

TRANSPARENCY INTERNATIONAL CANADA BOARD MEETING

Friday, December 3, 2004, 11:00 – 15:00 EST

Hydro One, 483 Bay Street, North Tower, 15th Floor, Board Room

Present:

Wesley Cragg, Chair

Bronwyn Best

Robert Blackburn (by conference call)

Clare Bonnell

Michael Davies

Anita Davis (by conference call)

Tom Goldie

Joy Kennedy (by conference call)

John McWilliams (by conference call)

Errol Mendes

Robert Olivero (by conference call)

John Swinden

John Willson

Regrets:

Peggy Cunningham

Peter Harris

MINUTES

1. Membership/Marketing Committee

Anita Davis reported on the 19 November Membership and Marketing Committee Meeting.

Moved by Ms. Davis and **seconded** by Errol Mendes that a Business Advisory Council (BAC) be created, which would include Charter Members and Business/Professional Members. Representatives from industry sectors not already represented in these two groups would also be invited to join. **Carried.** The BAC would begin at a small size (5 – 8 people) and grow. It would be used to promote information regarding TI-Canada. Further to those who volunteered to spearhead sector efforts at the Committee meeting, Clare Bonnell volunteered to take on the banking sector. It was **agreed** that pharmaceuticals is another important industry sector to target.

Moved by Ms. Davis and **seconded** by John Willson that Charter Members be invited to serve on TI-Canada committees, if they feel they could provide value added. **Carried.** This would not preclude the participation of other TI-Canada members on committees. TI-Canada members can also be invited to participate in special projects, as they have in the past.

Moved by Ms. Davis and **seconded** by Michael Davies that up to \$2,000 be allocated to the Membership and Marketing Committee to further the marketing activities of the Committee. **Carried.** It was suggested to contact the communications department of TI-Canada members, to see if they could provide in-kind services.

2. Nigeria Project

▪ Update on Phase 2

Further to the information in the Background Notes, Wes Cragg reported he had made a presentation in an Oil and Gas Workshop, October 11, in Nairobi, following the TI Annual Members Meeting (AMM). He also reported on another workshop, to which he has been invited to speak at the end of February 2005, on how to reform the public sector in Nigeria. Both SNC-Lavalin and Nexen Inc. have been invited to participate

in a conference in Abuja, Nigeria, 2-3 February 2005, “Transparency in the Nigerian Economy.”

▪ **Monitoring of Nigeria EITI Initiative**

Dr. Cragg reported on his meeting, in Nairobi, with Dr. Oby Ezekwesili, Nigeria’s Coordinator, National Stakeholders’ Working Group on EITI. The Board **agreed** to Dr. Ezekwesili’s suggestion that Dr. Cragg write her a formal letter, to which she would send a formal response. The letter will be exploratory, expressing an interest only, at this point, in the monitoring of the Nigeria’s EITI initiative, and offering to help in anyway we can, subject to further information and seeing how the project scopes out. **Dr. Cragg** will draft the letter. The Board will receive copies, when it is sent.

3. Municipal Corruption Survey

The Board **agreed** with the general direction of the Ad Hoc Municipal Survey Committee, to contract with Mr. David Simpson as staff for the project and to work, in the first instance, with The Hon. John Godfrey’s office. Comments of note included a reminder to work with the Federation of Canadian Municipalities, a suggestion to include the provincial level in the process and having continued meetings with John Godfrey’s staff, before presenting a formal proposal for federal funding, from his portfolio, for the first phase of the project.

4. Governance and Nominating Committee

Tom Goldie reported on a GNC meeting held immediately prior to the Board Meeting. The terms of five present Board Members will be up at the next TI-Canada AGM: Peter Harris, who has served 8 years, and who, as per the new By-law 9, will not be eligible to stand again, next year; Mr. McWilliams, who will have served for 5 years and would be eligible to serve one more year; Peggy Cunningham, Anita Davis and Bob Olivero, who will have served for three years and would be eligible for three further years.

Mr. Goldie will:

- speak with the four Board Members eligible for continued service;
- send a note to TI-Canada Board Members, asking for nominations;
- send a notice to the general TI-Canada memberships, noting that a limited number of positions are available and asking for nominations.

Mr. Goldie will include the background descriptions of the type of people for which the Board is looking, with regard to sector, geography, gender, etc. Some of the people suggested may end up being invited to serve on committees and may eventually serve on the Board.

An *in camera* session was held, regarding succession. **Moved** by Mr. Willson and **seconded** by Ms. Bonnell that **Mr. Goldie** would again canvas Board Members with regard to their personal intentions concerning succession of Chair and President. It was agreed that the incumbent Chair and President would be involved with the process, although not with the interviewing of individuals. **Carried.**

5. International Conventions Monitoring Committee

Mr. Davies reported on the first meeting of this Committee. Mr. Olivero has lead responsibility for activities regarding the OAS, including as TI-Canada's chief link with the Latin American National Chapters; Mr. Davies for those regarding the OECD; and Mr. Mendes for those regarding the UN. On behalf of TI-Canada, Mr. Davies provided comments on the TI Progress Report re. the OECD Anti-Bribery Convention, which will be finalized next week. Canada is being reviewed by the Expert Group in September 2005, with regard to the Inter-American Convention against Corruption. On behalf of TI-Canada, Mr. Olivero is preparing a response to the questionnaire, due 31 January 2005.

- **UN International Anti-Corruption Day-Dec. 9**

The Board **approved** of the press release that had been prepared by the Committee. Mr. Mendes and Bronwyn Best will finalize it. **Ms. Best** will then send it to **the Board**, which is asked to disseminate it as widely as possible, as well as to our partner in this venture, the Canadian Council on International Business, and targeted media.

6. Business Principles

As a representative of the International Chamber of Commerce, Mr. Davies has attended two-thirds of the Business Principles (BP) meetings, over the years. Since other organizations are becoming involved, notably the World Economic Forum, TI is searching for a new name of the "TI" BP. The issue of facilitation payments is again causing problems. Other issues include requirements for anti-bribery clauses in corporate codes of conduct. How to advance the BP in Canada could be taken to the Business Advisory Council as an issue.

7. Approval of Minutes of 7 September 2004 Board Meeting

Moved by Mr. Willson and **seconded** by John Swinden to accept the Minutes of the 7 September 2004 Board Meeting. **Carried.** It was agreed that the statement in Item 8, "It was noted that the Chair and President is an ex-officio member of all committees," will be referred back to the GNC for discussion.

8. Business Arising from Minutes of 2 April 04 and 7 September 04 Board Meetings

- **2 April 04**

We are not making progress re. the issue of charitable status. **Dr. Cragg** will contact **Peter Harris** regarding this issue, which will be **a priority for the next Board Meeting.**

- **7 September 04**

The Board **agreed** with the International Conventions Monitoring Committee and the UN Anti-Corruption Day Project Committee being amalgamated into one committee, International Conventions Monitoring Committee, with Mr. Davies as Chair and Mr. Olivero as official link with the Latin American National Chapters. As soon as received from TI-S, **Ms. Best** will pass on to the Board the governance recommendations as approved at the TI AMM in Nairobi.

9. Correspondence

It was noted that the letter sent from the Chair of the GNC to the Chair of the TI Ethics Committee should have been circulated to the Board. It was noted also that it had been time sensitive, in an attempt to get it to the Chair before the TI AMM. The National Contact Point will be a point of discussion at the **next Board Meeting**.

10. Treasurer's Report

Thanks was expressed to Ms. Best, Ms. Bonnell and Dr. Cragg for their role in obtaining the CIDA three-year grant.

- **Financials as at 30 November 2004**

Mr. Swinden explained the need bring into play the Governance Guidelines involving solvency limits. With monies expected, which were subsequently received, there had not been a concern.

- **Draft Working Budget 2005**

Mr. Swinden noted that the Membership and Marketing Committee needs to move forward to raise enough monies in 2005 to ensure that expenses do not exceed revenues, as is now the state of the working budget. He also noted it is not viable to cut back on the National Coordinator's hours, if TI-Canada wants to keep the organizing going.

11. Discussion on National Coordinator's Report

Moved by Mr. Swinden and **seconded** by Ms. Bonnell to accept Mr. John Ritchie as an Individual Member. **Carried.**

Ms. Best is to send the TI Q to Board Members by e-mail.

12. Report of Chair and President

Dr. Cragg reported that fund raising from corporations by TI-S had been discussed at the TI AMM in Nairobi. Many National Chapters are concerned that their funding base may be eroded and that TI-S might approach corporations they feel are not credible. It is recognized that TI-S needs to broaden its financial base, but that a protocol, involving both TI-S and National Chapters needs to be agreed to and put in place. It was **agreed** that a letter, with a strong, reasoned position, emphasizing cooperation and focusing on the need for a protocol, should go from the **entire TI-Canada Board** to TI's CEO. **Mr. Swinden** is to draft the letter for vetting by **Mr. Willson**. It would then go to **Dr. Cragg** and then to the **full Board** for comment, within the next week.

Dr. Cragg reported on a recent meeting at the request of Mr. Peter Dent, of Deloitte & Touche, Mr. Dent has recently returned from an anti-corruption portfolio with the World Bank. **Mr. Swinden** is to follow-up.

13. National Coordinator's Contract

Moved by Mr. Willson and **seconded** by Mr. Davies to renew Ms. Best's contract as National Coordinator for 2005, with an enthusiastic vote of thanks for her services in 2004. **Carried.**

14. Reports from Board Members on TI-Canada Activities

Mr. Mendes reported on a presentation he had made to the Foreign Affairs Standing Committee re. Sudan, which had just been given voting rights at the IMF. **Mr. Mendes** volunteered to circulate the TI-Canada press release on UN International Anti-Corruption Day to the Standing Committee. Mr. Mendes and Robert Blackburn attended the Partnership Africa Canada Roundtable, “Natural Resources, Good Governance and Development in Africa – Challenges for African Civil Society,” on 25 October, in Ottawa.

15. Theme/Date/Location Suggestions - 2005 Symposium

- **Theme**

It was **agreed** to field the choice of theme to the **Membership and Marketing Committee**. The target would be the business community, possibly focussing on a few industry sectors.

- **Date**

Ms. Best will work on finding a date amenable to the Board.

- **Location**

Since the focus will be business sectors, it was **agreed** the location will be Toronto.

Ms. Best is to work on various potential venues.

16. Other Business

Mr. Goldie was thanked for his kind hospitality.

17. Next Board Meetings

- **21 February 2005**
- **15 April 2005**

Moved by Mr. Swinden and **seconded** by Mr. Davies to close the Board Meeting.