

CANDOR NEWSLETTER

2013 Report of Activities



INTEGRITY ORGANIZATION



Dr. Kolade being presented with an Award @ The 1st Annual Christopher Kolade Lecture on Business Integrity

The purpose of this report is to present to the Board and our Stakeholders, an update on The Integrity Organization / The Convention On Business Integrity especially as it relates to our projects, activities and programmes.

In previous years, the organization had planted quite a number of projects that were beginning to show buds but some of them were being slowed down by our financial partners in terms of commitment. In the year 2013, those projects began to blossom and flourish as a result of new partnerships formed and agreements that were signed with key influential parties, so the year started on a firm footing with the actualization of projects that have been in the pipeline.

CORPORATE GOVERNANCE RATING SYSTEM(CGRS).

On February 12th, 2013, The Nigerian Stock Exchange and The Convention on Business Integrity kicked off its partnership with the signing of an agreement to establish the Corporate Governance Rating System in Nigeria and which was further solidified with a press release on May 15th, 2013 to sensitize the general public on the CGRS.

The Corporate Governance Rating System by CBI will provide data and Information that the Exchange will use to build a Corporate Governance Index that will score companies based on the quality of their Corporate Integrity;

Corporate Compliance; Understanding of Fiduciary responsibilities by their Directors and finally, their Corporate Reputation. The Rating will form basis of new Corporate Governance Index and new Premium Board of the Stock Exchange.

The Humboldt-Viadrina School of Governance, Berlin has been appointed as independent observers of the process to report independently to investor fora on the process applied to establish Nigeria's Corporate Governance Rating and help promote it internationally. Ten volunteer companies listed on the Exchange have accepted to participate in the pilot phase. In the course of reviewing the CBI Rating system and the development of the suitable ratings to be adopted, at least three workshops held between May and November 2013 which had in attendance the Chief Executive of NSE- Mr. Oscar Onyema and other top Management staff,



Mr Oscar Onyema @ the CGRS Briefing Session

also present at the meetings were members of the International observer team from the Humboldt-Viadrina School of Governance and the CBI team.

A dashboard concept is being developed that will take all the ratings data on companies and display them online in a kind of barometer or dashboard.

The Nigerian Stock Exchange confirmed acceptance of the proposal put forward by CBI to do

director certification as part of the Corporate Governance Rankings Framework. Further collaborative efforts have been jointly put together by both parties. The elements of the learning system have been secured and the raw content being finalized.

CLEAN BUSINESS NIGERIA TODAY (CBNT)

The collaboration between the Clean Business Nigeria Today since December 2012 metamorphosed into an agreement between the two organizations to work together in February 2013. CBNT is a non-incorporated association of business and professional entities and the brainchild of the President of Nigeria's Honourary International Investors Advisory Council (HIIC) chaired by the former UK Development Minister, Lynda, Baroness Chalker of Wallasey. CBI and CBNT by this collaboration agree that Nigeria, Nigerians, Nigerian businesses and business in Nigeria need to be less tolerant of corruption thereby providing a level playing field. They also agree that the values that will bring about ethics and transparency in business transactions in Nigeria shall be based on the 7 principles being Trustworthiness; Integrity; Reliability; Transparency; Accountability; Honour and professionalism. The two organizations would ensure that all members and participants sign up to the business principles to promote ethics and transparency in business transactions in Nigeria and make public declarations against corruption.

CORPORATE GOVERNANCE RATING SYSTEM (CGRS) BRIEFING SESSIONS.

Series of briefing meetings were planned to hold between September and November 2013. The purpose of the meetings are to introduce the CGRS to the listed companies- benefits, methodology etc. The first one held on

October 7th, 2013 at the Eko Hotel & Suites and had about 50 companies in attendance. It was at the meeting that the 10 companies volunteered to be part of the Pilot phase of the project. The series will continue till the full market of listed companies is covered.



CGRS Briefing Session

THE 1ST ANNUAL CHRISTOPHER KOLADE LECTURE ON BUSINESS INTEGRITY

“Standing on the Shoulders of Giants”

The programme which is the first in the series was borne out of the need to reward distinguished individuals who stood with the organization in its crucial history from inception till date. The decision that the programme be named after the Chairman of the Governing Board of The Integrity organization (Dr. Christopher Kolade) was arrived at a time when the organization found it expedient to mark his landmark year- his 80th year.

During the event, icons of the business integrity movement such as Mr. Akintola Williams, Late Ambassador Prof. Gabriel Olusanya, Dr. Michael Omolayole, Late Surveyor Adekunle

Kukoyi and Prof. Pat Utomi who stood up and defended the need for business integrity at a time many considered “anti-corruption” to be an “anti-Government” activity were recognized. This necessitated the theme for the first year, **“Standing on the Shoulders of the Giants”**.

The event was sponsored and supported by the Business Action Against Corruption with Platinum sponsorship from Guinness Nigeria PLC; Gold sponsorship from SAP Nigeria Ltd, Silver Sponsorship from Access Bank Plc and Bronze sponsorship from Sokoa Chair Center. The event held at the prestigious Iris Hall of Eko Hotel & Suites, Lagos on Thursday, June 27th, 2013. The event which was strictly by invitation, had in attendance Chief Executives Officers of



Dr. Christopher Kolade @ The 1st Annual Christopher Kolade Lecture on Business Integrity held which at Eko Hotel, 27th June 2013.

companies listed on the Stock Exchange, The Chief Operating Officer of The Nigerian Stock Exchange- Mr. Oscar Onyema represented by Mr. Bola Adeeko, The Director - General of The Stock Exchange Commission, Mrs. Arunma Otteh, Director - General of Regulatory Authorities, our numerous stakeholders as well as media partners.

The hall was filled to capacity as we recorded a total attendance of over one hundred and sixty participants.

Subsequent editions will see companies who have built a solid reputation for business integrity also recognized. This will be done in partnership with the Nigerian Stock Exchange. The companies will be selected based on their performance on the new Corporate Governance Rating System developed by The Convention on Business Integrity for the NSE.

ports made on the www.egunje.info site can be passed on to the Commission for possible investigation and persecution where evidence points to culpability. This answers the question of “what next?” after reporting (for those using public feedback systems) and tries to deal with apathy—that nothing happens when a report is lodged.



R-L Dr. Christopher Kolade, Prof. Pat Utomi, Mrs Kukoyi, Mr Akintola Williams, Dr. Michael Omolayole, Mrs Olusanya Group photograph of Awardees at the 1st Annual Christopher Kolade Lecture on Business Integrity which held at Eko Hotel, June 27, 2013.

PUBLIC FEEDBACK MECHANISM—EGUNJEDOTINFO.

The website www.egunje.info has about 15,000 unique visitors between January 15, 2013 to date and about 150 reports on the site. The conversion ratio is similar to that from iPaidABribeDotCom from India. The reports have come from a combination of SMS blasts, radio jingles, promotions/competitions, PR, limited TV, blogs & website ads, and appearances and so on. This platform will enable the public to whistle blow on issues pertaining to corruption.

The organization has entered into partnership/collaboration with Independent Corrupt Practices Commission (ICPC) so that re

A Memorandum of Understanding was signed with the Independent Corrupt Practice Commission (ICPC) to take on leads on this site for investigation. We are presently working on modifications to the site to allow upload of supporting documents.

RECRUITMENT OF PUBLIC INTEGRITY ADVOCATES—www.egunje.info

“Stand With Accountability & Good Governance” SWAGG RALLY.

The Convention on Business Integrity and the Integrity Organization believe that it is “Time to Wake Up” and join the global campaign to reduce our tolerance for corruption. EgunjeDotInfo’s Integrity Rally



Holy Mallam Speaking @ the SWAGG Rally

was part of a build up to the World Anti-Corruption day on Dec 9, 2013 where the youths can be trained on how they could channel their energies towards a positive end. We plan to train about 500 youths as Public Integrity Advocates. To date an incentive system has been developed based on points earned for eligible activities, which can then be converted into rewards to motivate participation. This program was launched in Lagos on December 6th, 2013.



Rendition of the National Anthem at the SWAGG Rally

BUSINESS INNOVATION FACILITY (BIF) NIGERIA

–www.businessinnovationfacility.org

The Business Innovation Facility is a three-year pilot programme, which ran from July 2010 to December 2013. Funded by the UK Department for International Development (DFID) targeted at five countries: Bangladesh, India, Malawi, Zambia and Nigeria. The aim of the programs is to support companies as they develop and implement inclusive businesses, which are essentially profitable, core business activity that also expands opportunities for people at the base of the economic pyramid: either as producers, suppliers, employees, distributors, or as consumers of affordable goods and services.

In Nigeria, the Convention on Business Integrity (CBI) serves as the local implementation

partner and has provided support to approximately 40 companies in the following sectors Agriculture, Health, Oil and Gas, Manufacturing and Consumer goods. Companies supported include - AACE, Furniture Village, Guinness, Oando, Onwards Papermill, Stanbic IBTC, Dala Food, Teragro, L&Z, D.light, Best Foods amongst others.

The 1st Phase of the project which is a three year programme (July 2010 to December 2013) succeeded with 10 cost-sharing and 10-Non-cost sharing projects. A lot of learning was recorded as the Inclusive business journey takes about 7-10yrs to get to scale. The first phase ended in December 2013 and following the success of the project, DFID UK has extended the BIF programme for another 5 years with DFID Nigeria providing additional funding. The 2nd phase of the project is scheduled to start in February 2014.

OPEN SOCIETY INITIATIVE FOR WEST AFRICA (OSIWA) EGUNJEDOTINFO PROJECT

In 2011 INTEGRITY had just developed an independent public feedback mechanism that was web based and could receive corruption reports by SMS, when a group of lawyers with Mrs. Boma Ozobia as the focal person (Prof. Odinkalu, Mr. Femi Lijadu. Mr. Yemi Candide-Johnson, Mrs. Mariam Uwais) requested that Integrity should take a look at an Indian bribe reporting website called "Ipaidabribe.com" to modify the platform to allow lawyers blow the whistle on corrupt judges and push for a more transparent judiciary. The support from the Open Society Initiative of West Africa (OSIWA) commenced in May 2012 to enable INTEGRITY complete and promote the site.

Egunje.info is an internet reporting platform which receives, collates and amplifies the voice of ordinary citizens in calling for a reduction in the levels of corruption and impunity exhibited by public officials and an

Increase in levels of accountability and transparency in the provision of services by the Government. **Egunje.info** receives reports (via sms, phone calls and online sources) on corrupt acts by government officials placing emphasis on roles, offices and institutions

media organization based in Abuja, to promote INTEGRITY's activities with the presence of an **Egunje.info** banner on the site displaying INTEGRITY's phone numbers to call and report corruption and has a link directly to www.egunje.info for citizens to lodge their re-



Participants at the SWAGG Rally

involved and not specifically named persons. The SMS reporting to the site was set up in such a way as to provide data analysis for third parties who want to use it to push for improvements in governance of public and private institutions. The aim of using this platform is to “name and shame” or “name and praise” centres in the public sector, private sector and civil society where bribes are demanded or not (as the case may be) for services rendered.

Since 2012 INTEGRITY entered a partnership with Premium Times Limited a Nigerian

ports. Premium Times also posts editorial content on the activities of INTEGRITY and **Egunje.info** with hyperlinks that would redirect viewers to the website. Statistics show that we have had 3852 (Three Thousand Eight Hundred and Fifty Two) visits to **Egunje.info** from Premium Times site.

A Memorandum of Understanding was entered with the Independent Corrupt Practices and other related offences Commission (ICPC) in November 2013 to expand the functionality of **Egunje.info** to receive reports and pass on specific reports to the ICPC. Negotiations are still on to commence this process.

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Our social marketing campaign on Twitter and Facebook continue to enable us share emerging trends and patterns and engage more young people in the campaign to create more awareness and a "Time To Wake Up" to the reality and effect of corruption.

TIME TO WAKE UP (TTWU)

The Time to Wake Up project is a global initiative sponsored by Transparency International in the bid to draw awareness to the human cost of corruption and strengthen the fight to reduce the global impact of same through its National chapters, partners and allies. In Nigeria Time to Wake Up is championed by the Integrity Organization to achieve the same objectives of the global time to wake up project.

The project has as its core objectives to share corruption trends, patterns and risks; to develop a critical consciousness of citizens on the issues surrounding the problem posed by corruption in Nigeria and to inspire citizens reporting of corruption through targeted advocacy.

As a result of the activities carried out, the project and campaign has seen a deepening social media debate and successfully conducted a video competition where the star prize was an iPad Mini; the production of factsheets with information and analysis

from data garnered from Integrity's bribe payer's platform www.egunje.info. Short 30 seconds and 45 seconds videos were also produced through our partnership with BlackHouse Studios, the videos have been shared through social media and mobile technology. A dedicated Time to wake up page and purchase and distribution of flash drives packed with information about the campaign are ongoing and are near completion.

New Projects in 2014

Business Innovation Facility

The first phase of the Business Innovation Facility (BIF) lasted 3 years and was successfully concluded in December 2013 following our execution of 26 long and short term projects with businesses across Nigeria, and at a cost of GBP£1.3m. We are pleased to be nearing the end of a contracting process that will see us lead a second phase (BIF 2), a 5-year, GBP£10m project that should commence in February 2014.

Data Visualisation

In Q4 2013, we successfully delivered a project with Nigeria Liquefied Natural Gas (NLNG) Limited, to design and implement a Business Ethics & Anti-Corruption dashboard (the Integrity Barometer). The dashboard is supported by various assessment tools, as well as stakeholder feedback. We are currently in negotiations with other companies to develop a similar dashboard based on quarterly feedback from its stakeholders.

Integrity Fund

We are developing proposals to launch a fund, the Integrity Fund, which will be aimed at supporting innovative ideas in both the private and public sectors. We aim to raise funds through the dedication of a proportion of our revenue receipts and effective fund-raising. Terms of reference for the creation, investment and disbursement of the fund will be developed in time for launch in Q2 of 2014.

MAJOR EVENTS FOR THE YEAR 2014

JANUARY- Briefing on the CBI – NSE Corporate Governance Rating System (CGRS): CBI in partnership with the NSE will be holding two briefing sessions for listed companies and the media on the CGRS. The briefing sessions will provide information on issues such as the rationale and methodology for the CGRS, the development and implementation, overall strategy, benefits of the system and its link to getting on to the Premium Board of The NSE. The sessions are scheduled to hold on the 29th January 2014 at the Nigerian Stock Exchange building.

MARCH- Training the Youths to be Public Integrity Advocates (PIAs) to commence in Q1- As a follow-up to activities after the launch of egunje.info site, plans are in the pipeline to commence training for the youths. Such training will include certification as well as a reward system to serve as incentives to those who would be interested in participating.

MAY- Launch of the CGRS: CBI and the NSE are planning to launch the CGRS in May at about the same time as the World Economic Forum (WEF) on Africa which holds in Abuja between the 7th and 9th of May 2014. The World Economic Forum on Africa will bring together regional and global leaders to discuss innovative structural reforms and investments that can sustain the continent's growth while creating jobs and prosperity for all its citizens. It is therefore strategic that CGRS is launched at this time in order highlight the benefits of the CGRS to the global community to showcase the first set of rated companies.

MAY/JUNE- The 2nd Christopher Kolade Lecture on Business Integrity- Plans have commenced to ensure that this event surpasses the success of the inaugural Lecture as the organization wants to make it bigger and better. The theme for the Lecture this year is "Business on a solid foundation".



Mr Soji Apampa speaking @ the CGRS Briefing Session

INTEGRITY

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