

International Perspectives on Corporate Governance

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Agenda

- ❖ Set up in various countries
 - ✓ *Legal*
 - ✓ *Regulation*
 - ✓ *Corruption*
- ❖ Kenya perspective
- ❖ Comparisons
- ❖ Development impact

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- ❖ **Set up in various countries**
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- ❖ **Kenya perspective**
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- ❖ **Development impact**

Mexico / Brazil

- Civil, codified rules
- Sluggish Judiciary

- Petrobas
- Pemex, TV Azteca scandals

- *Comply OR explain*
- Several reforms ongoing
- Concentrated, family control
- Poor minority shareholder protections
- Closed friendly interlock Boards
- Low Stakeholder protection

- Pervasive Corruption

United States

- Common Case Law
- Activist Judiciary
- Strong civil system

- Enron
- WorldCom
- Lehman Brothers

- *Strict disclosure*
- Sarbanes – Oxley backlash
- Dispersed ownership
- Shareholder focused Boards
- Majority independent directors
- Stakeholder protection
- CEO / Chair duality

- Low to moderate corruption

India

- **Common Case Law**
- **Sluggish Judiciary**

- **Satyam Computers**
- **Speak Asia**
- **Tata Group**

- ***Comply OR explain***
- **Companies Act of 2013**
- **Family controlled businesses**
- **Friendly family Boards**
- **Minimum no. of independent directors – Clause 49**

- **Prevalent corruption**

United Kingdom

- Common Case Law
- Strong vigilant Judiciary

- Barclays, UBS Libor rate fixing
- BAE Systems
- MPs expenses

- ***Comply OR Explain***
- Corporate Governance Code
- Dispersed ownership
- Shareholder focused Boards
- Strong independent non exec-directors
- Stakeholder protection

- Low to moderate corruption

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Kenya

- **Common Case Law**
- **Corrupt Judiciary under reform**

- **Tuskys**
- **Uchumi**
- **Equity Bank**

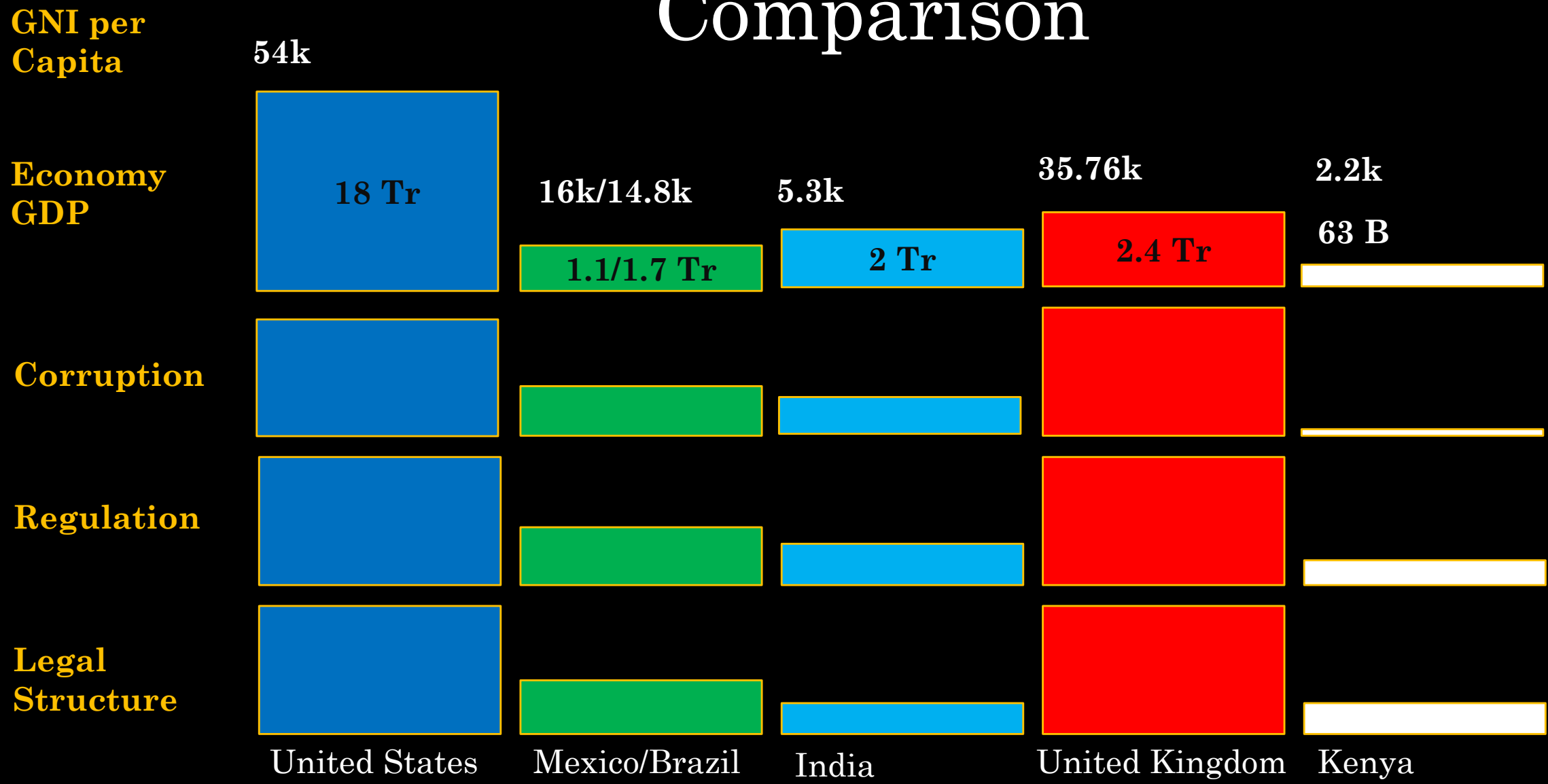
- **Slow enforcement**
- **Code of Ethics - CMA**
- **Concentrated ownership**
- **Family controlled**
- **Reforms ongoing**

- **Endemic corruption**

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Comparison



Discussion