

AGENDA

13th Meeting of the Asia Network on Corporate Governance of State-owned enterprises

Zoom, Virtual Event

1st Day : Tuesday 22 September 2020

2nd Day : Thursday 8 October 2020

3rd Day : Wednesday 4 November 2020

With the support of the Korea Institute of Public
Finance and Asian Development Bank

■ Asia Network on Corporate Governance of State-owned enterprises

The *Asia Network on Corporate Governance of State-Owned Enterprises* provides a forum for policy makers, practitioners and experts from Asia to identify common challenges related to state-owned enterprise (SOE) ownership and governance; evaluate current SOE corporate governance policy frameworks and practices; benchmark these against international good practice as described in the [*OECD Guidelines on Corporate Governance of State-Owned Enterprises \(SOE Guidelines\)*](#); and share good practices and develop recommendations for effective reform adapted to the conditions in Asian economies. The Network builds on key pillars of the *SOE Guidelines* to maximise SOEs' contributions to sustainable development and provide a structured environment for initiatives to support improvements in the governance of SOEs. In addition to its role in promoting this good practice governance standard, the Network also facilitates closer co-operation between state ownership practitioners in Asia and delegates to the [OECD Working Party on State Ownership and Privatisation Practices](#). The OECD will organise the Network's 13th meeting in virtual format, with support from the Korea Institute of Public Finance (KIPF) and Asian Development Bank (ADB).

■ Objectives

State-owned enterprises in many Asian economies are found well beyond the key public service providers, in many cases accounting for a significant share of the financial sector and the manufacturing industry. State-owned enterprises also represent a significant portion of total stock market capitalisation in Asia and they have been one of the major driver forces for infrastructure boom in the region. In particular, ensuring high standards of governance and accountability of SOEs is becoming more critical than ever as an increasing number of Asian governments are taking measures to prop up existing SOEs (e.g. raising equity, other public financing etc.) amid the current Covid-19 induced economic crisis.

Through the process of knowledge sharing, the three video conferences from September until November 2020 will allow an exchange of national experiences on relevant state ownership and SOE governance practices and support ongoing efforts to help governments identify priorities for SOE reform and implementation of the aspirational standards of SOE governance established by the [*OECD Guidelines on Corporate Governance of State-Owned Enterprises \(SOE Guidelines\)*](#).

The first video conference will stocktake the recent developments of SOE reform related to ownership practices and corporate governance in select participant countries relative to the *SOE Guidelines* and discuss lessons for developing good practices towards performance evaluation and monitoring within the SOE sectors. The first part of the second video conference will focus on policy response and rescue operations in response to the COVID-19 and their impact on national practices for state ownership. The second part will cover national approaches for accounting for public policy objectives of SOEs and their implications for competitive neutrality. The third video conference will serve as a platform for exchange of information to compare national experiences with listing SOEs in stock markets and its impact on overall performance and governance of SOEs. The meeting will be concluded by a consultation session on the development of the OECD SOE Anti-Corruption and Integrity Implementation Guide as a follow-up work for the recently launched [*OECD Guidelines on Anti-corruption and Integrity in State-owned enterprises*](#).

■ Format and Participation

The discussion will benefit from presentations by representatives of governments, state ownership entities, individual SOEs, international organisations, corporate practitioners and relevant experts from both Asia and other parts of the world. They are invited to consider experiences on SOE governance reforms from a range of perspectives. The three events will take place via Zoom videoconference each of ½ day duration. Detailed guidance on the conferencing system will be provided in due course.

■ Registration

Please note that previous online **registration will be mandatory** in order to receive the link to the event and your personal ID. Once registered, participants will receive meeting documentation in electronic format.

We will send the registration link a few weeks prior to the first meeting in September.

For more information please contact: **Mr. Henrique Sorita Menezes**: henrique.sorita@oecd.org

■ Technical specifications

Please note that the online meeting will be open one hour before its official starting time, and you are encouraged to **log in early** (at least 30 minutes before) to ensure sufficient time to be cleared in to the meeting. You will receive a link to the event and your personal ID upon registration.

Once logged in, you will be led to a virtual waiting room and participants will be allowed in to the Event's virtual meeting manually one at a time. Please note that if there is a backlog of many people entering at the same time, it may take a while to approve your virtual presence in the meeting.

Once you have joined the virtual meeting, you are kindly requested to rename yourself as follows: **COUNTRY or ORGANISATION – LAST NAME First name** (ex: UKR_MinFin – MEDCRAFT Greg) in order to facilitate recognition. To change your Zoom name, please click on the icon "Participants" on the bottom of your screen, then select "More" and then "Rename". Your name will always appear on top of the list.

Further logistical information will be sent to registered participants.

1st DAY AGENDA 08:00 – 12:00 (CET) 22 September, 2020

07:30 – 08:00 Registration and log-in

08:00 – 08:20 Welcome and opening remarks

- Speakers**
- **Dr. Mathilde Mesnard, Deputy Director, Directorate for Financial and Enterprise Affairs, OECD**
 - **Mr. Hyungcheol Yoo, Deputy Director General for Public Institutions Innovation, Ministry of Economy and Finance, Korea**

08:20 – 09:50 Session 1: Recent developments and reforms of state-owned enterprises

Summary

The [OECD Guidelines on Corporate Governance of State-Owned Enterprises \(SOE Guidelines\)](#) provide comprehensive guidance and advice to governments – as shareholders in SOEs and SOEs themselves – on how to more effectively organise and professionalise state-owned enterprises. This session will look at both progress and challenges in SOE governance reform related to ownership practices, corporate governance and privatisation in select participant countries. The select participant countries will be asked to provide updated information on where they stand vis-a-vis implementation of the SOE Guidelines, if applicable.

Key words : state ownership practices, corporate governance, reform of state-owned enterprises

Moderator **Mr. Hans Christiansen, Senior Economist, Corporate Governance and Corporate Finance Division, OECD**

- Speakers**
- **Mr. Shri Sailesh, Secretary, Department of Public Enterprises, India**
 - **Mrs. Nguyen Thuy Linh, Principal official, General Department , Commission on State Capital Management of Viet Nam**
 - **Mr. Zhu Kai, Deputy Director General, International Cooperation Bureau, State-Owned Assets Supervision and Administration Commission of the State Council (SASAC), China**
 - **Mrs. Arfin Ara Begum, Director General (Additional Secretary) Monitoring cell, Finance Division, Ministry of Finance, Bangladesh**

Open discussion

09:50 –10:00 Short Break

Summary To encourage better performance, many governments over the past few decades have ramped up their efforts to clarify SOEs' financial and non-financial objectives, measure performance against quantifiable targets and make this information public. This session will discuss lessons for developing good practices towards performance evaluation and monitoring within the SOE sectors. It will examine the degree of formalisation of performance evaluation systems, the types of financial and non-financial indicators used to measure SOE performance and the extent to which results inform executive remuneration and sanctions. It will also feature experiences with selecting SOEs for corporatisation as a way for improving their performance.

Key words : *performance evaluation and management, performance indicators, corporatisation*

Moderator **Mr. Thomas Panella, Chief of the Water Sector Group, ADB**

- Speakers**
- Dr. Sejeong Ha, Deputy Executive Director, Research Centre for State-Owned Entities, Korea Institute of Public Finance
 - Mr. Aleksandras Jocius, Head of the Governance and Analysis Division, Governance Coordination Centre, Lithuania
 - Mr. Johann Carlos S. Barcena, Director IV, Governance Commission for GOCCs (GCG), Philippines
 - Ms. Elvira Konakhbayeva , CG Director, Samruk-Kazyna JSC , Kazakhstan

Open discussion

11:30 **Highlights and Closing remarks**

Speakers **OECD**

2nd DAY AGENDA 08:00 – 12:30 (CET) 8 October, 2020

07:30 – 08:00	Registration and Log-in
08:00 – 08:10	Welcoming remarks OECD
08:10 – 09:30	Policy response to the COVID-19 and their impact on national practices for state ownership

Summary This session will serve as a platform for discussion and exchange of information, to compare national experiences with the impact of the Covid-19 on SOEs, and related policy responses, including for ailing private sector companies (e.g. applying a mixture of guarantees, loans and equity-linked instruments). It will discuss economic impacts, commercial transactions, restructuring, nationalisations, temporary state control of commercial enterprises and the optimal mix of support facilities for SOEs.

Key words : *COVID-19-induced crisis, commercial transactions, equity injections, public financing, rescue operations, restructuring, state ownership practices, temporary state ownership, nationalisations*

Moderator **Mr. Lars Erik Fredriksson, Chair, OECD Working Party on State Ownership and Privatisation Practices**

Speakers

- Mr. David Robinett, Senior Public Management Specialist (State Owned Enterprise Reforms), Asian Development Bank (ADB)
- Ms. Christina Choo, Director, Institutional Relations and Mr. Eu Jin Chua, Managing Director, Americas & Institutional Relations, Temasek International Pte Ltd., Singapore
- Mr. Tmetuch Baules, Director of Administration at PPUC (Palau Public Utility Corporation)

Open discussion

09:30 – 12:30	Thematic discussion : Accounting for public policy objectives of SOEs
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Summary Where SOEs operate subject to both commercial and public policy objectives important questions arise regarding the relative roles of owners and regulators – compounding the concerns about a separation of these two roles. First and foremost, if a government insists that an SOE depart from fully commercial principles, the government can do so by either communicating objectives to the SOE via the ownership entity, or via regulations issued by the relevant regulatory institutions/ministries. To facilitate transparency around cost allocation of public service activities and commercial activities of SOEs, governments in OECD economies generally require their businesses to separate the accounts of commercial and non-commercial activities. The effectiveness largely depends on the consistency in which it is applied, especially where small or unincorporated government businesses are concerned. It is commonly applied in certain sectors (e.g. utilities and energy sectors) where public service obligations are concerned. This session will look at how select Asian countries delegate the financing of important public policy objectives to an SOE and what measures they take to ensure fiscal transparency and accountability, and competitive neutrality.

09:30 – 10:40 **Panel 1 : Designing and communicating public policy objectives of SOEs**

Key words : rationales for state ownership, ownership policy, public policy objectives, social values, balancing public policy objectives and commercial objectives, transparency and disclosure, reporting practices

Moderator **Mr. Y.R. K. Reddy, International Resource for Corporate Governance, India**

- Speakers**
- Ms. Chung-a Park, Policy Analyst, Directorate for Financial and Enterprise Affairs, OECD
 - Ms. Kristine Veierland, Senior Advisor, Ownership Department, Norway
 - Dr. Damber Singh Kharka, Director, Department of Corporate Governance & Performance Management, Druk Holding & Investments Limited (DHI), Bhutan

Open discussion

10:40 – 10:50 **Short break**

10:50 – 12:20 **Panel 2 : Maintaining level playing field between public and private business : Ensuring adequate and transparent compensation for the provision of public service obligations**

Key words : separation of accounts, structural separation, competitive neutrality, fiscal transparency

Moderator **Ms. Anne Molyneux, Director, CS International**

- Speakers**
- Dr. Ram Kumar Mishra, Director, Institute of Public Enterprise, India
 - Dr. Antonius Alijoyo, Board Member, National Committee on Governance Indonesia, ERMCP, CERG
 - Dr. Lawrence Lee, CEO, Corporate Governance Research Center, National Taipei University of Business, Chinese Taipei
 - Ms. Maggie Lin, Beijing King Parallel Management Consulting Company, China

Open discussion

12:20 – 12:30 **Highlights and concluding remarks**

Speaker OECD

3rd DAY AGENDA 08:40 – 12:00 (CET) 4 November, 2020

08:10 – 08:40	Registration and Log-in
08:40 – 08:50	Welcoming remarks OECD
08:50 – 9:50	Broadening the ownership of state-owned enterprises: National experience with listing SOEs in stock markets
Summary	<p>State-owned enterprises represent a significant portion of total stock market capitalisation in Asia. The State continues to remain an important shareholder in listed companies in the region, which relies increasingly on mixed-ownership models. This session will discuss relevant national experiences in broadening the ownership of state-owned enterprises (SOEs) through the practice of listing. It will look at the motivation behind listing and explore how the nature of state participation and remaining state objectives in mixed-ownership companies have impacted overall governance and performance especially in comparison with other non-state invested listed companies.</p> <p>Key words: broadening the ownership, listing practices, mixed-ownership, governance and performance</p>
Moderator	Mr. Bruno Carrasco, Chief of the Governance Group, ADB
Speakers	<ul style="list-style-type: none">➤ Mr. Atul Sobti, Director General, SCOPE, India➤ Ms. Ya Eem Chea, Head, Corporate Governance Division, Securities Issuance Supervision Department, Securities and Exchange Commission of Cambodia
	Open discussion
09:50 – 10:00	Short break
10:00 – 11:30	Consultation session on the OECD SOE Anti-Corruption and Integrity Implementation Guide

Minimising and preventing corruption of SOEs by realising synergies at different levels of governance is essential for achieving their sustainable development and economic efficiency. This session will present national reform efforts for improving corporate governance in SOEs to prevent corruption and achieve business integrity in SOEs. This panel will also discuss the OECD's ongoing work in this area, including the development of the ***SOE Anti-Corruption and Integrity Implementation Guide*** as a follow-up for the new [***Anti-Corruption and Integrity Guidelines for SOEs***](#).

Key words : anti-corruption, business integrity, ethical standards, internal controls, monitoring, compliance programmes or measures, managing the conflict of interests

- Moderator** **Mr. Hans Christiansen, Senior Economist, Directorate for Financial and Enterprise Affairs, OECD**
- Speakers**
- Ms. Alison Mcmeekin, Policy Analyst, Directorate for Financial and Enterprise Affairs, OECD
 - Dr. Sunida Susantud, Senior Policy Analyst, State Enterprise Policy and Planning Bureau, Ministry of Finance, Thailand
 - Ms. Nicoletta Pia di Cagno, Head of Ethics & Anti-bribery, SNAM, Italy
 - Ms. Tricia Yeoh, Chief Executive Officer, Institute for Democracy and Economic Affairs (IDEAS), Malaysia
- Open discussion

11:30 – 12:00 **Highlights and concluding remarks**

- Speakers**
- **Dr. Dongsook Han, Head of Management & Innovation Research Team, Research Centre for State-owned Entities, Korea Institute of Public Finance**
 - **Mr. Lars Erik Fredriksson, Chair, OECD Working Party on State Ownership and Privatisation Practices**