



Interim Developments

'Where people lead, business follows'

Can Corporations be responsible for Africa?

'The business of business is business', said Milton Friedman, who advocated the notion that the role of corporations is solely for the purpose of creating wealth and maximising shareholder profit. Recent corporate scandals, however, have led to an increase in shareholder pressure, deeper scrutiny of corporate governance and ethics as well as a wider recognition of the impact businesses have on a community. All of which has increasingly focused attention on the practice of corporate social responsibility (CSR).

For Africa's developing economies, irresponsible business practices and policies can have devastating social and environmental effects. Many corporations operating in Africa now take proactive steps to mitigate the potential risks posed by their products. The development of CSR benchmarks and socially responsible investment indices demonstrate how the issue of responsibility has now become a critical factor in investment decisions.

Realising that CSR makes for good business relations and, therefore, makes business sense, many multinationals in Africa recognise that the pursuit of profit alone is not enough and have moved well beyond the sphere of business to tackle a number of social challenges including health, education and the environment. As Africans rebuild their economies and institutions, the active participation of local and international business – whether for genuine reasons of partnership, enlightened self-interest, or both – is vital in providing opportunities and resources.

In this issue of **Interim Developments** we look at two recent CSR projects in Africa and examine how two major corporations are demonstrating their commitment to corporate citizenship on the continent.

Francis Williams

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Corporate Social Responsibility**Managing Corporate Social Responsibility***Heineken Sub-Sahara Africa signs up its Managers as trainers in its CSR principles*

A survey by Stanford Graduate School of Business found that 77% of MBA students from European and American business schools were willing to trade up to 14% of their income to work for a company with a better reputation for social responsibility and ethics.

For companies operating in developing countries, the business case for becoming more ethically and socially responsible is even more pressing and, in particular, for those enterprises whose products are deemed by some to be controversial.

Adopting and implementing effective corporate social responsibility (CSR) policies is critical to managing risk and to doing business successfully. In view of the negative impact that poor business ethics and practices in one region can have on an entire corporation, the urgency and importance of widespread awareness raising and internal training cannot be underestimated.

Heineken International, in common with a number of multinational companies, has a range of policies in place to ensure that it conducts its business as a responsible corporate citizen. The company has taken steps in the past to highlight the importance to the business of ethical practices, and they have been largely successful in implementing internal policies in relation to the prevention of alcohol misuse. Unlike other companies, however, Heineken has recently taken further action to ensure that treatment of this topic is not just a series of statements on its corporate website, but is actively embedded into the day-to-day business practices of its operating companies.

With the recent appointment of a CSR Manager for Sub-Sahara Africa, Heineken has embarked on a project to ensure that its global policies are adapted for use in these markets and that these policies are made known to all relevant staff.



Victor Famuyibo, CSR Manager - Heineken SSA

While there are at least 20 different subject areas relating to social responsibility, working in collaboration with *Interims for Development*, Heineken has placed its initial focus on internally communicating its policies on alcohol, business conduct, conflict of interest and fraud reporting. The project entailed a comprehensive training workshop, developed by *Interims for Development* to provide training to Heineken managers from across a number of

its Sub-Sahara African operating companies, who have now been given responsibility for delivering training within their individual companies.

The CSR workshops, delivered in English and French in Nigeria and Congo-Brazzaville by Vince Owen of *Interims for Development*, included a 2-day Train the Trainers component to enable line managers to effectively deliver the company's CSR message to all staff. Participants included Managers and staff from Nigeria, Sierra Leone, DRC, Congo-Brazzaville, Rwanda, Burundi and Reunion, with further Workshops planned for 2005.

'Interim Developments' spoke to **Victor Famuyibo**, CSR Manager for Heineken Sub-Sahara, about the company's approach to CSR.

ID: *What are the key challenges in ensuring that CSR principles are not just for public relations but are known and understood by your employees?*

VF: At Heineken, corporate social responsibility goes beyond company reputation, image or public relations. It is more about the fundamental values, beliefs and culture of the company. The main challenge, therefore, is ensuring that all employees of Heineken have a good understanding of the Heineken values and business principles. Next to this, we should be able to communicate continuously with our employees to update them on our CSR policies and any changes that may arise from time to time.

Through continuous training and education, we hope ultimately to achieve a common understanding of our shared values and fundamental principles.

ID: *Why has Heineken taken such a lead position in ensuring that its CSR principles are embedded in its African business operations?*

VF: Heineken has a long history in Africa – more than 70 years - and our operations on the continent are a major priority for the company. Currently, Heineken has brewing and soft drinks plants in Nigeria, Rwanda, Burundi, Congo Brazzaville, DRC and Sierra-Leone. In addition, through various joint ventures and licence operations, Heineken maintains a significant presence in South Africa, Namibia, Cameroon and many other countries in Sub-Sahara Africa.

“Heineken is part of the development of Africa. We know that forging long-term partnerships with governments, civil society and other key economic players is a sustainable approach to doing business, not only in Africa but also anywhere in the world.”

A fairly large number of local people are employed, directly by Heineken or indirectly within the extensive supply chain network of the operating companies. Apart from generating employment and helping to stimulate the local economies, Heineken operating companies assist the local communities with numerous development initiatives. Heineken is part of the development of Africa. We know that forging long-term partnerships with governments, civil society and other key economic players is a sustainable approach to doing business, not only in Africa but also anywhere in the world.

ID: *How are you ensuring that your African markets take ownership of this approach to understanding and applying CSR principles?*

VF: We realise that our role is not simply that of a world leading brewer and distributor, but also a corporate citizen with an important role to play in supporting local communities and the wider social fabric. We have strict corporate rules, guidelines and policies on diverse corporate social responsibility issues. All our operating companies worldwide, including our African operating companies, are obliged to implement these corporate guidelines and policies after adapting them to suit their

local operating environment. We grant no exceptions to the rule.

To ensure compliance and uniformity, we carry out regular annual surveys of CSR performance in our operations worldwide and every year, we employ the services of external sustainability auditors to audit selected companies within the Heineken Group.”

By involving line managers as well as senior management in the region with this project, Heineken has built successfully on its previous initiatives in this area and is effecting a permanent shift in understanding and applying CSR in the workplace.

Pinnacle Awards for Professional Achievement round up Ghana-UK Business Forum Conference

Following the inaugural meeting of the Ghana-UK Business Forum in London in late 2004 to highlight investment opportunities between Ghana and the UK, awards were presented to UK-based Ghanaians from various fields of professional achievement.

Mr. Kwabena Baah-Duodu, the Deputy High Commissioner for Ghana to the UK, was the special guest at the evening gala that included

the President of the Association of Ghana Industries Mr. Prince Kofi Kludjeson, the Presidents of the Ghana Investment Promotion Council and National Chamber of Commerce and senior representatives of the Ghanaian Ministry for Private Sector Development.

Awards for achievement were presented to Ghanaian professionals from numerous sectors including retail, property and the media.



Ghana's Deputy High Commissioner to the UK presents awards



Excell Communications accept their Pinnacle Award

Corporate Social Responsibility

Ethical Reporting – CNN and *Interims for Development* partner to promote responsible coverage of Ghana's elections

The role of the media in educating and informing the public as well as in keeping Africa's democratic representatives accountable in the process of development is critical. For journalists to report responsibly and effectively, there is a recognised need for continuous training to ensure best practice in journalistic ethics and in the techniques and practices of good reporting.

For CNN, a leading broadcaster with a major presence in Africa, the recent political elections in Ghana offered an opportunity to contribute to the development of journalistic skills and ethics. Sally Perry, Head of the Community Engagement Programme at Turner Broadcasting System Europe, the European arm of CNN's parent company, turned to *Interims for Development* to develop a concept for implementing a CSR project in Ghana.

In collaboration with Turner/CNN, *Interims for Development* developed the concept of a one-day Journalism Workshop entitled '*Election Coverage in Africa, Lessons learnt with Jeff Koinange*'. The Workshop, which was sponsored by CNN via Turner's Community Engagement Programme, offered a rare opportunity for Ghanaian journalists to engage with seasoned journalist, Jeff Koinange, to address the challenges of reporting on political elections in Africa and with specific reference to the impending elections in Ghana.

As CNN's bureau chief in Lagos, Jeff Koinange is responsible for coordinating all news output from West Africa and also for covering events throughout the rest of the African continent. With an illustrious journalistic career, Koinange, a Kenyan, joined CNN in 2001 and has reported extensively across Africa. Among the electoral milestones which Koinange has reported are Sierra Leone's first presidential elections held in May 2002, following a decade of civil war, Zimbabwe's last presidential

elections and the Zambian elections in 2001. Prior to joining CNN, Koinange worked for Reuters and reported on the election of Thabo Mbeki in 2000.

The one-day workshop, held in Accra in mid-November, and opened by the President of the Ghana Journalists Association, was attended by senior and junior editors and reporters from print, radio and television.



Jeff Koinange, CNN

Participants covered a wide range of topics including social commentary and journalistic ethics, conflict prevention in election coverage and maintaining national rather than partisan interest. Editing and writing techniques were addressed as well as the challenge of meeting deadlines during election coverage. Participants were also shown selected video clippings by Koinange from a number of elections he had previously covered.

"The event was a big success", confirmed Sally Perry, who has successfully overseen CSR projects in the UK since the recent creation of her department.

While Turner has a well-established community engagement programme in the USA, this workshop provided an opportunity for its European arm to demonstrate the breadth of its commitment to engaging with its market globally and, in particular, within Africa.

African Diaspora**Opportunity Africa – Young Africans in the Diaspora build career skills to enhance African development**

September 2004 saw the launch of Opportunity Africa, a project developed by the African Foundation for Development (AFFORD) to provide a gateway to Africa-related/international development careers, training and education for young people of African descent in the UK.

“Opportunity Africa evolved out of the aspirations of young Africans who came to us and was a response to their need to align their careers with the development of Africa,” explains Chukwu-Emeka Chikezie, Executive Director of AFFORD, the UK-based NGO. The project lays equal emphasis on career opportunities related to Africa in both the private and public sectors. “One of the key challenges was to widen their view of development from being just about aid and about reducing Africa’s development to working for an NGO or aid agency. A lot more is happening and needs to happen.”

Since its inception, the project, which is supported by the Learning and Skills Council Central London region, has taken over fifty people through a series of monthly career seminars developed and run by *Interims for Development* to increase the understanding of young Africans of their career options and the implications of their career choices in terms of skills and training requirements. The seminars are followed by individual career coaching sessions to provide further information about career opportunities related to Africa and guidance and support with chosen career paths. Support materials are also provided at AFFORD’s Resource Centre in London. Other components of the project include working with careers advisers in other institutions and with African community organisations to enable them to provide more help and guidance to young people.

A key element of the project is the facilitation of volunteer, internship and apprenticeship opportunities for young people of African descent in organisations and institutions in

Africa that will equip them for Africa and development related careers. Christine Matambo, the Youth Programme Officer at AFFORD who runs Opportunity Africa, sees internships as an invaluable tool for young Africans living in London to gain a better understanding of contemporary Africa.

“The internship opportunities we have sourced in Senegal, Zambia and Ghana, in collaboration with *Interims for Development*, will offer our young Africans with little experience of living and working in Africa a chance to get first-hand knowledge. Although they have access to newspapers and books, the reality of Africa is often very different.”



Young Africans at AFFORD’s Opportunity Africa careers seminars run by *Interims for Development*

An important benefit, from Matambo’s perspective, is that the interns will be able to learn about the efforts being made on the ground and will be in a better position to assess the effectiveness of those efforts. “Most importantly,” she adds, “interns will be able to see what efforts national governments are making to develop their respective economies.”

Africa Business**Investing in Africa – an international conference on investment in Africa puts the spotlight on the Diaspora**

Over 200 people gathered in London in November 2004 for the Africa Diaspora Investment Forum, held under the auspices of the African Business Roundtable and the NEPAD Business Group.

Sub-titled "*Tapping and Unlocking the \$45billion investment of the African Diaspora*", the aim of the event was to create links and increase awareness by the African Diaspora of the various investment opportunities available to them in Africa.

Africans outside Africa have increasingly become a recognised force for the development of their countries of origin. In 2003 over \$300 billion is estimated to have been sent from developed to developing countries, with remittances to Africa, through formal and informal channels, estimated at approximately \$45 billion.



Dr. Okereke Onyuike, D-G, Nigeria Stock Exchange (centre), Frances Williams (*Interims for Development*), Carol Annang (New World Securities, Ghana), Barbara James (African Investment Advisory UK)

Remittances from the Diaspora are the second largest source of external funding for developing countries after foreign direct investment. Recognition of the African Diaspora as a partner for building sustainable capacity in Africa has highlighted the need for more investment vehicles to enable some of this external wealth to be invested. To date, key obstacles to investment in Africa have been the lack of links between the Diaspora and the continent and little awareness by Africans outside the continent of the various investment opportunities in Africa.

The Conference was opened by Dr Okereke Onyuike, Director General of the Nigeria Stock Exchange and Chairman of the Africa Stock Exchange Association (ASEA).

The agenda also included presentations from Nicholas Okoye of the Nigeria Stock Exchange, Simon Rutega of the Uganda Securities Exchange, Michael Opagi of the Ministry of Finance in Uganda and Barbara James, Director of African Investment Advisory (UK).

Plenary sessions were followed by workshops where participants were able to examine avenues and strategies for investing in SME's, the African stock markets, property and financial flows in more depth.

The Forum, organised in partnership with Africa Recruit and BEN TV, was sponsored by a range of organisations including Western Union, the Nigeria Stock Exchange, the Kenya Post Office Savings Bank, Standard Chartered Bank and ASEA.

Branding**Branding South Africa – Part Two**

South Africa has taken the lead in tackling negative perceptions about Africa with a strong branding campaign targeted both internally and externally. The International Marketing Council (IMC) of South Africa has the primary role of encouraging business and investment in South Africa by helping to project a positive and dynamic image of the country and by providing reliable and accurate information about the country and its people, infrastructure, incentives and business environment.

In the second of this 2-part feature, Interim Developments speaks to John Battersby, UK Country Manager of the IMC about their branding campaign for South Africa.

ID: Can you explain some of the key elements of the IMC's role in branding South Africa?

JB: A key component of that image is South Africa as a leading African nation and one that is actively trying to promote the concept of an African economic, social and political revival through the African Union (AU), the New Partnership for Africa's Development (Nepad) and the AU's African Peer Review Mechanism (APRM).

SA is also promoted as a springboard for trade and investment with Africa. The image is addressed in many different ways including interaction with the media, above and below-the-line marketing campaigns such as the branded taxis and supporting corporate sponsorship of SA-centric events and promoting joint branding events.

We also build South Africa's image by promoting its role as the leading investor in Africa, partnering with SA Tourism to highlight the country's potential as a leading tourist destination for Africa and the world. We also continually highlight the country's achievements at international sporting and



John Battersby, South Africa IMC

cultural fora such as the Olympics, World Cup soccer etc.

The IMC also has a media nerve centre in Pretoria, known as the Communications Resource Centre, from where it monitors domestic and global media coverage of South Africa and makes appropriate interventions to support the brand. Internationally, SA cities and provinces twin with counterparts abroad as part of a mutual promotion campaign. (e.g. London and Johannesburg)

ID: How do you at the IMC address the issue of the risks that are commonly associated with dealing with Africa - whether economic, reputational, political, etc.?

JB: The IMC deals with the risks associated with Africa by stressing the great strides that have been made in recent years under Nepad and the AU with respect to conflict resolution, economic transparency, political governance, trade reforms etc. Nepad provides the basis for a development partnership between Africa and the industrialised countries. South African President Thabo Mbeki and his government devote much of their time and resources to conflict resolution and laying the foundation for accelerated development in Africa.



Soweto Gospel Choir promoting South Africa

ID: *How do you gauge the success of the IMC in its role of bringing positive representation of South Africa both within Africa and externally?*

JB: It is not easy to gauge the success of the IMC other than through anecdotal evidence and, ultimately, through increased trade and tourism and, in particular, foreign direct investment. The best evidence that the IMC has made an impact is evident in the increased mood of optimism and pride which has made its presence tangible in the year of the country's 10th anniversary of democracy, its third democratic elections and its triumph in being awarded the 2010 soccer world cup. Feedback from the IMC and www.southafrica.info websites also indicate that the IMC and related bodies involved in promoting the country's image have made great strides both domestically and internationally.



ID: *What are some of the lessons that other African countries can learn from the work and experience of the IMC of South Africa?*

JB: Other African countries can learn from the example of the IMC and South Africa because it is not easy to focus on what appears like a luxury - marketing and branding - when you are dealing with the basics of survival, under-development and conflict resolution, as is the lot of many African countries.

Hopefully, the South African example will illustrate the medium and long-term benefits that flow from a comprehensive approach to - and sustained implementation of - a country branding exercise such as the one followed by the IMC. It should also be pointed out that despite South Africa's economic and infrastructural head-start on many African countries; it has a lot to learn from the rest of Africa in relation to values and social issues which have been severely disrupted by the apartheid experience.



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Interims for Development's services in Africa include Project and Technical assistance, Corporate Social Responsibility, Training and Development, Recruitment and Interim Managers.

We are perfectly positioned to understand the needs of African businesses and to bridge the gap to build African skills and capacity to take on the challenges of business today.

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