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***Review of the Implementation Status of Corporate Governance
Disclosures:
Case of the Six Gulf Cooperation Council (GCC) Countries***

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Review of the Implementation Status of Corporate Governance Disclosures: Case of the Six Gulf Cooperation Council (GCC) Countries

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Objectives

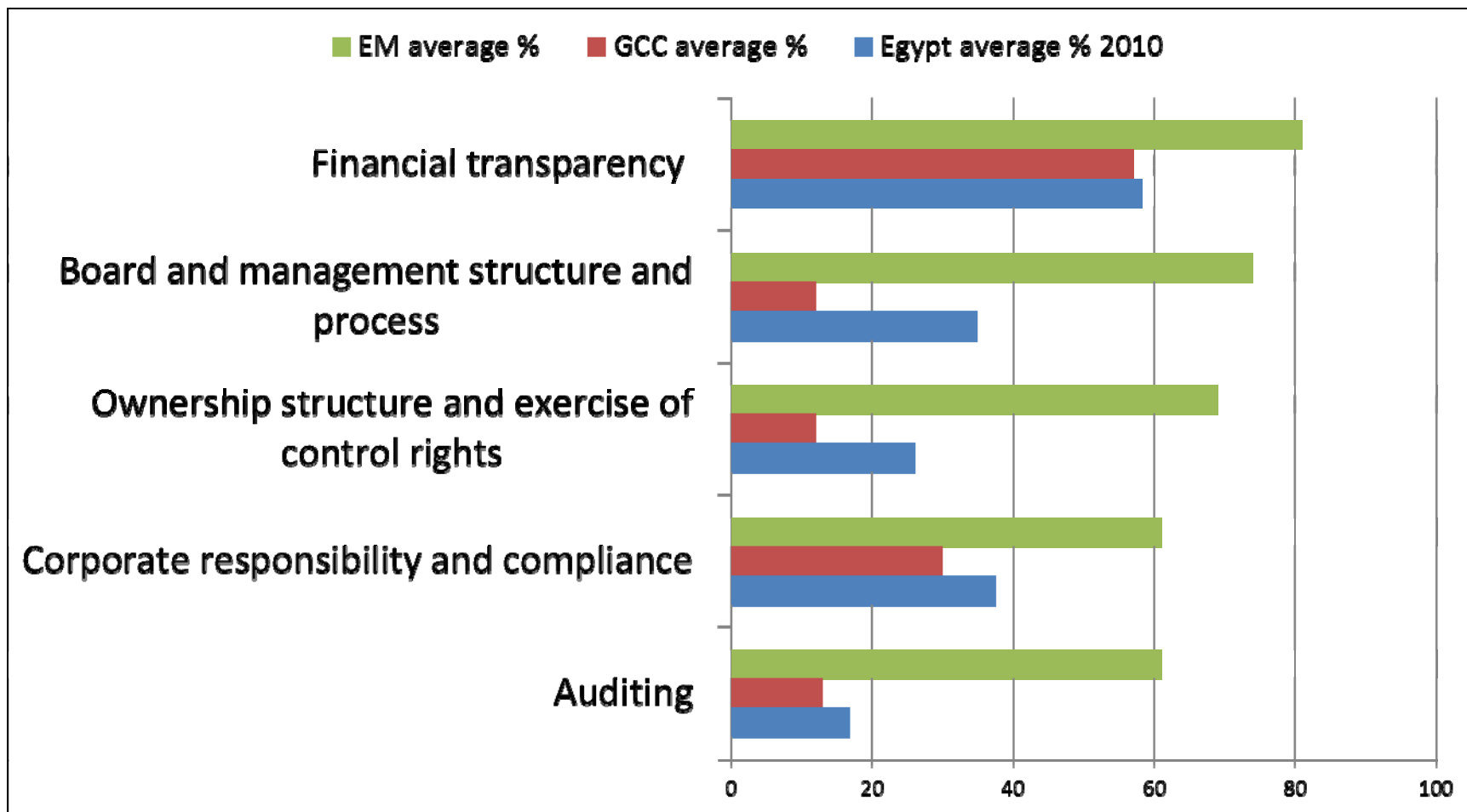
1. Provide a brief overview of the status of corporate governance in the GCC.
2. Present and analyze the results of the review of corporate disclosure practices among listed non-financial companies in the GCC stock exchanges.



Methodology

- Compares the GCC disclosure level to 2011 Emerging Markets study
- Method: ISAR disclosure index
- Survey type: manual survey of the annual reports
- Annual reports: 2009 reports
- Sample of companies: 424 listed non-financial companies

GCC and Egypt comparable in all but two categories





Conclusion

- Corporate reporting practice is relatively new
- Corporate governance disclosure in particular is even more novel
- The lack of adherence to some disclosure requirements should not necessarily be interpreted as intentional deviation of the relevant rules by companies



Conclusion

- Unique corporate nature of the GCC: large numbers of privately held and family owned enterprises
- Roles of the stock exchanges and capital markets are growing in the current new business environment
- The traditional business culture is slowly giving way to a new business culture of corporate transparency



Conclusion

- Education and training:
 1. Enhance the awareness of the rapidly evolving regulatory environment
 2. Clarify the difference between the generic description of corporate procedures and processes in the laws and having the same information disclosed in detail in company's reports
 3. Explain the means and benefits of information disclosures, and corporate governance disclosures



Conclusion

- Regulators may want to consider additional policy options:
 1. Small fines for failure to report required items
 2. A list ranking the best company reports
 3. An annual competition could take place for the best company reports and best company websites in regards to corporate governance disclosure



Thank you for your attention!