

Private Sector Opinion

This series of publications provides PSAG members with a venue to share their insights and thoughts on key corporate governance issues and trends. Disseminated to an extensive global network and posted on the Forum's Web site (www.gcgf.org), the recent viewpoints include:

Whistleblowing: Recent Developments and Implementation Issues

By Mak Yuen Teen

Associate Professor of Accounting and Director of the Corporate Governance and Financial Reporting Centre (CGFRC) at the NUS Business School, National University of Singapore.

Mak Yuen Teen argues for additional legal protections for whistleblowers. His discussion raises issues of fundamental importance to boards, including the question of employee loyalty.

Reform Realism and the Boardroom

By Philip T. N. Koh, a senior partner of Messrs Mah-Kamariyah & Philip Koh

This publication examines a director's duties of good faith, care, skill, and diligence through intellectual honesty and acting in the company's best interests.

News and Corporate Governance: What Do Dow Jones and Reuters Teach Us about Stewardship?

By Donald Nordberg, Senior Lecturer at London Metropolitan University

The author, a former senior editorial executive at Reuters who also worked as a consultant for Dow Jones, explores governance issues of two media giants – Reuters and Dow Jones. Both received bids in 2007 from, respectively, Thomson Corp. of Canada and Rupert Murdoch's News Corp.

Governance Scorecards as Tools for Breakthrough Results

By Jesus P. Estanislao, Chair of the Institute of Corporate Directors; President of the Institute for Solidarity in Asia; PSAG member

Scorecard tools help companies achieve improvements in corporate governance by providing a process for monitoring and evaluating progress.

Join Our Efforts

Your expertise and counsel can help improve corporate governance policies worldwide, which, in turn, lead to more attractive investment climates. Contact Philip Armstrong, the Forum's head, through the Secretariat to express interest in joining PSAG.

"Private sector leadership is key to creating the right development incentives and helping to build better societies."

Philip Armstrong

Head, Global Corporate Governance Forum

ABOUT THE FORUM

Established in 1999, the Global Corporate Governance Forum is an IFC multi-donor trust fund facility. Through its activities, the Forum aims to promote the private sector as an engine of growth, reduce the vulnerability of developing and transition economies to financial crises, and provide incentives to corporations to invest and perform efficiently in a socially responsible manner.

The Forum sponsors regional and local initiatives that address the corporate governance weaknesses of middle- and low-income countries in the context of broader national or regional economic reform.

OUR FOCUS

- Raising awareness, building consensus
- Disseminating best practices
- Sponsoring research
- Funding technical assistance and capacity-building

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Better Companies, Better Societies

Private Sector Advisory Group

"We are passionate about corporate governance and its role in attracting capital that fuels innovation and creates new opportunities. Behind our efforts to promote public-private dialogue and widen access to capital is our strong dedication to the Forum's mission."

Peter Dey

Chairman, Private Sector Advisory Group



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Promoting Private-Public Dialogue, Broadening Access to Capital

The Global Corporate Governance Forum's Private Sector Advisory Group (PSAG) brings together more than 75 of the world's most prominent experts on corporate governance. Advisors volunteer their time and expertise to help implement better corporate governance practices in developing and transition countries. Members include corporate executives, board members, investors, lawyers, accountants, and financial journalists.

In establishing PSAG, the World Bank and the Organization for Economic Cooperation and Development recognized that "effective, continuing and easily accessible private sector support and input are essential elements in the process of policy dialogue and country-specific implementation" of improvements in corporate governance practices within countries.

The high profile of PSAG members helps the Forum actively raise awareness on corporate governance issues and advise professional organizations, regulators, and policy makers who are proactively reforming corporate governance practices.

On a voluntary basis, PSAG members actively:

- **Participate** in awareness-raising efforts and policy meetings to help build consensus for corporate governance reforms;
- **Disseminate** best practices and practical lessons learned through the Forum's publications and toolkits; and,
- **Provide** technical support and contribute to capacity building within the framework of Forum-designed projects through their practical experience.



PSAG Deputy Chairman Christian Strenger (left) at the India Business Investor Dialogue in Mumbai.

Sharing Experiences

PSAG members participate in a wide variety of Forum activities, providing counsel on new strategies and sharing their practical experiences with the Forum's global networks. Their efforts include involvement in the Forum's international consultations, publications, practical guides and toolkits, and capacity-building programs.

PSAG's important contributions are demonstrated, for example, by its role in advising the Brazilian market on the creation of the Novo Mercado, a corporate governance listing tier. Members play a key role in regional forums involving corporate and government leaders dedicated to adopting best practices. PSAG members are also actively engaged in supporting the Forum's work in advancing corporate governance mediation, corporate governance in cooperatives, board development, training of the financial media, and providing targeted assistance in special projects and programs.

"The Forum helps developing countries raise corporate governance standards to attract the investments they need to grow."

Ira M. Millstein

Senior Associate Dean for Corporate Governance,
Yale School of Management
Chairman Emeritus, Private Sector Advisory Group

Guiding Best Practices

PSAG members contributed to the *Corporate Governance Board Leadership Training Resources Kit and Toolkit 4: Preventing and Resolving Corporate Governance Disputes*. PSAG works closely with the Forum in guiding implementation of these and other Forum toolkits and in both developing and utilizing best international standards and practices. Members provide technical counsel to countries (e.g., Morocco, India, Bangladesh, Democratic Republic of Congo, and Mozambique) and regional workshops (e.g., the Middle East and North Africa, Latin America, and South Asia). They also play a key role in the Forum's engagement with an EU-supported initiative involving regulators and policymakers from Southeastern Europe. Drafting committees benefit from PSAG members' comments and recommendations on codes prior to adoption.

Building Capacity

PSAG members assist stock exchanges, regulatory agencies, director institutes, boards, and others in building capacity for director professionalism in their regions. They are working, for example, with securities regulators in southeast Europe on implementation and monitoring of corporate governance codes. Some participated in an orientation of trainers with Development Finance Institutions in southern Africa, using the Forum's *DFI Manual*. In Bulgaria, PSAG Deputy Chairman Christian Strenger helped develop a corporate governance scorecard, which is comprised of 47 clear, measurable criteria. The country's securities regulator adopted the scorecard as an official benchmarking tool for monitoring compliance. PSAG members are also working with the Central American Stock Exchanges.

PSAG members are involved in Forum activities in the following areas:

- Boardroom practices and challenges
- Global governance issues and trends
- Shareholder rights and responsibilities
- Accounting and reporting