

Better Companies, Better Societies

Global Corporate Governance Forum



Presentation to IICD and AmCham

Jakarta

October 6, 2011



Our Mandate

- **Multi-donor trust funded facility**
 - ↳ Founded in 1999 by World Bank Group and OECD
 - ↳ Hosted by International Finance Corporation [+ anchor donor]
 - ↳ Funded by combination of core and bilateral donors
- **Forum's purpose:**
 - ↳ **Promote** global, regional and local CG reform initiatives
 - ↳ **Improve** institutional framework for good corporate governance
 - ↳ **Facilitate** improved CG practices in developing countries
- **Funds used for technical assistance, not grants**
- **Governed by Steering Committee**
 - ↳ Donors including IFC, currently chaired by Luxembourg
 - ↳ Founders, e.g. World Bank and OECD
- **Advised by private sector business leaders (PSAG)**

Forum Vision

Better Companies, Better Societies.

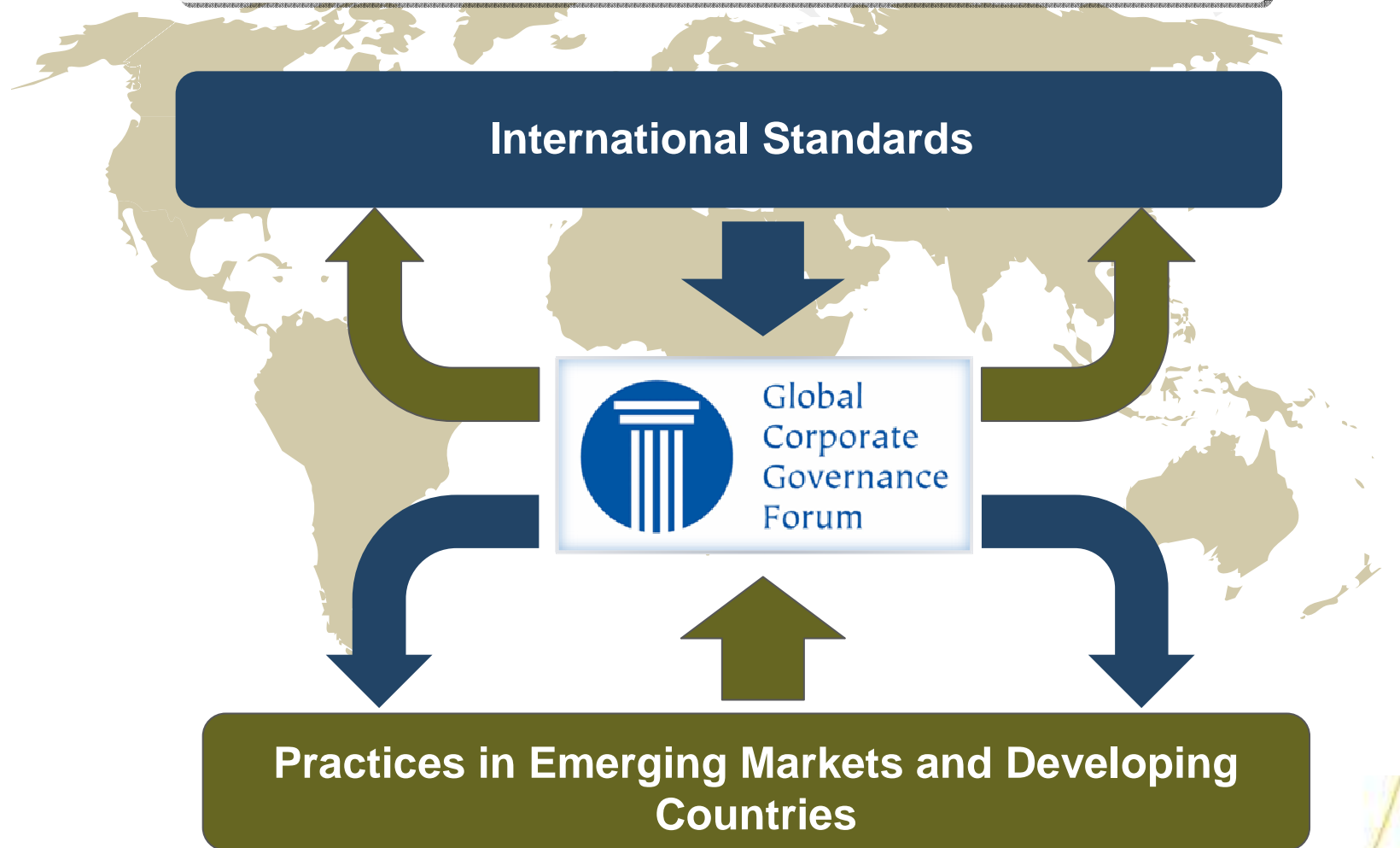
Forum Mission

- **Promote the private sector as an engine of growth, reduce the vulnerability of developing and emerging markets to financial crises, and provide incentives for corporations to invest and perform efficiently, in a transparent, sustainable and socially responsible manner.**
- **Support global, regional and local initiatives that address the corporate governance weaknesses of developing countries and emerging markets.**
- **Improve the institutional framework and practices of corporate governance in the context of broader national or regional economic reform programs, which we seeks to complement and enhance.**
- **Foster partnerships with other programs and play a coordinating role among our Founders, IFC, Donors, and other relevant institutions.**

GCGF Charter as Amended April 2010

CG Knowledge Hub

Assimilating CG practices with international standards



“A key benefit was also access to a wide range of Forum publications that serve as practical tools for companies.”

Elena Suhir
Program Officer, Eastern Europe and Eurasia, CIPE

Target: The Institutional Environment

- The Forum complements IFC CG Unit, Advisory Services and World Bank ROSCs
- Our partners: Institutes of Directors, Regulators, Business Associations, Academia, Media
- Topping the agenda:
 - ↳ The role of Boards – “tone at the top”
 - ↳ Investor requirements – the path to sustainability

Partnering for Effective Delivery

Strategic Partners



World Bank



OECD



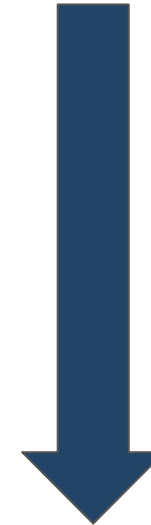
EBRD



UN GC



ICGN



Technical Partners



CIPE



DLA PIPER



KMPG



Yale School

Implementation Partners



Bangladesh



ecoDa



Egypt



Brazil



Indonesia

“The Forum continues to distinguish itself through its record of leveraging with a very broad array of international and local partners, its network of distinguished private sector advisors, and inter-unit collaboration within the WBG. There is more leveraging through partnerships than ever before, with relationships established with dozens of international and local partners.”

Global Knowledge Sharing

Enhance the Forum's global capacity as a leading knowledge and capacity-building platform dedicated to corporate governance reform in emerging markets and developing countries.

Focus Publications



Focus 8

Stakeholder Engagement and the Board: Integrating Best Governance Practices

Private Sector Opinions



PSO Issue 17

A Corporate Governance Model: Building Responsible Boards and Sustainable Business

Lessons Learned



June 2010

Institutes Share Successes and Challenges in Training Board Directors to Lead Corporate Governance Reforms

Toolkits



Toolkit 3

Corporate Governance Board Leadership Training Resources Toolkit

Phase III Strategic Objectives

- Develop and disseminate innovative knowledge products that will expand significantly via the Forum's global knowledge platform to provide enhanced support and access to international best practices in corporate governance.
- Build the capacity of local centers for corporate governance excellence to foster south-south co-operation and serve as a key distribution mechanism for the Forum's knowledge products and their local application.
- Develop monitoring and evaluation mechanisms to assess and inform the structure, content, relevance and effectiveness of the Forum's knowledge products and activities and thereby create a dynamic and demand driven global knowledge platform.

GCGF Charter as Amended April 2010

Building CG Capacity



Developing and Implementing Corporate Governance Codes – Phase 2 of the Forum’s work related to code development in the MENA region and provided in-depth advisory services to target countries including Morocco, Yemen, Algeria, Bahrain, etc. **Partners:** IFC, CIPE. **Development results:** Adoption of over 14 codes for listed companies, banks, family-businesses, and state-owned enterprises. **Next:** CG Firm level best practice case studies.



Media Training in East and Southern Africa - The Forum organized a regional media workshop in Zambia and two country media workshops in Malawi, targeting investigative journalists and editorial managers. **Partners:** Thomson Reuters Foundation, IOD Zambia, Media Institute of Southern Africa, IOD Malawi. **Development results:** 54 journalists trained. **Next:** Build capacity for replication globally.



Strengthening Board Leadership and Risk Governance in Financial Sector – Equip board directors and commissioners of the banking sector in Indonesia to be more aware of the risks they face and enable them to be more vigilant in their decision making, the Forum launched the supplemental materials on Governance of Banks in Indonesia. The launch serves as a platform for regional delivery through IDEA.net. The launch was attended by a high level group of 55 directors, commissioners, regulators, consultants, and other key stakeholders. **Partners:** IICD, IDEA.net. **Development results:** Training on supplement for bank boards. **Next:** Help IICD to establish sustainable director training program for banking sector and replicate across Asia region, enhancing overall approach to board leadership.



LAC CG Companies Circle - The Forum supports a group of 12 Latin American companies from Brazil, Mexico, Peru and Colombia while have adopted good CG practices in order to provide private sector input to the LAC Roundtable and to the public. The Circle recently launched their 2nd publication: “The Practical Guide” in New York, Costa Rica, Chile, and Brazil. **Partners:** IFC, OECD, Companies Circle. **Development Results:** Over 3,600 copies distributed. **Next:** Strong world wide demand for this material.

Indonesian Institute for Corporate Directorship

- History of collaboration, strong in-country and regional position, link to IDEA.net
- Joint launch of Financial Markets Recovery Project in Jakarta, March 2010
- Convening Board Leadership training-of-trainer workshops and materials contextualization, case study development, Corporate Governance Assessment
- Indonesia is a priority country for our donor, SECO (Government of Switzerland)

Corporate Governance Assessment

- Based on IFC Methodology used for company assessments
- Framework:
 - ↳ Commitment to CG
 - ↳ Boards and Committees
 - ↳ Internal Controls
 - ↳ Transparency and Disclosure
 - ↳ Treatment of Shareholders
- Corporate Governance Improvement Plan

The Vision: IICD and IDEA.net

- IFC Advisory Services / Forum regional strategy
- IICD key partner supporting CG reform in Indonesia and East Asia through IDEA.net
- Development of global network of IoDs (IICD and IoDs in Brazil, Egypt, Morocco) to bring emerging markets experience to country-level reforms

Thank You!

This evaluation shows the Forum is a truly high-performing, relevant, and impactful organization in spite of its modest size and resourcing.

*End-of-Phase Independent Evaluation of the
Global Corporate Governance Forum
January 2010*



Gene Spiro
**Global Corporate
Governance Forum**
Telephone +1 202 473 6026
espiro@ifc.org
www.gcgf.org