

# flag Brazil #2

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# BUILDING BETTER CORPORATE GOVERNANCE IN BRAZIL

A TOP BRAZILIAN EXECUTIVE WITH DRIVE, AND ALWAYS WITH ONE EYE ON THE FUTURE, SANDRA GUERRA IS THE FIRST CHAIRWOMAN OF THE BRAZILIAN INSTITUTE FOR CORPORATE GOVERNANCE (IBGC), OF WHICH SHE WAS ONE OF THE FOUNDERS IN 1995.

## IS THE FOCUS ON CORPORATE GOVERNANCE RELATIVELY NEW IN BRAZIL? WHAT HAS BEEN THE ROLE AND IMPACT OF IBGC IN IMPROVING CORPORATE GOVERNANCE IN BRAZIL?

It is not entirely new - in November this year, IBGC celebrated 18 years of activity. Everything started with a meeting of corporate executives in 1995, first under the title of the Brazilian Institute of Corporate Directors, which subsequently became IBGC. IBGC helps companies to develop best governance practices, transparency and credibility on both the Brazilian and global stages. Today IBGC has 1,200 private members and 150 corporate members. We have developed a public training curriculum in Brazil and also carry out customised, in-company training on request. In its 2016 strategic plan IBGC is working to develop a best practice document for state-owned companies. The single biggest impact of implementing mod-

ern corporate governance standards in Brazil stems from its capacity to influence the various stakeholders in society on the need for transparency and proper governance, in a realistic way. We also give comfort and guidance to executives on issues such as ethics, social and environmental corporate responsibility and clear decision-making processes and guidelines.

## THERE ARE DISTINCT PHILOSOPHIES OF CORPORATE GOVERNANCE INCLUDING THE NORTH AMERICAN MODEL, THE JAPANESE/ GERMAN MODEL AND OTHERS? WHICH ONE PREVAILS IN BRAZIL?

Brazil's legal framework was of course set out by the Portuguese, inspired by France's Civil Code tradition. However, in terms of corporate governance, the legal model has many features similar to the German model. At the process level, in day-to-day practices, the US model prevails.

“Today IBGC has 1200 Private members and 150 corporate members.”

Sandra Guerra

## LUXEMBOURG IS ONE OF THE WORLD'S LARGEST FINANCIAL CENTERS IN TERMS OF CAPITAL-RAISING AND INVESTMENT FUNDS, WITH STRONG PRIVATE EQUITY CAPABILITIES. WHAT MESSAGE WOULD YOU LIKE TO SEND TO THE LUXEMBOURG FINANCIAL COMMUNITY ABOUT GOVERNANCE IN BRAZILIAN COMPANIES AND INVESTMENT PROJECTS?

Brazil is the place to become known, a country with boundless opportunities. It still needs to progress on a lot of issues, including better transparency, and the country has still a long way to go to achieve a fair distribution of wealth. On the other hand, sustained economic growth and expanding purchasing power have become reality. This provides vast opportunities for Brazilian and foreign investors to contribute to the creation and sharing of this growth and to develop more sophisticated investment projects and products.

## HAVE YOU BEEN IN LUXEMBOURG OR THE BENELUX REGION?

Not yet. I did not have an opportunity to do so, Not yet, I have not had have an opportunity. However, I would be very interested to learn more about corporate governance in Luxembourg, particularly in the banking and investment funds sectors. I am very keen to exchange experiences and best practices between countries.

## MORE INFORMATION

[www.ibgc.org.br](http://www.ibgc.org.br)

