

# **International Finance Corporation and Hawkamah Corporate Governance Institute Announce MENA Corporate Governance Survey**

The International Finance Corporation and the Hawkamah Corporate Governance Institute, a subsidiary of the Dubai International Financial Centre Authority, today announced the launch of a regional corporate governance survey as part of their combined efforts to improve standards within companies and banks across the Middle East and North Africa (MENA).

The survey is the first project devised by key players in the business community and regulatory entities and will help the region achieve higher standards of corporate governance. International consultants, IAAG Consultoría & Corporate Finance and PKF, will use their considerable corporate governance expertise to ensure the quality implementation of the survey. The Union of Arab Banks will also assist.

Dialogue between public authorities and the private sector is crucial for progress in this area, and ongoing discussions over the past three years have led to a proposed agenda for activity, which includes:

1. Regional corporate governance survey of companies
2. Regional corporate governance survey of banks
3. Development of National corporate governance codes
4. Corporate governance for Family Owned Enterprises
5. Corporate governance of State-Owned Enterprises
6. Raising awareness of corporate governance issues in the media and in universities

Dr. Nasser Saidi, Executive Director of Hawkamah Corporate

Governance Institute, said:

“We believe that strong corporate governance is a key element of investor confidence and of sound financial markets. The region’s policy makers and the international financial community are well aware of the importance of implementing higher standards in the MENA region.

“As a result, we are pleased to introduce this survey, which will aim to develop a benchmark of the corporate governance of companies and banks in the region. Key areas we aim to focus on include: levels of commitment to corporate governance; board composition and responsibilities; shareholders rights, transparency and financial disclosure.”

Sebastian Molineus, IFC’s Corporate Governance Program Manager for the MENA region, added:

“The purpose of the survey is to determine the existing level of corporate governance practices among banks and companies across the region, to benchmark these practices against international reference points for good corporate governance and finally offer recommendations for reform. The survey is to serve as the intellectual foundation for both the private and public sectors to advance corporate governance reforms in the region.”

Eleven countries with operating stock exchanges across the MENA region will actively participate in the survey: Bahrain; Egypt; Jordan; Kuwait; Lebanon; Morocco; Oman; Saudi Arabia; Tunisia; UAE and the West Bank & Gaza.

Final results of the survey will be announced at the inaugural Hawkamah conference, “*Towards Sound & Efficient Financial Markets and Banking Systems*”, to be held in Dubai on 26-27 November, 2006.