

AGENDA



2018 OECD-ASIAN ROUNDTABLE ON CORPORATE GOVERNANCE

7 - 8 November 2018

Securities Commission Malaysia
Kuala Lumpur, Malaysia

The OECD Asian Roundtable on Corporate Governance

The Asian Roundtable provides an increasingly valuable forum for policy dialogue to enhance economic efficiency, sustainable growth and financial stability by improving corporate governance policies and supporting good corporate practices in the region. The Roundtable discussion is supported by analytical work and comparative research into Corporate Governance issues facing Asian Roundtable members. The policy discussion also benefits from the experience of the OECD Corporate Governance Committee, which aims to help raise corporate governance standards worldwide using the G20/OECD Principles of Corporate Governance. The approach is inclusive and promotes ownership by decision-makers in the region, including guidance on the outputs produced.

Topics to be addressed at the 2018 Roundtable include:

- OECD Equity Market Review of Asia 2018
- Recent Corporate Governance developments in Malaysia
- The use of flexibility and proportionality in corporate governance frameworks
- Technological innovation and corporate governance
- Corporate Governance developments and challenges in Southeast Asia
- Board practices for assessing and communicating climate related risks

Guidance for moderators, introductory speakers, panellists and participants

Moderators are invited to provide a brief introduction outlining the key issues for discussion in their session, maintain the focus on the session theme, manage time strictly and encourage open discussion among participants to draw out specific country experiences and conclude with agreed points.

Introductory speakers are invited to present the key findings from their background reports in less than 10 minutes, leaving ample time for the debate sessions that follow.

Panellists will be invited by the moderator of each session to make a 5 minute introduction to outline their key messages. The moderator will then kick off the discussion with questions. There will be no presentations, so that we can facilitate an interactive discussion. The sessions will primarily be organised as debates.

Roundtable participants are invited to react, express their views and discuss the issues raised by speakers that are related to the issues provided in the agenda. They are encouraged to actively and openly participate in discussions to share their country experience.

Acknowledgement

Since its establishment in 1999, the Asian Roundtable on Corporate Governance (ARCG) has been organised in partnership with the Government of Japan. In carrying out its work programme, the OECD has benefitted from financial support provided by the Government of Japan. The Government of Japan also provides financial support to the OECD's sub-regional work with Southeast Asia and country specific work in Asia.

OECD Publications

OECD (2018), [OECD Equity Market Review of Asia 2018](#)

OECD (2018), [Flexibility and Proportionality in Corporate Governance](#)

Akgiray, V (2018) [Blockchain Technology and Corporate Governance](#), OECD Corporate Governance Committee Meeting, April 2018

OECD (2018), [OECD Blockchain Primer](#)

AGENDA

DAY ONE: 7 November 2018

8:30-9:30 Registration

9:30 – 10:00	Welcoming Remarks
	Datuk Syed Zair Albar, Chairman, Securities Commission Malaysia Ms. Mathilde Mesnard, Deputy Director, Directorate for Financial and Enterprise Affairs, OECD Mr. Shigeru Ariizumi, Deputy Commissioner for International Affairs, FSA, Japan

10:00 – 11:15	Session 1: OECD Equity Market Review of Asia 2018, towards global integration
Moderator	Mr. Carmine Di Noia, Commissioner, CONSOB and Vice Chair of the OECD Corporate Governance Committee, Italy
Presentation	Mr. Mats Isaksson, Head of Corporate Governance and Corporate Finance, OECD
Panel discussion	Ms. Yew Yee Tee, Chief Regulatory Officer, Bursa Malaysia Mr. Naoki Kamiyama, Chief Strategist, Nikko Asset Management, Japan Mr. Li-Gang Liu, Managing Director and Chief China Economist, Citigroup, China
Background	<p>Today, Asian companies are the world's largest users of public stock markets, with initial and secondary public offerings (IPOs and SPOs) accounting for 43% of all public equity capital raised in the world. As a result, stock exchanges in Asia have emerged as the world's fastest growing trading venues for listed stocks and several domestic investment banks in the region have started to establish themselves as global actors. This session will see the launch of the OECD Equity Market Review of Asia 2018. The Review covers the main developments in equity markets in 17 Asian economies. Session discussions will provide policy makers, regulators, corporations and other market participants with a comprehensive and comparable picture of the use and functioning of public equity markets in Asia and inform policy discussions on how capital markets can serve their role to channel financial resources from households to productive investments in the real economy.</p> <p>Open discussion</p>

11:15-11:45 Coffee/tea break

11:45 – 13:00 Session 2: Recent Corporate Governance developments in Malaysia	
Moderator	Ms. Nadia Zainuddin, Deputy General Manager, Securities Commission Malaysia
Panel discussion	Ms. Foo Lee Mei, Chief Regulatory Officer, Securities Commission Malaysia Dato' Seri Johan Raslan, Board Member, Institute of Corporate Directors Malaysia Mr. Devanesan Evanson, CEO, Minority Shareholders Watch Group, Malaysia Mr. Ismail Zakaria, Director, Corporate Strategy and Performance Department, Kumpulan Wang Persaraan (Diperbadankan), Malaysia
Background	This session will discuss recent corporate governance developments in Malaysia, including how Malaysia has strengthened its approach to promoting good corporate governance in the capital market, using a combination of hard and soft law, complemented by proactive surveillance, supervision and enforcement. Session discussions will provide insights on the state of corporate governance practices in Malaysia, including adoption of best practices following the release of the enhanced Malaysian Code on Corporate Governance. Also, challenges and measures to drive gender diversity on boards, the use of technology for corporate governance analysis and supervision and Malaysia's corporate governance priorities for 2017-2020. Open discussion

13:00 – 14:30 *Lunch*

14:30 – 15:45	Session 3: The use of flexibility and proportionality in corporate governance frameworks
Moderator	Mr. Mats Isaksson, Head of Corporate Governance and Corporate Finance, OECD
Presentation	Mr. Serdar Celik, Senior Economist, OECD
Panel discussion	<p>Mr. Sherman Lin, Chairman, Taiwan Depository & Clearing Corporation, Chinese Taipei</p> <p>Mr. Shigeru Ariizumi, Deputy Commissioner for International Affairs, Financial Services Agency, Japan</p> <p>Ms. Megan Tang, Senior Director, Corporate Finance Division, Securities and Futures Commission, Hong Kong China</p> <p>Mr. Tan Boon Gin, CEO, Singapore Exchange Regulation Pte Ltd, Singapore</p>
Background	<p>The design of corporate governance regulation has a critical impact on key policy objectives, such as the level of investment, productivity growth, business sector dynamics and financial stability. However, in order to achieve these objectives, the regulatory framework must be designed to meet the many varying needs of those entrepreneurs, investors and stakeholders who are supposed to use them. This is why the G20/OECD Principles of Corporate Governance state that policy makers have a responsibility to establish a regulatory framework that is flexible enough to meet the needs of corporations that operate under widely different circumstances. Regulations must also be able to accommodate new and innovative business practices. Importantly, flexibility and proportionality is not about less demanding rules or the acceptance of sub-standard practices. On the contrary, it represents a functional and outcome oriented approach to corporate governance that should allow regulation to evolve in a way that facilitates implementation and makes enforcement more effective. This session will discuss the results of an OECD thematic peer review focusing on the flexibility and proportionality arrangements of some national corporate governance frameworks. The review covers 39 jurisdictions, including several Asian countries, 7 areas of regulation and 6 in-depth country case studies.</p> <p>Open discussion</p>

15:45-16:15

Coffee/tea break

16:15 – 18:15	Session 4: Focus Groups on technological innovation and corporate governance (parallel breakout discussions)
Presentation	<p>The use of technology in public markets presents both opportunities and challenges for corporate governance. Major players in the financial industry have already started to invest in various forms of new technology, with stock exchanges piloting blockchain systems, for example, as a method for trading corporate securities and tracking their ownership. Broader distributed ledger technologies (DLTs) have also been piloted to help corporations track and report on financial information in real time while maintaining a clearer chain of reliable and secure information on transaction histories. Such changes have the potential to impact corporate reporting, the role of auditors, investment managers, institutional investors, small shareholders and regulators. The potentially lower costs, greater liquidity, more accurate record-keeping, and transparency of ownership offered by these technologies could increase efficiency of existing practices, as well as provide new enforcement tools for market regulators. At the same time, new technologies can bring new governance challenges and may not solve many of the corporate governance challenges we face today.</p> <p>Purpose of the focus groups</p> <p>The purpose of the focus groups will be to raise awareness amongst Asian Roundtable participants - notably policy-makers and regulators - of the potential impacts that technological innovation may have on existing corporate structures and methods by which they implement good corporate governance standards. The focus groups will explore the opportunities and challenges related to innovation. While it may be premature to prescribe policy or regulatory actions at this stage, the focus groups can help policy-makers and regulators enhance their understanding of how technology in public markets may evolve and identify what policy and regulatory issues they may need to monitor. Three parallel breakout discussions will explore the issue of technological innovation and corporate governance from the perspective of policymakers and regulators; companies and markets; and corporate boards.</p> <p>Ms. Catriona Marshall, Policy Analyst, OECD</p>
Focus Group 1	<p>Regulation, supervision and enforcement</p> <p>G20 Finance Ministers and Central Bank Governors, with the financial stability board (FSB) are exploring how to regulate the use of digital financial assets and distributed ledger technology in public markets. At the same time, national regulators and authorities have begun to test the use of innovative technologies in the supervision and enforcement of corporate governance standards. This focus group will discuss the developments and lessons learnt by Asian regulators today, and address to what extent these tools can be used to support regulators and authorities in improving corporate governance in the future. The future of regulation for alternative funding instruments such as Initial Coin Offerings (ICOs) and Equity Crowdfunding Platforms (ECP) will also be taken into consideration.</p> <p>Moderator Ms. Mathilde Mesnard, Deputy Director, Directorate for Financial and Enterprise Affairs, OECD</p> <p>Discussants Mr. Chin Wei Min, Executive Director, Innovation, Digital & Strategy, Securities Commission Malaysia Mr. Shin Kusunoki, Executive Fellow, Nomura Research Institute, Japan Ms. Rachel Howitt, Senior Executive Leader Corporations, Australian Securities and Investments Commission (ASIC), Australia</p>

DAY TWO: 8 November 2018

9:00 – 10:00	Feedback from Focus Groups on technological innovation and corporate governance
Moderator	Mr. Carmine Di Noia, Commissioner, CONSOB and Vice Chair of the OECD Corporate Governance Committee, Italy
Panel discussion	<p>Ms. Catriona Marshall, Policy Analyst, OECD</p> <p>Mr. Vedat Akgiray, Professor of Finance, Boğaziçi University, Turkey</p> <p>Mr. Erik Vermeulen, Professor, Tilberg University, The Netherlands</p> <p>Open discussion</p>
10:00 – 11:15	Session 5: Corporate Governance developments and challenges in Southeast Asia
Moderator	Mr. John Lim, Former Chairman, Singapore Institute of Directors (SID), Singapore
Presentation	Mr. Le Duy Binh, Managing Director, Economica, Viet Nam
Panel discussion	<p>Ms. Chea Yaeem, Head of Division, Securities and Exchange Commission of Cambodia</p> <p>Mr. Dzung Vu Chi, Director, International Cooperation Depart. State Securities Commission, Viet Nam</p> <p>Ms. Tin May Oo, Commissioner, Securities and Exchange Commission of Myanmar, Ministry of Planning and Finance, Myanmar</p> <p>Ms. Alounna Sivongthong, Deputy Division Chief, Securities Issuance Supervision Division, Lao Securities Commission Office, Lao PDR</p>
Background	<p>This session will discuss the challenges and opportunities for corporate governance reform in Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) following the fifth and final meeting of the OECD-Southeast Asia Corporate Governance Initiative (Launched in 2014). The Initiative has supported the regional development of vibrant and healthy capital markets in CLMV through the advancement of corporate governance standards and practices. Authorities from Myanmar, Cambodia, Lao PDR and Viet Nam will be invited to report on progress made throughout the initiative as well as discuss strategies for corporate governance reform in their countries. The preliminary report on Corporate Governance Frameworks in Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) will be presented.</p> <p>Open discussion</p>

11:15-11:45

Coffee/tea break

11:45 – 13:00	Session 6: Board practices for assessing and communicating climate related risks
Moderator	Ms. Gabriela Figueiredo Dias, Chairman, Portuguese Securities Market Commission (CMVM) and Vice Chair of the OECD Corporate Governance Committee, Portugal
Presentation	Ms. Fianna Jurdant, Senior Policy Analyst, OECD
Panel discussion	<p>Ms. Yasmin Rashid, founder and President, EcoKnights, Malaysia</p> <p>Ms. Karina Litvack, Independent Board member, United Kingdom</p> <p>Mr. Benjamin Colton, Head of APAC, VP Asset Stewardship, State Street Global Advisors, United States</p>
Background	<p>A key function of the board is reviewing and guiding corporate strategy and oversight of the company's risk management policies, as stated in the G20/OECD Principles of Corporate Governance. This includes accountability and responsibility for managing risks, specifying the types and degree of risk that a company is willing to accept in pursuing its goals, and how it will manage them. Increasingly, companies' exposure to climate risks and how long-term shareholders value may be affected is in the limelight. Investors are putting pressure on boards to become 'climate competent' in order to better manage risk and lead companies into the low-carbon economy. This session will explore practices on how boards are assessing and communicating climate-related risks as well as identify the key issues and challenges for Asia. The discussion will draw on international standards such as the recommendations by the Financial Stability Board Task Force on Climate-related Financial Disclosures, featured in the background report to this session.</p> <p>Open discussion</p>

13:00 – 13:30	Closing remarks
	<p>Ms. Fianna Jurdant, Senior Policy Analyst, OECD</p> <p>Ms. Nadia Zainuddin, Deputy General Manager, Securities Commission Malaysia</p>

13:30 – 14:30 *Lunch*

■ Date and venue

7 - 8 November 2018

Securities Commission Malaysia

3 Persiaran Bukit Kiara, 50490, Kuala Lumpur, Malaysia

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