



**Organisation for Economic Co-operation and Development
in co-operation with the World Bank Group**

Draft Agenda
(26/11/09)

**The Tenth Meeting of the
Latin American Corporate Governance Roundtable**

1st-2nd December 2009

Meeting to be held at the ECLAC/CEPAL headquarters.
Av. Dag Hammarskjöld 3477
Vitacura,
Santiago, Chile

Co-hosted by:

Ministry of Finance, Chile
Superintendency of Securities and Insurance (SVS)
The Economic Commission for Latin America and the Caribbean (ECLAC/CEPAL)
Center of Corporate Governance and Capital Markets, Universidad de Chile
Center for Enterprise Governance

With the support of:



Background and Objectives of the Latin American Roundtable on Corporate Governance

Good corporate governance is critical to private-sector led economic growth and enhanced welfare that depend on increased investment, capital market efficiency and company performance. It is also central to the health of our economies and their stability. This meeting will mark an important point in the history of the Latin American Roundtable on Corporate Governance (LART) as it celebrates its 10th annual meeting. Given the new global financial environment, this is a critical time to review the state of corporate governance in the region and evaluate implementation of corporate governance practices as a vital step to reinforcing market integrity and stability.

The Latin American Corporate Governance Roundtable was established in April 2000, and aims to facilitate policy dialogue by providing a forum for the exchange of experience between senior policy-makers, regulators and market participants in the area of corporate governance. Roundtable participants have come from Argentina, Bolivia, Brazil, Canada, Chile, Costa Rica, Colombia, Dominican Republic, Ecuador, Mexico, Panama, Peru, Spain, Sweden, Turkey, the United Kingdom, the United States and Venezuela.

This tenth meeting of the Latin American Corporate Governance Roundtable will provide an ideal platform to take stock of corporate governance developments in the region, and to assess priorities for further action. The aim will be to help policy-makers, regulators, investors, businesses and other corporate governance advocates to advance in relation to four main themes:

- 1) **Assessing progress on corporate governance implementation:** results from a range of country-based and multi-country surveys of companies in the region will be shared, enabling participants to assess strengths, weaknesses and gaps requiring further information and action. This will include discussion of results from a new survey examining the impact of the financial crisis on members of the Roundtable's Companies Circle versus the average listed Latin American company.
- 2) **Reviewing progress and obstacles to corporate governance enforcement:** a survey of Latin American regulators on enforcement challenges and priorities along with review of new OECD work to tackle abusive related party transactions will provide a means for assessing priorities for further action on enforcement issues.
- 3) **Reviewing lessons from the financial crisis in relation to financial institutions, boards and the role of state ownership:** Break-out groups will address these topics to allow the opportunity for more active discussion and possible issuance of Roundtable statements on each of these sub-topics.
- 4) **Launching a revised White Paper on Institutional Investors and Corporate Governance:** A revised version of the Roundtable's White Paper containing recommendations and best practices for institutional investors will be discussed and launched, taking into account suggestions from last year's meeting and further regional and international developments in relation to these issues.

Guidance for chairs, moderators, speakers and Roundtable participants

Moderators are invited to encourage open discussion among all participants, to maintain the focus on the theme of their session and to be strict in managing time. The objective is to stimulate reflection and encourage an active exchange of views and experience on the discussed issues among all participants. **Speakers** are reminded that their presentations should be no longer than 10 minutes and should be designed to help frame the discussion. Please limit the use of slides to a maximum of 5 slides, which should be provided to the OECD in advance, so they can be made available on-line. **Commentators/panellists** are invited to highlight the main challenges related to the specific theme.

For the break-out sessions, **lead speakers** are invited to provide a brief presentation based on the discussion papers elaborated, which should be no longer than 10 minutes. Lead speakers should also provide the discussion group with a series of statements which will be used to kick-start the discussion and, after modification to take into account points raised during the discussion, serve as the basis of the group's report to the plenary. **Chairs/rapporteurs** in these break-out sessions are invited to encourage open and inclusive discussions during these sessions based on the discussion papers. They are expected to present the conclusions of the discussion at the plenary. **Roundtable participants** are encouraged to actively and openly participate in discussions to provide the Roundtable with their country experience, as well as react, expose their views and discuss the issues raised by speakers.

Simultaneous interpretation between English and Spanish will be available.

8:10

Buses Departing from Ritz Carlton to CEPAL

8:30-8:55

Registration at CEPAL

9:00-9:20

Introductory remarks

Speakers

Ms. Maria Olivia Recart, Vice Minister, Ministry of Finance, Chile

Mr. Guillermo Larraín, Superintendent, SVS, Chile

Mr. Adrian Blundell-Wignall, Deputy Director. Directorate Financial and Enterprise Affairs, OECD

Introduction and welcoming remarks from the Ministry of Finance, the Chilean Regulator (SVS) and the OECD. The central theme of the 10th annual meeting of the Roundtable is to take stock through surveys of recent experience and identify priorities for further corporate governance improvements following the first decade of the Roundtable.

9:20-9:40

Session 1: Presentation of key conclusions from ECLAC/CAF's initiative on "Good Governance in Business and Capital Markets"

Speakers

Mr. Daniel Titelman, Chief, Development Studies Unit, ECLAC, Chile

Mr. Michael Penfold, Deputy Director, Office of Public Policy and Competitiveness, Andean Development Foundation (CAF), Venezuela

ECLAC/CAF will present key conclusions and recommendations on corporate governance in the region emerging from their initiative on "Good Governance in Business and the Development of Capital Markets"

9:40-11:10

Session 2: Enforcement priorities in Latin America

Speakers

Enforcement priorities and challenges: A regional survey

Mr. Andreas Grimminger, Co-head of Research, eStandards Forum, NY, USA

Policy brief "The Guide to Fighting Abusive Related Party Transactions in Asia"

Ms. Fianna Jesover, Senior Policy Manager, OECD

Moderator

Mr. Guillermo Larraín, Superintendent, SVS, Chile

Commentators

Mr. Juan Munguira, National Stock Market Commission (CNMV), Spain, and regulators from the region (Ms. Maria Helena Santana, CVM Brazil; Mr. Carlos Pavez, SVS Chile; and representatives of Argentina, Colombia and Peru) will be invited to discuss their perspectives on challenges and priorities in enforcement.

Summary: This session will include presentation of the Survey of Latin American capital market regulators conducted by the eStandards Forum and OECD on priorities for enforcement of corporate governance practices in the region. The presentation will be followed by a discussion. The OECD will be presenting the newly published policy brief on combating Abusive Related Party Transactions. Further discussion could centre on the possible creation of an enforcement-focused Roundtable task force that may wish to build on this work and tackle other enforcement priorities adapted to the Latin American context.

Key questions:

What are the main challenges and obstacles to enforcement in each of the analysed jurisdictions?

What are the priorities for the years to come in the region?

What can countries learn from experience in other jurisdictions?

11:10 – 11:30	Tea & coffee break
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11:30-13:00	Session 3: Surveys of corporate governance practices in Latin America
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Speakers

Survey of Brazilian companies' corporate governance (IBGC and booz&co.)

Ms. Heloisa Bedicks, Executive Director, IBGC, Brazil

Survey of Chilean companies' corporate governance

Mr. Dieter Linneberg, Executive Director, Center of Corporate Governance and Capital Markets, Chile

Survey of Panamanian companies' corporate governance

Ms. Cristina Vence, Executive Director, Corporate Governance Institute, Panama

Key findings from reports on “comply or explain” codes and other corporate governance reporting mechanisms in Argentina, Colombia, Mexico and Peru.

Mr. Cuauhtémoc López-Bassols, Policy Analyst, OECD

Moderator

Mr. Phil Armstrong, Head, Global Corporate Governance Forum

Commentator	This session will benefit from input from other centers such as Costa Rica's, as well as interventions from other national experts in the area.
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Summary: A range of Latin American countries have been actively surveying or requiring reports from companies on their corporate governance practices. This session provides an opportunity to take stock of the results and to discuss key findings, challenges identified for improvement, and identification of information gaps that should be taken into account in future country surveys.

Key questions:

What deficiencies in CG practices in the Region emerge from the surveys?

What CG practices seem to widely diverge country to country?

What are the major challenges identified for improvement in CG practices in companies?

What are the main information gaps emerging from the surveys, which could be tackled in future national or regional surveys?

13:00-14:30	Lunch at CEPAL
Sponsored by the Centro de Gobierno Corporativo y Mercado de Capitales, Universidad de Chile/ KPMG and the Centro para el Gobierno de la Empresa.	

14:30-15:30 **Session 4: Discussion of the Practical Guide to Corporate Governance: Experiences from the Latin American Companies Circle**

Speakers

Presentation of Highlights of the Practical Guide:

Ms. Sandra Guerra, Co-ordinator of the Latin American Companies Circle, Brazil

Mr. Andre Covre, Chairman of the Circle, Ultrapar

Moderator

Mr. Darrin Hartzler, Manager, Corporate Governance Unit, IFC

Commentators Investors, advisory services companies and others will interact with Companies Circle members. Companies Circle representatives will be present from Argos of Colombia, Ferreyros of Peru, Homex of Mexico, and Marcopolo, Natura and Ultrapar of Brazil) to discuss their experience, perspectives and responses to questions and comments from Roundtable participants

Summary: This session will provide a forum for the Companies Circle to offer input to the Roundtable, and to present and discuss the findings of the Circle's new Practical Guide to Corporate Governance. This Guide highlights the challenges, priorities and tangible benefits of adopting leading corporate governance practices in the region. It also provides empirical research over previous years showing better operational and market results for the corporate governance-focused firms than for other Latin American companies, and hands-on guidance and relevant examples to support companies' efforts to improve their governance practices.

15:30-18:00 **Session 5: Corporate governance priorities and lessons following the financial crisis (break-out groups)**

Speakers

Plenary presentation of new recommendations from the OECD on Corporate Governance Lessons from the Financial Crisis

Mr. Adrian Blundell-Wignall, Deputy Director Directorate Financial and Enterprise Affairs, OECD

Parallel discussion groups

- GROUP 1: Corporate governance of financial institutions**

Lead Speaker: Mr. Fernando Lefort, Dean of the Economics and Business School, Universidad Diego Portales, Chile

Chair/ Rapporteur: Mr. Carlos Barsallo, Director of Risk, Ethics and Independence, Deloitte Inc., Panama

- GROUP 2: The role of boards (including risk management)**

Speakers: Mr. Eustaquio de Nicolás / Javier Romero, Homex, Mexico and Mr. Moacir Salzstein, Natura, Brazil

Chair/ Rapporteur: Mr. Bengt Hallqvist, Director BIM KEM AB, Jacto SA., Brazil

- GROUP 3: The role of the state: state owned enterprises, sovereign wealth funds, nationalised pensions**

Lead Speaker: Ms. Silvina Vatnick, President, Center for Financial Stability, Argentina

Chair/ Rapporteur: Mr. Matías Larraín, Advisor to the Minister, Ministry of Finance, Chile

Summary: This session will feature a presentation on new recommendations from the OECD on Corporate Governance Lessons from the Financial Crisis. This will set the scene for break-out groups which will be divided in three main themes. In each of the break-out groups short presentations will be made by the lead speakers to kick-start the discussion. The Rapporteur/chair will moderate his assigned groups. Break-out sessions will seek agreement on a set of "statements" which will be shared and discussed at the plenary the following day.

19:30- 21:00 **Cocktail reception sponsored by IFC to be held at Zanzibar, located at: Borderio, Monseñor Escriva de Balaguer 6400, Vitacura, Santiago (Transportation provided)**

8:20

Buses Departing from Ritz Carlton to CEPAL

9:00-10:45

Session 6: Presentation and discussion of the revised White Paper on Corporate Governance and Institutional Investors

Speakers

Mr. Héctor Lehuedé, Advisor to the Minister, Ministry of Finance, Chile

Mr. Jorge Fabr , board member, Center for Excellence in Corporate Governance, Mexico

Ms. Elizabeth Machado, Head of Corporate Finance, Brazil Securities and Exchange Commission (CVM)

Co-Moderators

Mr. Daniel Blume, Senior Policy Analyst, OECD

Mr. Davit Karapetyan, Corporate Governance Officer, IFC

Commentators

Mr. John Wilcox, Chairman, Sodali Ltd., United States

Mr. Paul Lee, Director Americas, UK, Africa & Australasia, Hermes, UK

Mr.  lvaro Clarke, President of the Technical Investment Committee for Pension Fund, Chile

Summary: *This session will feature the presentation of and discussion on the revised White Paper on Corporate Governance and Institutional Investors and consider its adoption and wider dissemination. It will also allow the Roundtable to hear about recent regulatory changes in Mexico and Brazil, legislative enhancements in Chile and other perspectives on the relevance of the White Paper.*

Key questions:

What have been the major developments in the region in the area of CG and Institutional Investors (IIs)?

What effects if any did the current financial crisis have on the involvement of IIs in the companies they invest in?

Are the recommendations of the revised White Paper appropriate and if so, how do countries wish to progress on them?

10:45 – 11:15

Tea & coffee break

11:15-12:15

Session 7: Findings from financial crisis break-out groups

Group Chairs/Rapporteurs:

- **GROUP 1: Corporate governance of financial institutions**

Mr. Carlos Barsallo, Director of Risk, Ethics and Independence, Deloitte Inc., Panama

- **GROUP 2: The role of boards (including Risk management)**

Mr. Bengt Hallqvist, Director BIM KEM AB, Jacto SA., Brazil

- **GROUP 3: The role of the state: SOEs, SWFs, nationalised pensions**

Mr. Mat as Larra n, Advisor to the Minister, Ministry of Finance, Chile.

Moderator

Mr. Mike Lubrano, Managing Director Corporate Governance, Cartica Capital, US.

Summary: *In this session the Chair/Rapporteur of each group will present the main findings from each of the three break-out groups (from session 5). The discussion which will follow will be directed at identifying discrete areas for further action by the Roundtable.*

12:15-13:00 **Session 8: Conclusion and next steps**

Speakers

Update on the Corporate Governance Toolkit for Privately Owned and Family-Run Businesses

Ms. Cate Ambrose, Executive Director, Latin American Venture Capital Association (LAVCA), USA

Mr. Miguel Mora, Senior Advisor, Ministry of Economy and Finance, Spain

Open discussion

Moderator:

Mr. Daniel Blume, Senior Policy Analyst, OECD

Summary: *This session will be devoted to summarising the key conclusions from the meeting, and will give participants the opportunity to discuss and support related corporate governance initiatives in Latin America. This session will also identify next steps and issues for the Roundtable going forward, including the possibility of launching a task force on enforcement issues, or other initiatives highlighted at this year's Roundtable.*

14:00-17:00 **Lunch at Restaurante Divertimento located at:**

Av. El Cerro s/n esquina Pedro de Valdivia Norte, Santiago

Sponsored by Ernst & Young and the Centro de Gobierno Corporativo y Estrategia, Universidad Adolfo Ibáñez

(Transportation provided)