



# COMMUNICATION ON ENGAGEMENT 2020

**TRACE**

# FOREWARD

I am pleased to reaffirm TRACE's commitment to advancing the Ten Principles of the United Nations Global Compact with a strong emphasis on Principle 10.

For nearly two decades, TRACE has brought together the international business community and many other important stakeholders under a common purpose: advancing commercial transparency across industries and markets to support the fight against corruption.

The private sector has a central role in ensuring that the recovery from COVID-19 is not hampered by corruption. TRACE will continue to help companies prevent corruption in their supply chains and maintain robust compliance programs as they endeavor to strengthen their commitment to the 10th Principle during this challenging time. Over the course of the last year, many companies have experienced budget cuts and staff reductions that have affected compliance. In response, we have made several resources publicly available and have also made changes to our offerings to better accommodate the compliance community. We will continue to provide practical tools, guidance and resources for multinational companies and small- and medium-sized enterprises with the aim of reducing costs while raising compliance standards and enhancing transparency.

In addition, we are fully committed to engaging in collaborative multistakeholder initiatives that help businesses reduce corruption and advance commercial transparency. As a leading anti-bribery business organization, we seek to deploy our global network and capabilities to promote the 10th Principle and to raise awareness of the impact of corruption on recovery efforts and how the private sector can help speed up the economic recovery by curbing corruption.



Alexandra Wrage

A stylized, handwritten signature in black ink, appearing to read 'Alexandra Wrage'.

President, TRACE

# ABOUT TRACE



TRACE International is a 501c(6) non-profit business association that pools resources to provide multinational companies and their commercial intermediaries with practical and cost-effective anti-bribery compliance solutions. While TRACE is recognized globally by anti-bribery authorities for its leadership in promoting corporate compliance, it remains completely autonomous without any public funding.

TRACE membership helps companies conduct business ethically and in compliance with the U.S. Foreign Corrupt Practices Act and other similar anti-bribery regulations, all while remaining competitive. Members have access to a full suite of resources and innovative compliance tools that are easy to use and implement. Joining TRACE provides a low cost alternative to increasingly expensive and time-consuming corporate compliance.

## MEMBER BENEFITS INCLUDE:

COMPLIANCE BENCHMARKING

RESOURCE CENTER ACCESS

MULTILINGUAL ELEARNING

GIFTS & HOSPITALITY MANAGEMENT

THIRD PARTY RISK ASSESSMENT TOOL

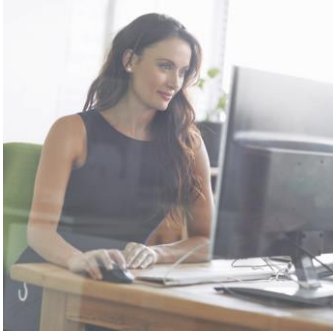
DATABASE OF THIRD PARTIES

THIRD PARTY MANAGEMENT SYSTEM  
(TPMS) ACCESS

CONFERENCES WORLDWIDE



# EDUCATION & TRAINING



## GLOBAL PARTNERSHIPS & COLLECTIVE ACTION



# TRANSPARENCY INITIATIVES



## FREE & PUBLIC TOOLS

# PUBLICATIONS & THOUGHT LEADERSHIP

# EDUCATION & TRAINING



## ANTI-BRIBERY EVENTS

Over the last two years, TRACE has hosted 59 in-person and virtual anti-bribery events and webinars. These events facilitate the benchmarking of anti-corruption best practices and encourage companies to adopt the highest standards. Additionally, they provide companies with a cost-effective way to train employees and third parties on anti-bribery compliance fundamentals as they are free of charge for TRACE members and partners. Event locations have included Dubai, London, Mexico City, Mumbai, Rome, Paris, Riyadh, São Paulo and other global business hubs. In 2020, TRACE opened many of its webinars to the public to provide the wider compliance community with training resources in support of their compliance efforts during this challenging year.



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## eLEARNING AND ACCREDITATION

TRACE provides its members with multilingual eLearning on global anti-corruption compliance and avoiding trafficked labor in the supply chain in support of Principles 4 and 10 of the UNGC. TRACE educates a variety of audiences on anti-corruption and best practices in supply chain ethics through the **TRACE Anti-Bribery Specialist Accreditation (TASA)** program, a comprehensive training and accreditation program for anyone seeking to further their knowledge in the field of anti-bribery. TRACE also recently introduced an **anti-bribery essentials certificate** for those seeking a top-level understanding of key concepts in anti-bribery compliance. Both TASA and TRACE ABC Essentials include a course on implementing the 10<sup>th</sup> Principle.

TRACE also works to educate future leaders on the importance of anti-bribery through **Bribe Busters**, its publicly available animated series that aims to inform schoolchildren about anti-corruption.

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## PODCAST

In May 2017, TRACE launched the podcast **Bribe, Swindle or Steal** as a platform for wider discussion and exploration of topics related to corruption and financial crime. Through interviews with investigative reporters, practitioners and other experts, TRACE President Alexandra Wrage explores what motivates people to break the law, how wrongdoers cover their tracks and what can be done to put a stop to the looting. Popular episodes have explored the OECD's anti-corruption campaign, the murder of investigative reporter Daphne Caruana Galizia and the Volkswagen emissions scandal.



# GLOBAL PARTNERSHIPS & COLLECTIVE ACTION



TRACE works in collaboration with industry organizations worldwide to raise anti-bribery compliance standards and to encourage both multinational companies and small- and medium-sized enterprises (SMEs) to implement the 10<sup>th</sup> Principle. Partner organizations include the **Brazilian Association of Industrial Engineering (ABEMI)**, **Ethics and Reputation Society (TEID)**, **Invest in Africa (IIA)**, **the Ukrainian Network of Integrity and Compliance (UNIC)** and other **organizations** committed to advancing commercial transparency. Recognizing that SMEs often lack the resources to address bribery, through these partnerships TRACE has provided hundreds of SMEs with access to **TRACE Certified Due Diligence**, which has helped to raise awareness globally of anti-bribery requirements while providing SMEs with a business and compliance credential and anti-bribery training.

# TRANSPARENCY INITIATIVES

*TRACE, through its Foundation, supports projects that encourage greater commercial transparency. Recent initiatives include:*

## THE TRACE PRIZE FOR INVESTIGATIVE REPORTING

The annual **TRACE Prize for Investigative Reporting**, launched in 2016, recognizes journalism that uncovers business bribery or related financial crime with the goal of increasing commercial transparency. Each year the prize draws nearly 100 applicants from around the world. Applications are reviewed by an independent panel of judges who select up to two winning entries. Each winning entry receives a cash prize of US\$10,000 in support of their continued work.

Recent previous winners included Iraqi journalist Azaad Al-Zalzalee, who uncovered corporate fraud that led to the waste of more than US\$200 million allocated to build schools in Iraq; Renee Dudley of ProPublica for “The Extortion Economy”, which uncovered a ransomware scheme; John-Allan Namu and the Africa Uncensored team for their investigation “The Profiteers”, which exposed wartime corruption in East Africa; and Khadija Sharife of the Organized Crime and Corruption Reporting Project along with Philippe Engels, who reported on bribery in oil sales.

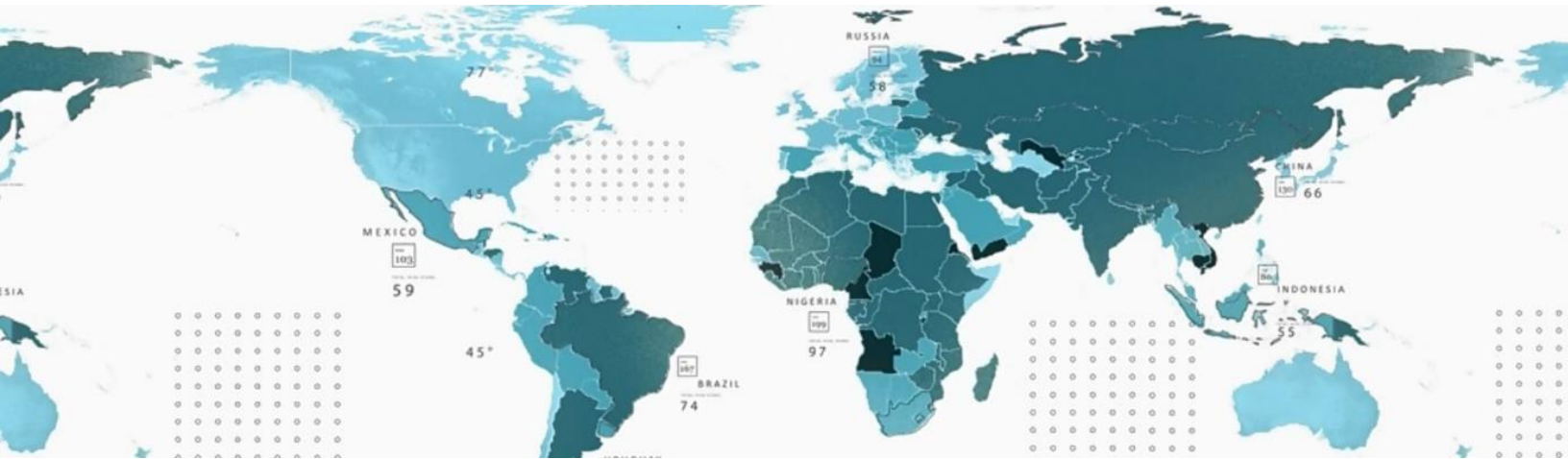
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## TRACE JOURNALISM FELLOWSHIPS

Since 2018, the TRACE Foundation has sponsored **Alfred Friendly Press Partners** fellows who have an interest in investigating anti-corruption. Fellows come from countries with underdeveloped media and receive training during their six-month stay in the United States from the Missouri School of Journalism and leading newsrooms.



# FREE & PUBLIC TOOLS



## THE TRACE BRIBERY RISK MATRIX

The **TRACE Bribery Risk Matrix® (TRACE Matrix)** measures business bribery risk in 194 jurisdictions and was originally published in 2014 to meet a need in the business community for more reliable, nuanced information about the risk of commercial bribery worldwide. It addresses the risk that companies will be asked for bribes within each country, rather than the conduct of the companies or citizens. Publicly available at no cost, the TRACE Matrix helps companies examine the conditions that allow commercial bribery to flourish: (1) the nature and extent of government interaction with the private sector; (2) societal attitudes toward bribery and the government's ability to enforce its prohibition; (3) the degree of governmental transparency; and (4) the ability of civil society to monitor and expose corruption.

The TRACE Matrix is publicly available at [www.TRACEinternational.org/trace-matrix](http://www.TRACEinternational.org/trace-matrix).

*The TRACE Matrix is updated annually and has been updated twice since our last COE.*

## TRACE MATRIX DATA BROWSER

The **TRACE Matrix Data Browser** is a comprehensive tool for sorting and grouping the data from which the TRACE Bribery Risk Matrix scores are derived and identifying trends and patterns that may be relevant in understanding the risk environment each country presents. The tool was developed in 2018 and is publicly available at [matrixbrowser.TRACEinternational.org](http://matrixbrowser.TRACEinternational.org).

## THIRD PARTY DATABASES

**TRACE** maintains **two publicly accessible databases** that help multinational companies find business partners worldwide quickly and easily. The **Intermediary Directory** contains pre-vetted and trained SMEs in **more than 150 countries**, and the **TRAC Register** contains thousands of vendors that meet baseline due diligence requirements.

Users may request and obtain **TRACE Certified Due Diligence** reports for third parties in the **Intermediary Directory** and TRAC Reports in the **TRAC Register** at no cost, reducing the time and expense associated with due diligence for both multinational companies and SMEs.



# FREE & PUBLIC TOOLS

## TRACE e-GOV PORTAL

Launched in 2019, the **TRACE e-Gov Portal** is a comprehensive collection of links to country-level e-government services and resources of interest to businesses and their employees. As the only global e-government directory, the Portal makes these resources easily available to companies doing business worldwide and promotes governments' efforts to streamline the provision of administrative services over the internet. The TRACE e-Gov Portal includes over 25,000 links in more than 100 countries, and links are classified into categories and subcategories, providing users with ready access to the services they need across multiple jurisdictions.



## TRACE COMPENDIUM

Launched in 2009, the **TRACE Compendium** is a user-friendly and fully searchable database of international anti-bribery enforcement actions. All enforcement actions in the TRACE Compendium involve bribery of a government official across international borders. Domestic anti-bribery investigations and enforcement matters involving commercial bribery purely between private parties are not included in the TRACE Compendium.



# PUBLICATIONS

TRACE regularly publishes books, publicly available white papers and articles to provide the global anti-corruption community with resources and guidance on anti-bribery compliance. Recent publications have included the white papers “Leveraging Anti-Bribery Compliance Programs to Address Human Rights in a Post-COVID-19 World”, “The Growing Importance of ESG Due Diligence Post-COVID-19”, “Voluntary Disclosure Under the Foreign Corrupt Practices Act”, and “The Compliance Officer's Guide to Innovative Training”, along with the book *Corrosive: Corruption and its Consequences*.

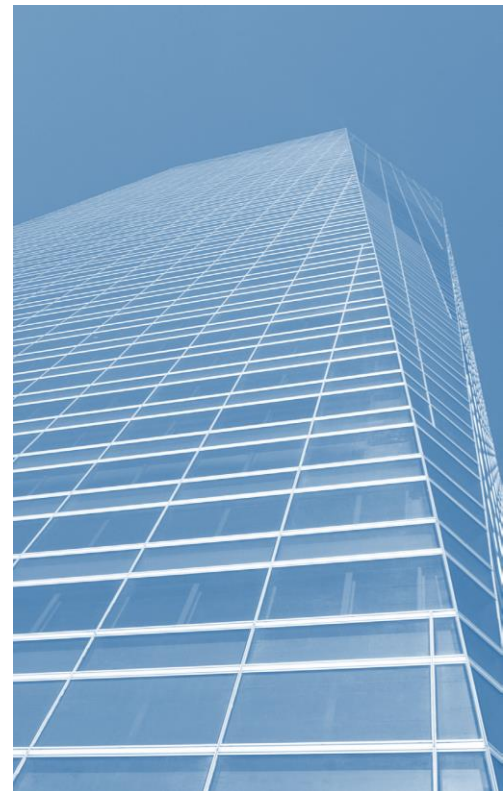
To learn more, visit [www.TRACEinternational.org/publications](http://www.TRACEinternational.org/publications).

In addition, TRACE publishes its **Global Enforcement Report (GER)** annually, which provides graphic and textual analyses of all known enforcement events, including investigations and enforcement actions, since the first bribery cases were prosecuted in the United States following the enactment of the U.S. Foreign Corrupt Practices Act. Data from the GER is based primarily on the cases and investigations tracked in the **TRACE Compendium**, TRACE’s online database of transnational corruption cases.

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## MEASUREMENT OF OUTCOMES

The activities TRACE has undertaken in the last two years in support of the 10th Principle have produced the desired outcomes. More companies globally have developed anti-corruption programs and policies and implemented the 10th Principle by working with TRACE. We continue to establish and raise anti-bribery best practices in relation to third party due diligence and to reduce the cost of compliance by offering companies shared-cost solutions based on collective action principles. Working in collaboration with other organizations, TRACE is scaling up impact through industry initiatives that promote anti-bribery compliance and encourage companies to develop policies that address all forms of corruption. Through our events, we have educated thousands of business and compliance professionals on fundamental responsibilities in the area of anti-corruption.



# ABOUT TRACE

TRACE is a globally recognized business association dedicated to anti-bribery, compliance and good governance and leading provider of shared-cost third party risk management solutions. Members and clients include over 500 multinational companies located worldwide. TRACE is headquartered in the United States and registered in Canada, with a presence on five continents. For more information, visit [www.TRACEinternational.org](http://www.TRACEinternational.org).

Follow TRACE:    



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