

PRESS RELEASE

CORPORATE GOVERNANCE SEMINAR

Karachi 2nd June, 2006 - The PICG organized a seminar on Corporate Governance on the 2nd of June, 2006 with the cooperation of the International Finance Corporation (IFC) in Karachi. The Board of Directors of all Leasing and Modaraba companies attended the seminar in Karachi.

The IFC Program Manager for Corporate Governance in the MENA Region, Sebastian Molineus emphasized the importance of corporate governance for family owned companies. “Good corporate governance adds value to a company’s operations, as it improves and streamlines business processes leading to better performance” he said.

“Good corporate governance assists family businesses in succession planning” he added. Kaiser Naseem, IFC’s Manager for the Pakistan Corporate Governance Project spoke on the role and responsibilities of the Board of Directors. “A vigilant Board plays a particularly important role in monitoring and safeguarding the interests of the company and its shareholders” he said. “There have been a number of corporate failures in Pakistan (and abroad), mostly due to lack of proper board oversight”.

Kaiser Naseem also spoke about IFC’s Pakistan Corporate Governance Project whose objective is to improve corporate governance practices within Pakistani companies and financial institutions. IFC, through its Private Enterprise Partnership (PEP) Facility, was also assisting the Pakistan Institute of Corporate Governance in its capacity building.

Earlier, welcoming the IFC speakers, the Chairman of the Leasing Association of Pakistan, Rafique Dawood and the Chairman of the Modaraba Association, Ayaz Dawood stated that Pakistani companies were now competing in the global market. For these companies to be successful and in order for them to be able to attract capital it is important that they adhere to good corporate governance practices. They appreciated the role that IFC was playing in improving corporate governance standards in Pakistan and stated that this would go a long way in enhancing the reputation of the Pakistani corporate sector.

The seminar was followed by a question and answer session.