



## **DEVELOPING SOUND INSOLVENCY SYSTEMS IN THE MENA**

### **Agenda**

Co-hosts:

**EGYPT'S GENERAL AUTHORITY  
FOR INVESTMENT AND FREE ZONES AND  
EGYPTIAN INSTITUTE OF DIRECTORS**

21 May 2007, Cairo

## Rationale

Effective insolvency systems, based on developed legal frameworks, relying on a sound judicial system and on the availability of lawyers and accountants experienced in insolvency proceedings, play a critical role for orderly exit of insolvent corporations and for the efficient reallocation of resources.

In MENA jurisdictions, where banks are the dominant source of corporate finance, access to capital in the region will depend on the legal rights of banks as creditors, on their enforceability and on the level of development of the underlying laws, judiciary and insolvency profession.

## Meeting on Developing Sound Insolvency and Creditor Right Systems in the MENA

The MENA-OECD Investment Program, in cooperation with the Hawkamah Institute for Corporate Governance, the World Bank and INSOL International is organizing a regional meeting on developing sound insolvency and creditor right systems in the MENA. The purpose of the meeting is to expand the scope of the MENA-OECD Working Group on Corporate Governance, take stock of existing insolvency legislation, highlight existing gaps, address key issues of reform and establish a network of insolvency experts for the MENA region.

The input of the private sector will be sought, in co-operation with INSOL International, the international organisation of insolvency professionals.

The meeting will be co-hosted by Egypt's General Authority for Investment and Free Zones and the Egyptian Institute of Directors. **It will take place in the: New Building of GAFI, 3 Salah Salem Road, Nasr City, Cairo, 11562, Egypt** (conference room in front of the reception).

The meeting will bring together experts from Bahrain, Egypt, Jordan, Lebanon, Morocco and the United Arab Emirates, together with experts from OECD countries as well as from international and regional organisations. They will include representatives of MENA Ministries of Justice, Ministries of Finance, Central Banks, representatives of the judiciary, the financial sector and insolvency professionals. The participants will attempt to identify priorities for insolvency reforms in the MENA and options for regional co-operation and dialogue on the topic.

## Timing of the meeting and output

The meeting will take place in Cairo (Egypt) on 21 **May 2007**.

The issues discussed at the meeting, will be summarised in a **publication**, drawing on the country presentations and general discussions. The publication will include a Survey on insolvency and creditor rights' survey, which will be undertaken by Hawkamah & INSOL with the support of the World Bank and the OECD. It will also reference the international guidance, as well as approaches applied in non-MENA countries, which could be useful in designing proposals for reforms in the region. The results of the survey will be presented at a high-level regional meeting, which will discuss its findings and provide recommendations and policy options for consideration by MENA policy makers.

## Future work

The meeting is expected to launch an on-going initiative on creditors' rights and insolvency systems for the MENA region. This initiative will convene a Network of MENA policy makers, experts and private sector representatives on an annual or bi-annual basis to exchange information and experience and to provide impetus for action at national and regional levels.

09:00 – 09:30

***Welcoming address***

- ◆ Dr Ziad Bahaa El Din, Chairman, General Authority for Investment and Free Zones, Egypt,
- ◆ Mr Rainer Geiger, Deputy Director, Financial and Enterprise Affairs, OECD

***Opening remarks***

- ◆ INSOL International, Hawkamah, WB

09:30 – 11:00

**BUILDING SOUND INSOLVENCY AND CREDITOR RIGHTS' SYSTEMS:  
THE INTERNATIONAL PERSPECTIVE**

***Panel:***

- ◆ Mr. Adolfo Rouillon, Senior Counsel, World Bank
- ◆ Mr. Rainer Geiger, Deputy Director, Financial and Enterprise Affairs OECD,
- ◆ Mr. Sumant Batra, Vice President, INSOL International,
- ◆ Mr. Nick Nadal, Executive Director, Hawkamah Institute for Corporate Governance

***General discussion***

The presentations in this session will "set the stage" for the discussion by providing an insight on international guidance and country approaches to building sound insolvency and creditor rights systems.

Importantly, the discussion will highlight the rationale and scope for stock taking in launching and continuing insolvency reforms in the region. To this effect, it is proposed to prepare a publication, surveying the insolvency landscape in selected MENA countries, which would rely on the Unified Standard on Insolvency and Creditor Rights Systems, serving as a basis for assessments by the World Bank / International Monetary Fund. Participants will be invited to share their opinions on ensuring the relevance of the MENA insolvency survey.

**Coffee/Tea Break**

11:30 – 13:00

**THE LEGAL FRAMEWORK IN THE MENA**

***Panel:***

- ◆ Mr. Ziad Bahaa Eldin, Chairman, General Authority for Investment and Free Zones, Egypt
- ◆ Morocco
- ◆ Lebanon

***Discussants:***

- ◆ Ms. Maggie Mills, Partner, Ernst&Young
- ◆ Mr. Mahmoud Ababneh, Controller of Companies, Ministry of Industry, Jordan (to be confirmed)
- ◆ Mr. James Garrity, Shearman&Sterling

***General Discussion***

The discussions in this session will examine national legal frameworks for insolvency in the MENA. The presentations will elicit a discussion on the following issues: liquidation and rehabilitation procedures; formal and informal proceedings; the characteristics of debtor-creditor relationships; and problems and areas in need of reform.

Case studies from both OECD and MENA economies will be referred to in order to illustrate the strengths and weaknesses of existing insolvency frameworks. In conclusion, participants will identify issues requiring special attention in preparing the MENA insolvency survey.

13:00 – 14:30

**Lunch**

14:30 – 16:30

**INSTITUTIONAL AND REGULATORY CAPACITY IN THE REGION**

***Panel:***

- ◆ Mrs. Rasha Laswy and Mr. Azzam Zalloum, Associates, New Vision, Jordan
- ◆ Mr. Jasim Al Ajmi, Associate Professor, University of Bahrain and Mr. Saleh Hussain, Regional Head, The National Commercial Bank, Bahrain (to be confirmed)
- ◆ Bill Gambrill, General Manager, ILS Daman Ltd., UAE

***Discussants:***

- ◆ Ms. Maggie Mills, Partner, Ernst&Young
- ◆ Egypt
- ◆ Mr. James Garrity, Shearman&Sterling

***General discussion***

An insolvency law is effective only in presence of sufficient capacity for implementation. The third session will discuss the main participants and institutions of MENA insolvency systems. The following issues will be touched upon: the role of the courts, the qualifications of the judiciary and the effectiveness of court's adjudication; the role and competencies of liquidators, administrators and accountants in applying the insolvency frameworks; insolvency regulation standards and bodies.

Participants will highlight the areas, which need to be emphasised in preparing the MENA insolvency survey and suggest relevant institutions in their respective countries to be approached in this respect.

11:00 – 11:30

**Coffee/Tea Break**

17:00 – 17:30

**CONCLUDING SESSION**

Participants will summarise the discussion on the scope and content of the MENA insolvency survey and provide concrete guidelines for its completion.

Participants will also draw conclusions and explore the possibilities for future work and dialogue in the area of insolvency in order to promote the emergence of effective insolvency systems in the region.