**Family Business Council-Gulf Launches a Book with Guidelines on Family Business Succession Planning in the GCC**

* *The book is a valuable resource for family businesses as it provides the steps and options available for a comprehensive succession planning process in the context of the GCC.*
* *FBCG is committed to continue to research the GCC context for family businesses and publish resources that will support family businesses in developing their governance and business model for a sustained contribution to the economy.*

**Dubai, UAE, 9 May 2018:** The Family Business Council – Gulf (FBCG), the regional association of Family Business Network International (FBN), launched a book on the guidelines of family business succession planning in the GCC during a press conference hosted by His Excellency Abdulaziz Abdulla Al Ghurair, Chairman, FBCG.

Authored by Fadi Hammadeh, Senior Advisor to FBCG and General Counsel of Al-Futtaim group, the book, “Family Business Continuity in the Middle East & Muslim World: Betting Against the Odds”, addresses the challenges of family business succession planning in the region and how to strategically plan for sustainable business continuity.

Introducing the book, His Excellency Abdulaziz Abdullah Al Ghurair said: “The Family Business Council Gulf would like to present families with a first of a kind book that serves as a complete guide on succession planning. The book provides options to facilitate the planning for a sustainable family business and a smooth transition of ownership across generations.”

He added: “It is critical that family businesses plan for the future strategically, and make sure they take adequate time to incorporate governance and legal structure that best fits their family business succession plan, unique family dynamics and goals.”

Most family owned businesses in the GCC will face a succession challenge within the next decade. Studies by FBCG state that around 52 percent of GCC businesses are moving from their second to third generation, facing the critical juncture of transition of ownership and business leadership. The handover will have tremendous implications on the sustainability and growth of companies and one major risk during this transition is for large family businesses to get fragmented leading to loss of economic value.

Family businesses in the GCC are gradually focusing their attention to succession planning. Founders are seeking efficient means in corporate governance structures and relevant legal frameworks that best fits their succession plan, unique family dynamics, and aspirations. Nonetheless, The GCC context is very much challenging, due to lack of successful precedents in this area and inadequate legal solutions especially within the context of sharia forced heirship rules.

Author of the book Fadi Hammadeh, spoke about some of the current succession planning challenges the book addresses: “Effective family business succession planning aims to achieve management and ownership continuity. GCC family businesses are particularly vulnerable to risk of fragmentation and internal conflicts due to lack of impenetrable legal frameworks to support their continuity.”

Fadi Hammadeh also talked about what makes the book unique: “The book frames the challenges of succession planning and corporate failure in family business and details innovative solutions. It also seeks to provide a framework for conflict resolution, leadership, strategic planning, and philanthropy that is instrumental to the continuity of family firms in the GCC region and beyond. The book is the first in providing a step-by-step succession guideline in the context of the GCC market. It contains detailed examples of legal and governance structures that can be used to ensure continuity of family business in the region, with special consideration for Sharia law”.

FBCG is active in growing GCC focused content and resources to support family businesses in their strategic planning for sustainability. In 2015 the council published the first GCC family business study and family business legal white paper; in 2016 the council published a GCC family business governance code.

His Excellency Abdulaziz Abdullah Al Ghurair added: “At FBCG we will continue to produce valuable resources and facilitate various development and education opportunities for GCC family businesses. The impact we would like to have is to widen the community of 4th and 5th generation of GCC family businesses that are sustainable, growing and contributing to society and the economy.”

The book is available for sale online and from Magrudy’s and Kinokuniya bookstores throughout the UAE. Contents of the book will be discussed in the upcoming Annual Legal Roundtable held in Dubai on 22rd November. The annual event is an exclusive gathering of leading family business executives and family business owners to discuss the challenges and solutions for governance enforcement and legal succession planning.

**ENDS**

**About Family Business Council-Gulf (FBCG):**

FBCG is a private, non-profit membership organization that aims to strengthen family business governance and ensure their continuity over generations, while learning from and where applicable adopting international best practices. Through research, education, and networking among peers, we seek to identify and address issues which are unique to this region.

The Council is governed by a board of directors, representing eleven leading GCC family businesses, which steers and builds the organization. FBCG’s board shares a common view that the continuity and prosperity of family businesses is vital not only for their families’ legacy but also for the economic sustainability of the region.

FBCG is also a member of a worldwide organization, the Family Business Network International (FBN) which is the largest global network ‘by families, for families’ representing leading family businesses all over the world.

For further information on the council, log on to [www.fbc-gulf.org](http://www.fbc-gulf.org).