



4th Meeting of the OECD-Southeast Asia Corporate Governance Initiative

AGENDA

11-12 April 2017

Phnom Penh, Cambodia

With the support of the Government of Japan

Hosted by:



គណៈកម្មការមូលបត្រកម្ពុជា
**Securities and Exchange
Commission of Cambodia**

About the OECD

The OECD is a forum in which policymakers compare and exchange policy experiences, identify good practices, and promote decisions and recommendations to produce better policies for better lives. The OECD's mission is to promote policies that improve the economic and social well-being of people around the world.

About the OECD-Southeast Asia Corporate Governance Initiative

Southeast Asia has vast strengths allowing the region to play an increasingly important role on the global economic stage. However, as integration into the world economy intensifies, and markets in the region aspire for enhanced connectivity, the opportunities are mixed with challenges. Moreover, disparities in socio-economic development among countries are substantial, giving rise to a widespread call for policy action to narrow them.

The *OECD-Southeast Asia Corporate Governance Initiative* was developed in this context with the aim of supporting the development of vibrant and healthy capital markets through the advancement of corporate governance standards in the region. Recognising the specific reform needs of Cambodia, Lao PDR, Myanmar and Viet Nam arising from their stage in economic development, this Initiative provides a focus on these countries. The agenda for each meeting is designed to take these reform challenges into consideration. The meetings further have an intra-regional shape. They are organised with the participation of relevant stakeholders from around Southeast Asia and international experts.

The first meeting of the Initiative, the OECD–Southeast Asia Consultative Meeting on Corporate Governance, Capital Market Development and State-owned Enterprises was held in Yangon, Myanmar in July 2014. The second meeting of the Initiative took place in Hanoi, Viet Nam on 12-13 May 2015, and the third meeting took place in Vientiane, Lao PDR on 1-2 June 2016. Participants acknowledged the important steps that have been made in developing a sound framework for corporate governance in Cambodia, Lao PDR, Myanmar and Viet Nam in recent years, and shared their perspectives on how to continue these efforts going forward.

Context and Objectives

This fourth meeting of the Initiative is hosted by the Securities and Exchange Commission of Cambodia (SECC) in collaboration with the OECD and with the support of the Government of Japan. Cambodia is making important progress towards the facilitation of free trade in goods and service, as stipulated under the ASEAN Economic Community Blueprint.

The objectives of the meeting are to identify key policy options for the Cambodian authorities to improve corporate governance, spur capital market development and enhance the country's attractiveness to foreign investment. The meeting, benefitting from the experience of the Southeast Asian peers and international experts, also aims to identify how to make progress towards capital market integration, given the creation of the ASEAN Economic Community on 31 December 2015.

AGENDA

DAY 1

9:00 am – 9:30 am

REGISTRATION

9:30 am – 10:30 am

OPENING SESSION

Introductory Remarks:

- **Mr. Masato Kanda**, Deputy Commissioner for International Affairs, Financial Services Agency, Japan and Chairman, OECD Corporate Governance Committee
- **H.E. Mr. Chou Kimleng**, Secretary of State, Ministry of Economy and Finance of Cambodia
- **Ms. Fianna Jurdant**, Senior Policy Analyst, Corporate Affairs Division, OECD
- **Ms. Saysamone Chanthachack**, Secretary General, Lao Securities Commission Office

10:30 am – 11:00 am

COFFEE/TEA BREAK

11:00 am – 12:30 pm

SESSION 1 : Corporate Governance Codes – Putting the G20/OECD Principles of Corporate Governance into Practice

The G20/OECD Principles of Corporate Governance were revised in 2015, aiming to ensure their continuing high quality and relevance, taking into account recent developments in the corporate sector and capital markets. The Principles are one of the key standards of the Financial Stability Board for sound financial systems and form the basis for the corporate governance component of the Report on the Observance of Standards and Codes (ROSC) of the World Bank. How can governments in CLMV use the Principles to ensure the basis for an effective corporate governance framework? This session will explore how countries in Asia have used the Principles to develop Corporate Governance Codes and the opportunities and challenges to the implementation of the Principles in the Southeast Asia region.

Moderator:

- **Ms. Fianna Jurdant**, Senior Policy Analyst, Corporate Affairs Division, OECD

Speakers:

- **Mr. Masato Kanda**, Deputy Commissioner for International Affairs, Financial Services Agency, Japan and Chairman, OECD Corporate Governance Committee
- **Ms. Karin Zarifi**, Advisor, Securities and Exchange Commission, Thailand
- **Ms. Nadia Zainuddin**, Assistant General Manager, Chief Regulatory Office, Securities Commission, Malaysia
- **Ms. Anne Molyneux**, Director, CS International

Open discussion

12:30 pm – 2:00 pm

LUNCH

2:00 pm – 3:30 pm

SESSION 2 : Country Focus – What is the landscape for corporate governance in Cambodia?

The economy of Cambodia has been growing rapidly – at around 7% per annum – thanks largely to growth in the garment sector, which represents 80% of exports, as well as the construction and tourism sectors. Supporting this growth, policy makers have made steady progress towards implementing reforms and building the institutions necessary for a market economy, which culminated in the country’s accession to the World Trade Organisation in 2004. Nonetheless, Cambodian businesses continue to face governance challenges. What are the steps policy makers in Cambodia need to take to improve the legal and institutional framework governing firms? With the aim of attracting investment and linking into global value chains, what steps should firms take to improve their governance practices?

Moderator:

- **Mr. Austin Tyler**, Policy Analyst, Corporate Affairs Division, OECD

Speakers:

- **H.E. Mr. Sou Socheat**, Director General, Securities and Exchange Commission of Cambodia
- **Mr. Sok Siphana**, Managing Partner, SokSiphana&associates, Cambodia
- **Ms. Leyal Savas**, Regional Corporate Governance Program Manager, International Finance Corporation
- **Mr. Brett Sciaroni**, Chairman, International Business Chamber, Cambodia

Open discussion

3:30 pm – 4:00 pm

COFFEE/TEA BREAK

4:00 pm – 5:30 pm

SESSION 3 : Sharing perspectives on how improving corporate governance frameworks can support capital market development in CLM

Economic growth in a modern economy hinges on an efficient financial sector that pools domestic savings and mobilises foreign capital for productive investments. A sound corporate governance framework, including adequate standards for disclosure and transparency and the protection of minority shareholders’ rights, is critical to the development of a well-functioning capital market. In Cambodia, Lao PDR, Myanmar (CLM), capital markets remain underdeveloped relative to regional peers. The Lao Securities Exchange (LSX) and Cambodia Securities Exchange (CSX) have five and four listed companies, respectively. Myanmar launched a stock exchange in December 2015. What are the specific corporate governance challenges that might be impeding capital market development in CLM? What are the lessons that CLM countries can learn from other countries in the region?

Moderator:

- **Ms. Emilia Tee**, Executive Vice President, Regulatory Policy & Advisory, Bursa Malaysia

Speakers:

- **Mr. Siddhartha Basu**, Economist, Mekong Economics
- **H.E. Mr. Hong Sokhour**, CEO, Cambodia Stock Exchange
- **Mr. Hironori Oka**, Head of Asia-Oceania Region, Executive Managing Director, Daiwa Securities, Japan
- **Ms. Pru Bennett**, Director, Head of BlackRock Investment Stewardship, Asia-Pacific

Open discussion

7:00 pm	DINNER
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DAY 2

9:30 am – 11:00 am	SESSION 4 : Unlocking investment – Developing a comprehensive policy framework for investment
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Recognising the importance of having stable and consistent investment policies to increase the quality and quantity of private investment, policymakers in Cambodia, Lao PDR, Myanmar and Viet Nam (CMLV) have made progress towards enhancing their investment climate, including through the recent or ongoing revision of their investment laws. The costs of doing business remain high, however, and the region suffers from an investment deficit that hinders sustainable growth. The OECD supports investment policy reform in CLMV countries through country-level Investment Policy Reviews (IPRs). Using the OECD Policy Framework for Investment, which takes a comprehensive, whole-of-government investment climate approach, IPRs provide concrete recommendations to help governments improve their countries' framework conditions for investment and enhance the benefits from foreign direct investment. The OECD Investment Policy Review of Myanmar was published in 2014 and the IPRs of Viet Nam, Lao PDR and Cambodia will be published in 2017. Preliminary findings will be presented.

Moderator:

- **Mr. Stephen Thomsen**, Senior Economist, Investment Division, OECD

Speakers:

- **Mr. Suon Sophal**, Director, Department of Public Relations and Promotion of Private Investment Council for the Development of Cambodia
- **Mr. Aung Naing Oo**, Director-General, Directorate of Investment and Company Administration, Ministry of Planning and Finance, Myanmar
- **Ms. Thai Thu Phuong**, Deputy Head of Investment Promotion Division, Foreign Investment Agency, Ministry of Planning and Investment, Viet Nam
- **Mr. Outakeo Keoudouangsinh**, Deputy Director General, Investment Promotion Department, Ministry of Planning and Investment, Lao PDR

Open Discussion

11:00 am – 11:30 am	COFFEE/TEA BREAK
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11:30 am – 1:00 pm	SESSION 5: Progress Report – SOE reform in Lao PDR, Myanmar and Vietnam
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The OECD Southeast Asia Corporate Governance Initiative aims to support the development of effective corporate governance frameworks in the region with the aim of encouraging productivity, inclusive growth and competitiveness. This session provides a platform for Lao PDR, Myanmar and Viet Nam to present an overview of progress, remaining challenges, future development strategies and priorities regarding reform of the state owned-enterprise sector and development of the corporate governance framework governing state-owned enterprises.

Moderator:

- **Mr. Takahiro Yasui**, Head of the Special Projects and Outreach Unit, OECD

Speakers:

- **Ms. Khine Khine Nwe**, Joint Secretary General, Union of Myanmar Federation of Chambers of Commerce and Industry (UMFCCI), Myanmar
- **Mr. Dzung Vu Chi**, Director, International Cooperation Depart., State Securities Commission, Viet Nam
- **Ms. Tounkham Vongnachan**, Director, Enterprise Development Division, State Owned Enterprise Management and Insurance Department, Ministry of Finance, Lao PDR
- **Mr. Rainer Geiger**, Board Member, Institut Euro-Africain de Droit Economique (INEADEC), France

Open Discussion

1:00 pm – 2:00 pm	LUNCH
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2:00 pm – 5:00 pm	WORKSHOP: An Economic Community in Southeast Asia – The ASEAN Corporate Governance Scorecard as a tool for regional integration
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The ASEAN Economic Community (AEC) was established at the end of 2015, with the aim of ushering in an integrated economic Southeast Asia region. While considerable progress has been made in implementing the necessary measures for integration, there are still issues to be addressed. For example, concerns from local market players threatened by increased competition, and the overall strategy to minimise the economic development gap between ASEAN member states. This session serves as a platform to discuss to what degree the ASEAN Economic Community is on track to bring about its intended goals, in accordance with the AEC Blueprint. One of the key instruments that will be discussed in this regard is the ASEAN Corporate Governance Scorecard, which is benchmarked against the G20/OECD Principles of Corporate Governance. In what areas is more progress needed? What are some of the corporate governance concerns or challenges?

Moderator:

- **Mr. Jan Hansen**, Senior Country Economist, Cambodia Resident Mission, Asian Development Bank

Presentation:

- **Ms. Rosario Carmela González-Austria**, Assistant Director, SEC Philippines

Speakers:

- **Ms. Olivia Widen**, Director, Department for International Trade, Embassy Phnom Penh, United Kingdom
- **Mr. John Lim**, Immediate Past Chairman, Singapore Institute of Directors
- **Mr. Sidharta Utama**, Member of the Board of Trustees, Indonesian Institute for Corporate Directorship
- **Mr. Piman Limpaphayom**, Associate Professor, Portland State University, United States

Open discussion

5:00 pm – 5:30 pm	CLOSING REMARKS
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Speakers:

- **Ms. Fianna Jurdant**, Senior Policy Analyst, OECD
- **H.E. Ms. Nguon Sokha**, Secretary of State, Ministry of Economy and Finance and Board Member, Securities and Exchange Commission of Cambodia