



مصرف البحرين المركزي

Central Bank of Bahrain

UNDER THE PATRONAGE OF  
THE CENTRAL BANK OF BAHRAIN

CONFERENCE ON  
**THE CORPORATE GOVERNANCE CODE  
OF THE KINGDOM OF BAHRAIN:  
FUNDAMENTALS AND IMPLEMENTATION**

4th May 2009, Crowne Plaza Hotel, Kingdom Of Bahrain



“IMPLEMENTING THE CORPORATE GOVERNANCE CODE TO SAFEGUARD  
YOUR ORGANIZATION FROM THE CONSEQUENCES OF POOR  
CORPORATE GOVERNANCE”



## INTRODUCTION

The corporate sector assumes a key role in propelling economic development, registering long term growth and performance by attracting investment, protecting investors and other stakeholders and enhancing companies' value.

It is, therefore, imperative that the economic entities have the freedom to perform in a market that is conducive to economic growth. It is also of equal importance that their performance or conduct should be carried out in a manner that is compatible with other economic goals.

Corporate governance refers to the manner in which a corporate entity conducts their business under the regulatory framework of the economy and general principles of prudence and ethics. As such it encapsulates diverse activities related to the management of a company affecting its performance and ability to promote and retain the trust of stakeholders and investors, which in turn, stimulates, promotes and benefits the wider economy.



## “CORPORATE GOVERNANCE”

“Corporate Governance” can be broadly defined as rules, regulations and best practices that govern the management of a company, ensuring that boards and management secure the rights of shareholders, improve competitiveness, and enable access to capital in global markets. It is the mechanism through which the Board of Directors oversees the system adopted by the managers for running the company and the principles that govern the board in their accountability to shareholders and the company.

Good corporate governance is shared responsibility. It is an essential element for sustainable economic growth in a market economy. Corporations create jobs, generate tax revenues and provide markets with goods and services. It is not only companies but also countries that reap the benefits of global capital markets, and good corporate governance is essential to an attractive investment climate.

A company committed to good corporate governance has well-defined protected shareholder rights, a solid control environment, high levels of transparency and disclosure and an empowered board.,

Good corporate governance is also good risk management. It provides a system of checks and balances and aligns the interests of board members, executive managers and employees as well as majority and minority shareholders and other stakeholders.

A Corporate Governance Code aims to make the corporate governance system transparent and understandable for both national and international investors in a well liberalized and transparent economic system. As an instrument in lifting ethical standards in its relations between market participants, it aims to ensure accountability and fairness for all stakeholders and organizational efficiency and is therefore considered central to boosting investor confidence.

## CORPORATE GOVERNANCE CODE OF THE KINGDOM OF BAHRAIN

The National Committee for the Corporate Governance Code has been working nearly three years to align the draft code to the requirements of the Kingdom of Bahrain .

This code will be applicable to all companies which are incorporated under the Bahraini Commercial Law (the “Company Law”) and supplements the Company Law; it does not replace the Company Law.

The Purpose of the Code is to establish in Bahrain the highest standards of corporate governance practices, and to provide protection for investors and other company stakeholders through compliance with those practices. It aims to make Bahrain’s corporate governance system transparent and understandable for both national and international investors in well liberalized economy.

As an instrument in lifting ethical standards in its relations between market participants, implementation of a Corporate Governance Code aims to enhance the Corporate Governance system of Bahraini companies by promoting transparency and fairness for all stakeholders in addition to organizational efficiency. It is therefore central to boosting investor confidence and therefore, to the health and stability of the economy and in reinforcing and bolstering the historic reputation of the Kingdom of Bahrain as a strongly regulated and global investment destination.

## OBJECTIVE OF THE CONFERENCE

Due to the growing global importance of good corporate governance standardized by the Corporate Governance Code of each country, it is of paramount importance for Bahraini companies to fully comprehend the dimensions of the Corporate Governance Code. Poor corporate governance can undermine the potential of a company leading to diverse range of adverse implications that can affect its financial standing and have a negative impact on the economy of the Kingdom.

This Conference aims to promote the awareness of companies about the importance of good corporate governance – and guide them in their preparation for its implementation.

## ATTENDEES PROFILE

An Exclusive event for all those who are involved with implementing corporate governance policies in their organization including:

- Corporate Managers/Directors/ CEOs/Top executives
- Corporate Affairs Managers/Directors
- Marketing Managers/Directors
- Corporate Communications Managers/Directors
- Chief Financial Officers
- Business Owners
- Lawyers /legal advisors/auditors

## KEY REASONS TO ATTEND:

- Gain an insight into
  - the crucial importance of understanding the Corporate Code of the Kingdom of Bahrain .
  - the benefits good governance or the consequences of lack of it
  - the guidelines for implementing the Code
- Participate in an open dialogue to view clearly the blurred edges of good corporate governance due to lack of understanding
- Learn how to overcome challenges and implement Corporate Governance in your organization
- Learn how corporate governance affects your strategic decision making
- Discover how to access new capital markets and attract international investments by improving your Corporate Governance standards
- Understand cross- border regulation and cooperation
- Hear an update on corporate governance standards and policies in the region and at the global level
- Examine the role of corporate governance across investor markets
- Improve transparency and disclosure amongst your board of directors
- Gain trust of all stakeholders and attract investors.

## ICC BAHRAIN'S TASK FORCE ON CORPORATE GOVERNANCE (CG) COMMENTS:



“ A country renowned for good corporate governance practices attracts investors as it boosts investor confidence; a corporation which practices good governance that recognize the rights and interests of share holders as well as stakeholders enhances its competitiveness and ensures public trust, which ultimately contributes to the development of regional economy” Mr. Ebrahim Zainal , chairman of ICC Bahrain And member of the National Committee on CG

“The Corporate Governance Code of the Kingdom of Bahrain when ratified and issued, will be applicable to all companies and NGOs and the enforcement of the code, will lead to accountability, transparency and fairness in their regular business activities” Mr. Abbas Radhi, Chair of the Task Force And member of the National Committee on CG

“In today's world afflicted with the financial turmoil and crisis, the demands of society legitimately require that companies and financial sector alike, exercise a high degree of diligence in their corporate governance so as to improve economic efficiency” Mr. Pradeep Taneja , Vice Chair of the Task Force

## PROGRAM – (10.00 a.m. to 1.00 p.m.)

(DRAFT)

Registration and Coffee

Introduction - **Dr. Esam Fakhro**, Chairman, Bahrain Chamber of Commerce & Industry (BCCI)

Inaugural address - **H.E. Mr. Rasheed Mohammed Al Maraj**  
Governor of The Central Bank of Bahrain

Key note sessions -

A. *“Behind the Scenes: The Corporate Governance Preferences and Effective Enforcement of Codes at the Company Level”*

**Ms Guler Manisali-Darman**, Vice-Chair of the ICC (International Chamber of Commerce) Commission on Financial Services and Insurance

B. *“Application of Corporate Governance Best Practices”*.

**Mr. David Brown**

Former CEO and Chairman of the Ontario Securities Commission.

CIPE (Center for International Private Enterprise)

Speech 1. *“Salient Features of the Corporate Governance Code of the Kingdom of Bahrain”* –

**Dr. Abdulla Ahmed Mansoor**

Undersecretary for Commerce Affairs, Ministry of Industry & Commerce (to be confirmed)

2.

**Mr. Abdul Razak A. Hassan Al Qassim**

Head of the National Committee On Corporate Governance & Chief Executive, National Bank of Bahrain.

Remarks by the key note speakers

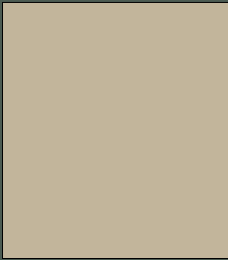
Panel discussion

Conclusion & Lunch at 1.00 p.m.

## SPEAKERS INCLUDE:



H.E. Mr. Rasheed Mohammed Al Maraj  
Governor, Central Bank of Bahrain



Dr. Abdulla Ahmed Mansoor  
Undersecretary for Commerce Affairs, Ministry of Industry & Commerce



Dr. Esam Abdulla Fakhro  
Chairman, Bahrain Chamber of  
Commerce and Industry



Mr. Abdul Razak A. Hassan Al Qassim  
Head of the National Committee On Corporate Governance & Chief Executive,  
National Bank of Bahrain.



Guler Manisali-Darman  
Vice-Chair of the ICC Commission on Financial Services and Insurance

Founder, Senior Partner and Principal of Corporate Governance and Sustainability Center in Turkey, member of the European Corporate Governance Institute (ECGI), and Corporate Governance Association of Turkey. Former Executive Director of ICC Turkish National Committee from 1980 to 1988. Ms. Guler is the author of ICC publication "Corporate Governance Worldwide" published in 2004 in Paris, and "Corporate Governance Practices in Global Economies and Turkey" published in Turkish by the ICC Turkish National Committee, in 2008.



Mr. David Brown  
Former CEO and Chairman of the Ontario Securities Commission

David Brown is the former Chairman and Chief Executive Officer of the Ontario Securities Commission. During his seven-year tenure as Chairman and CEO, he led an expansion and reorganization of the OSC to meet the increasing demands of a changing market, and strengthened its mandate to provide effective protection to investors while maintaining strong, efficient capital markets in Canada. In addition, he is the Chair of the Audit and Assurances Standards Oversight Council, a body formed by the Canadian Institute of Chartered Accountants to oversee the setting of Canadian auditing standards. Mr. Brown is currently working with Davies Ward Phillips & Vineberg LLP as Counsel.

## About ICC Bahrain

International Chamber of Commerce (ICC) Paris, the world business organisation is a global forum, for pooling ideas on a spectrum of issues related to business, trade, investment, globalization and business in society inter alia.

National committees of ICC, spread across the globe provide business community with the opportunity to partake in the activities of ICC. ICC Bahrain, established in 1999, plays a significant role in providing companies access to vital information about trade facilitation and cross-border business and payment systems. It brings member companies together to discuss matters affecting their business operations and obtain international business expertise and acumen from the business experts that carry out the work of ICC policy commissions thereby providing professional enhancement to them. ICC members are kept abreast of latest developments on broad issues of international trade, commerce and code of practices evolved by ICC International Secretariat through its commissions.

Members of ICC will be a part of the most influential and outstanding, international organization representing businesses from all sectors all over the world. ICC's members write rules, standards and codes that govern the conduct of international business, and voice the interest of business, at the highest level, particularly with international organizations, including the United Nations and the World Trade Organization

ICC Bahrain enjoys active participation at the ICC through participation in its different commissions and Task Forces. ICC Bahrain Trade Finance Forum has representation in the Paris based ICC Banking Commission and participates in many of the ICC initiated international task forces. The Lawyers Committee, chaired by Sh. Haya Rashed Al Khalifa has representation at the ICC International Court of Arbitration.



As cross border transactions have dramatically increased with globalization, and with the growing importance of the role of National Committees as a major source of vital information in all matters that affect business, ICC Bahrain is a welcome opportunity for the private sector in Bahrain to work closely with thousands of ICC's member companies spread across the world and to become part of the main stream of international business.

**Mr. Ebrahim Zainal,**  
Chairman

## TASK FORCE ON CORPORATE GOVERNANCE

Considering the current growing global emphasis on corporate governance and the importance of good governance in raising the profile of the Kingdom of Bahrain as a global investment destination thus contributing to job creation and economic growth, ICC Bahrain constituted a Task Force on Corporate Governance.

The Task Force is chaired by Mr. Abbas Radhi, who is also a member of the national Committee on Corporate Governance; Mr. Pradeep Taneja, who is also the member of the Paris based ICC Commission on Banking Technique and Practice and chair the ICC Bahrain Trade Finance Forum is the vice chair.

The objective of the Task Force is to work in coordination with the National Committee on Corporate Governance to spread awareness of the Corporate Governance Code and make recommendations to be considered for the implementation of the Corporate Governance Code. This ICC event is being held in coordination with Bahrain Chamber of Commerce & Industry & CIPE (Centre for International Private Enterprise, a non profit affiliate of U.S. Chamber of Commerce) and aims to bring together regulatory authorities as well as international experts as speakers and panelists which will equip the participants with new ideas, tools, and guidelines which are imperative for the sound preparation for the implementation of the Code.



**Mr. Abbas Radhi**  
Chairman



INTERNATIONAL CHAMBER OF COMMERCE



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