

Hawkamah and Yemen's Ministry of Finance join forces to promote corporate governance and establish best-practice stock market in Sana'

Hawkamah to provide corporate governance advice to Yemeni authorities planning to establish the Sana' Stock Exchange and Capital Market Authority

Hawkamah Institute for Corporate Governance (Hawkamah), a subsidiary of the Dubai International Financial Centre (DIFC) Authority, today announced it has signed a Memorandum of Understanding (MoU) with the Yemeni Ministry of Finance to actively promote and improve corporate governance practices in Yemen. Hawkamah will also provide corporate governance advice to the Yemeni authorities in relation to the legal and regulatory issues relevant to the establishment of the country's first stock market and capital market authority. The common objective of Hawkamah and the Yemeni Ministry of Finance is to improve the corporate governance practices of public and private sector entities in Yemen, including state-owned enterprises (SOEs), listed companies, family-owned enterprises (FOEs) and small and medium enterprises (SMEs). The partnership will help develop legal and regulatory frameworks in Yemen related to corporate governance and financial reporting standards, in-line with international best practice.

Future areas of focus and co-operation between Hawkamah and the Ministry of Finance will include:

- Conducting corporate governance surveys to assess the compliance of Yemen's public and private sector with

best international practice

- Promoting the development of a solid legal, regulatory and institutional structure in Yemen, including corporate governance codes
- Co-operating on the introduction of international accounting and financial reporting standards and best practices to ensure transparency and disclosure in Yemen's public and private sectors
- Building capacity for and raising awareness of good corporate governance in Yemen's industrial, financial and commercial sectors, through conferences, manuals and training programmes
- Implementing accepted corporate governance principles into the listing requirements and overall governance of the Sana' stock exchange

His Excellency, Dr. Omar Bin Sulaiman, Governor of the DIFC, said:

"The DIFC welcomes this initiative, whereby our expertise is being used to promote international corporate governance standards within the framework of Yemen's first stock market. The Hawkamah Institute for Corporate Governance is well-positioned to advise the Yemeni Authorities on this important step towards developing their economy".

Dr. Nasser Saidi, Executive Director of Hawkamah, said:

"It is vital for governments in the MENA region to take corporate governance practices seriously, and we are pleased to see that Yemen is actively supporting this initiative by incorporating a corporate governance framework into their new stock exchange. We look forward to working with the Ministry of Finance in Yemen to establish a strong regulatory framework, ensuring transparency and sound corporate governance across the country's public and private sectors".

Dr. Saif Al-Asaly, Yemeni Finance Minister, commented:

"Corporate governance is becoming an increasingly important

issue for emerging capital markets and we are keen to implement the necessary reforms to enable the planned capital markets in Yemen to come into line with international standards. We are certain that this powerful alliance with Hawkamah will bring greater efficiency and improved performance to our corporate sector in the future".

Hawkamah is an autonomous, regional entity whose mission is to assist countries and companies of the wider MENA region in developing sound and globally well-integrated corporate governance frameworks and practices. The Yemeni Ministry of Finance directly supports modernization of Yemen's corporate sector and reform efforts. It takes part in regional and international initiatives to support open and transparent markets and sound corporate governance regimes.