



Organisation for Economic Co-operation and Development
In Co-operation with the World Bank Group

6th SOUTH EAST EUROPE CORPORATE GOVERNANCE ROUNDTABLE

17 February 2006

***Enforcement of Corporate Governance
Rules***

AGENDA

**OECD Centre for Private Sector Development
Eminönü, Istanbul
Turkey**

Meeting Co-Hosted by

The Federation of Euro-Asian Stock Exchanges



With the Support of

The Global Corporate Governance Forum



Objectives of the SEE Roundtable Meeting

With the release of the White Paper in 2003, the South East Europe Roundtable has now entered the second phase of its programme, focusing on implementation of White Paper recommendations and priorities. This sixth meeting will seek to support further corporate governance improvements in the region by addressing i) recent developments and future reforms aimed at the implementation and enforcement of the recommendations of the White Paper in the region overall and in greater detail in the specific case of Croatia; ii) the responsibilities of securities regulators in the enforcement of corporate governance rules; and iii) the private sector's role in corporate governance enforcement.

08:30 – 09:00 REGISTRATION

09:00 – 10:15 SESSION 1: Progress in Corporate Governance in South East Europe

Issues to be discussed:

This session considers the findings from the responses provided by Roundtable participants to a questionnaire circulated by the OECD Secretariat regarding the implementation of the key priorities identified in the White Paper on Corporate Governance in SEE. In addition, participants from SEE countries will give their views on the recent developments in their respective country as regards the corporate governance reform process, pointing out major progress, existing shortcomings and priorities for advancing corporate governance reform. Participants will also review recent corporate governance developments and future projects in Croatia based on a report commissioned by the OECD. The objective is to consider, in particular, those areas that are of priority for the reform process for the region and where shortcomings are most relevant, so that follow-up work of the Roundtable can be specifically targeted.

Chair:

- **Mr Rainer Geiger**, Deputy Director, Directorate for Financial and Enterprise Affairs, OECD

Presentations:

- **Mr Alexander Karpf**, Administrator, Corporate Affairs Division, OECD – *Progress in the Implementation of the Key Priorities of the SEE White Paper*
- **Mr Gian Piero Cigna**, Counsel, European Bank for Reconstruction and Development - *Corporate Governance: Effectiveness of Disclosure and Redress in South-Eastern Europe*

Discussants:

- **Mr Plamen Tchipev**, Senior Researcher, Institute of Economics, Academy of Sciences, Bulgaria
- **Mr Aurelian Dochia**, Managing Director, BRD – Soci t  G n ral Group, Romania
- **Mr Gafur Luga**, Executive Director, Albanian American Trade and Development Association, Albania

10:15 – 10:30 Coffee Break

10:30 – 11:30 SESSION 1 ctd.

Presentations:

- **Mr Andrej Galogaza**, General Counsel, Zagreb Stock Exchange, Croatia – *The Implementation of the Recommendations of the White Paper on Corporate Governance in South East Europe: Progress to Date in Croatia*

Discussants:

- **Mr Samir Latif**, Senior Legal Advisor, USAID Macedonia Corporate Governance and Company Law Project, Former Yugoslav Republic of Macedonia
- **Mr Edib Basic**, Director, Deloitte d.o.o., Bosnia-Herzegovina
- **Ms Lidija Seskar**, Legal Advisor, Belgrade Stock Exchange, Serbia and Montenegro

11:30 – 13:00 SESSION 2: Enforcement of Corporate Governance Rules – Role of Securities Regulators

Issues to be discussed:

As explained in the White Paper, the capacity (especially, in terms of resources) and authority (especially, in terms of powers) of regulatory authorities in the regions need to be enhanced, so that effective enforcement of existing laws and regulations can take place. The session discusses improvements made and remaining challenges in participating countries regarding the enforcement powers and practices of securities regulators in relation to corporate governance rules. The objective is also to identify topics that should be followed up more closely in the future work of the SEE Roundtable in the field of mandatory enforcement, in general.

Chair:

- **Mr Rudolf Müller**, Senior Counsellor, State Secretariat for Economic Affairs, Switzerland

Presentation:

- **Mr David Robinett**, World Bank - *Enforcement: Perception and Reality*

Discussants:

- **Ms Vladislava Raikova**, Head of Department, Financial Supervision Commission, Bulgaria
- **Mr Murat Dogu**, Corporate Governance Coordinator, Dogan Media Group, Turkey
- **Mrs Dejana Suskavcevic**, CEO, Montenegro Stock Exchange, Serbia and Montenegro

13:00 – 14:30 Lunch Break

14:30 – 16:00 SESSION 3: Enforcement of Corporate Governance Rules – The Role of the Private Sector

Issues to be discussed:

The private sector has some primary responsibilities for enhancing corporate governance, including the development of corporate governance codes and best

practices. It also encompasses the establishment of good corporate governance tiers on stock exchanges and training programmes. The session addresses these issues by looking at success stories in the reform process and drawing the attention to remaining shortcomings. The objective of the discussion is to establish to what extent the reform process has yielded positive results, what lessons can be learned in the whole region, and, finally, where the Roundtable should put more emphasis to foster progress.

Chair:

- **Mr Demir Yener**, Team Leader, USAID Programme for Technical Assistance for Policy Reform in Egypt, Bearing Point, Inc.

Presentation:

- **Mr Samir Latif**, Senior Legal Advisor, USAID Macedonia Corporate Governance and Company Law Project, Former Yugoslav Republic of Macedonia - *Reform Strategies for Boards of Directors in Emerging Markets: How the Private Sector Can Be Involved in the Development and Implementation of Corporate Governance Standards*

Discussants:

- **Mrs Gratiela Iordache**, Member of Parliament and Director of the Romanian Shareholders Association, Romania
- **Mr Stefan Petranov**, Chairman of the Board, Golden Lev Capital Fund Management, Bulgaria
- **Mr Andrew Wilson**, Senior Officer, Center for International Private Enterprise

16:00 – 16:30 Coffee Break

16:30 – 17:15 NEXT STEPS AND CONCLUDING REMARKS

Issues to be discussed:

The OECD Secretariat presents options for possible future work of the SEE Roundtable and provides a summary of the discussions. International organisations (Global Corporate Governance Forum, International Finance Corporation, and Center for International Private Enterprise) have the opportunity to introduce initiatives in the region that draw on the findings of Roundtable set out in the White Paper and aim at supporting corporate governance reforms. Roundtable participants will be invited to discuss and suggest their own priorities for future focus.

Chair:

- **Mr Daniel Blume**, Principal Administrator, Corporate Affairs Division, OECD

Notes to the Agenda

General Structure of the Sessions

- Each session will be organised in the following way:
 - Brief opening presentation and introduction of the participants (main speakers and discussants) by the Chairman: 5 minutes maximum
 - Main presentation: about 10 - 15 minutes
 - Discussion: each discussant is invited to limit his/her initial comments/presentation to 5 minutes.
 - Questions from the floor and general discussion: 30 minutes
 - Chairs will summarise the discussion and highlight the main conclusions of the session.
- These time limits are required in order to give ample room for discussion of all participants. Bearing in mind that one of the objectives of the Roundtable is to create an open and active dialogue in a collegial atmosphere we ask the following:
 - All participants are encouraged to speak and ask questions during the periods allotted to general discussions,
 - Panel discussants are also encouraged to participate in the general discussion, take questions and expand on their initial comments,
 - Chairs are kindly requested to lead the general discussion and ensure that speakers and discussants respect the agreed time limits of each session.

* *Indicates a speaker yet to be confirmed*

Background Information on the South East Europe Corporate Governance Roundtable

The South East Europe Corporate Governance Roundtable was launched in Bucharest, Romania, in September 2001. (Participating countries from the region are Albania, Bosnia and Herzegovina, Bulgaria, Croatia, the Former Yugoslav Republic of Macedonia, Romania, Serbia and Montenegro.) It is carried out within the global framework of the co-operation between the OECD and the World Bank Group with a view to improving corporate governance in the region and promoting international dialogue between regional representatives from both public and private sectors and experts from OECD member countries.

In the four years since the Roundtable was established, five meetings have taken place, and issues covered include shareholders' rights and equitable treatment; transparency and disclosure; and responsibilities of the board and the role of stakeholders. These discussions culminated in the successful launch of the White Paper on Corporate Governance in South East Europe which proposed practical recommendations for reform.

With the release of the White Paper in 2003, the South East Europe Roundtable has now entered the second phase of its programme, focusing on implementation of White Paper recommendations and priorities.