About the Organizers

The Egyptian Institute of Directors (EIoD)
The Egyptian Institute of Directors, Ministry of Investment, was originally established with the role of spreading awareness about corporate governance in Egypt and the MENA region. It further assisted in improving corporate governance practices among listed, non-listed, family-owned businesses, and state-owned enterprises. Since its establishment the EIoD has assumed a leading position in the Corporate Governance field within the MENA region. The activities of the EIoD target directors, key executives, shareholders, and other stakeholders.

One of the tools used by the EIoD in spreading awareness on corporate governance is organizing conferences and seminars that are well-attended by chairmen of companies, directors of national and multinational organizations as well as regulators and key government officials from all over the MENA region. EIoD’s conferences are always addressed by leading experts from various international organizations such as the Organization for Economic Co-operation and Development (OECD), World Bank Institute (WBI), United Nations Conference on Trade and Development (UNCTAD), and International Finance Corporation (IFC).

The Egyptian Corporate Responsibility Center (ECRC)
The Egyptian Corporate Responsibility Centre was established as an initiative between the Ministry of Investment (MOI) and the United Nations Development Program (UNDP). It offers Corporate Social Responsibility (CSR) services including awareness, training and consulting services and acts as the focal point for the United Nations Global Compact (UNGC) in Egypt in partnership with Mansour Group.

The ECRC empowers businesses by providing CSR services including capacity building, advocacy, consultations, knowledge management and certification. The centre is set with the ultimate goal of forming sustainable business models, which encourage businesses to comply to CSR principles and improve the national capacity to design, apply and monitor sustainable CSR policies while addressing geographical disparities and creating fulfilling impacts for businesses.

John D. Gerhart Center for Philanthropy & Civic Engagement

In the ever-increasing globalization of our world, with a strong focus on economic growth and prosperity, the voices of those left out are often lost. Philanthropy with a social justice lens is needed to give a voice to those who are marginalized and not heard. The Gerhart Center is committed to working toward
effective regional and global structures that add a moral and responsible dimension to the often harsh impacts of globalization.

We also have a generational commitment. Colleges and universities are in a strategic position to influence the thinking and values of future leaders; to help them become responsible citizens with skills and a will to work for social change.

As the Arab region grapples with poverty, inequality and the lack of democratic institutions, we believe that innovations in civic engagement and strategic social investing can augment deep local traditions of philanthropy.

**EloD and ECRC Annual Conferences Portfolio**

Since 2007, the EloD has organized an annual conference each June covering areas of governance and transparency. The ECRC, since 2008, has organized an annual conference in March covering different topics related to Corporate Social Responsibility. Each conference had a special theme covering a pillar concerning each concept.

**In 2007**

- **The first annual Corporate Governance conference** was organized in collaboration with the UNCTAD on June 18-19th, 2007 and held at the Mena House Oberoi Hotel, Egypt. The conference focused on "Investment and Good Practices in Corporate Governance". During the conference, many topics have been discussed such as the international practices in corporate governance disclosure, the status of corporate governance disclosure in the MENA region, the role of corporate governance disclosure in attracting foreign investments. In addition, the conference highlighted the disclosure of corporate governance practices in the financial institutions. The conference was attended by around 450 participants.

**In 2008**

- **The second annual Corporate Governance conference** was organized in collaboration with the OECD and the UNCTAD on June 17th, 2008 at the Grand Hyatt Hotel, Egypt. The conference focused on the "Role of the Board and Business Sustainability". The sessions of the conference highlighted the role and responsibilities of the board of directors in different types of companies. They also discussed board composition & structure, and the importance of separating between the role of the CEO and Chairman. The conference also discussed the board of directors' role in drafting and overseeing the company's information disclosure policies. The conference was attended by around 580 participants.

- The Egyptian Institute of Directors organized the **first Corporate Social Responsibility conference**, titled "The National Initiative for Corporate Social Responsibility “in March 24th, 2008, The conference was conducted under the auspices, and with the participation, of H.E Prime Minister of Egypt, with the participation of H.E Minister of Investment and many other ministers from the Egyptian government. The conference discussed the objectives, implementation strategies and best practices of Corporate Social Responsibility and the tools of
measuring and assessing the enterprises' application of CSR; the role of business sector, civil societies, national and international organizations in promoting CSR through multilateral partnerships. The conference’s outcome was the establishment of the Egyptian Corporate Responsibility Center (ECRC), as H.E the Prime Minister of Egypt witnessed the signing of project document between Ministry of Investment – Egyptian Institute of Directors (EIoD) and the UNDP.

In 2009

- **The third annual Corporate Governance conference** was organized in collaboration with the OECD and the UNCTAD on June 15th, 2009 at the Four Seasons Hotel, Nile Plaza, Cairo, Egypt. The conference focused on “Audit & Business Sustainability”. The sessions of the conference aimed at strengthening the audit tools (Internal, External and Audit Committee) within corporate governance best practices and the business sustainability. The conference discussed the current global financial crisis and the role that the audit function could have played to prevent it. The keynote speaker was Mr. Philip Armstrong, Head of Global Corporate Governance Forum. The conference was attended by around 600 participants.

- The ECRC organized the **second conference on Corporate Social Responsibility**, titled “Investment & Responsible Business Practices” in March 23rd, 2009. The conference discussed the priorities and opportunities for responsible investment based on international models and current experiences in Egypt; the factors driving investors around the world to increasingly consider environmental, social and corporate Governance (ESG) issues in their mainstream investments and the policy framework to enable business environment to devote more investments to the area of CSR in Egypt. The Conference ended up by the deciding on establishing an Environmental, Social and Governance (ESG) index in Egypt to be launched by 2010.

In 2010

- **The Fourth Annual Corporate Governance Conference** was organized in cooperation with the General Authority for Investment and Free Zones (GAFI) and the Centre for International Private Enterprise (CIPE), and in partnership with the Center for Transparency - Ministry of Investment - and the Organization for Economic Cooperation and Development (OECD). The conference took place at the Four Seasons Hotel - Nile Plaza, Cairo, on June 22nd, 2010. The conference focused on "Corporate governance in SMEs". It aimed at strengthening corporate governance best practices within small and medium enterprises. During its sessions, the conference highlighted the importance of The Nile Stock Exchange for growing medium and small companies "NILEX" and the role of banks in financing SMEs as well as the importance of disclosure of financial and extra financial information. The conference was held under the auspices and the participation of H.E. Dr. Mahmoud Mohieldin – Former Egyptian Minister of Investment.

- The Egyptian Corporate Responsibility Center and the Egyptian Institute of Directors organized **the third conference on Corporate Social Responsibility** (CSR) for the year 2010 entitled “Transparency & Reporting on CSR practices: Towards Sustainable Competitive Environment”, the ECRC organized the conference in partnership with the United Nations development Program.
(UNDP), Center for Transparency and with the support of the World Bank Institute (WBI) – World Bank Group and the General Authority for Investment and Free Zones (GAFI). The conference focused on sustainable reporting and its importance; the key areas that the business sector should report on; the role of transparency and disclosure in building the trust and accountability to reach the sustainability goals and benefit out of its advantages, moreover, the role of the Egyptian government in this respect through introducing the Environmental, Social and Governance (ESG) index in Egypt, that will provide the current status of Egyptian listed companies towards governance, social, and environmental issues.

Conceptual framework

Preface

In the wake of 2011 the Middle East and North Africa (MENA) region has embraced one word, CHANGE. The region has witnessed radical political, social, cultural and economic changes and still is. The notions of democratic governance, positivity, and civic engagement have surfaced to dominate the scene. For the business circles, CHANGE meant an imminent redefinition of the previous stakeholders' structures, their demands and priorities. Realizing that the way we do business in the MENA region has also CHANGED, this event marks a key step to help the corporate sector, around the region, to better understand the main concerns, opportunities, and tools that are needed for business in the newly-formed MENA region.

Logical Frame

Due to the dynamics and demands of CHANGE in the region, business circles in the MENA region highlighted the following key areas of economic, environmental and social perspectives that are main pillars of sustainability development:

- **Transparency and Fighting Corruption**: The previous historical era in the MENA region was characterized by the lack of the necessary mechanisms to create a transparent, competitive and sound environment for doing business. This has led to a corrupted ambience in which politics and business orchestrated serious violations to the rights of all stakeholders. Indeed, the revival of these mechanisms as well as the true application of responsible investment is by far the first demand in the new process of CHANGE.

- **Labor Rights**: For years labor rights in the region have greatly suffered due to the lack of the proper regulatory frameworks which aim at ensuring a balanced relationship between workers and management. The right to collective bargaining, non-discriminatory employment processes, and the existing level of human resources are all now the main pillars of the discussion concerning the advancement of the rights and capabilities for workers capita in the region.

- **Engaging the Poor**: Doing business with the poor and integrating them in the economic circles is another major concern in the process of CHANGE. Several sectors came under heavy scrutiny for ignoring the demands of the poor in their production processes. To ensure the sustainability of their businesses, the corporate sector in the MENA region has to pay due attention on the demands and capabilities residing at the base of the pyramid.
This key topic will be highlighted based on the Harvard Business Review article "Segmenting the Base of the Pyramid", V. Kasturi Rangan, Michael Chu, and Djordjija Petkoski, June 2011, which focuses on value-creation at the BoP. If companies solely focus on commercial success – selling to the poor and exploiting the "fortune at the BoP" – they can face a serious resistance from civil society and governments. Similarly, if the focus is mainly on social impact and consider profit not important, it would be very difficult to scale the initiatives and make them integral part of corporate strategy and thus secure lasting impact. For companies to be successful at the BoP and have positive economic and social impact, they need to implement innovative approaches for simultaneously creating private and public value. Next, they need to understand the roles of the poor in the value-creation relationship as consumers, co-producers, and clients. For example, when a company views the poor as co-producers, it provides jobs and income. With additional training and access to micro finance, people at the BoP can take part in basic production and assembly jobs or in activities such as transportation, distribution, and retailing. To ensure that the new business models are both commercially feasible and sustainable over the long term, companies need to streamline their operations, design appropriate incentives, and form commercial partnerships with governments and NGOs.

- **Righteous Governance:** An active role for BODs is to ensure a responsible conduct of their corporate which is another issue of concern. The process of CHANGE demands BODs that are effective and able to enhance the current liner measurements of profitability to a more advanced ground were governance, environmental and social issues are integrated within a true application of sustainability practices. In addition, BODs are also coming under increased demands to listen to the broad range of stakeholders instead of responding to the voice of shareholders only.

**Background note**

Sustainability, in the business context, refers to the company’s ability to do business and create value added not only for its immediate stakeholders, but for the society at large. This requires companies to thoroughly analyze externalities resulting from their operations along with their value chain. Companies aiming for sustainability need to perform not against the single, financial bottom line but against the triple bottom line (the economy, environment and society) – as defined by the World Business Council for Sustainable Development.
Such performance must also be reflected on the company’s reporting practices. For companies are supposed to act and report responsibly as well. Sustainability can therefore, be looked at as an ethical responsible behavior through which companies integrate and utilize their business strategies, operations and culture.

According to the UN Global Compact and Accenture CEOs survey, 96% of CEOs believe that sustainability issues should be fully integrated into the strategy and operations of a company. More and more business leaders consider sustainability principles to be of great importance to their corporations. In fact, 93% of CEOs see sustainability to be instrumental for their future success.

Beyond any shadow of doubt, business focus on sustainability has a serious effect on boards; composition, committees and functioning. Strategic decision making and evaluation of policies need to be enlarged to encompass various sustainability variables. Therefore, director qualification, training, and experience will differ from those in the days when the bottom line was the only factor to be seriously considered. In a world of sustainability, risk evaluation and management will have a whole new meaning.
Event Objective

The event aims to introduce the corporate sector to the main opportunities and tools of key areas (Governance, Labor rights, fighting corruption and doing business with the poor) shaping the sustainability development sought for the newly formed MENA region.

Event Outcomes

The main outcome of the event is to end up with a recommendations framework for the corporate sector that addresses the resulted findings featured out of the event catalyzed in terms of tools, mechanisms and enforcement actions.

Who should attend?

- Governmental entities.
- Business Associations
- Businessmen
- Policy makers
- International Organizations.
- Regulators
- CSR departments and institutes.
- NGOs and Civil Society
- Journalists

Language

The conference is bilingual Arabic/English with professional translation available throughout all sessions.

For Registration:

Kindly Register online by visiting ECRC website: www.ecrc.org.eg or EIoD website: www.eiod.org or

Contact the organizers on:

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