



ARAB INTERNATIONAL
WOMEN'S FORUM
المنتدى العربي الدولي للمرأة

Arab International Women's Forum

Powering the Future: Arab Women in a Modern Economy

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Introduction - Hawkamah Workshop

by

Mrs Haifa Fahoum Al Kaylani

Chairman, Arab International Women's Forum

Contents

Introductory Remarks	3
Corporate Governance as Key to Global Integration	6
What We Hope to Achieve & Acknowledgements	8
Conclusion	13

Introductory Remarks

Distinguished Guests, Ladies and Gentlemen,

It is a great pleasure to welcome you to the AIWF – Hawkamah Workshop, *The Value of Good Corporate Governance for Women's Entrepreneurship in the MENA Region*.

The Arab International Women's Forum is proud to collaborate on this important aspect of the AIWF conference programme with Dr. Nasser Saidi and Hawkamah, the Institute for Corporate Governance.

The relevance and cruciality of effective corporate governance practices must not be underestimated in the region's current environment of fast-track economic and social growth. Similarly, its bearing on the success of businesses led by women must not be undermined. Approximately 13% of enterprises in the MENA region are principally owned by women. Close to 95% of these are in the medium to very large scale sectors, where effective, sophisticated corporate governance measures are instrumental to ensuring the longevity and sustainability of these businesses, particularly those that are family-owned and run. These constitute a sizable proportion of female-owned firms in the region (around 50% are family businesses).

Implementation of internationally-recognized corporate governance measures ensures that family-run, and female-led, enterprise is ripe for expansion in the current economic climate of phenomenal growth, constant evolution and unprecedented opportunity.

Through this workshop, AIWF hopes to reiterate the need for a paradigm change in the attitude and mindset of business houses of the Arab World towards good

governance. We firmly believe that it is only by applying globally accepted corporate governance standards in areas like separation of Board and management, and the elimination of conflicts of interest can Arab countries boost the investment climate in the region, propel the development of the all-important private sector and, crucially, increase the region's global competitiveness.

Corporate Governance as Key to Global Integration

Distinguished Guests,

Corporate governance provides the tools for migrating traditionally run businesses into professionally managed market-driven enterprises, enhancing competitiveness in the global market.

Interest in corporate governance has exploded around the globe due both to the spread of capitalism and privatisation, and the phenomenal growth of the private sector. Demand for investment capital is increasing throughout both the developed and developing world.

As barriers to the free flow of capital fall, policy makers have come to recognise that the quality of corporate governance is relevant to capital formation. They also realise that weak corporate governance systems distort the efficient allocation of resources; undermine opportunities to compete on a level playing field; and ultimately hinder investment and economic development.

Put simply, corporate governance is critical to the global economic system. But what constitutes effective corporate governance and why is it so important that corporations on a national and global level subscribe to good governance practices?

Narrowly defined, corporate governance concerns the relationships between corporate managers, directors and the providers of equity capital. It can also encompass the relationship of the corporation to stakeholders and society.

More broadly defined, corporate governance can encompass the combination of laws, regulations, listing rules and voluntary private sector practices that enable the corporation to attract capital; perform efficiently; achieve the corporate objective; and meet both legal obligations and general societal expectations.

What We Hope To Achieve

Distinguished Guests,

Today's workshop will endeavour to explore the driving forces behind the heightened interest in corporate governance and the components of a successful approach to corporate governance for multinational businesses.

Additionally, we will examine legal and regulatory models that shape successful environments for effective corporate governance practices; we will approach a greater general understanding of corporate citizenship; and discuss how corporate governance can assist companies and economies in attracting investment capital through the improvement of both domestic and international investor confidence.

Specifically, we will examine the current environment for female entrepreneurship in the MENA region, the impact of effective corporate governance measures for female owners of small, medium and large enterprises, and the forces of change promoting greater inclusion of women on corporate boards.

The past decade has seen a proliferation of corporate governance guidelines and codes of best practice prepared by a wide range of national government committees (listing bodies, associations of investors and individual companies as industry models). Hawkamah, The Institute for Corporate Governance, was launched in February 2006 to advance corporate governance practices in the Middle East, North Africa and Central Asia.

Hawkamah constitutes a groundbreaking development for institution building, corporate sector reform, good governance, financial market development, investment and growth in the region.

The Arab International Women's Forum is exceptionally proud to be partnering with Hawkamah on this very important segment of our conference programme, and I would like to take this opportunity to acknowledge Dr. Nasser Saidi's role in championing Hawkamah's groundbreaking developments for institution building, corporate sector reform, good governance, financial market development, investment and growth in the region.

As many of you are already aware, Dr Nasser Saidi is Executive Director of the Hawkamah Institute for Corporate Governance and Chief Economist of the Dubai International Financial Centre (DIFC). He is a former Minister of Economy and Trade and Minister of Industry of Lebanon (1998-2000), and was the first vice-governor of the Central Bank of Lebanon for two successive mandates.

Dr Saidi has served as economic adviser and director to a number of central banks and financial institutions in the Arab countries, Europe and Central and Latin America, and he is one of the region's leading authorities on macroeconomic, capital market development and international economic issues in the MENA region.

The Arab International Women's Forum wishes to express its deepest thanks and appreciation to Dr. Saidi for lending Hawkamah's support and partnership for today's workshop.

I would also like to take this opportunity to acknowledge our workshop speakers,

Mrs. Nadereh Chamlou

Senior Advisor (Economic & Sector Work),
Office of the Chief Economist,
Middle East and North Africa Region, The World Bank

Dr Celia de Anca

Merrill Lynch External Diversity Adviser

Mrs. Neveen Al Tehri

Chairperson Delta Securities, Egypt

Ms Ruth Martin

Managing Director, Securities & Investment Institute, UK

and **Ms Dania Mchaourab**

Vice President, Forsa

Concluding Remarks

Distinguished Guests,

The Arab International Women's Forum is committed to putting corporate governance squarely on to the business agenda.

As an organization we firmly believe that higher standards of corporate governance, in terms of accountability, transparency, integrity and risk, are an essential part of economic development.

We strive to encourage debate and information exchange towards sustainable betterment of best practices in corporate conduct, competence measures, communication and reportage tools, and regional perceptions of corporate citizenship.

The Arab International Women's Forum believes that corporate governance is key to boosting the foreign investment climate in the Arab World, and is a key barometer of a mature or maturing economy.

Thank you for your kind attention.