

Good Corporate Governance

A Local/International Perspective



EnergySelSect	RWX	61.01	2.18	-3.6
clSelSect	XLE	74.61	2.21	27.3
SE/Macq Glb Infst	XLF	30.63	1.49	-16.6
hCrSelSect	GII	63.49	1.08	24.9
SelSect	XLV	36.52	0.88	8.1
Sml Cap	XLI	78.51	5.88	15.4
Bank	EURE	52.18	5.88	15.4
Capital	EUR	47.25	2.74	7.1
Insurance	EUR	47.25	2.74	7.1
Health	EUR	47.25	2.74	7.1
Telecom	EUR	47.25	2.74	7.1
Utilities	EUR	47.25	2.74	7.1
Real Estate	EUR	47.25	2.74	7.1
Commodities	EUR	47.25	2.74	7.1
Art	EUR	47.25	2.74	7.1
Collectibles	EUR	47.25	2.74	7.1
Private Equity	EUR	47.25	2.74	7.1
Real Estate	EUR	47.25	2.74	7.1
Commodities	EUR	47.25	2.74	7.1
Art	EUR	47.25	2.74	7.1
Collectibles	EUR	47.25	2.74	7.1
Private Equity	EUR	47.25	2.74	7.1

Friday 10th October 2008

Mediterranean Conference Centre - Valletta

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Sir Adrian Cadbury in 'Global Corporate Governance Forum' – World Bank, 2000 states that: 'Corporate Governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The corporate governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society'.

In an organisation with the highest levels of risk maturity, risks are taken into account at all levels and on a continuing basis. This does not impede risk-taking; rather it ensures that risks are properly evaluated, appropriate compensatory actions taken and organisational objectives are more likely to be achieved. An overarching framework allows risks to be discussed using common language in all functions and at all levels and ensures that senior executives and board members are fully aware of the risks being accepted, taken and monitored.

Corporate governance is the system by which companies are directed and managed. It influences how the objectives of the company are set and achieved, how risk is monitored and assessed, and how performance is optimised. Good corporate governance structures encourage companies to create value and provide accountability and control systems commensurate with the task involved. Effective corporate governance and risk management processes are however dependent on the synergy generated among the four principal components of such processes – i.e. boards, senior management, external and internal auditors.

The 'Code of Good Corporate Governance' was introduced in Malta in 2001 and since then has been revised and amended a number of times. Although not fully mandatory the Listing Rules encourage Issuers to 'endeavour to adopt' the Principles.

The seminar aims at:

- Creating awareness on Corporate Governance Principles.
- Discussing Corporate Governance within local/international scenarios.
- Assessing Boards' willingness to comply with Governance principles.

Who Should Attend:

- Heads of Internal Audit and their staff
- Prospective Internal Auditors
- CEO's
- Managing Directors
- Directors
- Non-Executive Directors
- Students in their final year of qualification
- Board and Audit Committee members
- All those that have an interest in the subject matter

CPE Accreditation

This event has been accredited with 3 hours of structured CPE and qualifies for the attainment of Core Competencies: Audit and Assurance in terms of the MIA CPE Regulations.

Closing Date for Application

Friday 3rd October 2008



Hon. Tonio Fenech

Before his appointment to public office, Tonio Fenech was a Senior Management Consultant with PricewaterhouseCoopers. In this role he led a number of consultancy assignments, internal control reviews, and delivered project management services to large private industry organisations and to the public sector.

Tonio Fenech started his political career in March 1997 within the Nationalist Party, when he successfully contested the Birkirkara Local Council Election, Malta's largest locality. In October 1998 he was elected Mayor of Birkirkara, a post he retained to April 2003. He had to resign this post on being elected to Parliament through the Eight District. He was then appointed Observer to the European Parliament representing Government. In March 2004, Tonio Fenech was appointed Parliamentary Secretary in the Ministry of Finance by Prime Minister Dr. Lawrence Gonzi. Tonio Fenech was appointed Minister of Finances in March 2008.



Marlene Mizzi

Marlene Mizzi read for an honours Bachelor's degree in Economics and graduated from the University of Malta in 1976. She graduated M.Phil from the Maastricht School of Management, the Netherlands in July 2007

Ms Mizzi is currently reading for a Ph.D. Her doctoral thesis and field of research will focus on Corporate Governance and Effective Boards in Malta.

Ms Mizzi regularly attends international conferences dealing with Corporate Governance and the workings and responsibilities of the Board of Directors - the subject of her doctoral thesis. She has held seminars and workshops for a number of institutions and is a regular speaker in conferences focusing on board matters, corporate governance. She has also published a number of papers on the subject.



Roderick Chalmers

Roderick Chalmers, is a chartered accountant by profession, specialising in the financial services sector. Between 1972 and 1983 he practised in Malta as a partner with the offices of Coopers and Lybrand, before moving to Hong Kong in 1984. He was a partner with Coopers and Lybrand, (later PricewaterhouseCoopers), Hong Kong between 1984 and 2000, when he retired from the firm to pursue a full time MA degree at Edinburgh University.

He was the elected Managing Partner of Coopers & Lybrand Hong Kong between 1990 and 1998, during which period he also acted as Chairman of the firm's South East Asia Regional Executive. He was appointed to the International Board of Directors of Coopers & Lybrand between 1996 and 1998.

Upon the merger of Coopers & Lybrand and Price Waterhouse in 1998, he was appointed Chairman, Asia-Pacific, for PricewaterhouseCoopers (PwC), and continued in that position through to his retirement from the firm in the autumn of 2000. The position involved taking overall responsibility for the firm's operations in the Asia Pacific region. Between 1998 and 2000, he was also a member of the PwC Global Management Board, a 25 man body responsible for overseeing the global activities of the firm.

He was appointed by the Government of Hong Kong to act as a non-executive director of the Securities and Futures Commission (the regulator of the Stock and Futures exchanges) between 1992 and 1999. He was also a member of the Takeovers and Mergers Panel and was appointed by the Financial Secretary of Hong Kong to sit on the Banking Advisory Committee.

In November 2004, he was appointed Chairman of Bank of Valletta plc, a financial services group of companies.



Simon Busuttill

A lawyer by profession, Dr Busuttill specialised in European Affairs and has followed EU affairs on a professional basis since 1994. In 1999 he set up the Malta-EU Information Centre (MIC) and led the public communications campaign ahead of Malta's referendum on EU membership.

During EU accession negotiations, Dr Busuttill was a member of Malta's Core Negotiating Group. In December 2003, he was appointed by the President of Malta as a Member of the National Order of Merit.

In July 2004, he was elected Member of the European Parliament and has since followed dossiers of particular interest to Malta, notably budgetary affairs and immigration policy. As an MEP, Busuttill has also been an active campaigner for citizens' EU rights.



David Fabri

David Fabri graduated in law in 1979 and is currently the Head of the Commercial Law Department at the University of Malta and the co-ordinator of the Masters in Financial Services course. He lectures and writes regularly on consumer protection, financial services and corporate law subjects. Since 1991, he has been closely engaged in drawing up of policy and legislation in these areas, including the transposition of numerous EC Directives. He has considerable regulatory experience having served on various regulatory agencies. In 1992 he joined the Malta International Business Authority, now MFSA, where he heads the legal and international unit.



Giovanni Grossi

IIA ITALY HONORARY PRESIDENT

Until recently, Giovanni Grossi has been a Board member of Telecom Italia Audit and Chief Audit Executive of TIM, the largest Italian company in the mobile phone sector. In the past, he served as IBM Italy's director of quality and control systems.

Grossi was IIA Inc. Ambassador and Board member. He also was President of the European Confederation of Institutes of Internal Auditing (ECIIA) and IIA International Secretary. Honorary President of IIA-Italy, visiting professor at the Pisa University and renowned international speaker, he has authored several publications on quality, management, auditing, controls and business ethics.

In 2001 Grossi received the Victor Z. Brink Award for Distinguished Service, the highest award given world-wide in recognition of contributions to The Institute of Internal Auditors.

His article "Do we really need heroes?", published by the "Internal Auditor" magazine, was awarded by the Florida Magazine Association with the Charlie Award for the best editorial in 2004.

2.30 Opening Address
Hon. Tonio Fenech

2.45 Forum Introduction
Ms Marlene Mizzi

3.00 The Role of Audit Committees in Corporate Governance
Mr Roderick Chalmers

In recent years the issue of corporate governance and committees related to it and their impact on corporate performance have continued to gain widespread prominence in the capital market economy. High profile scandals have clearly identified the need for an enhanced role for audit committees. Corporate governance is the system by which organisations are governed and controlled. It is concerned with the way in which corporations are governed generally and in particular with the relationship between the management of an organisation and its shareholders.

The speaker will look at several control mechanisms mainly committees that may be set within the organisation in order to monitor its management activities and functioning. As a part of critical corporate governance mechanisms, Mr. Chalmers will discuss the audit committee oversight function dealing with different managerial activities, corporate reporting and auditing. This oversight includes ensuring the quality of accounting policies, internal controls, and independent auditors to enhance control mechanisms, anticipate financial risk, and promote accurate, transparent, and timely disclosure of corporate information to various users of the organisation's financial information.

The speaker will also look at the affect that legal, institutional, financial, cultural and political circumstances can have on the effectiveness of audit committees in promoting corporate governance.

3.30 Audit Rules and Corporate Governance: A European Perspective
Dr Simon Busuttil

Dr. Busuttil will discuss the importance that harmonisation of rules on company law and corporate governance as well as accounting and auditing are indispensable for the creation of a single market for financial services and products.

The speaker shall make reference to the European Commission's Communication "Modernising Company Law and Enhancing Corporate Governance in the EU" issued in 2003. A series of corporate governance initiatives aimed at boosting confidence on capital markets and at ensuring adequate coordination of national corporate governance codes. Five years on, a number of these measures have come to fruition whilst others are still under discussion.

The speaker will discuss how the European Parliament has contributed significantly in this area, calling for harmonisation and coordination of different national laws to allow further mobility between Member States, whilst at the same time recognising the necessity to achieve more openness and transparency in corporate governance.

MEP Simon Busuttil will tell us more about how the European Parliament is looking at this evolving process.

- 4.00 Dabblers, Directors, Dilemmas and Duties - Reflections on leadership, competence and whistle-blowing in the board room.

Dr David Fabri

In his talk, the speaker shall draw on his thirty years experience of observing and dealing with the management of private and public entities and the way they are governed and sometimes misgoverned. He will argue that no two boards are ever alike and there are various ways of operating a board competently and sensibly. Whereas failure is often effortlessly arrived at, some work very hard to achieve it. The talk is not conceived as a lecture on the legal duties and liabilities of directors, but the point will be made that although it is probably futile for the law to try to set out a particular detailed model of corporate board behaviour, some minimum standards appear inevitable, at least to meet public expectations. In this context, the speaker hopes to also comment on the inconsistently topical issue of whistle-blowing, a much abused and misunderstood phenomenon.

- 4.45 Coffee Break

- 5.00 Control in Business, Not Bureaucracy

Mr Giovanni Grossi

Corporate governance is one of the words most cited in today's business lexicon, although often for the wrong reasons.

The speaker will discuss the fact that very often the focus is centered upon the legal compliance with models and rules that regulators are increasingly imposing after the well known series of corporate scandals.

A clear indication of that distortion is, world wide, the creation of so many compliance functions inside the organisations, each focused on a particular field of activity. The result of that fragmentation is unfortunately quite clear and evident: excessive workload, attention diverted from the customer needs and a lot of wasted resources all that without providing the overall assurance Senior Managers and Board Members legitimately pretend.

Acting in accordance with an integrated view of the organization and the risks it faces has therefore become essential for ensuring an effective, efficient and adequate organisations' governance

That's precisely the aim of G. Grossi's presentation: show that people, not models, make the difference; show that Managers and Board Members must do what is right -at the right time and in the right way- before it is imposed by someone else -at the wrong moment and in the wrong way. In other words, show that "Control is business, not bureaucracy"

The point is that doing all that is a task that requires competencies that may not be readily available in many of the present organisations. A task in which internal auditors –with their integrated view of the System of Internal Controls- may offer direct assurance expertise and competent advice.

The question is: are they ready to face the challenge and professionally prepare themselves to a role which is different and much more complex than the one they played in the past? The future of their profession and the success of their organisations depend from the answer.

- 5.45 Question Time

Programme Time-table

- 2.30 Opening Address
Hon. Tonio Fenech
- 2.45 Forum Introduction
Ms Marlene Mizzi
- 3.00 The Role of Audit Committees
in Corporate Governance
Mr Roderick Chalmers
- 3.30 Audit Rules and Corporate Governance:
A European Perspective
Dr Simon Busuttill
- 4.00 Dabblers, Directors, Dilemmas and
Duties
Reflections on leadership, competence
and whistle-blowing in the board room.
Dr David Fabri
- 4.45 Coffee Break
- 5.00 Control in Business, Not Bureaucracy
Mr Giovanni Grossi
- 5.45 Question Time



Name _____

Mailing Address _____

Phone _____ Mobile _____

Email _____

Company/Organisation _____

Phone _____

Profession/Position _____

VAT Reg. No. _____

MIA Member Student Other

I wish to attend the Forum: Good Corporate Governance - A Local/International Perspective.

Please find Cheque No. _____ for €20 payable to Malta Forum for Internal Auditors.

Duly filled application forms with the respective payment are to be sent by post to:

Malta Forum for Internal Auditors
P.O. Box 70
Paola

Signature _____

Venue: **Mediterranean Conference Centre - Valletta**
Date: **Friday 10th October 2008**
Time: **2.00pm - 6.00pm**