



Project title	ECA Corporate Governance Program
Project duration	2012-2017
Swiss contribution	USD 3'600'000 (9 countries)
Project partners	International Financial Corporation (IFC); Azerbaijan Corporate Directors and Managers Association (AKDMA), Azerbaijan Risk Professionals Association (ARPA), Isgandarov & Partners
SCO strategic goal	Inclusive and sustainable economic development

Background

Corporate governance (CG) refers to the structures and processes for the management and control of companies. Global evidence shows that better CG enhances the performance of companies and eases access to capital, as well-governed companies are more trustworthy.

Over the past decade, Switzerland has been engaged in CG reforms in Azerbaijan. The current CG program works together with partner institutions to strengthen their capacities and enable them to independently offer CG services to local companies, once the project is completed. The project helps local companies to recognize and address gaps and challenges in institutional capacity. It also supports the institutional framework, e.g. by introducing CG scorecards for local companies.



Local companies obtain knowledge on CG practices.

Project objective

The objective of the project is to improve CG practices of companies through further strengthening capacities and transferring knowledge to selected local partner institutions, who will in turn be able to deliver such services to local companies seeking to improve their Corporate Governance.

Project activities and results by 2017

- 268 students taught new CG curriculum
- 86 companies and banks trained and consulted on CG practices
- 17 companies improved their CG structure
- Facilitated attracting USD 132 million in investment according to IFC
- Supported legal reforms in particular adoption of the national corporate governance code, regulation of non-related party transactions and fiduciary duties
- IFC and the Baku Stock Exchange organized the event "Ring the Bell on Gender Equality" to raise awareness about the importance of gender balanced corporate boards.

Expected project results

- Capacity of local partners for the promotion of CG practices and offering of specific CG services to local companies enhanced
- More local companies are aware of the importance of CG and good CG practices implemented
- More developed CG legal and regulatory framework established.

Perspectives

The current phase is the third phase of a regional CG project, covering a total of 9 countries. Project activities in Azerbaijan finished in December 2017.

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