

CODE OF BUSINESS INTEGRITY FOR INTENDING SIGNATORIES TO THE CONVENTION ON BUSINESS INTEGRITY¹

General

1. Whereas an entity (hereinafter referred to as "The intending Signatory"), wishes to subscribe to the Convention on Business Integrity –
 - (a) Recognising that corruption has had a devastating impact on the social and economic development of this country; and
 - (b) Convinced of the need to restore integrity to every facet of human life, especially in the area of local and international trade and investment; and
 - (c) Acknowledging and welcoming action taken by the NGOs - INTEGRITY and TRANSPARENCY IN NIGERIA - to strengthen transparency, truth, civility and accountability in Nigeria; and
 - (d) Sharing in the growing consensus that it is necessary for action to be taken to strengthen transparency, accountability and civility in business life, public and civil society;

The intending Signatory shall commit to the full implementation of this code as the ultimate objectives of signing the Convention.

2. The intending Signatory shall –
 - (a) Articulate and document (as creed, code or policy) the values and standards which should be identified with her operations and her people; and
 - (b) Ensure by way of processes within the entity that her stakeholders as appropriate are made aware of the said values and standards; and
 - (c) Ensure by way of processes within the entity that all those who should accept to abide by the said values and standards do accept and abide by them.
3. The intending Signatory shall support and implement all laws in existence in Nigeria, taking heed particularly to those geared towards the objectives of paragraph 1 above.
4. The intending Signatory shall, in conjunction with INTEGRITY, along with other members of the business community and representatives of international business institutions, form a coalition against corruption in order to empower people, systems, and institutions against corruption.

Corruption and Corrupt Practices

5. The intending Signatory shall issue a directive to all her employees, agents, and other representatives to remind them of their legal, moral and professional duty not to engage in, promote, or condone any form of corruption or corrupt practice. Corruption and corrupt practices for the purposes of this code shall be defined by *that which attempts to*

¹ It is assumed the reader has familiarised herself with the General Principles document first and interpretation notes for the code.

pervert or that which perverts the legal or right procedure or the creation or use of bottlenecks in any entity for the purpose of private profit or personal gain.

6. The intending Signatory shall not offer or accept bribes or any other form of inducement to or from any person or institution, whether in the public or private sector, especially concerning her bids or business with them. An inducement, for the purposes of this code shall include *obtaining by violence, threats or by virtue of one's power or position, money, information or any other advantage from another.*
7. The intending Signatory shall issue a directive to all her employees, agents, and other representatives to remind them of their legal, moral and professional duty not to demand or accept bribes or any other form of inducement.
8. The intending Signatory shall issue a directive to all her employees, agents, and other representatives to remind them that to demand or to accept bribes or any other form of inducement will constitute an offence against the laws of the Federal Republic of Nigeria.

Whistleblowers

9. The intending Signatory shall issue a directive to all her employees, agents, and other representatives to report to the entity any corrupt practices taking place in the entity, irrespective of the hierarchy in which it occurs.
10. The intending Signatory shall issue a directive to all her employees, agents, and other representatives that where the whistleblower's potential or prospects can be endangered by such action as described in paragraph 9 above,
 - (a) Report can be made to an Ethics Counselor² within that entity
 - (b) Where repeated consultations with an Ethics Counselor fail to yield satisfactory results, the whistleblower may seek further counseling with The Core Group which may or may not lead to the lodgment of a formal complaint for investigation by The Core Group.
11. The intending Signatory shall cooperate with law enforcement agencies to ensure that corrupt individuals within the entity are brought to book in accordance with the law. The intending Signatory shall ensure that a record of any resulting conviction is kept with The Core Group. (See paragraphs 24 and 25 below).
12. The intending Signatory shall open her records to investigations conducted (by the Convention on Business Integrity - CBI - secretariat - see paragraph 36 below) on whistleblower reports to establish what happened, who did it and how it happened. For

² The intending Signatory shall appoint an Ethics Counsellor to counsel with those wishing to resolve ethical dilemmas, and those seeking clarification of ethical values, or core values of the organisation. He or she will counsel in confidence with those wishing to make report of unethical and corrupt practices taking place within the organisation and take appropriate action. An Ethics Counsellor shall be a member of senior management that enjoys the trust and confidence of both management and employees. He or she shall have a good knowledge of organisation processes and the core values of the organisation. He or she shall also monitor organisation compliance with this Code of Business Integrity.

this purpose, the role of individuals will be considered separately from the role of the corporate entity. Thereafter, The Core Group shall seek the comments of representatives of the entity concerned before taking a decision to uphold or reject the report.

Competence, Training and Rewards

13. The intending Signatory shall ensure by way of processes within the entity that –
 - (a) Articulated and documented policies will be used to match knowledge, skill and experience of employees to roles within the entity; and
 - (b) Individuals with records of corruption or corrupt practices are not employed to work within her.
14. The intending Signatory shall ensure by way of processes within the entity that her members participate in formal and informal training schemes, workshops, seminars, or any other activity that is designed to enhance integrity and transparency within the entity.
15. The intending Signatory shall -
 - (a) Articulate and document a formal reward system.
 - (b) Ensure by way of processes within the entity that all its stakeholders as appropriate are made aware of the said system; and
 - (c) Ensure by way of processes that the entity is consistent in applying sanctions to those employees who do not act effectively in accord with the said values and standards, which the corporation seeks to promote. (By the same token, the entity shall give specific recognition and reward to reinforce desirable performance).
16. The intending Signatory shall ensure by way of processes that the entity cannot act outside its areas of competence.

Accountability

17. The intending Signatory shall ensure by way of processes within the entity that effective checks and balances are built into –
 - (a) The power, authority, control and responsibility (decision making and decision implementation) structure of the entity; and
 - (b) The financial and accounting systems of the entity; and
 - (c) Internal policies and procedures such that they enhance transparency and accountability.

Self-Disclosure and Scrutiny

18. The intending Signatory shall ensure by way of processes within the entity that her stakeholders have timely access to accurate information on the entity, to which they have a right. Whether this is by scheduled acts of self-disclosure or by way of exhibiting a tolerance for scrutiny.

Commitment

19. The intending Signatory shall ensure the continuous enhancement of the effectiveness of her processes through their continuous review.
20. The intending Signatory shall demonstrate over time her will and power to review and enhance integrity continuously.

Sanctions

21. The Core Group shall determine the classification of sanctionable offences.
22. In the absence of a classification as described in paragraph 21 above, a breach of this code shall be a sanctionable offence of type 'A' except under the circumstances of paragraph 24 below.
23. Type 'A' offence will result in the temporary de-listing of the offender from published lists of participating entities, for such a time as may be considered necessary by The Core Group, for remedial action to be completed by the offender.
24. In the absence of a classification as described in paragraph 21 above, any act that is a criminal offence by the laws of the Federal Republic of Nigeria shall be a sanctionable offence of type 'B' whether covered by this code or not. (A Type 'B' offence must be established in the manner described in paragraph 11 above).
25. Type 'B' offence will result in the permanent blacklisting of the individual offender(s) and the temporary de-listing of the corporate entity from published lists of participating entities (paragraph 23 above refers).
26. These sanctions shall be applicable only to offences committed after the Convention on Business Integrity has been signed.

Appeals

27. The decision of The Core Group shall be final in the matter of a Type 'B' sanction.
28. Where an appeal is made against the decision of The Core Group in the matter of a Type 'A' offence, an appeal panel of three persons shall investigate the matter and return a verdict by a simple majority, which shall be final. The panel shall be made up as follows -
 - (a) The intending Signatory (appellant) shall nominate one person of her choice from the general assembly of signatories; and
 - (b) The Observers in The Core Group shall nominate one of their number; and
 - (c) Both the nominee of the appellant and Observer nominee (see 'The Core Group' below) shall choose a third person from the general assembly of signatories to complete the panel.

The Core Group

29. The Core Group shall be responsible for the sustenance and development of the CBI initiative (Convention on Business Integrity). It shall ensure the continued life, relevance, and importance of the initiative.
30. The Core Group shall be responsible for the promotion of meaningful business exchange between Signatories and members of domestic/international trade organisations. It shall ensure favourable interaction of Signatories with members of diplomatic bodies, and domestic/international trade organisations.
31. The Core Group shall be responsible for the worldwide publication of -
 - (a) Criteria for eligibility to sign the Convention on Business Integrity; and
 - (b) The current version of The Code of Business Integrity; and
 - (c) The list of participating entities.
32. The Core Group shall meet at least once a month to preside over CBI affairs. INTEGRITY, one business special observer (see paragraphs 34 to 37 below), and three elected members (i.e. five persons) shall form a quorum at such meetings. In the absence of the president, those present shall elect one of their numbers to stand-in for him/her.
33. The Core Group shall convene a general meeting of Signatories at least once every six months, one of which must be the annual general meeting. A quorum of The Core Group and 40% of membership of the general assembly of Signatories shall form a quorum for general meetings.

Membership of the Core Group

34. The Core Group shall comprise one president and eight members (nine persons).
35. Five members (inclusive of the president) shall be elected from the general assembly of Signatories. Four members shall be special observers by appointment.
36. Of the four observer seats, INTEGRITY (as the Secretariat of the CBI) shall have a single, permanent, observer seat in The Core Group.
37. The three other special observer seats shall be filled as follows-
 - (a) One other anti-corruption, non-governmental organisation (NGO) with similar objects to INTEGRITY; and
 - (b) Two business consultants in the fields of business ratings, auditing, or management consulting.
38. Election of Core Group members will follow nomination of candidates by the general assembly of Signatories. Election of president will come before election of other members.

39. Members of the Core Group will serve for a term of two years except for the first set of observers who shall serve as outlined in paragraph 40 below.
40. The first set of observers will be appointed by INTEGRITY for a one-year term. Thereafter, the elected members of The Core Group will review or renew appointments for two-year terms.
41. The observers shall supervise elections. They must return by a simple majority, support for the personal ethics, competence, probity, and commitment of each candidate, before presentation to the general assembly of Signatories for election.
42. Revisions to this code approved by the Core Group may be adopted only at an annual general meeting.