IMPLEMENTING CORPORATE GOVERNANCE GOOD PRACTICES IN THE BANKING SYSTEM OF THE REPUBLIC OF MOLDOVA

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Abstract: Corruption in the lending activity, financial fraud or reduced banking efficiency may be the result of a weak and deficient corporate governance mechanism. An eloquent example is given by the frauds uncovered in 2014 in the domestic banking system, namely the governance gaps that allowed the robbery of three banks and the misappropriation of funds of billions of lei by malicious factors. Subsequent investigations revealed a number of serious shortcomings in the management process at several banks, including decision-making in the board of directors, the work of the executive body or reduced transparency of shareholders.

The important role of financial intermediation of banking institutions in the economy, their high sensitivity to the potential difficulties arising from inefficient corporate governance and the need to protect the interests of depositors and investors, require that corporate governance for these institutions be of particular interest to maintain the stability of the financial sector.

Despite progress in addressing IMF recommendations and the satisfactory performance of banks, there are several governance issues at several banks, including the largest ones. Deficiencies in corporate governance at banks still pose a major risk to systemic financial stability in the Republic of Moldova, and the ability of regulators to act remains restricted.

The purpose of this research is to analyse the constraints that caused the banking crisis in the Republic of Moldova and develop recommendations to eliminate the major systemic deficiencies of the Moldovan banking system based on corporate governance good practices.

Key words: bank fraud, bank crisis, corporate governance, corruption, non-performing loans, national bank authority.

JEL CLASSIFICATION: G21, E58

1. Introduction

Banking institutions play a crucial role in transferring resources from those who save to those who invest, thus supporting economic activity and contributing to the development process of society. The way in which these institutions are managed is an important premise for the trust of customers and the safety of depositors, elements that also define the stability of the financial system. Therefore, banking is a not at all simple business, characterized by complex relationships through which the bank is controlled, managed and administered. All these relationships embedded in a single mechanism are called corporate governance, the purpose of which is to ensure the proper functioning of the bank both individually and in the banking system as a whole collectively.

Corruption in the lending activity, financial fraud or reduced banking efficiency may be the result of a weak and deficient corporate governance mechanism. An eloquent example is given by the frauds uncovered in 2014 in the domestic banking system, namely the governance gaps that allowed the robbery of three banks and the misappropriation of funds of billions of lei by malicious factors. Subsequent investigations revealed a number of serious shortcomings in the management process at several banks, including decision-making in the board of directors, the work of the executive body or reduced transparency of shareholders. This compromised the identification of relations with related parties and the proper management of conflicts of interest. In general, after ensuring full control over the Banca de Economii, the Banca Socială and

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Unibank, the activity of the administrators was collectively oriented towards the use of resources that did not belong to them in personal, group or even political interest.

In the context of the reforms started in the banking sector, the national banking legislation in the field of corporate governance provides for the implementation of the latest international practices, respectively those provided by the Basel III standards. Thus, the new banking law and the Regulation on the framework for managing the bank's activity define the bank's management bodies (Board and executive body), including their responsibilities, qualification requirements for members and, importantly - responsibility for the results obtained. The regulatory framework also sets out requirements for shareholders and how to apply the principles of governance between all levels of government depending on the size and complexity of the activity that each bank carries out. These requirements are to be gradually implemented by all commercial banks operating in the Republic of Moldova, and sanctions and remedial measures are provided for those who will not comply.

**The importance of the research:** considering the current situation of the banking system in the Republic of Moldova, it is imperative to solve the underlying problems through good corporate governance in order to strengthen the performance and functioning of this system.

**The purpose of this research** is to analyse the constraints that caused the banking crisis in the Republic of Moldova and develop recommendations to eliminate the major systemic deficiencies of the Moldovan banking system based on corporate governance good practices.

**Research methodology:** Logical analysis of theoretical and practical materials, documentary method, quantitative and qualitative data methods, graphical method, methods of examination, synthesis and comparative analysis, selection and grouping.

**The informational base** of the research is provided by the European Union Communications, Cadbury Report of the Committee on the Financial Aspects of Corporate Governance, OECD Reports and Principles of Corporate Governance, Basel Committee on Banking Supervision Reports, EBA Guidelines, United Nations Communications, the National Regulatory Framework.

**Results and discussions.** In recent years, the Moldovan banking system has gone through several challenges and even turbulence marked by corporate raids, fraudulent transactions and the increasing share of non-performing loans. These culminated in 2015 when 3 banks\(^{127}\) representing about a third of the system's assets entered liquidation, the decapitalization volume being about 12% of GDP, and another 3 banks\(^{128}\) (about 40% of the system's assets at the beginning of 2015) were placed by the NBM under special supervision. The effects were not long in coming. Thus, in 2015 the national currency depreciated on average by 25%, inflation reached the double-digit level, the level of dollarization of bank deposits exceeded 50%, the volume of new loans decreased by over 50%, and the economy contracted by about 1% (estimate). Moreover, in order to return the deposits from the bankrupt banks, the state turned to public resources, which will put major and long-term pressure on the state budget (about 10 years). As a result, in 2015 the budget deficit increased from 1.7% of GDP in 2014 to about 3.4% of GDP, and if we take into account the loans granted to bankrupt banks against state guarantees, the deficit is estimated at just 15.1% of GDP\(^{129}\). The problem is aggravated by the fact that, against the background of the increase of the deficit, the possibilities of financing it decreased in advantageous conditions (the support of development partners was substantially reduced, and the average rate on state securities reached fulminant levels of 24-25%). Last but not least, the population's trust in banking institutions has decreased significantly (according to

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128 B.C. „Moldova Agroindbank” S.A., B.C. „Victoriabank” S.A., B.C. „Moldindconbank” S.A.
the Public Opinion Barometer of November 2015, only 16% of the population has some or a lot of trust in banks, compared to 34% in November 2014). Ultimately, these turbulences have developed a number of systemic shortcomings, which, while not being eliminated, continue to pose imminent dangers to the banking sector.

2. The constraints of the banking crisis in the Republic of Moldova

- **Low level of independence of the National Bank of Moldova.** Although the NBM had at least intuited since 2013 the organization of several suspicious transactions in the banking system, it did not use the full arsenal of tools at its disposal to prevent fraud. In fact, the central bank limited itself to issuing warnings to the shareholders of the banks concerned and to the National Financial Stability Committee, and only at the end of 2014 it established a special administration regime for 3 bankrupt banks (BEM, BS, and UB)\(^{130}\). However, it did not block (or could not block) the shareholders' decisions against which the bank had evidence that they were acting in concert\(^{131}\), did not impose any fines on the banks concerned and did not establish a special supervision regime (different special administration regime allowing the NBM to obtain full access to information on the target bank) to which there were well-founded concerns\(^{132}\) (Table 1). Such passive behaviour of the banking regulator can be explained by its low independence, which makes it vulnerable to the influence of obscure interests, both political and private. Key shortcomings in the central bank's independence were also identified in the World Bank's December 2014 assessment.\(^{133}\)

### Table 1. Measures that could be taken de jure and de facto by the NBM in the context of suspicious transactions from BEM, BS and UB

<table>
<thead>
<tr>
<th>What could the NBM do?</th>
<th>What did the NBM do?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue a warning(^{134})</td>
<td>Accomplished</td>
</tr>
<tr>
<td>To apply and unquestionably impose a fine on the bank(s) and/or shareholders</td>
<td>Not accomplished</td>
</tr>
<tr>
<td>Withdraw confirmation given to bank administrators</td>
<td>Not accomplished</td>
</tr>
<tr>
<td>Limit or suspend the bank's activity</td>
<td>Not accomplished</td>
</tr>
<tr>
<td>Withdraw license or authorization</td>
<td>Not accomplished</td>
</tr>
<tr>
<td>Impose remedial measures on the bank</td>
<td>Not accomplished</td>
</tr>
<tr>
<td>Block the activity of shareholders acting in concert</td>
<td>Not accomplished</td>
</tr>
<tr>
<td>Establish special supervision</td>
<td>Accomplished, but too late</td>
</tr>
</tbody>
</table>

**Source:** “Explaining the Kroll Report”, Expert-Grup, 2014 available online at: [https://www.expert-grup.org/ro/biblioteca/item/download/1362_bec60db6b6ae39f664c5a00aad41b06](https://www.expert-grup.org/ro/biblioteca/item/download/1362_bec60db6b6ae39f664c5a00aad41b06) [Accessed on 03 May 2021].

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\(^{130}\) Banca de Economii din Moldova, Banca Socială and Unibank.


\(^{132}\) Expert-Grup. Explaining the Kroll Report. 2014. [online]. [quoted on 03 May 2020]. Available on: [https://www.expert-grup.org/ro/biblioteca/item/download/1362_bec60db6b6ae39f664c5a00aad41b06](https://www.expert-grup.org/ro/biblioteca/item/download/1362_bec60db6b6ae39f664c5a00aad41b06).

\(^{133}\) World Bank. Financial Sector Assessment – Moldova. September 2014. [online]. [quoted on 25 May 2020]. Available on: [https://openknowledge.worldbank.org/bitstream/handle/10986/22910/Moldova000Fina0r0assessment0program.pdf?sequence=1&isAllowed=y](https://openknowledge.worldbank.org/bitstream/handle/10986/22910/Moldova000Fina0r0assessment0program.pdf?sequence=1&isAllowed=y).

- **Insufficient banking monitoring and supervision tools.** The crisis has shown that the NBM needs to strengthen and complement its tools used for bank monitoring, in particular by implementing ICT solutions on a larger scale in order to be able to respond more effectively to shocks. Also, there was insufficient / inefficient communication and collaboration between the NBM and other state institutions on ensuring financial stability (National Financial Market Commission, National Financial Stability Committee, Parliamentary Commission for Economy, Budget and Finance, Prosecutor's Office, information and security). Deficiencies in regulatory instruments have allowed banks to accumulate excessively high exposures to groups of affiliated companies, as well as to manipulate bank portfolio quality indicators by divesting portfolios of doubtful loans to "offshore companies" and liquidity indicators by accumulating liquid assets (more de jure than de facto) abroad.

- **The low transparency of the final beneficiaries of bank shares** was a key factor that made such large-scale bank fraud possible. This did not allow the full verification of the identity and quality of the persons (fit-and-proper test) who ultimately hold the shares of commercial banks, which, in turn, did not allow them to be held accountable in the context of bank fraud. Basically, most banks where the final beneficiaries of the actions were disguised as various "ghost companies" or "offshore companies" were the target of hostile takeovers and shareholder wars, which subsequently resulted in dubious transactions that undermined the stability of those banks.

- **The poor quality of corporate governance at most banks** is a direct result of the low transparency of banking shareholders. Both the 3 banks in the process of liquidation and other banks were marked by hostilities between shareholders and corporate raiders. In most cases, obscure changes in shareholders preceded obscure changes in management, which allowed banks to engage in risky transactions and even large-scale bank fraud. Subsequently, accountability was complicated by the vague division of responsibilities between shareholders, boards of directors and bank management.

- **The inadequacy of accountability mechanisms for bank shareholders and managers** is a serious issue of corporate governance that deserves special consideration. At the moment, the legislation remains quite lenient in terms of penalizing bank fraud, providing for immeasurable fines with the proportions of embezzlement, and the Criminal Code contains vague and interpretable provisions on deprivation of liberty in the case of bank fraud. Moreover, in many banks the Boards of Directors promote the obscure interests of some groups of shareholders to the detriment of the sustainable development of the bank and do not exercise the necessary control over management, undermining the principle of checks-and-balances. In fact, in many cases, majority shareholders, boards of directors and bank managers act in concert, engaging in risky and even dubious transactions. These problems are exacerbated by the fact that in most banks, internal audit departments are not sufficiently independent of management, which undermines the effectiveness of controls (these serious problems were also highlighted in the report of the American company Kroll, as well as in the World Bank assessment[^135], both published in 2014). Against the background of deficient accountability mechanisms for bank managers, the legislation does not provide for a “bail-in” mechanism that obliges shareholders and not taxpayers to cover damages caused by possible frauds or management failures from banks.

- **“Offshoring” the banking sector.** An essential condition that made dubious banking transactions in the banking sector possible was the possibility for Moldovan banks to interact in various forms with “offshore companies”. Thus, it was possible to transfer the loan portfolios to

such companies, the acquisition of bank shares by some shareholders based on loans from “offshore companies” or directly by “offshore companies”.

- **Limited ability of banks to absorb losses.** This is a universal cause for most banking crises in the world, including in the Republic of Moldova. Traditionally, there has been a lot of talk about the fact that Moldovan banks are sufficiently capitalized and abundant in liquidity. In reality, if we consider the quality (not just the quantity) of bank capital, we are convinced that the level of capitalization of banks has so far been overestimated. As a result, even if the risk-weighted capital adequacy of the 3 bankrupt banks until the crisis was higher than the minimum allowable level (16%), they could not cover capital losses, requiring the intervention of the NBM and the Government to repay deposits from the targeted banks. The cause is related to the high level of risks to which banks have been exposed and the poor quality of loan portfolios, respectively, due to the poor quality of liquid assets. In addition, most commercial banks implement the Basel 1 principles (since 1988), which provide for relaxed conditions for the classification of non-performing loans and risky assets.

3. Measures to implement good corporate governance practices in the Republic of Moldova

The Republic of Moldova urgently needs the implementation of a comprehensive action plan to eliminate these systemic constraints. At the moment, they remain current, which exposes the banking system and the whole country to similar shocks in the future. The action plan proposed below is based on good international practice, but also on the Basel III principles that should guide the comprehensive reform of the Moldovan banking system. In order to ensure the principle of responsibility, the main institution to be responsible for the implementation of those actions is the National Bank of Moldova. However, it must also enjoy a greater degree of independence, which is the key element of the reform.

The only possibility to establish a sustainable banking sector in Moldova is to eliminate equally all the systemic deficiencies that caused the current crisis. We recommend that the authorities develop and implement as a matter of urgency an action plan that will eliminate the 7 major systemic deficiencies of the Moldovan banking system that were above mentioned:

**Strengthen the independence of the National Bank of Moldova**

To ensure that the action plan is implemented effectively, it is necessary for the key institution responsible for it to be fully independent. Therefore, the reform of the banking sector must begin with the consolidation of the NBM's independence. Actions in this regard should aim to eliminate the levers by which certain circles of political or private interests can put pressure on the central bank. In addition to increasing the efficiency of regulatory activities, it ensures a better accountability of the central bank in the field of financial-banking stability.

a) Elimination of the possibility for courts of any level to block the decisions of the NBM.
In order to comply with the principle of “checks and balances”, some acts of the NBM could be suspended, however, only on the basis of strict conditions that could be issued by the Supreme Court of Justice.

b) Stricter regulation of the conditions for the issuance by the NBM of loans under the Government guarantee and, respectively, the elimination of the discretion of the authorities in this regard.

c) Introduction of clearer provisions for situations when the NBM can support the economic policies of the state in order not to prejudice the inflation targeting strategy and the objective of price stability.

d) Establishment of a selection committee of the Governor of the NBM composed, on equal terms, of representatives of the central banks of the EU and the USA, representatives of the civil society and relevant public authorities.
The dismissal of the members of the governing bodies of the NBM must be possible with the vote of at least 2/3 of the deputies (as in the case of the Governor).

The express prohibition for the Governor and other members of the NBM’s governing bodies to hold positions of responsibility in public and banking institutions in the country at least 2 years before taking office and at least 2 years after dismissal.

**Strengthening the banking monitoring and supervision tool, as well as crisis prevention in the banking sector**

With the strengthening of the NBM’s independence, it is necessary to strengthen and complete the arsenal of instruments with which the institution could more effectively exercise the tasks of monitoring and supervision of the banking system, as well as the prevention of banking crises. In essence, actions should aim to reduce the human factor in the monitoring and regulation process by implementing ICT solutions, increase the NBM's capacity to identify and counteract concerted activities, tighten criminal sanctions for market abuse and other violations by commercial banks, streamline communication and coordination of the institutions directly or indirectly responsible for financial stability.

a) Allocation of a budget line by the NBM sufficient for the implementation of ICT solutions for all monitoring and regulatory instruments in order to increase efficiency and reduce the human factor (discretionary).

b) Clearer definition and extension of the set of criteria for establishing concerted activities in the banking system. This could also include the establishment of a memorandum between the state institutions directly involved (Prosecutor's Office, NAC, SIS, NCFM, Competition Council) on the exchange of information in order for the NBM to determine the groups of persons acting in concert. It is also appropriate to develop and implement a test that assesses the degree of concertation of a bank's activities.


d) Without attenuating the leadership and responsibility of the NBM, it is necessary to determine the entire system of institutions that may be directly involved (NBM) or indirectly in the monitoring process and banking supervision, streamlining the dialogue between them, facilitating the operational exchange of data etc.

e) Establishing the methodological framework necessary for the coordination of financial crisis management operations. This would include arrangements on the basis of which authorities will be identified as coordinators by type of activity, as well as how to systematically communicate with market participants and authorities abroad.

f) Determining the capacity of regulatory institutions to deal with shocks by conducting regular stress tests for regulatory institutions to assess response capacity and quality of interventions.

**Increase transparency on the final beneficiaries of banking actions**

It is necessary to establish a clear tool for assessing the "quality" of shareholders in order not to admit the holding of bank shares of persons with a dubious integrity profile. In this regard, interventions should aim at implementing minimum standards of integrity and transparency (fit-and-proper test), facilitating the exchange of information with the states of residence of the bank's final shareholders, strengthening the institutional capacities of the NBM in the field of shareholder transparency, elaboration and publication of the scoring and reports on the transparency of the shareholders of each bank.
a) Application and institutionalization of the minimum standards of integrity and transparency for shareholders in the entire banking system of the Republic of Moldova, regardless of the size of the shareholding in banks.

b) Signing international agreements with shareholders of residence on the disclosure of information, as well as establishing operational partnerships with the EU institutions.

c) Strengthening the capacities of the newly created Directorate within the NBM which will deal with monitoring the transparency of bank shareholders.

d) The elaboration by the Boards of Directors of the commercial banks and the annual publication on the websites of each bank of the transparency reports, which would include for each shareholder the CVs, the number of meetings he attended, voted decisions, etc. Elaboration of a similar report for the management team of each bank.

**Improve corporate governance in banks**

The quality of corporate governance depends on the long-term development of any entity. In the case of banks, the role of corporate governance is even greater, as they operate on the basis of attracted resources and, respectively, they are of systemic importance. In this sense, both motivational measures (elaboration and promotion of a General Corporate Governance Code, elaboration and annual publication of reports on risk management transparency and promotion of ethical and professional standards for bank officials) and coercive measures (tightening sanctions for misgovernment).

a) Elaboration and promotion of a general Corporate Governance Code. It must contain a set of clear principles of corporate governance, as well as the measures to be taken in the event of their breach. All the banks have to review them.

b) The clearer delimitation of the attributions and the establishment of the maximum level of involvement of the shareholders, the Board of Directors and the management of the commercial banks, by establishing some standards by the NBM.

c) Elaboration and annual publication by each bank of the report on the transparency of risk management (prudence of management, effective and prudent administration of the bank, clear separation of responsibilities within it, including between the supervisory body and senior management, and prevention of conflicts of interest).

d) Implementation and promotion of ethical and professional standards for the shareholders and managers of commercial banks, and the basic elements to be stipulated by the NBM.

e) Tightening the requirements and sanctions for improper and inadequate governance of financial institutions, non-compliance with prudential and banking risk management rules.

**Development of accountability mechanisms for banking managers**

The accountability of shareholders and bank managers can be increased by developing the principle of double checking (English: four eye approach), implementing the bail-in mechanism, increasing the independence of Board members who verify the activity of bank managers, tightening sanctions for improper administration of banks. In essence, it is necessary to develop a system in which the mistakes of bankers are also paid for by bankers, and not by the population.

a) Development of the principle of double verification (English: four eye approach) within each bank - internal audit departments within each bank must verify compliance with the criteria of corporate governance, risk management and financial management. It is important that they report directly to the Boards of Directors of commercial banks and report exclusively to their members, without the participation or involvement of the banks' management. In addition to periodic audit reports, those departments must report serious breaches of corporate governance and prudential management to the Board of Directors and the NBM.
b) Developing the independence of the Boards of Directors of commercial banks by promoting by the NBM the norms of integrity and professional qualifications for the members of the Boards.

c) Tightening the penalties, both financially and by deprivation of liberty, for the deficient and fraudulent administration of commercial banks.

“De-offshoring” the banking sector

Given the unfortunate precedents of recent years, but also the imperative to ensure full transparency of banking, it is necessary to prohibit any interactions between banks and companies in jurisdictions that do not meet transparency standards (often referred to as “offshore companies”), such as and full harmonization of domestic legislation with EU money laundering provisions.

a) Elimination of all forms of exposure and interaction between "offshore companies” and commercial banks: prohibition of the purchase of bank shares on account of loans from offshore companies, pledge of bank shares to offshore companies, their lending or assignment of respective loan portfolios.


Increase banks’ capacity to absorb losses

In order to increase the quality of bank capital and reduce the budgetary implications of possible banking crises, it is necessary to increase the capacity of banks to cover potential losses. In this regard, it is necessary to revise the prudential indicators in accordance with the provisions of Basel III, to delimit even more stringent requirements for systemic banks in relation to small banks and to increase the bank deposit guarantee ceiling.

Many of the proposed actions are under implementation, but they have to be consolidated.

a) Assumption of the Basel III requirements on the main prudential indicators:
   - Determining the impact of Basel III requirements on banks (recapitalization, prudential and profitability indicators, in particular ROE).
   - Revision of the risk-weighted capital adequacy indicator - it must take into account large exposures, currency risk exposures, as well as foreign assets (experience of BEM, BS and UB has shown that such assets can only be considered liquid de jure). 
   - Tightening of the criteria for recognition by banks of non-performing loans.

b) Prudential liquidity requirements and risk-weighted capital adequacy should be more conservative for systemic banks compared to other banks. In this regard, it is necessary to define clear criteria for classification of systemic and non-systemic banks.

c) Stricter regulation of large exposures of banks (in case of offering loans in large proportions to interconnected or affiliated companies).


4. Conclusions

Effective corporate governance practices are essential for building and maintaining public confidence and confidence in the banking system, which are critical for the smooth functioning

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of the banking sector and the economy as a whole. Poor corporate governance can contribute to bank failures, which in turn can generate significant public costs and consequences due to their potential impact on any deposit insurance system and macroeconomic implications such as contagion risk and impact on payment systems. This was illustrated by the financial crisis that began in mid-2007. In addition, weak corporate governance can cause markets to lose confidence in a bank's ability to properly manage its assets and liabilities, including deposits, which could in turn trigger the mass withdrawal of bank deposits or liquidity crisis. And banks, in addition to their responsibilities to shareholders, also have responsibilities to depositors and other relevant stakeholders.

The vulnerability of our banking system is determined by non-transparent shareholders, poor internal management and governance, unsatisfactory internal procedures and rules, as well as inefficient mechanisms to counter money laundering.

For the enhancement of the quality of corporate governance in banks from the Rep. Moldova, the following recommendations are proposed:

a) Developing a consistent conception on corporate governance in banks from the Republic of Moldova aligned to the recommendations of the principles of the Basel Committee on Banking Supervision BCBS and alignment of banking regulations under this conception by NBM.

b) Property and control structures disclosure. NBM has to bring into force firmly and efficiently the legal norms on identification and adequacy requirements of the final and control beneficiaries in banks. These actions should contribute to the improvement of the transactions monitor with the related parties and global framework of risk management in banks. The disclosure of the agreements between shareholders is also necessary.

c) Disposal the concept of nominal property/holder of law. The nominal property is allowed by law and this contributes to the lack of transparency of the shareholders. In fact, only the first level of disclosure is present - that of nominal property with off-shore ghost companies frequently used to cover the identity of the real owners.

d) Enhancing the quality of banks councils. The Western banking experience suggests the necessity for some regular rigorous assessment of bank council and its members’ activities, the assessment report being available to the interested public. This is important to ensure that the council and its individual members discharge their duties properly and the members of the council are professional people meeting also other specific requirements submitted by the banking supervision department. The Councils of the banks should improve their skill level and competencies. The Councils have to strengthen their position by developing specific knowledge in the banking field especially insisting on the presence in the Council of experts from the field of the banking risks.

e) Establishing the Audit Committee in banks. The Boards of Statutory Auditors cannot be replaced by the Audit Board, constitution of which is now recommended internationally. Respecting the global trend in which the role and responsibility of Council are more and more highlighted and enhanced, the disposal of Board of Statutory Auditors by transferring their functions to the Audit Board shall be considered as one of the policy options.

f) Implementation of corporate governance principles. NBM should more emphasize the promotion of good corporate governance in banks and control if banks adopted truly and implemented efficiently healthy policies of corporate governance. We recommend in this regard the drafting of a Corporate Governance Code for banks by NBM in trine to CNPF in the form of templates under which banks could develop their own code. In developing this code, should be taken into account the principles of the Basel Committee on Banking Supervision (BCBS) related to the corporate governance.
References:


