

<b>Project title</b>	<b>ECA Corporate Governance Program</b>
<b>General information</b>	Region: Azerbaijan (phase I and II), Eastern Europe and Central Asia (phase III) Duration: 2005 to 2007 (phase I), 2008 to 2011 (phase II), 2012 to 2016 (phase III) Budget: phase I: USD 2.1 million; phase II: USD 3 million; phase III (total for all countries): USD 3.6 million
<b>Project partners</b>	<ul style="list-style-type: none"> <li>• Institutional partners: Azerbaijan Corporate Directors and Managers Association (AKDMA), Azerbaijan Risk Professionals Association (ARPA) Isgandory &amp; Partners</li> <li>• Implementing partner: International Finance Corporation (IFC)</li> </ul>
<b>Project objectives</b>	The objective of the project is to improve corporate governance practices of companies through further strengthening capacities and transferring knowledge to selected local partner institutions.
<b>Background</b>	<p>Corporate governance (CG) refers to the structures and processes for the direction and control of companies. Experience shows that better CG practices improve access to capital and enhance the performance of companies. This contributes to a sound and transparent business environment and promotes a diverse private sector.</p> <p>Over the past years SECO has been successfully engaged in corporate governance reforms in Azerbaijan. The third phase of the program is designed as an exit phase. It will work together with local partner institutions to further strengthen their capacities and enable them to offer CG services to companies on their own once the project is completed. In particular, the third phase will address gaps in local institutional capacity, CG challenges in companies and further support the institutional CG framework (e.g. through introducing CG scorecards).</p>
<b>Project activities</b>	<p>The following activities are carried out under the project:</p> <ul style="list-style-type: none"> <li>• Supporting and developing the capacity of local partners for the promotion and implementation of CG practices in companies</li> <li>• Assisting companies to implement good CG practices</li> <li>• Assisting in the development of the corporate governance legal and regulatory framework</li> </ul>
<b>Project results</b>	<p>The following results were achieved under the previous two phases of the project:</p> <ul style="list-style-type: none"> <li>• 268 students taught new CG curriculum</li> <li>• 86 companies and banks trained and consulted on CG practices</li> <li>• 17 companies improved their CG structures</li> <li>• Facilitated clients to attract USD 132 million in investment and supported another USD 550 million</li> <li>• Supported legal reforms in particular adoption of the national corporate governance code, regulation non related-party transactions and fiduciary duties</li> </ul> <p>In the third phase the following results are expected (valid for all beneficiary countries):</p> <ul style="list-style-type: none"> <li>• Advisory services delivered to at least 14 partner institutions</li> <li>• 30 staff of partner institutions trained</li> <li>• Partner institutions raised sales revenue in an amount of USD 160'000 from delivery of CG services</li> <li>• In-depth CG advisory services delivered to at least 46 companies resulting in facilitating USD 100 million of financing</li> <li>• 4 CG related laws, codes, regulations or other framework tools (e.g. scorecards) adopted, improved or implemented</li> </ul>