



## NEWSLETTER 2, FALL 2018

### BSTDB- EDFI Networking Group on Corporate Governance Meeting



Invited by the Black Sea Trade and Development Bank, the recently established European Development Finance Institutions (EDFI) Networking Group on Corporate Governance met for its annual meeting in Thessaloniki, Greece, on 4 and 5 October 2018. Representatives from CDC, Cofides, DEG, EDFI Management Company, Finnfund, FMO, IFU, Proparco, SIFEM/Obviam, and Swedfund attended the Meeting. During the year, the Network participants consult each other on various CG topics and dilemmas, exchange information, tools and experience, as well as agree and work on joint CG assessments, due diligence and actions plans, on an if-and-when-needed basis.

### IFC-“Training-the-trainers” in Sri Lanka



A select group of 16 male and female facilitators gathered in Colombo, Sri Lanka, in early June 2018, to learn more about IFC's new four-module Women on Boards and in Business Leadership training—and about how to conduct the training themselves. The group of future facilitators included executive directors, non-executive directors, and senior managers from Sri Lanka, India and Nepal. Organized by the Sri Lanka Institute of Directors in partnership with IFC, in the two-day training of trainers, IFC's experts helped participants develop training skills and provided them with tools and techniques to help them become more effective facilitators.

## DEG- Hosting the first DEG “Nominee Directors Day”



In September 2018, DEG held its first Nominee Directors Day bringing together DEG's Nominee Directors to talk about their experience as Board members. DEG's main aim was to "start a conversation" - about Nominee Directors' field stories, their needs, and the ways in which they can add value to DEG clients. To support DEG's Nominee Directors, DEG's Corporate Governance Unit, in cooperation with Nestor Advisors, produced a Nominee Director Handbook, which was first presented at the Nominee Directors Day.

## FMO - ESG master class for fund managers



FMO hosted an ESG master class for various fund managers in Georgia who gathered from the wider region to discuss ESG matters and to exchange experiences. The fund managers are an instrumental catalyst for deploying capital and promoting strong ESG practices in the local markets.

The master class facilitates a learning experience and a platform to exchange ideas and discuss challenges. The master class supports the ambition of FMO to improve ESG practices in the local markets and to provide fund managers with tools, experiences and knowledge to promote such practices.

## KPMG-Fifth International Reporting 3.0 Conference



Held in Amsterdam in early June 2018, the Fifth International Reporting 3.0 Conference discussed what would be needed to spur the emergence of truly green, open and inclusive economies, and vet scalable solutions. The conference, held at KPMG's Dutch headquarters, brought together over 200 participants. IFC presented its new "Beyond the Balance Sheet: Disclosure and Transparency Toolkit, as a solution for improving corporate reporting in emerging markets. Other sessions looked at the importance of context-based reporting and addressed issues such as the circular and regenerative economy, materiality assessment of ESG issues, and integrated thinking and reporting.

## IFC- Reducing Risks through Improved Transparency, Governance, and Compliance in Colombia

In the wake of the corruption scandals that have rocked South America over the past few years, impacting, in particular, the infrastructure sector, there is heightened interest from Colombia's businesses on how to reduce their non-financial risks. A workshop organized in late May 2018 and co-hosted by IFC and the Colombian Chamber of Infrastructure drew representatives from the country's infrastructure companies, who learned about how to mitigate their risks by improving their transparency, governance and compliance. Presenters from Argentina, Peru, and Colombia shared insights on the challenges associated with changing organizational culture. Other speakers discussed the importance of family business succession planning and identified opportunities to integrate sustainability into day-to-day business practices.

## IFC- Increasing Women's Access to the Boardroom in Nigeria

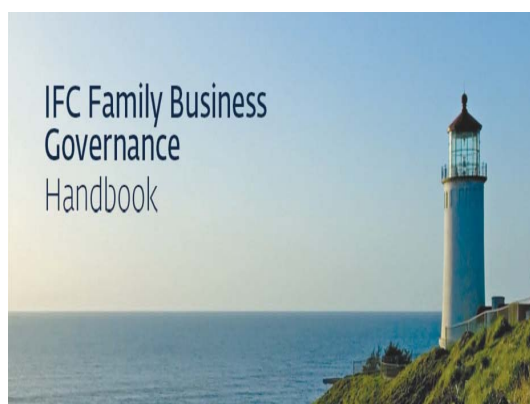
In a bid to speed up the pace of women's ascension to board directorships and other leadership positions, the IFC Africa Corporate Governance Program co-hosted a two-day version of the Women on Boards and in Business Leadership workshop, in collaboration with Women in Management Business and Public Service, in late May 2018. Focus of the workshop was on accelerating gender diversity and strategies for igniting change. Participants included corporate leaders and entrepreneurs from a range of industries. Sessions were aimed at boosting participants' corporate governance knowledge and enhancing their leadership skills, with the goal of helping them become effective board members and senior executives. The program also served as a networking opportunity and a forum to engage with male champions, enabling an important sharing of perspectives.

## IFC-New Paper on State-Owned enterprises



Commercial enterprises that are owned and controlled by governments continue to constitute a significant portion of business activity in many parts of the world. This paper examines three critical areas for strengthening the quality of governance of state-owned firms—professionalizing government ownership, strengthening commercial orientation, and developing stronger, more independent boards—and the challenges involved in implementing reforms.

## IFC-Family Business Governance Handbook now in 21 languages



Family-owned businesses are particularly thriving in low- and middle-income nations and some experts predict they will make up nearly 40 percent of these markets' largest companies by 2025. In June 2018, IFC published the Amharic version of its highly popular Family Business Governance Handbook, written by CGDF Working Group member Sanaa Abouzaid. The handbook, which is now available in 21 languages, has, since the initial release of its English language version in 2007, become the most downloaded of all IFC's corporate governance publications.

## PROPARCO- Magazine devoted to Corporate Governance



PROPARCO has devoted a special issue of its magazine "Private Sector and Development" to corporate governance, under the title "Corporate Governance, a growth accelerator". Through the testimony of entrepreneurs, academics and governance specialists, this issue aimed to underline good corporate governance practices and to explain the link between a company's growth and its governance. The magazine also provided an opportunity to show the fundamental role of intermediary organizations: market regulators, networks of administrators, and DFIs. To highlight DFI involvement, the CGDF Working Group wrote an article, coordinated by Jean-Claude Chesnais ([https://issuu.com/objectif-developpement/docs/proparco\\_psd30\\_corporate\\_governance](https://issuu.com/objectif-developpement/docs/proparco_psd30_corporate_governance) (pages 18-19))

## EXPERTS' CORNER: ARTICLES BY CGDF SIGNATORIES

- *From Gian Piero CIGNA, EBRD*

- 1) **How corporate governance in the EBRD region needs to improve:**

<https://www.ebrd.com/cs/Satellite?c=Content&cid=1395273349412&d=&pagename=EBRD%2FContent%2FDownloadDocument>

- 2) **Gender Diversity on Boards: A Cause for Multilateral Organizations:**

<https://www.aiib.org/en/about-aiib/who-we-are/yearbook/detail/gender-diversity/index.html>

- 3) **Corporate governance codes: Not an end in themselves:**

<https://ethicalboardroom.com/corporate-governance-codes-not-an-end-in-themselves>

- 4) **Resolving poor corporate governance and NPLs:** <https://ethicalboardroom.com/resolving-poor-corporate-governance-and-npls>

- 5) **Lessons from Naftogaz**



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- *From Marta Viegas Rocha, IDB Invest*

<https://blog.iic.org/2018/03/16/corporate-governance-pathway-sustainability-strategy/>

- *From Claudia Maria Colosio, NAFINSA*

**Update on Corporate Governance Training and Technical Assistance**



NAFINSA - Corporate Governance Call for A