

# **Corporate Governance in Jordan, (Recent Developments)**

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14 – 15 September, 2005

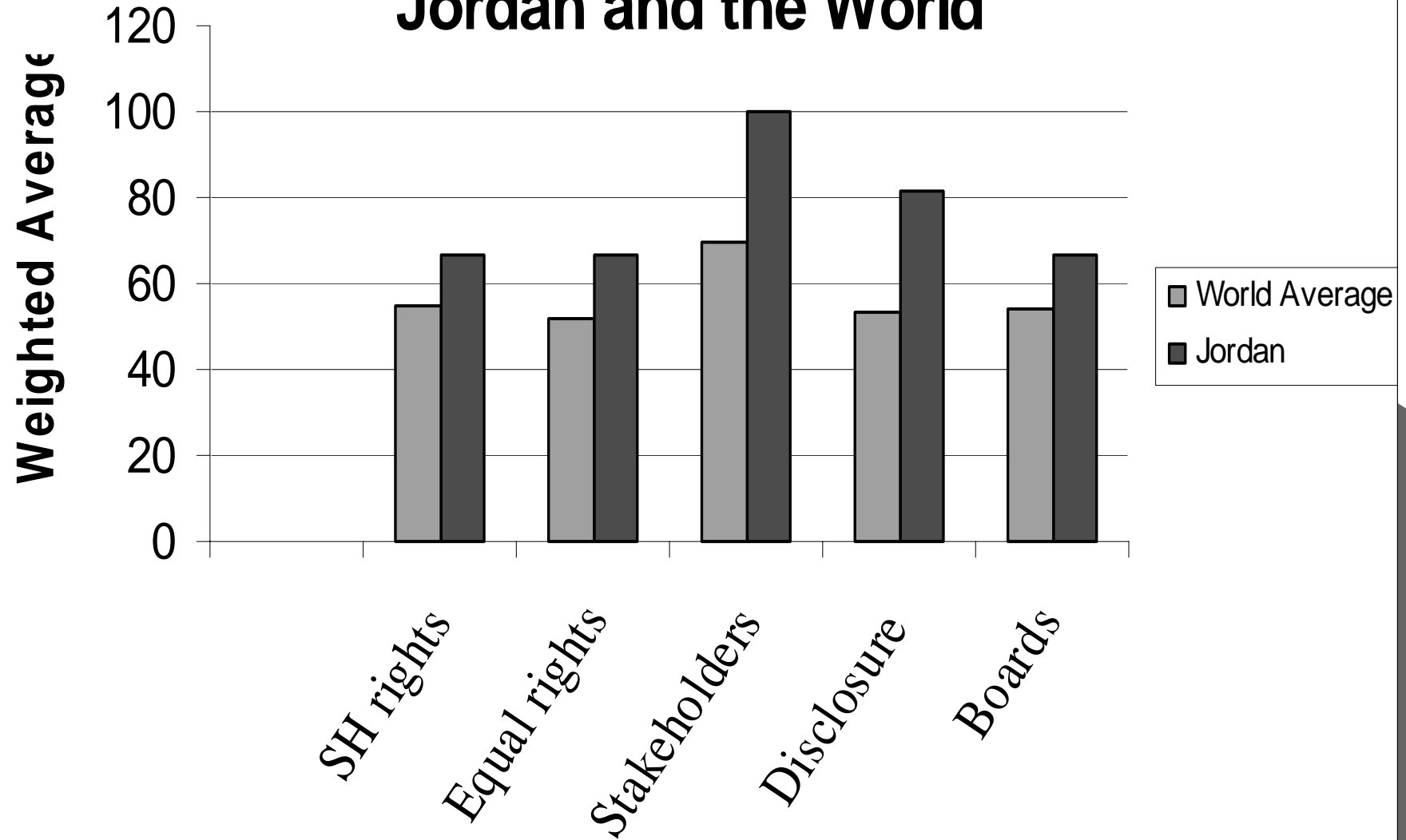
Rabat - Morocco



## **ROSC Results**

- Disclosure standards (LO).
- Standards of Accounting and Audit (O).
- Independent audit oversight body (PO).
- Fair & timely dissemination (LO).

# Compliance with OECD principles, Jordan and the World



# Disclosure & Transparency

Listed companies must provide the JSC and the ASE with:

1. Annual Report (3 months).
2. Semi-annual Report (30 days).
3. Primary Results (45 days).
4. Material Information (immediately)

# Disclosure & Transparency

- First market companies must provide the ASE with its quarter-annual report (30 days).
- Started from the third quarter of 2004.
- More than 95% of the listed companies abided by this obligation

# Listing Agreement

- Imposed by listing requirements.
- A prerequisite to listing.
- clarify the issuer's disclosure requirements.
- Obligates the issuer to coordinates with ASE through the issuer's compliance officer.
- More than 90% of the listed companies abided by this obligation

# ROSC Recommendations

- Director Training
- Disclosure of related parties transactions (RPT's).
- Coordination of information / Development of electronic filing.

## **CG Code in JORDAN**

- Civil Law Country.
- Obligations, responsibilities or rights should be supported by a legislation.

# CG Code in JORDAN

- The Securities Law.
- The Companies Law.
- The rules and regulations of the capital market institutions.
- The Banks Law.
- Insurance Supervision Law .
- Privatization Law.

## **CG Code in JORDAN**

- Comply or Explain
- Independent directors
- Board consists of natural persons
- A Board member shall not serve as a member of competing company
- No more than three boards
- Board charter

# CG Code in JORDAN

- Independent audit committee members
- Audit committee charter
- Voting by mail
- Equal shareholders rights
- Company establish a written policy concerning disclosure and transparency