



## ACGN, APRM sign MoU to advance good Corporate Governance Practices in Africa

The Africa Corporate Governance Network (ACGN) and the African Peer Review Mechanism (APRM) have signed a Memorandum of understanding (MoU) to promote good corporate governance practices in Africa.

The Parties – ACGN and APRM – will collaborate on initiatives to promote corporate governance standards and initiatives in Africa through the sharing of ideas and best practices on corporate governance.

As part of the areas of the cooperation, and when parties agree, they would co-host workshops and capacity building initiatives in

member states to, among other things, co-produce knowledge products to advance the subject of corporate governance in Africa.

In implementing the MoU, the ACGN and the APRM will conduct cooperation activities through modalities that will enable optimal delivery of technical and advisory support, joint production of reports and studies, programme implementation relating to the achievement of the Parties' respective core mandates, including the studies on principles and standards of corporate governance, among others.

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# ACGN, APRM sign MoU to advance good Corporate Governance Practices in Africa

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Mr. Rockson Kwesi Dogbegah, Chair, ACGN Board of Directors, addressing a forum before the signing, said the contributions of APRM in the promotion of good governance in Africa, including the development of the African Principles and Guidelines on Corporate Governance under the auspices of the Africa Union (AU) were highly commendable.

The sensitisation forum on the “African Principles and Guidelines on Corporate Governance - Building a Framework for Competitiveness and Growth for the Private Sector in Ghana” was organised by the African Peer Review Mechanism (APRM).

Mr Dogbegah said, as part of its mandate, the ACGN seeks to develop the capacity of its members and other stakeholders towards enhanced and more effective Corporate Governance practices aimed at building better private and public sector organisations in Africa in furtherance of its vision.

He said experience in developed market economies indicated that good

governance was anchored on the availability and application of the appropriate legal framework, national codes and strict enforcement coupled with the appropriate behavioural and cultural considerations that promoted sustainable socio-economic development.

Those fundamentals, he explained, were owned and acceptable by all players in the private and public sector, which created the enabling environment for growth and development.

The Chair of ACGN said there was now increasing momentum locally and internationally towards implementing more laws and government regulations that impose obligations on companies, their directors, and officers, to adopt, implement and comply with good corporate governance principles.

He noted that there was global consensus that implementation of the highest standards of corporate governance was crucial and critical to

the economic growth, sustainable development, and social transformation of the continent.

Accordingly, Mr Dogbegah said, ACGN as part of its strategic interventions was embarking on several initiatives, including the establishment of corporate governance institutions in the rest of the continent where such are non-existent with some serious work already ongoing in Liberia, Rwanda, Sierra Leone, and the Gambia.

He mentioned the promotion of director development and cross exchange programmes to ensure adequate supply of independent directors on the continent for deployment and standardising corporate governance training across Africa as some key strategic interventions being undertaken.

Professor Edward Maloka, Chief Executive Officer, APRM Continental Secretariat, said the APRM as part of its mandate, encouraged participating States to ensure that their policies and



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practices conformed to the agreed political, economic and corporate governance values, codes and standards, and achieved mutually agreed objectives in socio-economic development contained in the Declaration on Democracy, Political, Economic and Corporate Governance.

He said APRM was committed to the highest standards of good political, economic, and corporate governance, international security, democracy, human rights, gender equality, and the rule of law for broad-based, inclusive, and sustainable socio-economic development for Africa's

transformation and economic integration and the attainment of APRM objectives.

Prof. Maloka said “good Corporate Governance is good for Africa and is not imperialist” as many would perceive it, adding that the practice of good corporate governance was universal.

He noted that since its establishment in 2003, the APRM had conducted 25 reviews among 42 of its member States with Ghana being the first, adding that with the adoption of the Principles and Guidelines on Good Corporate Governance, it would

accelerate economic development in Africa.

The ACGN and the APRM committed to foster the adoption of policies, standards and practices leading to political stability, high economic growth, sustainable development and accelerated regional and continental economic integration, and building on their shared vision as African-owned and African-led institutional drivers for Africa's transformation.

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# IoD-Gh commends World Bank, urges enterprises to explore CPF support

The Institute of Directors – Ghana (IoD-Gh) has commended the World Bank and its partners for the \$4.5 billion Country Partnership Framework (CPF) facility to Ghana in its COVID-19 and medium-term development agenda.

The CPF prioritises investments in human capital, job creation, economic diversification, building a resilient health system, and fostering a greener and more inclusive society.

It is designed around three mutually reinforcing focus areas of enhancing conditions for private sector development and quality job creation, improving inclusive service delivery





## IoD-Gh commends World Bank, urges enterprises to explore CPF support Continued from page 3

and promoting resilient and sustainable development.

The \$4.5 billion CPF was prepared jointly by the World Bank, the International Finance Corporation (IFC) and the Multilateral Investment Guarantee Agency (MIGA).

The CPF will address the immediate and medium-term implications of the COVID-19 crisis in line with the Ghana Coronavirus Alleviation and Revitalization of Enterprises Support programme and lay a path on how the World Bank, IFC, and MIGA, will leverage their

relative strengths to partner with Ghana for stronger development outcomes.

Mr Rockson Dogbegah, President of IoD-Gh, in a press release, said it was important for enterprises to take strategic advantage of the CPF facility to transform their businesses to reposition the local economy for rapid growth after the ravages of COVID-19.

He said at the core of development was a good corporate governance architecture, which translated to the practice of discipline, transparency, independence, accountability, responsibility, fairness, social

responsibility in the steering of an institution and charged the enterprises to be mindful of those values to make good use of the opportunity.

He asked them to submit to corporate governance health checks bearing in mind that organisational performance was not only about funding or the adequacy of same but critically about the establishment of the appropriate systems and structures.

"These include ethical culture, proper board composition, board and management performance appraisals," he said.



"At the core of development is a good corporate governance architecture, which translates to the practice of discipline, transparency, independence, accountability, responsibility, fairness, social responsibility in the steering of an institution."

Rockson Dogbegah,  
President, IoD-Gh



# IoD-Gh engages stakeholders on National Corporate Governance Code project

The Institute of Directors - Ghana (IoD-Gh) has engaged stakeholders on the development of a National Corporate Governance Code (NCGC).

The NCGC Project seeks to harmonise the different industry and sector specific governance codes into a single code that will provide ease of compliance and reference to promote the culture of good corporate governance for public and private organisations.

The code will serve as a unified national corporate governance reference for good corporate governance for all stakeholders in the country.

It also seeks to enhance Ghana's global appeal as an investment destination in conformity with international best practices.

A Technical Committee, made up of nominees from private and public stakeholder institutions across varied sectors of the economy, has been inaugurated to commence work on the development of the code.

The engagement was a key milestone in developing the National Corporate Governance Code by getting feedback from all its critical stakeholders to ensure that it had the right foundation to aid its development and implementation.

One of the key expectations of the code is to ensure that all critical stakeholders are actively involved in

the development of the National Corporate Governance Code for Ghana for a high implementation culture.

IoD-Gh identified weak implementation culture, politicisation, funding challenges and completion of the project on time as four main risks that may affect the project.

Therefore, to guarantee successful implementation, there was a need to engage with stakeholders and involve them throughout the project

development and implementation phases.

Mr Dogbegah, also the Chair of the African Corporate Governance Network (ACGN), said: "It is also expected that all the stakeholders involved in the development process of the national corporate governance code will become the key ambassadors to promote the use of the code when developed."

To avoid politicisation, he said, the Institute was treating the project as a





## IoD-Gh engages stakeholders on National Corporate Governance Code project Continued from page 4

technical project and not involving political parties and functionaries.

He said the creation of a Project Directorate, supported by a Professional Project Manager, would ensure that the project was completed on time, adding that the IoD-Gh hoped to maintain the Project Directorate for a period of three years to ensure the proper implementation of the code.

Ms Tumi Dlamini, Technical Advisor on Corporate Governance, African Peer Review Mechanism (APRM) under the African Union, said the APRM had conducted reviews in over 26 countries in Africa dealing with a number of governance issues, specifically corporate governance.

She said the APRM had found that, out of the 55 member states in Africa, only 19 had put in place Codes for Corporate Governance.

The APRM, she said, had further found that there were private institutions that had come together with different stakeholders to develop codes for corporate governance in specific countries, adding that most of the codes were largely borrowed from western countries.

While it was important to learn from other economies, the Advisor on Corporate Governance, said the APRM held the view that it was important to ensure that the codes developed in Africa were fit for purpose and appropriate for the commercial environments within, which they would be applicable.

Dr Janet Ampadu-Fofie, Chairperson, Public Services Commission, in a submission, said best practices must be adoptable in the public and private sector taking into

cognisance the existence of several manuals.

Therefore, she said there was the need to focus on training and re-training to enhance implementation culture of the project when fully adopted for a meaningful impact.

The stakeholders resolved that Ghana's Code must conform to its unique identity and must be flexible enough to respond favourably to changing dynamics, insight into the corporate landscape of the country and ultimately must be drafted to influence cultural and behavioural change to enhance good corporate governance outcomes.

# Good Corporate Governance can lead to poverty reduction–IoD-Gh

Mr Rockson Kwesi Dogbegah, President, Institute of Directors Ghana (IoD-Gh) says with the right implementation of effective regulatory policies, good corporate governance can help reduce poverty and promote transformation.

He said good corporate governance with the right regulatory framework would improve incomes and decrease poverty.

Mr Dogbegah, speaking at a meeting of the Project Management Institute, said the importance of Corporate Governance was made apparent by the positive impacts that occurred when risks were controlled, and company procedures were streamlined and made consistent.

He said the four guiding

principles of poverty reduction - “four Ps – People, Purpose, Process, Performance,” were at the heart of good corporate governance.

Mr Dogbegah, also the Chairman of the African Corporate Governance Network (ACGN), noted that bad corporate governance could cast doubt on a company's reliability, integrity, or obligation to all stakeholders which could have implications on the firm's financial health.

He said poor corporate governance had been cited as one of the major causes of the collapse of the seven banks by Bank of Ghana, adding that the boards and senior management were either inactive or engaged in activities that served their personal interests rather than to the growth of the banks.

“For instance, there was the

observation that most of the non-performing loans were advanced to people who were related to senior board managers,” he said.

Furthermore, he said the Board of Directors of the banks failed to oversee bank accounting and corporate reporting systems as well as the external auditing system due to lack of “experience or greed.”

He averred that the general non-adherence to policies of corporate governance had greatly contributed to the collapse of those banks.

Mr Dogbegah said adherence to good corporate governance, including ethical culture and effective leadership, effective controls, good performance would lead to the achievement of organisational objectives, ensuring inclusive growth, and ultimately, reduce poverty.





**IoD-Gh CORPORATE MEMBERS**

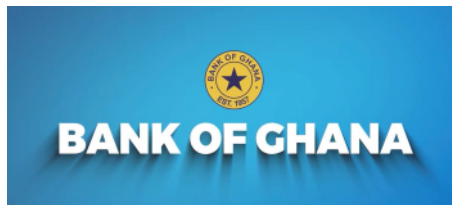


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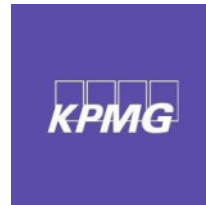


**SPONSORS OF THE NATIONAL CORPORATE GOVERNANCE CODE PROJECT**

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**AWARD RECIPIENTS AT THE 4TH IoD-Gh CORPORATE GOVERNANCE EXCELLENCE AWARDS**  
19th November, 2021 Kempinski Hotel

**Individual Competitive Awards**



**Up and Coming Director of the Year:**  
Yaw Sompá Nhyira Okyere Esq (Right)



**Innovative Director of the Year:**  
Dr. John Kofi Mensah

**Corporate Competitive Awards**



**Best Corporate Governance Compliant, Insurance (Life):**  
Metropolitan Life Insurance Ghana



**Best Corporate Governance Compliant, Universal Bank:**  
Zenith Bank Ghana Limited



**Best Corporate Governance Compliant, Fabricated Metal Industry:**  
B5 Plus Limited

## SPECIAL RECOGNITION AWARDS

### INDIVIDUAL AWARDS



**1. DR. ERNEST ADDISON**  
GOVERNOR, BANK OF GHANA

For Bold and Transformational Leadership as Governor of the Bank of Ghana



**2. DR. MAXWELL OPOKU-AFARI**  
1ST DEPUTY GOVERNOR,  
BANK OF GHANA

For immense contributions and outstanding leadership in promoting the culture of good corporate governance.



**3. MRS. ELSIE ADDO AWADZI**  
2ND DEPUTY GOVERNOR,  
BANK OF GHANA

For immense contributions and outstanding leadership in promoting the culture of good corporate governance.



**4. DR. (MRS.) JANET FOFIE**  
CHAIRPERSON, PUBLIC  
SERVICES COMMISSION

For immense contributions in promoting the culture of good corporate governance in your spheres of influence.

### CORPORATE AWARDS



**1. BANK OF GHANA**

For outstanding leadership in the Corporate Governance landscape in Ghana and regulatory excellence in the Financial Services Sector.



**2. SECURITIES AND  
EXCHANGE COMMISSION**

For contribution and outstanding leadership demonstrated through the issuance of the SEC Corporate Governance Code 2020.



**3. STATE INTERESTS AND  
GOVERNANCE AUTHORITY**

For the initiative towards the development of a Code of Corporate Governance to guide State Owned Enterprises (SOEs), Joint Venture Corporations (JVCs) and Other State Entities (OSEs).



**4. ZOOMLION GHANA LIMITED**

For immense contribution and outstanding leadership demonstrated in Waste Management in Ghana.



**5. MULTIMEDIA GROUP LIMITED**

For immense contribution in promoting the culture of good corporate governance in the Media Industry in Ghana.





# African Corporate Governance Network Signs MoU with University of Kigali

The African Corporate Governance Network (ACGN) and the University of Kigali have signed a Memorandum of Understanding (MoU) to promote mutual institutional interests consistent with their mandates, policies and resources.

The MoU between the two institutions establish an understanding and a cooperative working relationship to promote research in fields of common interest, development of curricular and exchange of materials and documents.

The institutions will work together to promote collaboration in organising workshops, training and conferences and collaboration in consultancy services.

Also, short professional courses

will be rolled out with the development of new market-driven and technology-centred professional programmes.

The signing ceremony, had Professor Robert Ebo Hinson, Interim Vice Chancellor and Dr Michael Sanja, Deputy Vice Chancellor, Institutional Development Research and Innovation (IDRI), signing on behalf of the University of Kigali.

Mr Rockson Kwesi Dogbegah, Chair, ACGN and Reverend Mrs. Angela Carmen Appiah, Acting Board Secretary, signed for the ACGN.

The five-year MOU may be renewed for such consecutive periods as agreed by the University of Kigali and ACGN.

The Centre for Economic Governance and Leadership will be the Lead Unit on behalf of University of Kigali.

Both institutions pledged commitment to work together to promote a mutually beneficial relation expressly provided under the MOU.

The promotion of good corporate governance practices has come to the fore very strongly over the past two decades.

Since the Enron scandal and with the Big Four auditing firms being fined heavily in South Africa, the need for improved corporate governance practices in Africa and beyond, has never been more pressing.



# What is the Importance of Corporate Governance?

Some companies may view corporate governance as an unnecessary and costly process. However, a proper corporate governance system has many advantages. While corporate governance can benefit companies, its importance relies on how companies use it. As mentioned, corporate governance defines the rules, principles, and regulations that companies can use for control and direction. However, for these to be effective, companies must use them properly.

There are several reasons why corporate governance is important. As stated above, the need for corporate governance comes from

past high-profile corporate failures. Corporate governance ensures these companies don't suffer problems. For the purposes of this article, we focus on eight important reasons for corporate governance as below.

## 1. Minimize Agency Problems

Agency is when one entity acts with authority on behalf of another. In companies, the management acts on behalf of the shareholders, which is a type of agency relationship. In some instances, the board of directors may not act in the shareholders' best interests. Corporate governance tackles that problem by ensuring the objectives of both the shareholders and the management are in line.

## 2. Protect Stakeholders

Apart from minimizing agency problems, corporate governance protects a company's other stakeholders as well. These may include both internal and external stakeholders. Corporate governance defines the relationship that companies must have with their stakeholders. By doing so, it ascertains that each stakeholder's rights are clear for companies to fulfill.

## 3. Attract Investors

Corporate governance provides companies with a system for best practices. Through this, it ensures a



# What is the Importance of Corporate Governance?

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company's operations are efficient. As mentioned, it also protects shareholders' and other stakeholders' rights. When investors look for companies to invest in, they will always prefer companies with good corporate governance. This way, corporate governance can attract new investors.

#### 4. Promotes Accountability

A good corporate governance system ensures that companies follow a sound, transparent, and credible financial reporting system. This way, corporate governance helps promote accountability in a company. This accountability can also help in the above aspects, helping attract more investors or protect stakeholders.

#### 5. Mitigate Risks

Corporate governance also focuses on risk mitigation for companies. One of the areas that help with this is the audit committee or risk committee. These committees are responsible for managing and mitigating a company's risks from various sources. By defining such

committees, corporate governance ensures that the risks that companies face are minimal.

#### 6. Ensure Compliance

Companies are complex business structures. Therefore, they must comply with various rules and regulations. Corporate governance also applies to this area as it ensures companies meet these obligations. Compliance with rules and regulations is also a part of a company's risk management processes. By complying with rules and regulations, companies can avoid any unnecessary issues.

#### 7. Improve Efficiency

Corporate governance also helps companies maximize operational and organizational efficiency. Many companies have ineffective governance systems, which also translate into below-average performance. Corporate governance lays the foundation for how a company handles its operations, uses its resources, applies innovation, and implements corporate strategies.

Through these, it also improves a company's efficiency.

#### 8. Ensure Corporate Social Responsibility

One area that corporate governance introduces is corporate social responsibility. It usually applies to how companies interact with the environment in which they operate. Corporate social responsibility enables companies to consider the impact their operations have on the environment. Similarly, it promotes sustainability and social responsibility.

#### Conclusion

Corporate governance is a set of rules, regulations, or principles that define how companies should be controlled and directed. It is a crucial part of a company's management. Corporate governance is important for several reasons, including minimizing agency problems, protecting a company's stakeholders, attracting investors, and much more.





# **INSTITUTE OF DIRECTORS-GHANA**

## **PRODUCTS AND SERVICES**

The Institute of Directors-Ghana is a Corporate Governance institute mandated under the Professional Bodies Act 1973 to champion Director professionalism and development through Advocacy, Training and Research in good Corporate Governance practices for the benefit of Organisations, Stakeholders and prosperity of Ghana.

### **VISION**

To become the leading reference point for directorship and best practices in corporate governance.

### **MISSION**

To represent directors' interest and facilitate their professional development and training in good corporate governance practices.

### **OUR CORE VALUES**

Competence: adding value continuously to corporate activity

Professionalism: excellent qualities demonstrated through training and development

Integrity: providing leadership with honesty and strong moral principles.

### **OUR SERVICES**

The Institute of Directors-Ghana has the proven track record with service provision in the following areas among others;

- \* Advising on appropriate Corporate Governance practices.
- \* Carrying out orientation of new Boards.
- \* Providing training for Directors and Managers in Corporate Governance, Leadership and Management.
- \* Helping organizations to compose Boards and develop Directors.
- \* Preparing manuals for organizations (including Board Manuals).
- \* Carrying out Board Effectiveness Assessments and Reviews.
- \* Publishing books on Corporate Governance.
- \* Providing Policy and Advocacy on Corporate Governance.
- \* Keeping a director's register to recommend to stakeholders to serve on public and private sector boards.

# TRAINING MODULES

The Institute of Directors-Ghana is a registered professional body under the Professional Bodies Act 1973 with the core mandate for Advocacy, Training and Research in Corporate Governance for the benefit of Organisations, Stakeholders and prosperity of Ghana.

A member of the African Corporate Governance Network (ACGN), the Institute has championed Director interests for over two decades, impacting the local Corporate Governance landscape with support from its partner, the International Finance Corporation (IFC) of the World Bank Group.

In recent years, following the Corporate Governance infractions in the Banking industry especially, the IoD-Gh has received tremendous support for systems strengthening to further promote the culture of good Corporate Governance in both Public and Private Sectors of our economy for national development.

It is noteworthy of mention that the Institute is accredited by the Bank of Ghana (BoG) Ref. BSD/17/2021/747 to offer Corporate Governance

certification programmes to Directors of Banks and Specialised Deposit-Taking Institutions (SDIs) in accordance with section 12 (c) of the Regulator's Corporate Governance Directive-2018.

The regular training of the Institute comprises seven (7) modules with a total duration of forty –two hours (six hours per module) and an additional one (1) Module for Banks as follows:

- \* Principles of Corporate Governance
- \* Board Dynamics
- \* Integrated Reporting
- \* Corporate Strategy, Risk Management and Leadership
- \* Corporate Ethics, Human Resource Management and Emotional Intelligence
- \* Cyber Security & Financial Crimes
- \* Occupational Health, Safety & Environment (HSE) and Welfare; and
- \* Corporate Governance in the Banking Sector: Bank of Ghana Directive (Banks only)

## Module 1

Principles of Corporate Governance  
Appointment, Induction and Tenure of Directors  
Role & Functions of The Board  
Duties & Legal Liabilities of Directors  
Contemporary Issues In Corporate Governance

## Module 2

Board Dynamic – Meetings, Committees and Annual General Meetings (AGM)  
CEO/Board Relationship  
Board Evaluation  
Succession Planning  
Conflict of Interest  
Board/CEO Remuneration

## Module 3

Integrated Reporting  
Financial Reporting & Analysis  
Corporate Finance

## Module 4

Leadership & The Board Strategy  
Critical and Creative Thinking  
Corporate Policy  
Corporate Risk Management

## Module 5

Corporate Ethics  
Human Resource Management  
Performance Appraisal  
Emotional Intelligence

## Module 6

Understanding the Cyber Space and its Risks to Business Operations  
Situational Analysis of Cyber Threats and Fraud Schemes targeting the Financial Sector  
Managing Insider-Related Risks  
Cyber Security Contingency Planning  
Legal and Regulatory Considerations within the Cyber Space  
Cyber Security Best Practices &

Hands-on

Sessions/Demonstrations

## Module 7

Introduction to HSE  
Management System (MS) and Policy  
Directors' role and Commitment to HSE  
HSE Related Legal and Compliance Issues  
The Benefits of Integrating HSE in Management Systems

## Module 8

Definition & Effects of Corporate Governance  
Part I – Relevant Laws and Directives on Corporate Governance in Ghana  
Part II – Sound Corporate Governance Standards  
Part III – Remedial Measures and Sanctions  
Part IV – Risk Governance Structure

# TRAINING MODULES

## Mode of Training

The Institute offers Virtual and face-to-Face (On-site and Off-site) training options.

## Benefits of Training

Benefits of training that will add value to your organisation are as follows:

- \*Assuring effective internal controls and compliance
- \*Empowering better strategic planning
- \*Encouraging ethical behaviour
- \*Gaining deep appreciation of

industry specific Regulations, Laws and Bye-laws

\*Improving top-level decision-making

\*Reducing the cost of capital

\*Enhancing Stakeholder value

\*Understanding sound

Corporate Governance

standards

## Certification

After the successful

completion of the training,

participants will be issued

with Certificates of training.

Consideration may also be

given those desirous of

becoming members as per membership policy of the Institute.

## Customised Training

Customized training

programmes are also offered

upon request. Where this is

preferred, Institutional needs

assessment may be conducted

to identify performance gaps

which will then inform

training content. Our

customized training designs

are flexible with Virtual, On-

site and Off-site variations.

**IoD-Gh** Members may submit articles relevant to Corporate Governance and Directorship domains for publication in **THE IoD FOCUS Newsletter**.

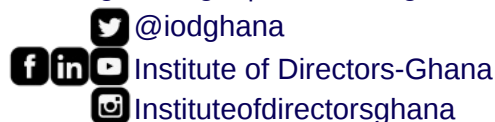
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