official Gazette of the Federation on 2 January 2025), the following elements are considered: organization and procedures manual; code of conduct; control, monitoring and audit systems; reporting systems (both within the organization and

to the competent authorities); training programmes on integrity measures; human resources policies aimed at preventing the hiring of individuals who may pose a risk to the integrity of the corporation; and transparency mechanisms. Companies that demonstrate the implementation of their integrity policies can apply for the Business Integrity Badge based on the evaluation form and supporting documentation.

The recognition programme seeks to encourage the private sector to adopt higher standards of transparency and ethical conduct. The Anticorruption and Good Governance Secretariat is also working to include government suppliers that participate in public procurement procedures in the scope of the registry. This approach is in line with the National Anti-Corruption Policy, which emphasizes the importance of ethical business practices in maintaining public trust and reducing corruption risks in public procurement.

Source: Mexico, **Anticorruption and Good Governance Secretariat website**.

Another example of a reward and recognition programme is the Seal of Integrity (Sello Integridad) programme in Paraguay. The programme is inspired by the Pro-Ethics Register (Empresa Pró Ética) in Brazil, although it does not serve as a qualification for an “allowlist”, as is the case in Brazil.

## → PARAGUAY

The Seal of Integrity (Sello Integridad) is a voluntary, government-backed integrity programme launched in May 2022 by the National Anti-Corruption Secretariat and the **Ministry of Industry and Commerce** as part of a trilateral cooperation project with Brazil and Germany. The programme seeks to encourage companies, and small and medium-sized enterprises in particular, to embed ethical business practices and transparency in their operations.

Programme structure and steps to receive the seal are as follows:

- » **Application and self-assessment.**  
Companies complete a profile form and a sworn declaration on the online portal of the Ministry of Industry and Commerce.
- » **Verification and documentation.**  
Applicants submit materials such as anti-corruption policies, codes of ethics, details of whistle-blower channels and senior management endorsement. Monitoring and evaluation criteria are proportionate,

recognizing business size.

- » **Selection committee review.** A 10-member independent committee, including public officials, private sector, academia, civil society and international partners, evaluates compliance.

Incentives for companies are as follows:

- » **Public recognition and reputational value.** The seal can be used in promotional materials and enhances market credibility.
- » **Small and medium-sized enterprise-targeted support.** Certified small and medium-sized enterprises gain access to free training, digital toolkits and ongoing monitoring, including through TheIntegrityApp application, and guidance from the Alliance for Integrity “De empresas para empresas” (DEPE) capacity-building programme in Latin America.
- » **Networking and business opportunities.** Companies gain visibility and connections with public and private sector stakeholders through participation in sectoral initiatives.

Impact and outcomes:

- » **Grassroots adoption.** In the inaugural trial, 13 small and medium-sized enterprises were recognized between 2022 and 2024, including apparel, laundry and construction sector firms.
- » **Positive testimonies.** Participants reported that the seal enhanced transparency and opened doors to new clients and partnerships.

Sources: Inputs from the UNODC consultation held in Vienna on 16 October 2024. See also the Basel Institute on Governance, [B20 Collective Action Hub website](#); the Ministry of Industry and Commerce of Paraguay, “[What is the Seal of Integrity and what is it for?](#)” web page; and Office of the General Comptroller of Paraguay, “[Seal of Integrity](#)” website.

### 3.1.5 Integrity pacts

Integrity pacts are formal agreements between contracting authorities (such as Governments and public agencies) and bidders for public contracts aimed at promoting transparency and ethical behaviour throughout the procurement process. These pacts are often monitored by an independent third party, typically a civil society organization, to ensure adherence to the agreed-upon ethical standards and to prevent corrupt practices.

Integrity pacts are useful because they foster an environment of accountability and transparency. By publicly committing to ethical procurement processes, contracting authorities reassure the public that funds are being used appropriately and vendors gain credibility and trust by demonstrating their commitment to compliance and ethical practices. The reputational advantage functions as an incentive to companies participating in public procurement to act with integrity, as businesses that participate in integrity pacts often gain a competitive advantage, because they are seen as trusted partners in public procurement, which can lead to greater opportunities in future tenders. To be effective, integrity pacts need to be carefully put together, including in relation to the selection of projects, the organization acting as the independent monitor, the implementation phase and establishment of clear expectations, cost efficiency and the engagement and inclusivity of stakeholders. Key lessons learned from the implementation and evaluation of integrity pacts can be found in the OECD publication entitled “[Advancing business integrity through collective action: A blueprint for government support](#)”.

## → EUROPEAN UNION

An integrity pact is an innovative tool that involves monitoring of selected public procurement projects by civil society for the purpose of safeguarding European Union funds from the risks of fraud and corruption and to increase transparency and accountability. An integrity pact has two components and involves three parties: the first component is a charter between the contracting authority and the companies bidding for the public contract in which they declare that they will abstain from corrupt practices and will conduct a transparent procurement process; and second, a contract with the civil society organisation that is responsible for monitoring the compliance of all parties with their commitment, to ensure accountability and legitimacy.

In 2015, the European Commission (through the Directorate-General for Regional and Urban Policy), Transparency International and 15 partner organizations in 11 member States of the European Union launched a pilot project to enhance the transparency and oversight of

a set of public contracting procedures within 18 European Union-funded investments using integrity pacts. The impact of the initiative has included better value for money, enhanced transparency and accountability, and increased access and citizen participation, while on the business side, results have included increased participation and competition and greater fairness, as witnessed in larger numbers of companies bidding for contracts and the increased adoption of corporate anti-corruption practices. For example, in Poland, the use of integrity pacts in railway sector projects has proven particularly effective as a tool to increase transparency in the investment process, to control conflicts of interest and to promote good practice in organizations, such as whistle-blower protection systems.

The initiative is part of broader action being undertaken by the European Commission in **tackling fraud and corruption**, and in enhancing **administrative capacity** in relation to the use of European Union funds.

Source: Integrity Pacts EU, Integrity Pacts in the EU: Suitability, Set Up and Implementation – A Practical Guide to Civic Monitoring of Public Contracting Projects (2022).

## → COLOMBIA

In Colombia, as part of the UNODC “On the Level: Business and Government against Corruption in Colombia” project, funded by the Siemens Integrity Initiative and focused on the promotion of business integrity and transparency in public procurement, a collective action pact was signed in 2022 associated with the energy sector.

The pact is derived from a study about corruption risks in off-grid or remote access areas of the country, where the energy service is not provided through the main network/system. The study, apart from presenting the main corruption risks associated with these areas, offered several recommendations for the promotion of integrity and transparency in sector operations, including specific considerations for the strengthening of public procurement.

Since these areas rely heavily on public subsidies, channelled through public entities

of the sector, only small private companies and cooperatives operate in the territories. Against this backdrop, any collective action initiative for the sector, such as the collective action pact, had to start with the involvement of the leading public institutions. Hence, the pact was signed with the Ministry of Mines and Energy and the public institute in charge of the promotion of energy services in remote access areas.

The pact was the result of the exchange of letters of interest between the entities involved and the signing of a symbolic agreement. As a result of the pact, a road map was developed, which includes specific tasks for the leading public entities and contemplates the indirect involvement of other public institutions and private companies. UNODC offered technical assistance in the design of the activities, while the public institutions are responsible for their implementation.

Source: UNODC, UNODC Business Integrity Portal, “On the Level: Business and Government against Corruption in Colombia”.

## —○ REPUBLIC OF KOREA

In the Republic of Korea, the **Public Procurement Service** implements a dual mechanism of integrity agreements and integrity pledges to enhance corporate ethics in public procurement and ensure fair competition. While an incentive system to promote ethical business conduct through procurement law has not yet been formalized in the country, existing measures focus on the prevention and deterrence of corruption during the bidding and contract execution phases.

The Integrity Agreement, grounded in the National Contract Act, prohibits bidders from engaging in unethical conduct such as bribery, entertainment, collusion and offering job positions to influence procurement outcomes. Violations may

lead to disqualification, the cancellation of contract awards or even termination of signed contracts.

In parallel, the Integrity Pledge is a mandatory condition for bidders. Companies that breach this pledge, particularly through acts of bribery, may be barred from participating in any public tenders for up to two years.

The Public Procurement Service further enforces integrity by penalizing companies with a record of unfair subcontracting or fraud, deducting evaluation points during bid assessments. These measures serve as an effective integrity pact framework, deterring misconduct and promoting ethical business engagement in public procurement.

Source: UNODC interviews (2025).

## 3.2 Practical considerations

While incentives aimed at promoting ethical business practices can play an important role in strengthening integrity, they also present certain challenges that require careful consideration. A key concern is the potential reduction in market competition, as preferential treatment or preferential procurement for certain suppliers may discourage broader participation from other companies, especially small and medium-sized enterprises, potentially leading to higher costs and less innovation. Another challenge is the risk of administrative corruption, where government officials or procurement agents may engage in bribery or favouritism, manipulating the system to unfairly grant incentives to certain suppliers. Such practices can undermine the integrity of the procurement process, resulting in inefficiencies and eroding public trust in institutions.

Moreover, the effectiveness of such incentives can be significantly compromised in countries with

weak enforcement mechanisms or where the level of information disclosure on public procurement is limited, incomplete, delayed, of poor quality or not available as machine-readable open data. In such environments, the lack of robust monitoring, oversight and support systems could lead to non-compliance or the exploitation of the system by corrupt actors, thus diluting the intended benefits of the incentives. Therefore, to ensure the success of these incentives, strong enforcement, regular audits and transparent processes are essential to mitigate the risks of collusion, favouritism and corruption.

In addition to enforcement, preventive measures are equally essential to the success of integrity-related incentives. As highlighted during expert consultations, enabling conditions (such as awareness-raising campaigns, targeted capacity-building efforts and collective action initiatives) are critical to fostering a culture of integrity across the public and private sectors. These strategies help companies understand

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the value of integrity and contribute to a level playing field where incentives can be applied meaningfully and fairly.

Encouraging companies to invest in business integrity, rather than viewing it as a regulatory obligation, offers substantial long-term benefits, including enhanced reputational standing, improved access to procurement opportunities and reduced legal and operational risks. Framing integrity as part of a broader business case can help align commercial interests with governance objectives, while collaboration between government agencies, companies and civil society is vital to build trust and shared accountability in the implementation of any incentive or assessment framework.

While incentives are essential for promoting business integrity in public procurement, they do not replace the need for sanctions. Sanctions deter misconduct by penalizing non-compliance and establishing clear consequences for unethical behaviour in companies. They set a baseline expectation that corruption will not be tolerated and carries significant repercussions. Sanctions also help level the playing field and in turn make for fairer market conditions.

Effective sanctions should meet three objectives: (a) punish misconduct, (b) eliminate illegal gains, and (c) deter future offences. They should be “effective, proportionate, and dissuasive”.<sup>4</sup> Key sanctions include confiscating proceeds of corrupt acts, enforcing anti-corruption clauses in contracts, requiring internal management changes, imposing financial or reputational penalties, and, more relevant to public procurement, suspension and debarment.

### 4.1 Suspension and debarment

Suspension and debarment are procurement-specific sanctions that prevent corrupt entities from accessing public funds. Suspension temporarily excludes companies during investigations, while debarment, a more severe measure, bars them from government contracts after a confirmed violation. Debarment can be either punitive (automatic exclusion upon violation) or remedial (focused on maintaining integrity by engaging only responsible contractors). Examples of debarment frameworks include the World Bank Group “Sanctions System” and the European Union early detection and exclusion system, which establish clear procedures to exclude unreliable contractors, promoting compliance across sectors.

Suspension and debarment systems not only exclude corrupt entities from public procurement, but also emphasize rehabilitative measures. For example, as per its “Sanctions system annual report: fiscal year 2024”, the World Bank Group requires debarred entities to implement anti-corruption ethics and compliance programmes to regain eligibility, ensuring they adopt responsible practices. These systems incorporate transparency through public debarment lists, consider aggravating and mitigating factors for tailored sanctions, and safeguard due process with independent adjudication mechanisms. Furthermore, cross-debarment agreements among multilateral development banks extend the reach of sanctions globally, while collaboration with national systems complements local anti-corruption efforts. Such frameworks demonstrate the impact of sanctions on deterring corruption, recovering funds and fostering integrity in procurement.

Additional information on good practices for sanctions, including case studies on debarment regimes from Bulgaria, Germany and multilateral development banks, can be found in the UNODC, United Nations Global Compact and OECD publication entitled *A Resource Guide on State Measures for Strengthening Business Integrity*.

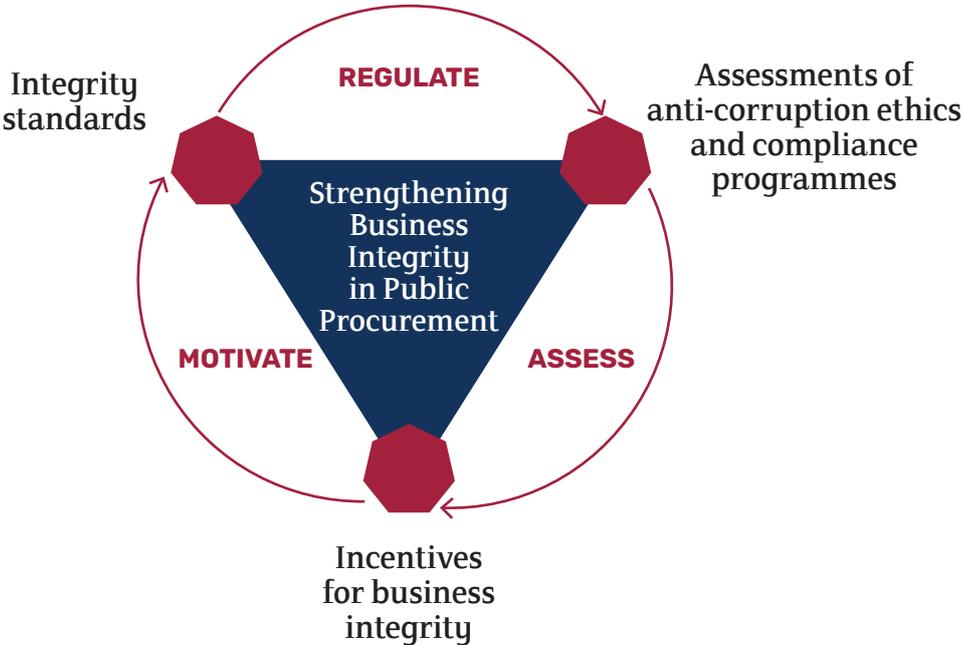
<sup>4</sup> Article 26 of the United Nations Convention against Corruption.

# 5. IMPLEMENTING INCENTIVES FOR BUSINESS INTEGRITY: INTEGRITY STANDARDS AND ASSESSMENT OF ANTI-CORRUPTION ETHICS AND COMPLIANCE PROGRAMMES

In this section of the present paper, additional measures that are critical success factors for the adoption and implementation of incentives for business integrity in public procurement are outlined. Research conducted for the paper has shown that leveraging incentives effectively relies on a three-pillar approach: (a) standards: establishing clear and relevant integrity standards and legal requirements as the foundation for granting incentives, (b) assessments: assessing companies' anti-corruption ethics and compliance programmes to verify alignment with those standards, and (c) incentives: granting meaningful incentives to companies that meet or exceed these expectations.

The three interdependent pillars form the foundation of a robust framework for promoting business integrity in public procurement. Working in synergy, they help foster a culture of integrity, accountability and responsible

governance within both the private sector and the broader economy. The following figure is a visual representation of these pillars and illustrates the essential, mutually reinforcing components of an effective system for strengthening business integrity. These elements (standards, assessments and incentives) can be developed and implemented in parallel, and their interaction underpins the success of the overall framework. The effectiveness of the framework also depends on the capacity of the responsible government entity to ensure that companies are able to meet the integrity standards (e.g. through capacity-building and clear guidelines) and can undergo assessments of their integrity measures in order to qualify for incentives. It is also recommended that the responsible entity regularly monitors and assesses the effectiveness of the framework to support its continuous improvement.



While under this framework incentives are designed to encourage companies to adopt and implement ethical practices, integrity standards govern their use, ensuring they are granted solely on merit and that effective anti-corruption measures are in place. Finally, assessments of anti-corruption ethics and compliance programmes serve as tools for Governments to ensure the fair and consistent enforcement of this incentive system.

This section provides an overview of good practices for setting integrity standards and the assessment of anti-corruption ethics and compliance programmes, showcasing practical approaches to strengthening business integrity in procurement.

A significant reference point for this section of the paper is the 2013 UNODC publication entitled **An Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide**. The guide outlines essential components for creating effective anti-corruption ethics and compliance programmes and serves as a foundational resource for the good practices identified in the present paper.<sup>5</sup> The 2025 OECD publication entitled **Governments' Assessments of Corporate Anti-corruption Compliance** also provides detailed guidance for public authorities on anti-corruption compliance criteria and assessment methodologies. It offers a set of recommendations on how public authorities can better communicate their expectations of corporate anti-corruption ethics and compliance programmes, assessment criteria, methodologies and tools.

## 5.1 Good practices for setting integrity standards

Governments play an essential role in setting and enforcing integrity standards for companies involved in public procurement. By doing so, they foster transparency, reduce corruption and ensure that public funds are used effectively. While there are different management models for internal measures that promote business integrity, they all share similar characteristics. These include aspects such as the personal commitment of business leaders and managers, the clear communication of values and commitments made by the company, and ensuring that internal measures are based on a risk assessment to spend limited resources as effectively as possible. Moreover, an internal control system and channels for safe reporting, such as whistle-blowing, should be established to detect and address misconduct before it escalates into systemic corruption or legal liability. Early detection allows companies to take timely corrective actions, preserve trust with public sector counterparts and demonstrate a proactive compliance position when facing regulatory scrutiny. Information on this can be found in the UNODC publication entitled **An Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide**, which can be used as a reference for internal measures to prevent and counter corruption in companies. The 2025 OECD publication **Governments' Assessments of Corporate Anti-corruption Compliance** also provides detailed guidance on compliance standards from case studies from Brazil, France, the United Kingdom and the United States.

In the following section, good practices for setting these standards are highlighted, along with examples and international frameworks that can guide their implementation, and examples of integrity standards.

<sup>5</sup> In response to the insights gained during the UNODC informal consultation on business integrity held in October 2024 in Vienna, an updated version of this publication will become available in the course of 2026 to provide enhanced guidance on assessing anti-corruption ethics and compliance programmes and ensuring their alignment with international standards.

## 5.2 Issues to consider when setting integrity standards

A fundamental good practice is the adoption of clear and transparent integrity standards. Transparency in procurement decision-making and compliance expectations is crucial to building trust among stakeholders.

Integrity standards should be set using a risk-based approach. By evaluating the risk associated with each procurement contract or type of company, Governments can tailor the level of compliance requirements. This ensures that resources are focused on high-risk contracts, where the probability of corruption or fraud is higher. In addition to the contract size and risk exposure level, standards should be flexible and consider the company size, the economic sector and the region in which the company operates.

### → WORLD BANK GROUP

The World Bank Group Integrity Compliance Guidelines are a strong example of a risk-based approach to standard-setting in the context of procurement. The guidelines recommend that anti-corruption ethics and compliance programmes should be tailored to the risks and circumstances of each entity. This means that while the principles set out in the guidelines should be incorporated by all companies in their integrity compliance programmes, the formality, specific actions and resources committed should be based on a comprehensive integrity risk assessment addressing the individual circumstances of each company. Considerations include factors such as the company's size, its geographical location, its industrial sector of operation, the countries in which it operates and the scale and scope of its engagement with business partners and government officials.

Sources: World Bank, "World Bank Group Integrity Compliance Guidelines" (Washington, D.C., 2010); and World Bank, "MDB general principles for business integrity programmes" (Washington, D.C., 2023).

Standards should also extend beyond compliance and anti-corruption policies. They should require companies to adopt a comprehensive management system that can enable the effective implementation of such policies. This system should comprise interrelated elements of a company that establish policies and objectives, along with processes to achieve those objectives. These system elements may include the organization's structure, roles and responsibilities, planning, operations and key business processes. Focusing on the policy element and ignoring other factors may lead to an anti-corruption ethics and compliance programme that is merely a box-ticking exercise, with limited effectiveness in reality. For instance, standards should include aspects such as the personal commitment of business leaders and managers, the clear communication of values and commitments made, and a robust internal control system, as well as channels for safe reporting, such as whistle-blowing systems.

Integrity standards should align with international standards. When setting these standards, Governments should refer to international anti-corruption instruments such as the United Nations Convention against Corruption and practical tools for the implementation of integrity programmes in companies, such as the UNODC publication entitled **An Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide**. Governments can also align with other internationally recognized frameworks to ensure that their integrity frameworks are consistent with global good practices. Examples include the standards published by the International Organization for Standardization (ISO) and the British Standards Institution (BSI), such as **ISO 37001:2017, on anti-bribery management systems** and **BS 10500, on anti-bribery management systems**, as well as the good practice guidance on internal controls, ethics and compliance set out in annex II of the OECD "Recommendation of the Council for further

combating bribery of foreign public officials in international business transactions”.

Another good practice is developing country-specific national certifications and requirements. This ensures integrity standards are tailored to a country’s unique contexts and challenges. These locally developed certifications and registers often reflect the specific legal, cultural and economic environments of each country, ensuring that the standards are relevant, practical and easily enforceable within their jurisdictions.

The development of national certifications or requirements requires the active engagement of local stakeholders, including government agencies, businesses, academia and civil society organizations. This collective approach ensures that the standards are comprehensive and address key risks and priorities specific to the private sector and the national context.

## – ARGENTINA

In Argentina, the Register for Integrity and Transparency for Companies and Entities (RITE) platform is an example of locally developed integrity standards. It was developed through a collaborative and multi-stakeholder process. Experts from academia, companies and local chambers, civil society as well as government officials contributed to the development of integrity standards in the private sector, ensuring they were aligned with regulatory requirements, as well as national priorities and realities. This inclusivity helped create a tool that is widely accepted and embraced across different sectors of the economy.

### Legal framework and integrity standards:

- » Law No. 27.401 in Argentina, officially known as the Law on Criminal Liability of Legal Persons (Ley de Responsabilidad Penal de las Personas Jurídicas), was enacted in 2017 to hold legal entities, including companies, accountable for corrupt activities, such as bribery, particularly in the context of dealings with public officials.
- » Article 23 of Law No. 27.401 outlines provisions regarding the adoption and implementation of anti-corruption ethics and compliance programmes within companies

to reduce their liability in cases of corruption. Operating “adequate” integrity programmes is also required for companies that wish to enter into contracts with the Government in relation to large-scale operations (article 24 of Law No. 27.401).

Building on these provisions, RITE requires the fulfilment of three mandatory provisions:

- » Code of ethics and integrity policies and procedures
- » Integrity in tendering procedures
- » Training

Other requirements such whistle-blower protection, internal reporting channels and periodic risk analysis are additional measures whose inclusion is optional or mandatory depending on a company’s characteristics and risks. Additionally, to be included in the register, companies must provide evidence of some of the declared components (code of ethics, programme dissemination, training, etc.). These transparency requirements contribute to the credibility and accountability of the corporate integrity policy implemented through RITE.

Sources: UNODC interviews (2025); and Register for Integrity and Transparency for Companies and Entities (RITE) website.

## THAILAND

The Collective Action Against Corruption private sector (ThaiCAC) programme in Thailand requires certain integrity standards to be followed by companies. The standards were developed locally but aligned with national laws (Organic Act on Anti-Corruption, B.E. 2561 (2018)) and international standards, such as the OECD Principles of Corporate Governance and ISO 37001.

### Integrity standards:

The standards depend on the level of the certification, where listed companies and large companies with revenues over 1 billion baht (approximately \$30,000) are required to complete a 71-item checklist. Small and medium-sized enterprises can use a more simplified 17-item checklist. The requirements include a corruption risk assessment, internal controls, anti-corruption policies, human resources, communications, seeking guidance and ongoing improvement.

Sources: UNODC interviews (2025); and [Collective Action Against Corruption \(ThaiCAC\) website](#).

Another good practice is the adoption of sector-specific integrity requirements, as a growing body of evidence<sup>6</sup> suggests that these are more effective in addressing corruption risks and promoting ethical business practices. This approach ensures that integrity standards are aligned with industry-specific challenges and procurement dynamics

rather than relying on one-size-fits-all regulations that may not be practical in all contexts. Public procurement spans a wide range of industries, each with its market structures, operational risks and corruption vulnerabilities. A procurement official working in healthcare services faces different challenges than one dealing with large-scale infrastructure projects. However, many Governments apply generic integrity standards that fail to account for these variations.

A critical issue identified in procurement reforms is information asymmetry – the gap in knowledge between government procurers and industry stakeholders. In many cases, procurement officials lack technical expertise on the goods and services they purchase and, hence, the corruption risks that could arise in the process. This puts Governments at a disadvantage, making it easier for unethical suppliers to exploit weaknesses in procurement processes. Without a deeper understanding of sector dynamics, integrity requirements risk being ineffective or worse, creating unintended barriers to fair competition.

To address these issues, some Governments have begun incorporating sector-specific integrity requirements in procurement policies. One of the most promising approaches is the **consensus framework model**, which has been applied in the healthcare sector and could serve as a blueprint for other industries.

<sup>6</sup> This has been emphasized in various sources, including OECD "Preventing corruption in public procurement" (2016), and World Bank Group, "Drivers of Corruption: A Brief Review" (Washington, D.C., 2014).

## –o CANADA AND CHILE

Consensus frameworks are multi-stakeholder initiatives that convene diverse organizations to promote responsible conduct and ethical collaboration within and across health systems. First launched at the international level in 2014, they have since been adopted in 14 countries.

Unlike generic anti-corruption rules, consensus frameworks are helping to advance procurement integrity measures that reflect sector realities, such as the role of healthcare companies, providers and regulatory agencies. By engaging healthcare professionals, regulators and industry bodies, consensus frameworks can help Governments develop a more informed procurement process that reduces the risk of unethical practices. Consensus frameworks address information asymmetry by creating dialogues between Governments and suppliers, helping public procurement officials understand industry risks and good practices.

Consensus frameworks also serve as a foundation for setting sector-specific integrity standards by fostering collaboration between key stakeholders that have direct knowledge of the operational dynamics, regulatory constraints and corruption risks unique to a given industry. Through structured dialogue between government agencies, industry representatives, professional associations and civil society organizations,

these frameworks facilitate the co-development of integrity standards. Unlike one-size-fits-all regulations, sector-specific standards developed through consensus frameworks reflect the nuanced challenges of health-related industries. This approach helps ensure that integrity measures are not only more targeted, but also more likely to be accepted and implemented by stakeholders, thus increasing their effectiveness in reducing corruption and promoting ethical business conduct.

In some countries, Government-led consensus frameworks have achieved impressive results through collective action. In Chile, the Undersecretariat of International Economic Affairs, through its Responsible Business Conduct Division, brings together the National Supply Centre for the National Health System (CENABAST), the healthcare industry, professional bodies, regulators and civil society in a permanent dialogue. The development of integrity requirements relating to all procurement processes by CENABAST, which reward compliance, have set a new benchmark for transparency in healthcare. In Canada, the Government is not directly involved with the framework. Patients, industry and healthcare professionals are responsible for managing and evolving the framework while aligning with public sector goals and providing recommendations to the Government.

Source: UNODC interviews (2025).

State agencies can also partner with trade associations, which can set specific integrity standards that are obligatory for all trade association members. Governments can, for example, allow only companies that are members of these trade associations to participate in public procurement. This practice can be especially effective in sectors that have unique corruption risks and compliance requirements, such as

healthcare. A good example of this practice is the **Medical Technology Association of New Zealand Code of Ethics**, which is presented in detail in the UNODC, United Nations Global Compact and OECD publication entitled *A Resource Guide on State Measures for Strengthening Business Integrity*.

### 5.3 Overview of integrity standards

Integrity standards should be developed based on a thorough assessment of the country and business environment in order to address specific corruption risks. While international standards and good practices provide a framework for identifying essential elements in the development of anti-corruption ethics and compliance programmes, more specific standards can be incorporated to address unique vulnerabilities within a given country and a given business sector. It is important to note that the standards outlined in this section are broad in scope and can be further customized to align with the particular

context of the country, sector and company implementing them.

The following is a list of key integrity standards, building on guiding resources such as the UNODC publication entitled **An Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide**, the OECD paper entitled **Governments' Assessments of Corporate Anti-corruption Compliance**, corporate governance codes and anti-corruption legislation observed internationally, as well as other recognized international frameworks, such as **ISO 37001:2025** and **BS 10500**, on anti-bribery management systems.

|   |  |
|---|--|
| <p><b>Governance and leadership</b></p>   | <ul style="list-style-type: none"> <li>» <b>Leadership and commitment.</b> Leadership should set a clear anti-corruption tone through actions and communications, ensuring alignment with organizational values and a policy on zero tolerance of corruption.</li> <li>» <b>Anti-corruption policies.</b> Clear anti-corruption policies are necessary to define acceptable behaviour and guide employees in preventing corrupt practices.</li> <li>» <b>Roles and responsibilities.</b> Defining roles ensures accountability, with leaders overseeing compliance efforts and staff understanding their responsibilities.</li> <li>» <b>Code of ethics/conduct.</b> A code of ethics/conduct sets out the company's values and expected behaviours, promoting ethical conduct at all levels.</li> <li>» <b>Incentives for ethical behaviour.</b> Rewarding ethical behaviour helps to reinforce integrity and motivate employees to follow anti-corruption policies.</li> </ul> |
| <p><b>Risk assessment</b></p>             | <ul style="list-style-type: none"> <li>» <b>Corruption scenarios.</b> Identifying and assessing corruption risks specific to the company's activities helps tailor anti-corruption efforts and resource allocation.</li> <li>» <b>Corruption risk indicators.</b> Identifying and calculating real-time corruption risk indicators and red flags, including those specific to sectors and markets using open data on public procurement, helps to strengthen anti-corruption efforts.</li> </ul>   |
| <p><b>Training and communications</b></p> | <ul style="list-style-type: none"> <li>» <b>Capacity-building and training.</b> Ongoing training equips employees with the knowledge to identify and prevent corruption risks in their work.</li> <li>» <b>Communication and awareness-raising.</b> Clear, continuous communication about policies and expectations fosters an informed and compliant workforce.</li> <li>» <b>Culture of integrity.</b> Cultivating a culture of integrity involves ensuring that ethical behaviour is a core value reflected in daily actions.</li> </ul>  |

|                                      |  |
|--------------------------------------|--|
| <p><b>Internal controls</b></p>      | <ul style="list-style-type: none"> <li>» <b>Internal controls (financial).</b> Financial controls prevent financial manipulation and corruption by ensuring transparency and accurate reporting and the integrity of books and records.</li> <li>» <b>Internal controls (non-financial).</b> Non-financial controls prevent corruption in operational and procedural areas, including procurement and human resources.</li> <li>» <b>Internal controls.</b> Internal controls safeguard sensitive data, ensuring they are secure and not manipulated for corrupt purposes. These controls also ensure that access rights are secured, which allows for effective implementation of financial and non-financial controls.</li> <li>» <b>Gifts and hospitality.</b> Clear rules around gifts and hospitality prevent conflicts of interest and undue influence.</li> <li>» <b>Conflicts of interest.</b> Managing conflicts of interest ensures that decisions are made in the organization's best interests rather than for personal gain. This includes mechanisms such as annual disclosures of affiliations and ongoing screenings.</li> <li>» <b>Third-party due diligence.</b> Conducting thorough due diligence on third parties ensures compliance with anti-corruption laws and ethical standards.</li> </ul> |
| <p><b>Oversight</b></p>              | <ul style="list-style-type: none"> <li>» <b>Independent internal audit function.</b> An independent audit function assesses compliance and internal controls, providing an unbiased evaluation of anti-corruption measures.</li> <li>» <b>Independent compliance function.</b> A compliance function ensures adherence to laws and policies and independently oversees anti-corruption efforts.</li> <li>» <b>Monitoring, evaluation and learning.</b> Continuous monitoring and evaluation ensure anti-corruption ethics and compliance programmes are effective and evolving based on feedback and lessons learned.</li> <li>» <b>Transparency and open data.</b> Providing timely, standardized open data for all planned and active tenders, awards and contracts to enable monitoring and accountability.</li> </ul>  |
| <p><b>Reporting and response</b></p> | <ul style="list-style-type: none"> <li>» <b>Whistle-blower system.</b> A confidential and protected system allows employees to report misconduct, helping detect corruption early without fear of retaliation.</li> <li>» <b>Investigation and remediation.</b> Investigating reported issues and implementing corrective actions ensures accountability and mitigates further corruption risks. Giving public procurement agencies the authority to require information from other public entities and to report potential violations to oversight bodies enhances transparency and accountability.</li> </ul>  |
| <p><b>Collective action</b></p>      | <ul style="list-style-type: none"> <li>» <b>Participation in collective action.</b> Engaging in industry-wide anti-corruption initiatives fosters collective accountability and improves industry standards.</li> </ul>  |

## 5.4 Good practices for the assessment of anti-corruption ethics and compliance programmes

The assessment of anti-corruption ethics and compliance programmes by Governments is essential for determining which companies qualify for incentives in public procurement, as merit-based incentives drive a culture of integrity and accountability.

### Challenges faced by Governments and businesses when dealing with assessments of anti-corruption ethics and compliance programmes

The assessment of anti-corruption ethics and compliance programmes presents a range of challenges for both Governments and businesses. Understanding these challenges is crucial for developing effective strategies that can enhance compliance efforts and promote integrity in public procurement.

#### Challenges faced by Governments:

- » **Proving the effectiveness of anti-corruption ethics and compliance programmes.** It is difficult to demonstrate the effectiveness of these programmes, particularly proving the absence of corrupt events or showing that specific measures have successfully prevented misconduct. This uncertainty can undermine confidence in the assessment of anti-corruption ethics and compliance programmes.
- » **Defining sufficiency of compliance measures.** There is no clear benchmark for determining what constitutes “sufficient” compliance, leading to inconsistent assessments. For example, while training is widely agreed upon as important, there is no universal standard for how much training is necessary for effectiveness, resulting in ambiguity in assessments.
- » **Lack of resources and expertise to conduct assessments.** Governments often face

constraints in terms of staffing, expertise and financial resources, which can limit their ability to carry out thorough assessments, especially in complex sectors or with smaller businesses.

- » **Lack of international agreement and collaboration on compliance standards.** The absence of harmonized international compliance standards makes it challenging for Governments to implement consistent practices across different industries and sectors.
- » **Evolving risk landscape.** Emerging risks, such as those posed by artificial intelligence (e.g. artificial intelligence tools can be used to generate fake documentation and deepfake communications to conceal illicit activities, as well as for data manipulation and identity theft), can complicate the assessment of anti-corruption ethics and compliance programmes, requiring new methodologies and constant updates to risk models.
- » **Non-disclosure of information by businesses.** Businesses may be reluctant to disclose key information about their anti-corruption ethics and compliance programmes, making it difficult for Governments to assess the effectiveness of these programmes.
- » **Identifying key performance indicators for effectiveness.** Determining the appropriate key performance indicators that accurately measure the effectiveness of anti-corruption ethics and compliance programmes remains a challenge. Governments need clear, actionable metrics to assess programme success.
- » **Promoting and communicating integrity standards.** Governments should clearly communicate the integrity standards they expect companies to uphold. This includes ensuring that businesses understand what is being assessed, how assessment is carried out and why it is important to the overall anti-corruption strategy of the country.

### Challenges faced by businesses:

- » **Demonstrating effectiveness.** Businesses face challenges in proving the tangible impact of their compliance measures on reducing corruption risks. Because of the complex nature of corruption and the lack of universally accepted metrics, companies often struggle to demonstrate the direct outcome of their anti-corruption ethics and compliance programmes.
- » **Complying with a complex legal framework.** Operating across multiple jurisdictions adds significant complexity for businesses in complying with diverse and sometimes conflicting legal frameworks. Different regions may have varying anti-corruption regulations, creating difficulties in ensuring consistent compliance while managing risks in different legal environments.
- » **Conducting regular compliance risk assessments.** While regular compliance risk assessments are vital for identifying and mitigating risks, businesses often struggle to integrate these assessments into daily operations effectively. The absence of standardized methodologies and clear guidelines leads to inconsistent evaluations, complicating risk management and corrective actions. Moreover, companies operating across several jurisdictions and throughout complex supply chains may also struggle to conduct comprehensive risk assessments covering all their activities.
- » **Credibly communicating anti-corruption efforts.** Companies face difficulties in credibly communicating their anti-corruption efforts to stakeholders, especially when there is a lack of transparency or evidence to support the success of these initiatives. Ensuring that the public and stakeholders trust the company's efforts is a continuous challenge.
- » **Managing supplier and business partner risks.** Ensuring that third-party vendors, suppliers, service providers and any other business partners comply with established anti-corruption standards is a major concern for many businesses. In complex supply chains, where oversight is often limited, companies need robust due-diligence processes and ongoing monitoring to mitigate risks associated with vendors, suppliers and business partners.
- » **Evaluating beneficial owners.** Identifying and evaluating the beneficial owners of suppliers and business partners presents a significant challenge. The opacity around ownership structures can create difficulties in assessing whether those involved have, for example, conflicts of interest or links to corrupt practices.
- » **Fear of disclosing information.** Businesses often fear disclosing information that could potentially trigger investigations. The disclosure of sensitive information may lead to legal or reputational risks, deterring companies from fully reporting compliance measures or concerns.
- » **Challenges for small and medium-sized enterprises.** Small and medium-sized enterprises face particular challenges in conducting and participating in the assessment of anti-corruption ethics and compliance programmes. Limited resources, a lack of expertise and awareness, and a lack of capacity to implement robust anti-corruption ethics and compliance programmes put these businesses at a disadvantage compared to larger companies.
- » **Lack of trust in the public sector.** A key challenge for businesses is a lack of trust in the public sector, which can undermine collaboration in the assessment process. Companies may hesitate to fully engage in the assessment of anti-corruption ethics and compliance programmes or disclose sensitive information because of concerns about the effectiveness or impartiality of the public sector in enforcing anti-corruption standards and its respect for confidentiality.

As part of the desk review, questionnaire results, interviews and informal consultations on business integrity held by UNODC on 15 and 16 October 2024 in Vienna, participants agreed on key principles to increase the effectiveness of anti-corruption ethics and compliance programme assessments as a basis for granting incentives to companies participating in the public procurement process. These principles were also applied in three cases discussed in more detail during the consultation (i.e. cases involving Brazil, France and the World Bank Group). The cases are presented in the following section of the present paper.

#### 5.4.1 Matters to consider when designing assessment frameworks

Most importantly, assessments should be risk-focused. This ensures that assessments are tailored to address the specific risks inherent in each procurement contract. For example, when assessing the anti-corruption ethics and compliance programme of a consulting services provider to a Government, the focus could be on policies related to conflicts of interest and the management of confidential information. In contrast, for an infrastructure contractor, the assessment would likely centre on the effectiveness of controls within the supply chain and procurement processes, as these areas are more vulnerable to corruption because of the complex interactions and high-value transactions involved in infrastructure projects.

This approach ensures that companies have appropriate measures in place to mitigate risks pertinent to the contract at hand. The size of the company should also play a role in determining assessment criteria and disclosure requirements. Larger companies typically have more resources and capacity to implement comprehensive compliance programmes, while small and medium-sized enterprises may face constraints in terms of staffing, expertise and infrastructure. Tailoring expectations based on company size ensures that the assessment process remains proportionate and does not unduly disadvantage

small and medium-sized enterprises, while still encouraging meaningful compliance efforts across all market participants.

A risk-focused assessment should include self-assessment considerations and in-depth audits to be effective:

» **Self-assessment.** Self-assessments can be an effective tool for assessing the compliance of companies with integrity standards, considering the limited resources of Governments. Governments often face constraints in terms of staffing and budget, making it challenging to conduct in-depth audits for all companies. By allowing companies, particularly low-risk ones, to self-assess their compliance capabilities and report their findings to the Government, resources can be focused on higher-risk areas. Self-assessments empower companies to take ownership of their compliance and improve their internal controls.

It is important to consider that while self-assessments can be a useful tool, this approach may disproportionately favour larger companies with more resources, while small and medium-sized enterprises often cannot conduct comprehensive self-assessments. Thus, it is essential to consider the development of tailored support mechanisms for small and medium-sized enterprises to ensure equitable participation in compliance self-assessments.

» **In-depth audits.** Countries adopt varying criteria for audit selection. Depending on the risk associated with the contract, the vendor's history and other relevant risk indicators, the Government can decide who qualifies for a more comprehensive, in-depth audit to assess the level of compliance of the company with integrity standards.

Risk-focused assessment approaches have been adopted in countries such as Brazil and France. The elements of the assessment frameworks in the two countries are presented in the following case studies:

## → BRAZIL

Significant strides have been made in Brazil in assessing the effectiveness of anti-corruption ethics and compliance programmes, particularly in the context of public procurement. The **Office of the Comptroller General of the Union (CGU)** is the principal governmental body responsible for promoting integrity and transparency, implementing measures to assess corporate compliance, and ensuring accountability in public spending.

Key methodologies and frameworks:

### Legal framework and regulatory guidelines

- » The Clean Company Act (Law No. 12,846/2013) establishes a framework for corporate liability in cases of corruption, mandating that companies adopt anti-corruption ethics and compliance programmes to mitigate risks and ensure adherence to anti-corruption standards.
- » Decree No. 11,129/2022 regulates the Clean Company Act and specifies criteria for assessing anti-corruption ethics and compliance programmes, including risk assessments, codes of ethics and reporting mechanisms.

### Self-assessment and reporting requirements

- » CGU has developed a self-assessment tool that allows companies to evaluate their compliance with the legal framework, including their anti-corruption efforts. This tool includes a questionnaire that targets key areas such as risk management, training, monitoring and reporting procedures. Companies must regularly complete this self-assessment to ensure transparency and accountability.
- » Companies participating in high-value procurement processes or having submitted tied bids are required to submit disclosures regarding their anti-corruption ethics and compliance programmes, including in relation to environmental, social and governance criteria.
- » Participation in **Pro-Ethics Register (Empresa Pró Ética)** enhances credibility, improves competitiveness in public procurement and demonstrates a strong commitment to ethical practices and

corporate integrity. Companies awarded a listing are monitored and may lose their listing if they become involved in corruption cases. More details on this initiative can be found in the UNODC, United Nations Global Pact and OECD publication entitled **A Resource Guide on State Measures for Strengthening Business Integrity**.

- » The **Brazil Pact for Business Integrity (Pacto Brasil)** also encourages businesses to disclose their self-assessment results. As a general rule, the decision to publish these results is left to individual companies. However, if a company fails to meet one of the integrity requirements as outlined in Law No. 14,133/2021 (the New Procurement Law), it has to disclose its self-assessment results.

### Questionnaires and surveys

- » CGU uses questionnaires as part of its audit and assessment processes. The questionnaires cover various aspects of anti-corruption ethics and compliance programmes, including the existence of codes of conduct, training programmes, whistle-blower mechanisms and monitoring systems.

### Audits and external assessments

- » CGU conducts audits of companies' anti-corruption ethics and compliance programmes as part of its oversight responsibilities in certain situations, such as when companies sign leniency agreements or apply to the Pro-Ethics Register, or when the Office is required to do so under the New Procurement Law. These audits are used to assess whether companies adhere to established anti-corruption practices and the effectiveness of their internal controls.

### Transparency initiatives

- » United Nations Global Compact Brazil has put in place the **100% Transparency Movement (Movimento Transparência 100%)**. The initiative requires companies to disclose specific information, such as executive compensation and whistle-blower reports.

Sources: Brazil, Clean Company Act, **Law No. 12,846** of 1 August 2013; and UNODC informal consultations on business integrity, held on 15 and 16 October 2024 in Vienna.

## → FRANCE

France has a robust legal and regulatory framework for assessing the effectiveness of anti-corruption programmes, including for companies operating in public procurement. The French Anti-Corruption Agency (AFA) plays a pivotal role in promoting integrity, enforcing compliance and monitoring corporate anti-corruption efforts in the country.

Key methodologies and frameworks:

### Legal framework and guidance

- » The **Sapin II Act** (Law No. 2016-1691), enacted in December 2016, mandates that companies with over 500 employees and annual revenues exceeding 100 million euros implement comprehensive anti-corruption programmes. The law outlines specific requirements for compliance measures, including risk assessments, codes of conduct and internal reporting systems.
- » AFA has published various guidelines to assist companies in developing and implementing effective anti-corruption programmes. AFA guidelines, released in 2020, provide practical recommendations, such as senior management commitment, risk mapping and management, and reporting mechanisms.

### Self-assessment

- » Companies are required to conduct regular self-assessments of their anti-corruption programmes. This includes updating their risk assessments periodically and ensuring that action plans are developed to address identified risks.

### Questionnaires and surveys

- » AFA uses **questionnaires** as part of its assessment process. These questionnaires are used to evaluate various aspects of compliance, including the existence of a compliance function, the effectiveness of training programmes and the mechanisms in place for reporting misconduct.

### Audits and external assessments

- » AFA conducts audits and assessments of companies' anti-corruption programmes. These audits evaluate the adequacy and effectiveness of anti-corruption measures, through site visits and document reviews. The audits may result in recommendations for improvements or, in cases of non-compliance, sanctions.
- » AFA uses a risk-based approach to select companies for audits, focusing on those in high-risk sectors or those previously implicated in corruption.

### Training and awareness initiatives

- » To enhance the effectiveness of anti-corruption programmes, AFA provides **training materials, frequently asked questions** and **step-by-step guides on gifts and hospitality and conflicts of interest** to help companies implement best practices. They also offer specific resources tailored to small and medium-sized enterprises, including **podcasts** and workshops.

### Collective action and industry collaboration

- » AFA encourages collective action among industries to promote good practices in compliance. Professional associations play a crucial role in disseminating information and developing training resources to enhance compliance across sectors.

### Transparency initiatives

- » AFA promotes transparency by requiring companies to disclose their compliance measures publicly. This includes publishing information about anti-corruption ethics and compliance programmes, internal investigations and actions taken in response to identified risks.

Sources: The French Anti-Corruption Agency, "Practical guide: the corporate anti-corruption compliance function" (Paris, 2019) and "The French Anti-Corruption Agency Guidelines" (Paris, 2020); and UNODC informal consultations on business integrity held on 15 and 16 October 2024 in Vienna.

Risk-focused assessments are also used as part of the **Collective Action Against Corruption** private-sector certification programme in Thailand, described in a previous section of the present paper.

#### –o THAILAND

The Collective Action Against Corruption private-sector certification programme (ThaiCAC) relies on a multi-tiered assessment model that applies three types of assessment based on the respective risk exposure:

1. **Self-assessment.** Companies conduct a self-assessment based on the checklist provided by the Collective Action Against Corruption programme. This self-reporting system encourages companies to reflect on their internal processes and align them with anti-corruption standards.
2. **Audits and external validation.** To ensure that companies are not merely meeting standards on paper, in some cases when risks/red flags are observed, the Collective Action Against Corruption programme requires that large companies are audited by an internal audit committee and that small and medium-sized enterprises engage an external auditor to verify compliance with the guidelines.
3. **Continuous monitoring.** After certification, companies are required to review and improve their anti-corruption systems periodically to ensure continuous improvement.

Source: UNODC interviews (2025).

#### Self-cleaning assessments

Another good practice is the differentiation between self-cleaning assessments and general assessments of anti-corruption ethics and compliance programmes. Self-cleaning assessments target specific measures taken to address previously identified gaps in compliance. Companies may undertake self-cleaning processes after facing sanctions or after being

suspended or debarred, demonstrating their commitment to dealing with integrity issues and improving compliance. Clear objectives for these assessments are essential; distinct circumstances, such as post-sanction clean-up versus qualification for significant contracts, necessitate varied assessment frameworks.

#### –o WORLD BANK GROUP

The World Bank Group has established a comprehensive framework for assessing anti-corruption ethics and compliance programmes at companies that it has sanctioned for fraudulent, corrupt, collusive, coercive or obstructive practices (which it collectively calls “Sanctionable Practices”). Since the creation of its “Sanctions System”, the Group has focused on integrating integrity compliance as a fundamental approach to combat corruption globally. In this box, the key components of the Group’s methodology and the standards it sets for compliance measures are outlined.

Key methodologies and frameworks:

- » **Sanctions system.** The World Bank Group “Sanctions System” is a fundamental part of its efforts to combat corruption. The system enables the Group to impose sanctions on entities in relation to “Sanctionable Practices” committed in connection with its projects, while also providing a structured process for assessing compliance and integrity as a condition for release from sanction. Although the Group can impose various types of sanction, the default sanction is debarment with conditional release. Under this sanction, the sanctioned entity will be debarred (i.e. ineligible to participate in World Bank Group-financed projects) for a minimum period, after which it may be released from debarment only if specified conditions have been met. Notably, such conditions typically require the sanctioned entity to develop and demonstrate implementation of enhanced integrity compliance measures.

- » **Integrity compliance guidelines.** The World Bank Group has published its “**Integrity Compliance Guidelines**” that delineate the standards for integrity compliance measures for sanctioned entities. These guidelines set forth the principles that govern integrity and compliance, ensuring consistency across different organizations regardless of their size. The principles-based approach allows for flexibility while maintaining rigorous standards and can be applied by any company or entity, not only those sanctioned by the Group. The principles cover, for example, leadership responsibility, risk assessment, internal controls, reporting, incentives and training.
- » **Negotiated settlements.** The World Bank Group utilizes negotiated settlements, similar to plea agreements, which allow for the possibility that companies can reduce their sanctions while agreeing to implement integrity compliance measures as a condition for release from sanction. This approach encourages companies to engage cooperatively with the Group and to demonstrate their commitment to improving integrity compliance practices.
- » **Independent monitoring.** When a company is sanctioned with conditions for release, the World Bank Group Integrity Compliance Office (ICO) is responsible for evaluating whether those conditions have been met. The Office conducts detailed reviews and evaluations of sanctioned companies’ integrity compliance measures. In some cases, a company may also be required to engage an independent integrity compliance expert or monitor who reports to the Office and the company on the company’s integrity compliance efforts. In such cases, the sanctioned company has the autonomy to select its independent expert or monitor, subject to a no-objection from the Office that is designed to ensure there is no conflict of interest and that the selected candidate is qualified for the task. This mechanism helps maintain the integrity of the assessment process.
- » **Application for release from sanctions.** Following the completion of the evaluation, companies can file an application for release from sanction. If the evaluation results relating to the company’s compliance efforts are deemed sufficient by the World Bank Group Integrity Compliance Officer, the Group will lift the sanction.
- » **Guidance for small and medium-sized enterprises.** To support these companies, the World Bank Group, in collaboration with the Republic of Korea Ministry of Justice, has published a guidance document outlining integrity compliance principles and recommendations tailored to smaller businesses. This guidance is intended to help these businesses navigate the complexities of integrity compliance, in light of their particular circumstances and resourcing considerations.
- » **Resource library and networking hub.** The World Bank Group Integrity Compliance Office maintains the Integrity Compliance Knowledge Sharing Platform, a website that features guidance, interactive e-learning modules and games, and a comprehensive resource library, providing companies with access to valuable compliance tools and guidelines. The website also hosts a networking hub where companies can share information about their anti-corruption ethics and compliance programmes and establish contacts, facilitating knowledge-sharing and good practices.
- » **Respecting local laws.** The World Bank Group “Integrity Compliance Guidelines” are designed to be implemented in concert with all applicable laws, including local laws in the countries where sanctioned entities operate. For instance, in jurisdictions where certain practices, such as background checks, may be restricted (e.g. Germany), the World Bank Group Integrity Compliance Office engages with sanctioned companies on the implementation of acceptable measures that effectively address the relevant integrity risks while respecting local laws and regulations.

Sources: World Bank Group, “[Integrity Compliance Knowledge Sharing Platform](#)”; World Bank Group, “[Sanctions System](#)”; World Bank and the Ministry of Justice, Republic of Korea, “[Integrity Compliance Programs for SMEs: Practical Guidance and Resources \(2024\)](#)”; and UNODC informal consultations on business integrity held on 15 and 16 October 2024 in Vienna.

### Incorporating technology and artificial intelligence into the assessment of anti-corruption ethics and compliance programmes

The role of artificial intelligence in the assessment of anti-corruption ethics and compliance programmes is an emerging area of interest. Governments should explore how artificial intelligence can enhance the efficiency and accuracy of assessments while ensuring that companies meet ethical standards.

#### Impact-focused assessments

Another good practice is to ensure that anti-corruption ethics and compliance programmes are not only a tick-box exercise by designing and using assessments that measure the impact of anti-corruption measures and not just their mere presence. This includes:

- **Activity-based versus outcome-based indicators.** It is crucial to steer assessments towards outcome-based indicators rather than merely focusing on activity-based metrics. Outcome-based indicators ensure that the assessment of anti-corruption ethics and compliance programmes measures the effectiveness of actions in achieving tangible results in preventing and countering corruption in a company, which encourages accountability, fosters continuous improvement and provides a more equitable and adaptable approach, especially for small and medium-sized enterprises.
- **Qualitative versus quantitative indicators.** While quantitative data (such as the number of audits or compliance training sessions) are important, qualitative assessments (such as employee engagement, leadership commitment and the actual functioning of ethics programmes) provide a deeper understanding of the true effectiveness of anti-corruption ethics and compliance programmes. The UNODC, OECD and World Bank publication entitled **Anti-Corruption Ethics and Compliance Handbook for**

**Business** emphasizes the need for companies to measure their compliance efforts using both hard data and qualitative factors. For instance, beyond tracking audit outcomes, companies are encouraged to assess the quality of ethical leadership and the effectiveness of internal reporting channels. This dual approach ensures that integrity standards are robust and adaptable to various company sizes and sectors.

In addition to the good practice examples already listed, several other good practices to improve assessments of anti-corruption ethics and compliance programmes are recommended in academic and professional literature and by the experts who contributed to the research for the present paper. Governments should enhance clarity in compliance requirements by providing specific, locally interpreted guidelines and establishing feedback loops to help companies understand and meet integrity standards. Utilizing rating agencies and reporting frameworks can also aid in assessing corporate compliance and transparency. Governments can leverage these findings to identify good practices and areas for improvement in their compliance assessment processes, aligning with international good practices.

#### 5.4.2 Examples of assessment methods, indicators and metrics

In this section, examples of potential assessment methods or indicators that can be used to evaluate the key elements of effective anti-corruption ethics and compliance programmes are presented. These methods are not exhaustive, as auditors, compliance assessors, government officials or outsourced service providers may apply different methodologies based on their expertise, the complexity of the business, the industry and the specific context of the assessments. Assessment techniques may also vary depending on factors

such as a company's size and risk profile, the quality of its record-keeping and the availability of relevant information.

For example, when assessing the effectiveness of a company's anti-corruption training programme, an auditor might measure the direct impact by conducting employee surveys, reviewing post-training performance metrics or analysing incident reports to determine how training has influenced behaviour. The auditor may also consider a nearly infinite number of factors, such as: quality of the needs assessment process; how the participants were selected; quality of training materials; quality of the teaching/delivery methods; qualifications and experience of the trainers; participation rate and engagement of employees in the training; feedback from employees on the training content and delivery; alignment of training content with the company's anti-corruption policies; frequency of training sessions; availability of refresher courses; tracking and measurement of post-training effectiveness; application of knowledge gained from training

in the workplace; integration of training into the broader compliance framework; clarity and accessibility of the training materials; and whether there is a system in place for continuous improvement based on feedback and monitoring of the success of the training programme. The auditor may also assess the scalability of training efforts for different business units, the integration of training into the company's onboarding process for new employees and whether training extends to third-party vendors, suppliers, contractors or any other business partners, where applicable.

However, this assessment might differ for a small business with fewer employees compared to a multinational corporation, where the auditor might look at broader, systemic indicators of organizational culture change. In the following table, examples of methods that can be used to assess each of the standards presented in the previous section of the present paper, as part of an effective assessment of anti-corruption ethics and compliance programmes, are presented.

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| <p><b>Governance and leadership</b></p> | <ul style="list-style-type: none"> <li>» <b>Leadership and commitment.</b> Evaluate the tone from the top by reviewing leadership communications (e.g. speeches, emails) and actions, and comparing them with company practices. Interviews with senior management and employee surveys can be conducted to measure perceived commitment to anti-corruption values. Board oversight of leadership and its commitment is equally important.</li> <li>» <b>Anti-corruption policies.</b> Review documented policies and how often they are updated and cross-check whether the policies align with the latest anti-corruption laws and regulations (national and international). Interviews with employees can be conducted to assess knowledge and application of the policy.</li> <li>» <b>Roles and responsibilities.</b> Map key roles responsible for developing and implementing the anti-corruption policy, as documented in the corporate structure and job descriptions. Interviews and surveys can be conducted to assess employees' understanding of these roles, including their responsibility to act ethically.</li> <li>» <b>Code of ethics/conduct.</b> Evaluate the existence of a clear, accessible and up-to-date code of ethics/conduct. Review communication of the code (e.g. training sessions, intranet) and employees' understanding and engagement in developing and updating the code (e.g. using surveys).</li> <li>» <b>Incentives for ethical behaviour.</b> Assess the implementation of ethical reward programmes (e.g. performance bonuses linked to integrity) and conduct employee interviews to gauge awareness and effectiveness of these incentives.</li> </ul> |
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| <b>Risk assessment</b>             | <ul style="list-style-type: none"> <li>» <b>Corruption scenarios.</b> Review company-specific risk assessments that include corruption risk scenarios and their potential impact. Ensure that identified risks align with the company's geographic and sectoral exposure. Assess the involvement of personnel, beyond the compliance department, in informing the risk assessment, through document reviews and the development of risk mitigation action plans.</li> <li>» <b>Corruption risk indicators.</b> Use data analysis methods to identify trends and patterns in public procurement data by sector, category, supplier and government department or agency, and evaluate the risk level using “red flags” methodologies.</li> </ul>  |
| <b>Training and communications</b> | <ul style="list-style-type: none"> <li>» <b>Capacity-building and training.</b> Assess training attendance and content as well as post-training evaluations and testing (e.g. pre and post-tests). Measure training impact by tracking improvements in employees' behaviour or compliance-related incidents before and after training.</li> <li>» <b>Communication and awareness-raising.</b> Review communication channels (e.g. intranet, newsletters, website) for anti-corruption messaging. Assess employees and third-party awareness through surveys or focus groups.</li> <li>» <b>Culture of integrity.</b> Measure integrity culture, for example, through employee surveys, the frequency of ethical discussions in management meetings and employee behaviour related to ethics and integrity in the workplace.</li> </ul>  |
| <b>Internal controls</b>           | <ul style="list-style-type: none"> <li>» <b>Internal controls (financial).</b> Assess the existence and effectiveness of internal financial controls by reviewing financial audits, transaction monitoring and segregation of duties. Conduct spot checks of financial documentation.</li> <li>» <b>Internal controls (non-financial).</b> Evaluate controls related to non-financial operations through interviews with department heads and the review of internal control procedures for various departments (e.g. procurement, human resources). This can be done for example through process walkthroughs, discovery sample selection and substantive testing.</li> <li>» <b>Internal controls.</b> Assess the internal control environment by reviewing system logs, user access reviews and any audits related to information technology systems. Conduct penetration testing and perform security assessments.</li> <li>» <b>Gifts and hospitality.</b> Review gifts and hospitality policies, evaluate records of gifts acceptance and assess compliance through spot checks of gift registers. Review cases where gifts were rejected or reported.</li> <li>» <b>Conflicts of interest.</b> Assess conflicts of interest disclosures, audit trails and consistency in applying conflict-of-interest policies by reviewing personnel files, reports and decision-making records.</li> <li>» <b>Third-party due diligence.</b> Evaluate the extent and rigour of due-diligence processes for third parties (e.g. vendors, contractors, suppliers). Assess the effectiveness of ongoing monitoring using contract reviews and third-party audits.</li> </ul> |

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| <p><b>Oversight</b></p>              | <ul style="list-style-type: none"> <li>» <b>Independent internal audit function.</b> Evaluate the independence and effectiveness of the internal audit function by reviewing audit reports, board reports and management responses to audit findings. Rely on professional frameworks, such as the Quality Assurance Review standards of the Institute of Internal Auditors, which are designed to evaluate internal audit functions.</li> <li>» <b>Independent compliance function.</b> Assess the autonomy and effectiveness of the compliance function through interviews with compliance officers, review of compliance reports and effectiveness in enforcing the policies.</li> <li>» <b>Monitoring, evaluation and learning.</b> Evaluate the monitoring and evaluation frameworks, including review of key performance indicators, internal audits and periodic reviews. Track the company's ability to learn from previous audits and incidents.</li> </ul> |
| <p><b>Reporting and response</b></p> | <ul style="list-style-type: none"> <li>» <b>Whistle-blower system.</b> Assess the accessibility, use and effectiveness of the whistle-blower system by reviewing reports filed, outcomes and confidentiality or anonymity protections. Conduct interviews with employees about their knowledge and comfort with using the system.</li> <li>» <b>Investigation and remediation.</b> Review the company's handling of past investigations, including timeliness and thoroughness. Assess whether corrective actions have been implemented and whether systems have been adapted to prevent recurrence.</li> </ul>  |
| <p><b>Collective action</b></p>      | <ul style="list-style-type: none"> <li>» <b>Participation in collective action.</b> Review the company's involvement in collective action initiatives (e.g. industry groups, multi-stakeholder initiatives and integrity and collective action pacts). Assess the effectiveness of this participation through documentation, case studies or interviews with external partners involved in the respective initiatives.</li> </ul>  |

### 6.1 Summary of corruption risks relating to and good practices for preventing and countering corruption in public procurement

Procurement is susceptible to various forms of corruption, which can emerge at any stage of the procurement process. These risks can originate from both the public and private sectors, and include but are not limited to:

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| <b>Public sector risks</b>  | <ul style="list-style-type: none"> <li>» Passive bribery and favouritism</li> <li>» Political corruption and resource manipulation</li> <li>» Collusion with bidders to receive kickbacks</li> <li>» Extortion</li> </ul>   |
| <b>Private sector risks</b> | <ul style="list-style-type: none"> <li>» Active bribery and favouritism</li> <li>» Bid rigging and market allocation through collusion between vendors</li> <li>» Fraudulent misrepresentation of bidding information</li> <li>» Coercion of smaller vendors</li> </ul> |

The following good practices for preventing and countering corruption in public procurement were identified as a result of the research conducted for the present paper. These practices outline effective measures to prevent and counter corruption risks in public procurement processes, aiming to enhance transparency, fairness and accountability at every stage of the process:

- » Transparency and standardized open data across the whole cycle of public procurement
- » A single clear central rulebook for all of procurement across the whole of Government
- » Strong legal frameworks and penalties
- » Capacity-building and training
- » Beneficial ownership transparency
- » Promotion of business integrity in and with the private sector

While this list is not exhaustive, no single measure can counter corruption on its own. Rather, a combination of measures tailored to the local context should be implemented. The practices are commonly employed by Governments and have been identified by experts (through informal consultations, interviews and surveys conducted by UNODC) as effective and essential in countering corruption in public procurement. In particular, the importance of promoting business integrity in the private sector through the use of incentives is highlighted in the paper.

Incentives to strengthen business integrity are crucial for preventing corruption in public procurement because they create positive reinforcement for companies in terms of adopting ethical practices and complying with regulations. By offering rewards to companies, such as preferential treatment in public procurement, these incentives encourage transparency, accountability and proactive efforts to combat corruption. This approach not only fosters a culture of integrity within the private sector, but also ensures fair competition, improves the efficiency of procurement processes, contributes to better governance and public trust, and ensures the quality and delivery of goods, works and services, contributing to the fulfillment of the 2030 Agenda for Sustainable Development.

Furthermore, the Conference of the States Parties of the United Nations Convention against Corruption, in its resolution 10/12, underscores the importance for States Parties of developing effective frameworks to provide incentives for the private sector to adopt integrity measures, such as those related to public procurement.

## 6.2 Summary of good practices for the promotion of integrity and the use of incentives in public procurement

While the UNODC, United Nations Global Compact and OECD publication entitled *A Resource Guide on State Measures for Strengthening Business Integrity* provides a comprehensive overview of good practices for incentives to promote business integrity, the present paper is primarily focused on good practices specific to public procurement. Good practices identified include:

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| <p><b>Exemptions from prosecution and penalty mitigation</b></p>                                | <p>Leniency programmes offer reduced penalties for companies that voluntarily self-report misconduct, cooperate with investigations and proactively strengthen their anti-corruption ethics and compliance programmes, promoting transparency while maintaining a deterrent effect. This approach balances cooperation with accountability.</p>   |
| <p><b>Preferential procurement treatment</b></p>  | <p>This is an incentive that encourages vendors to adopt and maintain high ethical standards by rewarding companies with favourable opportunities in public procurement. It can be granted in the form of:</p> <ul style="list-style-type: none"> <li>» Integrating compliance in eligibility requirements</li> <li>» Creating “allowlists” for compliant vendors</li> <li>» Reduced scrutiny for compliant vendors</li> <li>» Rewarding beneficial ownership transparency (i.e. beneficial ownership reporting)</li> <li>» Integrating compliance in rated criteria to award contracts (i.e. the weight given to non-price factors to evaluate bids when making contract-awarding decisions).</li> </ul> <p>This approach is aimed at enhancing business integrity by offering specific advantages, such as easier access to contracts or better chances in competitive tenders, to companies that demonstrate a commitment to ethical practices and anti-corruption measures.</p> |
| <p><b>Performance-based contracting</b></p>   | <p>Contracts may include performance-based incentives linked to ethical conduct and compliance outcomes. These incentives can take the form of bonuses for meeting integrity benchmarks or penalties for failing to adhere to ethical standards. This approach ensures that companies uphold high standards of integrity throughout the entire contract lifecycle, rather than solely during the bidding phase.</p>   |
| <p><b>Rewards and recognition programmes and integrity certifications</b></p>                   | <p>Publicly acknowledging companies for their high standards of integrity can foster a culture of ethics and motivate others to follow suit. These programmes may also qualify participating companies for additional incentives, such as preferential treatment in procurement processes.</p>  |
| <p><b>Collective action initiatives, including integrity pacts and consensus frameworks</b></p> | <p>These are agreements between Governments and bidders for public contracts aimed at promoting transparency and ethical behaviour throughout the procurement process. The pacts are often monitored by an independent third party, typically a civil society organization, to ensure adherence to the agreed-upon ethical standards and to prevent corrupt practices.</p>  |

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| <p><b>Collective action initiatives, including integrity pacts and consensus frameworks</b></p> | <p>The reputational advantage acts as an incentive to companies participating in public procurement to act with integrity, as businesses that participate in integrity pacts often gain a competitive advantage because they are seen as trusted partners in public procurement, which can lead to greater opportunities in future tenders.</p> <p>Integrity pacts are a form of collective action initiative, which involve cooperation between public institutions, businesses and civil society to promote ethical standards in public procurement.</p> <p>Another example of a collective action initiative is consensus frameworks, which bring together key stakeholders, such as industry associations, regulators and companies, to agree on shared principles of integrity and transparency. Collective action can reinforce the effectiveness of integrity mechanisms and foster a more level playing field for all participants. Moreover, collective action initiatives allow active monitoring of public procurement through open data. Both businesses and civil society can use procurement data to monitor spending, which builds trust and incentivizes more businesses to compete for contracts when they see the market is fair and truly competitive.</p> |
| <p><b>Sanctions</b></p>   | <p>While this is not an incentive, sanctions such as debarment and suspension remain essential to ensuring compliance by excluding vendors that engage in corrupt practices. The sanctions system of the World Bank Group and the European Union exclusion mechanisms demonstrate effective models for enforcing accountability and deterring unethical behaviour.</p>  |

Such practices have been successfully observed in countries such as Argentina, Brazil, Canada, Chile, Colombia, France, Greece, Italy, Mexico, Morocco, New Zealand, Paraguay, the Republic of Korea, Saudi Arabia and Thailand, demonstrating their value and approach to promoting integrity and transparency in public procurement. Detailed case studies and lessons learned from each country can be found in the present paper.

For the adoption and implementation of incentives for business integrity in public procurement to be successful, experts pointed out that leveraging incentives to strengthen business integrity in public procurement relies not only on the incentives granted, but also on a robust approach to setting relevant integrity standards for companies as the basis for granting incentives, and an effective approach to the assessment of anti-corruption ethics and compliance programmes to ensure compliance with set standards.

### 6.3 Summary of good practices for setting integrity standards

The establishment of robust integrity standards is crucial for fostering transparency, reducing corruption and ensuring companies know which requirements to follow to be eligible for public procurement incentives. While integrity standards should be determined based on a comprehensive risk assessment and on the specific corruption-risk profile of the country in question, good practices were observed and summarized in the present paper based on interviews conducted by UNODC in 2025. These insights build on the findings presented in the OECD paper entitled *Governments' Assessments of Corporate Anti-corruption Compliance* as well as different corporate governance codes and guidelines and international integrity standards, such as **ISO 37001**, the international standard for anti-bribery management systems, and **BS 10500**, on anti-bribery management systems.

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| <p><b>A risk-based approach to setting integrity standards</b></p>  | <p>The level of compliance required should be tailored to the specific risks associated with each procurement contract or company type and sector. This ensures that resources are focused on high-risk areas, such as large contracts or sectors such as construction and healthcare, where the probability for corruption is higher and its impact potentially greater.</p>  |
| <p><b>Integrity standards should extend beyond basic compliance policies to encompass comprehensive compliance management systems</b></p> | <p>The UNODC publication entitled <b>An Anti-Corruption Ethics and Compliance Programme for Business: A Practical Guide</b> provides guidance on integrity standards that are comprehensive and extend beyond compliance with policies. This includes aspects such as the personal commitment of business leaders and managers, the clear communication of values and commitments made, robust internal control systems and channels for safe reporting, such as whistle-blowing systems.</p> <p>Other frameworks, such as <b>ISO 37001:2025</b> and <b>BS 10500</b>, both on anti-bribery management systems, provide details of the components of a compliance management system, including training, integrity culture and ongoing evaluations.</p>   |
| <p><b>Adopting clear and transparent standards</b></p>  | <p>Another key practice for upholding effective integrity standards in public procurement is the adoption of clear and transparent practices. Transparency not only fosters trust and accountability, but also helps prevent unfair practices and corruption. Publishing open data across the public procurement process, according to the Open Contracting Data Standard (a global best practice model to publish procurement information), provides international comparability and automates the calculation of common corruption risk indicators.</p>  |
| <p><b>Adopting a robust whistle-blower framework and ensuring fair enforcement of anti-corruption measures</b></p>                        | <p>Establishing effective whistle-blowing channels is a proven measure to enhance the impact of initiatives aimed at promoting business integrity, including incentive-based approaches. These systems serve as a critical line of defence, empowering employees and stakeholders to report misconduct, particularly when there is a gap between a company's stated integrity commitments and its actual practices.</p> <p>In December 2023, the Conference of the States Parties to the United Nations Convention against Corruption adopted <b>resolution 10/8</b>, on the protection of reporting persons. The adoption of the resolution, the first on the subject, highlights the important role that reporting persons play in preventing and combating corruption. Notably, whistle-blowers are referred to as a specific category of reporting persons who report corruption in the context of their professional activities or work-related environment.</p> <p>In sections XXI and XXII of the OECD <b>"Recommendation for further combating bribery of foreign public officials in international business transactions"</b> requirements on protection of reporting persons are set out, including establishing strong and effective legal and institutional frameworks to protect and/or to provide remedy against any retaliatory action to persons working in the private or public sector who report on reasonable grounds suspected acts of bribery of foreign public officials in international business transactions and related offences in a work-related context.</p> |

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| <b>Developing country-specific national certifications and requirements</b> | Locally developed certifications often reflect the specific priorities, risks and regulatory environments of each country, ensuring that integrity standards are relevant, practical and readily enforceable within their respective jurisdictions.   |
| <b>Adopting sector- and size-specific integrity requirements</b>            | The development of sector- and size-specific integrity requirements can help address unique challenges within different industries and companies, making integrity measures more relevant, achievable and effective. The <b>consensus framework model</b> , used in healthcare procurement, demonstrates the value of engaging multiple stakeholders, including businesses, government agencies and civil society, to create tailored requirements and procurement processes. |

Case studies from Argentina, Brazil, Canada, Chile, Greece, Italy, New Zealand and Thailand, and the World Bank Group, highlight the use of these different approaches.

## 6.4 Summary of good practices for the assessment of anti-corruption ethics and compliance programmes

Effective assessment of anti-corruption ethics and compliance programmes is vital to ensuring that companies receiving incentives meet high standards of integrity. Good practices were observed and are summarized in the present paper based on interviews conducted by UNODC in 2025. These insights build on the following findings presented in OECD paper entitled **Governments' Assessments of Corporate Anti-corruption Compliance**:

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| <b>Risk-focused assessments</b>                         | Tailored assessments are conducted to address the specific risks associated with each procurement contract, focusing on areas such as conflicts of interest in consulting services or supply chain controls in infrastructure projects. This approach ensures that companies implement measures to mitigate relevant risks and allocate resources to the most critical areas. The risk profile may also indicate whether self-assessments are appropriate in certain areas, as opposed to requiring full audits.<br><br>This practice has been observed in Brazil, France and Thailand. |
| <b>Impact-focused assessments</b>                       | The assessments measure the effectiveness of anti-corruption measures by focusing on their impact, ensuring real-world outcomes such as reduced corruption, rather than just checking boxes. Assessments should focus on outcomes, such as reduced misconduct and improved transparency, rather than just measuring activities such as training sessions or audits. It should also combine a mix of qualitative and quantitative methods.   |
| <b>A tailored approach to self-cleaning assessments</b> | Differentiates between general assessment of anti-corruption ethics and compliance programmes, and self-cleaning assessments, which target specific measures taken to address previous gaps after sanctions.  |

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| <b>Incorporating technology (e.g. artificial intelligence) into the assessment of anti-corruption ethics and compliance programmes</b> | <p>Artificial intelligence is being used to enhance the efficiency and accuracy of assessing anti-corruption ethics and compliance programmes. Artificial intelligence tools can assist in analysing large volumes of data, detecting patterns and flagging anomalies that may indicate potential compliance risks. However, Governments considering the use of artificial intelligence must also ensure transparency, accountability and the implementation of ethical safeguards in how these technologies are applied.</p> |
| <b>Evaluating compliance using “red flags” indicators</b>  | <p>Public procurement data can be used to calculate trends in corruption risk indicators or “red flags” and enable oversight bodies and auditors to evaluate whether compliance and integrity measures reduce instances of risk factors.</p>  |
| <b>Other good practices</b>  | <p>Additional good practices to improve the assessment of anti-corruption ethics and compliance programmes include enhancing the clarity of compliance requirements by providing specific, locally interpreted guidelines and establishing feedback loops to help companies understand and meet standards, as well as involving experts, business representatives and civil society in assessments.</p>   |

## 6.5 Key considerations for strengthening business integrity in public procurement through incentives

Based on the findings of the present paper, the following key considerations are proposed to help Governments strengthen the use of incentives, integrity standards and the assessment of anti-corruption ethics and compliance programmes in public procurement. These considerations are intended to support government officials in enhancing existing practices and in fostering a culture of integrity, transparency and accountability throughout the procurement process:

### Incentives for business integrity

- » **Integrate clear and measurable incentives into procurement frameworks.** Governments should consider integrating incentives that reward ethical behaviour and compliance with anti-corruption standards, such as preferential procurement treatment and recognition programmes. These should be

explicitly linked to compliance with integrity standards.

- » **Provide leniency and mitigation mechanisms with clear guidelines.** Governments should consider establishing transparent leniency programmes, whereby companies (or individuals) that report corruption, cooperate with investigations and proactively enhance anti-corruption ethics and compliance programmes, are granted reduced penalties or exemptions from prosecution. These mechanisms encourage companies to actively participate in anti-corruption efforts, including in public procurement processes.
- » **Ensure robust enforcement alongside incentives.** While incentives are important, they are only effective when supported by strong enforcement mechanisms. Governments should actively monitor compliance with integrity standards and hold companies accountable, through appropriate sanctions, if they fail to meet these standards.

## Integrity standards

- » **Set clear, transparent and risk-based integrity standards.** Governments should consider establishing integrity standards that are transparent and adaptable to the specific risks of each procurement process. These standards should be tailored to the sector, company size and jurisdiction, ensuring that compliance efforts are realistic and effective.
- » **Align integrity standards with international frameworks.** National standards should be aligned with globally recognized frameworks, such as the United Nations Convention against Corruption, UNODC guidance and other requirements communicated by international organizations and professional bodies, while being adapted to the specific local context. This ensures that standards are both effective and aligned with international good practices.
- » **Develop sector-specific integrity standards through collective action.** Given the different corruption risks in various sectors, Governments should consider developing sector-specific integrity requirements, in collaboration with other stakeholders (e.g. businesses, labour unions and civil society). This approach ensures that integrity standards are relevant and effective in addressing the unique risks within each industry, such as healthcare, construction and energy.

## Assessment of anti-corruption ethics and compliance programmes

- » **Adopt risk-focused and outcome-based assessments.** Governments should conduct assessments that focus on the specific corruption risks relevant to each procurement contract or company. Assessments should prioritize outcomes, such as reducing misconduct and increasing transparency, rather than merely verifying compliance activities such as training or audits.
- » **Implement tailored assessment frameworks.** Governments should design flexible

assessment frameworks that are scalable to the size and complexity of companies involved in public procurement. For example, small and medium-sized enterprises should be given tailored support and simplified assessment processes to ensure their participation while maintaining compliance.

- » **Leverage technology to enhance assessment efficiency.** The use of artificial intelligence and data analytics can improve the efficiency and accuracy of assessments, enabling Governments to better monitor and evaluate the effectiveness of anti-corruption ethics and compliance programmes across a range of procurement processes. These assessments are rooted in the reliable and timely publication of high quality, standardized open data on public procurement.

## Other considerations

- » **Promote collaboration among stakeholders.** Governments should engage with the private sector, civil society, academia and international organizations to develop and implement anti-corruption measures and ensure that incentives and integrity standards are widely understood and effectively implemented through awareness-raising and capacity-building initiatives. Cooperation between authorities in charge of implementing leniency programmes and mitigation mechanisms and authorities in charge of public procurement is also important to ensure integrity standards are consistently applied (although tailored to specific contexts).
- » **Enhance transparency and communication.** Governments should ensure that integrity standards, assessment processes and the criteria for awarding incentives are clearly communicated to all stakeholders. A single, open database of planned and active tender opportunities, awards and contracts provides fair access to relevant opportunities for all businesses. This transparency helps build

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trust in the system and ensures that businesses understand what is expected of them.

- » **Focus on continuous improvement.** Integrity frameworks should be dynamic, with regular reviews and updates to reflect emerging risks and evolving good practices. Governments should establish mechanisms for monitoring, evaluation and feedback to ensure that anti-corruption efforts remain effective and adaptive to changing challenges and evolving risks in the business landscape.

By implementing these practical recommendations, Governments can strengthen business integrity in public procurement, foster transparency and create an environment where ethical practices are not only expected but incentivized and rewarded. This will ultimately contribute to reducing corruption risks and improving the effectiveness of public spending.

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