

## GLOBAL COMPACT COMMUNICATION OF ENGAGEMENT (COE) 2016

The organization has been active in promoting the Environment Principle of the Global Compact. The following are details of the activities within the period November 2016-October 2017 Cycle.

### GREEN INNOVATION HUB: FACILITATING A BETTER AND SUSTAINABLE NIGERIA THROUGH INNOVATION, CLIMATE ACTION AND SCIENTIFIC RESEARCH:

The Africa Green Innovation Hub will become a popular centre for Research, Design and Development of REAL Climate Smart Technological Innovations that addresses Local, Social, Environmental and Economic challenges being faced by ordinary people. Our approach will be to Identify and Support Native Solutions that are safe, Clean and Sustainable while providing the needed linkages and resources to make it succeed. Result from researches around the world show that many interests and resources to promote causes such as this, abound.

As the developed economies of the world ramp up the momentum towards renewable energy and green economy, the need to position in this direction has become more urgent for Africa than ever before. Emission reduction is the antidote to climate change challenges, of which power generation is the major contributor. Renewable energy deployment is a known panacea for carbon emission reduction, and the new driver for economic growth, especially with respect to small businesses in any economy.

In order to appropriately align efforts of Nigerian economic and policy actors with the global activism in climate change, carbon emission pricing and energy efficiency, a wide consultation and intense awareness is necessary for local action. This is one in a series of actions in this direction. Participants will be drawn from Business, government, civil society, media and academia

The Green Innovation Hub will further lead in pioneering the 1st Native Carbon trading system which will mimic the existing Cap and Trade system under the European Emission Trading Systems. Our goal of making it cheaper for companies and governments to meet emission reduction targets will further demonstrate how local action can stimulate and challenge rest of the world to act Now!

World governments concerned about climate change have passed legislations requiring industries to limit how much carbon dioxide they introduce into the atmosphere e.g. China and Mexico. Individual companies are issued certificates (or credits) that allow them to emit a certain amount of carbon dioxide, and those who do not use all their

credits can sell them to companies who want to emit more carbon dioxide than they are allowed. This provides an incentive to companies that can limit (cap) their emissions, since they can profit by selling unused certificates. Companies that can't limit their emissions can purchase credits, so they are not crippled by the government mandates. The result is an overall reduction in emissions.

Already, Carbon Exchange Trade platform offers opportunity to take action against climate change now by offsetting personal carbon emissions. All Carbon credits (STC or REC) are thoroughly verified, assessed and properly certified to make sure that carbon credit purchase represents the true carbon emissions reduction it claims to make.

### CARBON CREDIT NETWORK'S GREEN SUSTAINABILITY AWARDS

The Carbon Credit Network initiative of SMEFUNDS continue to create annual anniversary and awards for the agents of green energy/technology deployment in Nigeria. It is used to celebrate the organization's strides in impacting lives, shifting families from using kerosene which causes health hazards besides accidents to renewable energy products. These products were moved round the country through the intelligent distribution system.

This year, awards were given to high distribution performers who had demonstrated competence and leadership in several ways including monthly carbon rebate earnings' and scale up of mobilization/ expansion efforts.

**OUTCOME:** The activity was to enlighten Nigerian economic and policy actors on the paradigm shift to renewable energy use for healthier environment and citizens, and strengthen system of scaling green technology distribution in Africa.

### GREEN WALK' ON WORLD ENVIRONMENT DAY.

The organization collaborated with some stakeholders including Lagos State Ministry of the Environment to mobilize a health-enhancing public walk called 'Green Walk' to commemorate the 2016 World Environment Day in Lagos. The walk created awareness from the metropolitan Ikeja Local Government through the long Computer Village area through the Alausa (LASPAK GREEN AREA) where the participants were received by the Private Sector, CSO, Media and the Lagos State Government.

It was a way of committing itself to the cause of environmental protection and safety while observing the day as in other parts of the world. It was also an opportunity to showcase green products as a demonstration of support towards the World Environment Day. It was equally covered by media houses.

**OUTCOME:** A great deal of awareness was created among the public on the World Environment issues including Climate Change, Carbon Emission and Renewable Energy.

Speeches were made along the way to draw attention to environmental safety, reducing carbon emission and the introduction of our green energy cook stoves to thousands of households. This was meant to enable homes switch from the use of pollution-causing kerosene stoves

## **INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT: ACCESS TO CLEANER AND SAFER ENERGY IN AFRICA**

Having Access to Cleaner and Safer Energy in Africa is a source of serious concern to the organisers as more than 40% of the world population do not have access to cleaner and safer energy and Africa is at the receiving end. It is our strong desire to continue to make possible access to clean, affordable and renewable energy in Africa.

The objectives of the side event are:

To share the organisers success stories with the participants: To enable participants know where we started from and where we are today. To also let them have an idea of how many lives we have impacted in Africa through the distribution of our Clean Cookstoves and Biofuels gel from plant waste.

To create platform to share experiences and learn from other actors from the private sector working in bringing access, finance and education. This will assist in learning why others are failing or succeeding.

To collaborate with other players: This will help in bringing ideas forward quickly. It will also make technical advice available to those who need them.

\* It was unanimously agreed that taking people off fossil fuel usage requires a lot of education, re-orientation, persistence, patience and perseverance. Many people are still not seeing benefits accruable to them as a result of accessing cleaner and safer energy. To some this is due to lack of enough education and to some, group inertia.

\* Considering the people that are most affected by inaccessibility of cleaner and safer energy, financiers should not look at financial return alone, but consider real social impacts of all these projects - how many people's lives are being affected.

\* Since investment in clean, affordable and renewable energy is capital intensive, the support of both international donors, foundations and private sector would be required to scale up.

- \* It was recommended that developing countries should effect systemic change which will allow Rule of Law to take its full course and create conducive environment for social enterprise to thrive.
- \* It was also recommended that collaboration is key to scaling up through sharing of experiences on capacity building and making financial institutions understand financial instruments used in financing sustainable business.

## TRAVELS, LESSONS AND OUTCOMES

The organization created opportunities for agents of green technology distribution through the Carbon Credit Network to attend energy summits around the world to interact and learn more on issues in climate change and renewable energy. The organization was also in various international for a to report its activities in cookstove, biofuel and solar energy deployment in Nigeria. These for a include the West African Energy Summit in Cote d'Ivoire, ECOWAS Renewable Energy Conference in Dakar, Senegal and the Alliance for Clean cookstove meetings. These were opportunities for capacity building and knowledge sharing.

**OUTCOME:** The outcome was a more robust climate change engagement across the world and a network that has been growing. Consequently, the use of clean energy technology has grown steadily with over 600, 000 homes using the cookstoves. The business leg has also opened an empowerment window for several women entrepreneurs.

## GENERAL BUSINESS OPPORTUNITY MEETING (GBOM ) SESSIONS

The organization held monthly business opportunity sessions specifically designed to bring new people into the renewable energy movement and business..

**OUTCOME:** Many people have been signing up to the climate change and renewable energy movement and clean technology business side while equally increasing the income earning opportunity in carbon rebates.

## BREAKFAST DIALOGUE ON CLIMATE CHANGE, CARBON EMISSION AND RENEWABLE ENERGY

The organization through the Carbon Exchange Trade continue to hold several engagement platform in throughout 2016 where intellectuals, organizations and businesses interested in climate change and renewable energy solutions, gather to review knowledge and mechanisms of carbon emission reduction and pricing. It has continued to attract professionals and academicians. Mr Innocent Azih of the Carbon Exchange Trade organization is the convener of the dialogue.

**OUTCOME:** It created and popularized carbon pricing and Carbon Pricing Coalition in Nigeria. It has increased awareness on access to carbon rebate funds and mobilized interest of participants on low-carbon projects.

## CARBON CREDIT NETWORK REGIONAL TRAIN

The organization provided a fair-like mobilization of market operators in the various states of the country. It is an avenue to create increased awareness and green energy sensitization across the geopolitical zones of Nigeria.

**OUTCOME:** The outcome is the multiplication of followers in the green energy programme of the organization and increased following in the climate change mitigation effort as well innovation trainings.

## ANTI CORRUPTION ENGAGEMENT WORKSHOPS:

### Role of SMEs in the political economy of Nigeria -Corruption Risks and Challenges - An SME Perspective

- Clearly, business leaders must consider several factors while fashioning their response to corruption. One, the political context is critical. Two, the cultural context matters.
- Tackling corruption requires collective action from those with the strongest incentives and the sharpest abilities—and that obviously includes business leaders. Many heads of Small businesses have the power to enforce policies in

their organizations and networks especially where there are stringent legal regulations to back up their action.

- Industry leaders and associations can also be organized to promote strong anticorruption practices.
- Our business Executives should also remember that the exigencies of the present can obscure the imperatives of the future. In the long term, corruption can erode a company's competitiveness, along with the trust of customers and employees, thereby limiting opportunities to make profits. By staying silent, leaders must ask if they are poisoning the pool from which they all drink.
- Collective action by business leaders can take several forms. They can agree to enforce stronger anticorruption policies within their organizations. Companies must develop codes of conduct, train staff in how to handle demands for bribes, and back them up when they refuse to pay. They can propose legislation that outlaws corrupt practices and eliminates loopholes that facilitate corruption.
- Our existing laws are sufficient to prevent and punish corruption if they are properly enforced. The main problem is often disregard for the rule of law and due process, rather than deficiencies in laws and institutions themselves.
- Small business associations should explore opportunities for collaboration and involve the civil society as an active partner in fighting corruption.
- Instead of punishing corrupt practices by punishing investors and shareholders who most of the time are pensioners trying to survive as a result of company fines, prosecutors should rather penalize the individuals responsible in the companies.
- Business needs to talk with a single voice against corrupt practices especially small businesses;
- Company culture and strong moral leadership is the biggest determinant of behaviour and SMEs need to pay serious attention to their core values - not just values expressed on company website but lived by employees.
- When leaders fail to embrace compliance, it may send a contradictory message within the organization about whether the commitment to ethical business practices is truly important.
- Leaders need to be engaged in their organization's anticorruption processes. And when those processes become outdated, it requires them to identify ways

to improve them. Leaders must be the principal figures who set the tone in the organization for what may be considered ethical conduct.

- Business should kill competitive advantage through corruption by working together to 'red-card', or name-and-shame industry perpetrators;
- Institutional investors must play a greater role in punishing companies behaving corruptly;
- Our excellent, world-class laws to curb corruption need enforcement institutions sufficiently resourced with adequate capacity to hold the corrupt to account;
- Prevention is always better than the cure. Rather than just becoming anti-corruption champions, our SMEs can prevent corruption. This can be done by having adequate and proportionate procedures -- e.g. a clear statement from a company's owners or top management that bribery is not tolerated; knowing who partners, clients and agents are; or doing proper risk assessments.

#### **Conclusion & Outcome:**

- While there has been progress, more hard work lies ahead. Policy and enforcement efforts will continue to shift the landscape of compliance for business leaders.
- Business leaders must remember that left unchecked, corruption will eventually undermine the very legitimacy of capitalism.
- It's time to get our small businesses from the corruption quadrant to a place of safety where we can innovate, create jobs, and promote fair and dynamic markets.

#### **1WATT SOLAR**

This program empowers small and medium scale businesses who have limited or no access to conventional electricity from public sources. It provides min-grid solar electricity infrastructure to energy-starved businesses and shops on the metered pre-paid basis. 1watt solar partners earn solar credits.

**OUTCOME:** The small and medium scale businesses are now empowered for improved productivity. Thus increasing and expanding access to Clean and affordable Energy

across Nigeria with an expanded capacity of 1,000MW/h solar facility for enterprise owners Across Nigeria.

### CLIMATE KIDS CLUB

The organization in collaboration with iRead created the Climate Kids Club. The objective is to imbibe the knowledge of maintaining the environment into the school pupil early and develop young green ambassadors with passion for protect the environment and cut the greenhouse emission into the atmosphere. The Club was deployed in primary and secondary schools and implemented programs to test the knowledge of this young students about the environment.

**OUTCOME:** There is increased knowledge and awareness among young school children in the pilot schools.

### WORLD BANK - NEWMAP CLEAN COOKSTOVES ACCESS

Twelve additional states have recently become partners with the Nigeria Erosion and Watershed Management Project (NEWMAP) in combating environmental and land degradation. The states include: Akwa Ibom, Bauchi, Borno Delta, Gombe, Kano, Katsina, and Kogi. Others are Nasarawa, Oyo, Plateau and Sokoto.

The multisector and multi-scale project, which adopts innovative approaches to preventing and reversing land degradation, initially commenced with gully erosion sites that threaten infrastructure and livelihoods in the states of Abia, Anambra, Cross River, Ebonyi, Edo, Enugu and Imo, referred to as first mover states.

NEWMAP's activities has however scaled out from the initial seven states to 12 states, now making a total of 19.

Dr. Amos Abu, World Bank's Task Team Leader (TTL) on the project, disclosed this development recently while briefing key officials of the seven states where the Bank's



Erosion and Watershed Intervention Programme is currently being executed.

NEWMAP, it was gathered, was informed by the need to respond to the challenges and the emerging land degradation and environmental insecurity facing the first mover states

NEWMAP is designed as a states led intervention, to reduce vulnerability to soil erosion in targeted sub-watersheds, achieve greater environmental resilience to soil erosion and associated challenges of land degradation, loss of biodiversity, poverty, climate change and disaster risks in specific locations in Nigeria.

The project has four components, which are listed to include: Erosion and Watershed Management Investments; Erosion and Watershed Management Institutions and Information Services; Climate Change Agenda Support; and, Project Management.

#### **OUTCOME:**

SMEFUNDS through Green Energy Biofuels supported seven (7) states across Nigeria with KiKe Biofuel Gel Clean Cookstoves.