Transparency International Australia

Period covered by this Communication on Engagement

From: April 2019   To: March 2023

Part I. Statement of Continued Support by the Chief Executive or Equivalent

Please use the box below to include the statement of continued support signed by your organization's Chief Executive or equivalent.

16 June 2023

To our valued stakeholders,

We are delighted to reaffirm our unwavering commitment to the United Nations Global Compact and its Ten Principles, which encompass vital areas such as Human Rights, Labour, Environment, and Anti-Corruption. Transparency International Australia proudly presents our Communication on Engagement with the United Nations Global Compact, and we invite your valuable feedback on its contents.

Within this Communication of Engagement, we outline the proactive steps our organisation has undertaken to provide support to TI chapters in the Indo-Pacific region. Our primary focus has been to identify and address corruption risks prevalent in the infrastructure sector within this region.

Yours faithfully,

Clancy Moore
Chief Executive Officer
Transparency International Australia

Part II. Description of Actions

Please use the box below to describe the actions your organization has taken in support of th e Global Compact. It is strongly recommended that the actions taken are related to one or more of the specific activities suggested. *Please refer to the complete list of suggested activities for your type of organization found [here](#).*

In the past two years TIA has taken the following actions in support of special initiatives and work streams:

With support from the *TI Indo-Pacific Partnership for Strong, Transparent, Responsive & Open Networks for Good Governance (TI IPP STRONGG) 2020 – 2023*, TI Australia aims to identify and address corruption risks in the infrastructure sector in the Indo-Pacific region through the development of tools and advocacy strategies under the *Accountable Infrastructure* project. Building on expertise, networks and partnerships established under other initiatives, including the *Accountable Mining Programme*, TI Australia intends to use its advocacy expertise and capacity to advocate for transparency, and accountability in infrastructure decision making processes and encourage the participation of women and vulnerable communities in decision making.

BACKGROUND

Across the Indo-Pacific region, countries are making little progress in tackling corruption, as confirmed by [Transparency International's 2020 Corruption Perception Index (CPI)](#). Corruption is prevalent across most sectors in the Indo-Pacific region, and particularly in infrastructure and mining, two sectors that are closely linked, and will lead Australia's COVID-19 economic recovery in the Indo-Pacific region (e.g. [AIFFP Policy Framework, DFAT development assistance in the Pacific)](#).TI Australia aims to address the lack of existing analysis of corruption risks in the infrastructure sector in the region to enhance understanding of these risks, advocate for strengthened governance frameworks and hold decision makers accountable.

PROJECT OVERVIEW
Objectives

1. Increasing citizen and civil society organisation participation in infrastructure governance processes in the Indo-Pacific.
2. Increasing government capacity to ensure adequate checks and balances on infrastructure projects in at least one Indo-Pacific country.
3. Increasing capacity of the infrastructure industry to adopt and champion business integrity.

Main Activities
Activities under this project include:

➢ Developing an **Infrastructure Corruption Risk Assessment Tool (ICRAT).** This will contribute to increased understanding of corruption risks in planning and design processes for infrastructure projects. The tool will also help to identify the gendered impact of these risks. Civil society will be provided with guidance on how to engage government and industry stakeholders to determine the source and level of exposure to corruption risks in the sector.

➢ Building and engaging **multi-stakeholder national and regional networks** on transparency in infrastructure projects, including civil society organisations, key government institutions, and infrastructure industry stakeholders.

➢ Providing tailored training, as well as research and advocacy **support to TI Solomon Islands as the chapter pilots the ICRAT**. The tool will be used to identify where corruption risks exist in Solomon Islands' infrastructure project planning, design and implementation processes. Evidence will then be used to call for strengthened oversight, transparency and accountability of infrastructure projects at a national level, and led by TI Solomon Islands.

Part III. Measurement of Outcomes
Please use the box below to include the most relevant qualitative and/or quantitative indicators to measure the outcome of the activities described in Part II above.

SUMMARY OF PROGRESS & KEY ACHIEVMENTS

Achievements in the start-up phase of the project were focused on **building a solid foundation for a successful program**.We have **maintained and strengthened our strong connections** with important stakeholders including the **OECD Working Group on Responsible Business Conduct and the OECD Trust in Business Initiative** which will help to strengthen the project's relevance regionally and globally.

Other key highlights of TI Australia's project work in 2020 include:
- Having produced **four (related) publications**;
- Being referenced and quoted in **five newspaper articles and media interviews**;
- Being a founding member of the **Bribery Prevention Network**;
- Having delivered speeches **at four key events**.

Publications:

- ['What Australia can do to stop money laundering'](#).

- ['Partnerships for recovery: COVID and Australian Aid.'](#)

- Accountable Infrastructure Combating Corruption in the

   Infrastructure Sector Concept note.

- ['National Integrity Systems Assessment: The Blueprint for Reform'](#) report

Events and participation at conferences:

- TIA CEO delivered the keynote address at the [Urban Resilience Asia Pacific Conference 2020.](#) (3 December)

- TIA CEO was a speaker at [the Global Compact Network Australia Dialogue on Bribery and Corruption.](#)

- TIA CEO launched the National Integrity System Assessment report at Parliament House Australia. (30 November).

- TIA CEO spoke at and developed a video presentation for the National Integrity Systems Assessment online webinar included comments from Chief Political Correspondent Karen Middleton (The Saturday Paper), Professor AJ Brown (lead author), TIA CEO Serena Lillywhite, Queensland Corruption and Crime Commission Chair Alan MacSporran and President of the Law Council of Australia, Pauline Wright.

In 2021 Transparency International Australia's Accountable Infrastructure program's key achievement was the development and validation of the **Infrastructure Corruption Risk Assessment Tool (ICRAT)**. The ICRAT forms the basis of our project and will enable and help civil society and other stakeholders to identify, assess and communicate the corruption risks arising during the selection of infrastructure projects. It focuses on how the process of selecting infrastructure projects can be skewed or manipulated to bring rich rewards to the project proponents and other select beneficiaries (including government officials), at the expense of the public good.

TI Australia worked with Engineers Against Poverty (EAP), which is part of the CoST Infrastructure Transparency Initiative, and is a respected NGO with expertise in engineering and the infrastructure sector, to develop the tool. The draft tool was then sent to 21 reviewers in government, multilateral organisations, infrastructure industry representatives, and from civil society.

Our second major focus for the project has been the **development and strengthening of connections with stakeholders** from government, the infrastructure industry, multilateral agencies and Transparency Solomon Islands.

Publications:

- We made **submission**s to government on Export Finance, Urban congestion, Anti money laundering.
- We published **blogs** outlining the corruption risks and reason for this project; Monitoring Infrastructure. Corruption and on Inadequate Due Diligence and the Infrastructure Sector, the Pandora Papers and the link between Human Rights and Corruption. We also published on Integrity and Ministerial Standards and on money laundering.

Events and participation at conferences:

TI Australia's CEO spoke at and moderated the following events where reference to corruption risks in infrastructure was made:

- **UN Global Compact Leaders' Summit**, 'SDG 16 at the Intersection of Anti-Corruption and Human Rights', June 2021. See the Blog, Corruption and Human Rights Go Hand in Hand.

- **Global Democracy Coalition Forum, Summit for Democracy** - How Foreign Bribery Undermines Democracy and Human Rights, December. The recording can be accessed here.

- **UN Global Compact Australia Network / Allen's Australian Dialogue on Bribery and Corruption** - **Interconnectedness of Corruption and Human Rights Risks,** August 2021

- **Ashurst / TIA Webinar** - Avoiding shaky foundations: Understanding and managing corruption risks in the infrastructure sector, October 2021

- **Australian National University**, guest lecture – Pacific Corruption Risks, September 2021

- **Global Corruption Barometer** – Pacific launch, November 2021

In 2022 the program made progress to improving governance and reducing corruption risks in the infrastructure sector by engaging with governments, industry and civil society on the ICRAT.

The key achievement for the program was the initiation of ICRAT assessments in Solomon Islands and Indonesia. In February 2022 we held an initiation workshop with Solomon Islands Ministry of Infrastructure Development and the Auditor-General to introduce the ICRAT project and discuss approaches to assessing an infrastructure project.

Working closely with TI Solomon Islands, we developed workshop content to introduce the ICRAT in detail to staff who will be using the tool. We also developed a series of case studies and interactive activities.

Increased influence and awareness from events and conferences

TI Australia spoke at and moderated the following events:

- **ICRAT Public Launch Event (16 May):** Panel discussion moderated by former CEO Serena Lillywhite. Panellists were Anna Griffin, Project Coordinator, Bill Paterson, ICRAT development consultant, Ruth Liloqula, Executive Director, TI Solomon Islands.
- **UN Responsible Business and Human Rights Forum (22 September):** The Project Coordinator spoke on a panel on day 3 of the forum, 'Leveraging a Human Rights-Based Approach to Infrastructure Development in Southeast Asia'.
- **G20 Anti-Corruption Working Group Side Event on Corruption Prevention (29 September):** The CEO was invited to speak on a panel hosted by Australia's Attorney General's Department.
- **STRONGG Program meeting – Bali (3-6 November):** Bringing together Chapters across Asia-Pacific this program meeting provided an opportunity to reflect on our progress, learn from our colleagues and plan for 2023.
- **TIA World Anti-Corruption Day Event (9 December):** 'What does the energy transition mean for the mining and infrastructure sectors? Challenges and opportunities for a just transition'. In collaboration with TIA's Global Mining Program we hosted this event to mark World Anti-Corruption Day.

LOOKING AHEAD

Key priorities for TI Australia's Accountable Infrastructure program are:

- **Completing ICRAT assessments in Indonesia and Solomon Islands** and publish case studies and reports.
- **Completing desk-based thematic research on infrastructure corruption risks** across Asia-Pacific.
- **Holding infrastructure industry roundtables** to share preliminary ICRAT findings and seek industry advice on strengthening oversight, transparency and accountability of infrastructure project decision making and approvals
- **Working with TI Indonesia and TI Solomon Islands** to advocate for strengthened oversight, transparency and accountability of infrastructure project decision making and approvals
- **Seeking opportunities to present ICRAT findings** at regional and global events and conferences.
- **Developing out multi-country and regional work on infrastructure based on demand from chapters and donor interest.**