



HAWKAMAH
THE INSTITUTE FOR CORPORATE GOVERNANCE



2010 Annual Conference

A New Leaf: the Growth of Corporate Governance in the MENA Region

Co-Organised by
the Oman Centre for Corporate Governance, Capital Market Authority
the Hawkamah Institute for Corporate Governance and
the Organisation for Economic Co-operation and Development

Sunday, October 31 – Monday, 1 November 2010

Muscat, Oman

Majan Ballroom, Al Bustan Palace Intercontinental Hotel

**MENA-OECD
INVESTMENT
PROGRAMME**

7.45 - 8.30 **Registration**

8:30 – 9:00 **Welcome and Opening Remarks**

H.E. Yahya Al Jabri, Executive President, Capital Market Authority, Oman
Dr. Nasser Saidi, Executive Director, Hawkamah Institute for Corporate Governance
Dr. Grant Kirkpatrick, Head, Corporate Affairs Division, Organisation for Economic Co-operation and Development (OECD)

9:00 – 10:00 **Opening Panel: Global Corporate Governance Developments - Relevance to the Region**

The focus of this panel will be on discussing lessons learned from the financial crisis and topics debated during the past year such as the role of institutional investors in corporate governance, shareholder activism, and aligning executive compensation with performance.

Chair: **Dr. Grant Kirkpatrick**, Head, Corporate Affairs Division, OECD

Panel:

- **Mr. Douglas Hansen-Luke**, CEO, Robeco Middle East
- **Dr. Stephen Davis**, Executive Director, Millstein Center for Corporate Governance
- **Mr. Joe Tortorici**, Partner, Weil, Gotshal and Manges
- **Dr. Harilaos Mertzanis**, Director of Research, Capital Market Commission, Greece; Member of the OECD Corporate Governance Committee

Reference materials:

OECD (2009). Corporate governance and the financial crisis: conclusions and emerging good practice to enhance the implementation of the Principles.

10.00-11.00 **From Frameworks to Implementation: Challenges and Opportunities for Corporate Governance in the Region**

National corporate governance frameworks in the region were subject to significant change in recent years as a result of the introduction of mandatory regulations or voluntary recommendations. While the speed of their introduction has been impressive, it is unclear to what extent they have been effective in changing behavior of managers, shareholders, stakeholders and boards. Bringing together regulators, private sector representatives and

practitioners, the session will explore the challenges related to the implementation of new corporate governance-related laws and regulators.

Chair: **Dr. Nasser Saidi**, Executive Director, Hawkamah

Panel:

- **Mr. Brian Stirewalt**, Managing Director, Dubai Financial Services Authority
- **Mr. Gregory Simpson**, Senior Program Officer, Middle East and North Africa, Center for International Private Enterprise
- **Dr. Ashraf Gamal**, Executive Director, Egyptian Institute of Directors

Reference materials:

Hawkamah (2010). Hawkamah survey.

11:00 – 11:15

Coffee Break

11:15 – 12:15

Focus on Banks: Have the new rules been effective?

The regional Policy Brief on Improving Corporate Governance of MENA Banks was released at the last annual conference. This session will explore the challenges faced by regulators and banks in implementing the recommendations summarised in the Policy Brief. Measures introduced by regional regulators and their international peers will be examined in order to isolate key points of commonality and divergence as well as estimate their current and future impact.

Chair: **Mr. Robin Amlot**, Editor in Chief, Banker Middle East

Panel:

- **Mr. Wissam Fattouh**, Acting Secretary-General, Union of Arab Banks
- **Mr. Sheikh Abdul Malik bin Abdullah Al Khalili**, Chairman, Bank Muscat (TBC)
- **Mr. Michael Matossian**, EVP and Global Head of Group Regulatory Compliance, Arab Bank Group
- **Mr. Grant Kirkpatrick**, Head, Corporate Affairs Division, OECD

Reference materials:

OECD (2009). Policy Brief on Corporate Governance of Banks in the MENA Region (in English and Arabic)

Basel Committee (2010). Principles for Enhancing Corporate Governance (draft issued for consultation).

12:15 – 13:15

Focus on State-Owned Enterprises: taking stock of progress and challenges

State-owned enterprises (SOEs) remain a significant player in all the economies of the region. Yet, information on SOEs and their governance – particularly in the case of non-listed SOEs - is difficult to gather. Building on the work of the Task Force on Corporate Governance of State-owned Enterprises, the session will explore how governance frameworks for SOEs

differ from general corporate governance frameworks and seek to provide answers as to why some regional SOEs perform better than others.

Chair: **Dr. Steffen Hertog**, Lecturer, London School of Economics

Panel:

- **Dr. Ashraf Gamal**, Executive Director, Egyptian Institute of Directors
- **Mr. John Knight**, Chief Operating Officer, Mumtalakat, Bahrain
- **Mr. Abdulrahman Al Harthy**, Director General, State Audit Institution of Oman
- **Mr. Sertac Keles**, Senior Associate, General Directorate of SOEs, Turkish Treasury

Reference materials:

OECD (2010). Summary materials of SOE Taskforce meetings.

OECD (2010). Transparency and Accountability Guide.

13:15 – 14:00

Focus on Family and Non-listed Companies: How can the right balance of voluntary versus regulatory approaches be found?

A majority of companies in the MENA region, as in Europe and Asia tend to be family owned and non-listed. Some of the largest conglomerates in the region are in fact not listed on public markets. While they contribute significantly to the economies of the MENA region, corporate governance frameworks for non-listed/family owned companies have received much less attention than those for listed firms. What are the corporate governance challenges faced by these companies, and how can governments, the private equity industry, and banks create an environment where families and non-listed companies are incentivized to adopt good corporate governance practices?

Chair: **Mr. Chris Pierce**, CEO, Global Governance Services

Panel:

- **Mr. Walid Chiniara**, Family Business Institute for the Middle East
- **Mr. Alvaro Abella**, Executive Director, Gulf Capital
- **Ms. Amina Benjalloun**, Advisor to the Minister of Economy, Morocco
- **Mr. Slim Othmani**, Representative, Algerian Corporate Governance Institute

Reference materials:

LTA (2008). Reference guidebook on corporate governance of family owned enterprises

EcoDA (2010). Corporate governance guidance and principles for unlisted companies in Europe.

Moroccan Corporate Governance Code for Family Firms.

14:00

Luncheon and Prayers

15:00 – 17:30

Forum for Insolvency Reform in MENA (FIRM) Meeting

By Invitation Only Session, Majlis Room

20:00

Gala Dinner

Location: Al Qantab Room, Al Bustan Palace Intercontinental Hotel

Monday, November 1, 2010

8:30 – 9:45

Corporate Governance Debate: Who Should Guard the Guardians?

Good practice recommends that the division of responsibilities among different authorities in a jurisdiction should be clearly articulated to ensure public interest is served. In addition, supervisory, regulatory and enforcement authorities should have the authority and resources to fulfill their duties. Featuring the perspectives of the international and regional regulators, this session will debate the perennial question of the accountability of regulators to the public and their efficiency in dealing with the financial crisis.

Chair: **Dr. Nasser Saidi**, Executive Director, Hawkamah Institute for Corporate Governance

Panel:

- **Dr. Harilaos Mertzanis**, Director of Research, Capital Market Commission, Greece; member of the OECD Steering Group on Corporate Governance
- **Dr. Alexandre Swoboda**, Professor Emeritus, Graduate Institute of International Economic Studies, Switzerland
- **Dr. Stephen Davis**, Executive Director, Millstein Center for Corporate Governance

Reference materials:

IMF Publication on Governance of Regulators, and assessment methodologies for regulatory governance.

9:45 – 11.00

Focus on Oman's Corporate Governance Framework

Oman has been leading efforts in corporate governance since the beginning of this millennium. Through presentations and panel discussions, this session will focus on what makes Oman's corporate governance framework unique and a good example for the region. Participants will be invited to interact with representatives of the relevant Omani institutions.

Chair: **Mr. Hamed Al-Busaidi**, Director, Oman Centre for Corporate Governance, Capital Market Authority

Panel:

- **Mr. Amaad Hamed Al Manthari**, Internal Audit Manager, Oman Central Bank
- **Mr. Khalil Ahmed Al-Harthy**, Executive Operations Director, Al Ahlia Insurance Company

- Mr. Abdul Aziz Mohammed Al Balushi**, CEO, Ahli Bank
- **Mr. Mulham Al-Jarf**, Deputy CEO, Oman Oil

Reference materials:

CMA 2009 Annual Report.

11:00 – 11:15

Coffee Break

11:15 – 12:30

The Role of stock exchanges in setting and enforcing standards

Across the globe, stock exchanges play an important role in both setting and enforcing corporate governance standards in the shape of listing and maintenance rules, codes, and other mechanisms. With most stock exchanges in the region still owned by governments, what role should they play in corporate governance of listed companies and how should their role be shaped vis-à-vis the role of securities regulators?

Chair: **Mr. Hassan Bin Ali Jawad**, Chairman, Muscat Securities Market

Panel:

- **Mr. Yasser Akkaoui**, Chairman, Vice Chairman, Lebanese Institute of Directors
- **Ms. Fahima Bastaki**, Head of Listing and Disclosures Department, Dubai Financial Market
- **Mr. Ahmed Saleh Al Marhoon**, General Manager, Muscat Securities Market
- **Ms. Alissa Koldertsova**, Policy Analyst, OECD
- **Mr. Youssef Kortobi**, Chairman, Tunisian Stock Exchange

Reference materials:

OECD (2008). The role of stock exchanges in corporate governance

OECD (2010). Project on the role of stock exchanges in improving corporate governance in the Middle East

12.30 – 13.30

Corporate Sustainability and Environment, Social and Governance (ESG)

Driven primarily by institutional investors and activist shareholders, the ESG movement is building momentum in a region where environment and social indicators need improvement and institutional investors hold one of the keys to the regional markets long term sustainability. This session will explore international and regional trends on ESG, and how ESG is starting to make a difference in the marketplace.

Chair: **Mr. Alec Aaltonen**, Program Manager, Hawkamah

Panel:

- **Dr. Robert Shakotko**, Managing Director, Standard and Poors
- **Ms. Robin Sandenburgh**, Sustainability Expert, International Finance Corporation

- **Ms. Lara Yacob**, Senior Engagement Specialist, Robeco

Reference materials:

2010 IFC Report on Demand for Sustainability Reporting in the Region

13:30 -15.00

Luncheon and Prayers

15:00 – 16:00

Conference Closing Session: Moving Forward the Regional Corporate Governance Agenda

Conference chairs will lead a forward-looking roundtable discussion aiming to prioritise what needs to be done to advance on corporate governance in the region. Participant feedback and ideas will be sought.

Chairs:

- **H.E. Yahya al Jabri**, Head, Capital Market Authority

- **Dr. Nasser Saidi**, Executive Director, Hawkamah Institute of Corporate Governance

- **Dr. Grant Kirkpatrick**, Head, Corporate Affairs Division, OECD

Reference materials:

Oman Declaration: “Continuing to Evolve Corporate Governance in the MENA Region”