



MULTI-STAKEHOLDER PARTNERSHIPS | SDG 16

# Fighting corruption, creating transparent systems



Promoting the rule of law at national and international level and ensuring that all citizens have access to justice is the intent of Sustainable Development Goal (SDG) 16 – Peace, justice and strong institutions. Only peaceful and inclusive societies have the will to safeguard human rights, prevent the overexploitation of resources and protect their poorest members. What is required is reliable forms of governance with transparent and accountable institutions. In this context, multistakeholder partnerships can provide key impetus.

Many government institutions do not go far enough towards meeting their obligations to ensure compliance with human rights and conserve natural resources. According to Transparency International, most countries have made barely any progress in fighting corruption over the past decade. In fact, it has registered more violations of the rule of law and democracy. Corruption hampers effective action to combat poverty as it deprives the countries concerned of urgently needed funds for their development. The multi-stakeholder partnership (MSP) Alliance for Integrity is one initiative committed to countering corruption. Good governance is an essential precondition for peaceful and sustainable development.

# Multi-stakeholder partnerships

Reforming corrupt systems while at the same time ensuring greater transparency is a herculean task and requires commitment at many levels. The state, the private sector and civil society can form an MSP to promote good governance and the fight against corruption and can work closely together in coalitions. MSPs like these can change a great deal by developing methods for good governance within the country, drawing up appropriate rules and regulations, making sustainable changes to procedures, promoting independent media and setting a good example.

An MSP can be initiated by companies, associations, academic organisations, civil society organisations and public sector institutions. The added value is obtained from the partners pooling core competencies, experience and resources and thereby achieving greater impact in a particular field. One successful example of how MSPs can help meet SDG 16 is the Extractive Industries Transparency Initiative (EITI), which operates globally in the extractive sector.



## Partnerships2030 - the MSP platform

On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), the Partnerships2030 project promotes multistakeholder partnerships and thus contributes to implementing the 2030 Agenda. BMZ now promotes around 80 MSPs through the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH and Engagement Global – bengo. GIZ implements the Partnerships2030 project, supports MSPs and stakeholders in many different ways, creates networks to link them to partners and provides information.



## The MSP methodology

MSPs are a form of cooperation in which stakeholders from at least three sectors among civil society, the public sector, the private sector and academia join forces as equals in order to contribute to the common good. An MSP can generate a transformative impact through cooperation geared to the long term.



# EITI - contributing to the fight against corruption

In essence, the Extractive Industries Transparency Initiative (EITI) is a global standard for the transparent management of a country's fossil and mineral resources. In this light, the EITI is a good example of how an MSP can work towards achieving SDG 16.

The EITI is convinced that a country's natural resources should benefit all of its citizens. The logical consequence is therefore to demand that the entire value creation process, from the point of extraction of the resources through to their sale and the taking of profits, be made efficient and financially transparent. Not the least important aspect of this is to raise public awareness, because the distribution of profits has a significant influence on growth, employment and social justice in a society.

A total of 55 countries are now involved in implementing the EITI Standard. Among private business, 69 companies support the initiative, including major global investment

and resource extraction companies in the energy sector. The supporters of the EITI Standard include the EU and numerous industrialised nations, among them Germany. Important oil- and gas-exporting countries such as Russia, Saudi Arabia, Iran and Venezuela are not represented. The secretariat of the EITI is based in Oslo

The EITI sees its core task as being to track financial flows and gather relevant

financial data. Essentially this covers all payment flows relating to fossil fuel business, including investment, wages and profits, in both the public and private sector. The indicators are production, exports, the share of gross domestic product and relevant costs.

One important factor that helps to exert influence on the stakeholders is ensuring that the public is well informed and creating transparency and comparability between the







stakeholders by publishing financial data. Another outcome of this work is the validation of the data by independent experts and the public EITI ranking, which Transparency International, Caritas and other non-governmental organisations encourage and make use of. Reports and analyses are also produced. The declared aim of the EITI is to place public debate on a reliable factual basis and put forward recommendations on where and how, for instance, the fight against corruption needs to be improved.

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