



DRAFT AGENDA

Responsible Business Conduct in State-Owned Enterprises

11th Meeting of the Asia Network on Corporate Governance
of State-owned Enterprises

6-7 September, 2018

Hyderabad Marriott Hotel, India

With the support of the
Korea Institute of Public Finance



Background on the 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 and also other parts of the world 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. 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.

Objectives

Over the past decade, SOEs have rapidly modernised and commercialised their operations. Asian SOEs in particular are playing an important role both for national development strategies and internationally through international trade and FDI activities. However, despite a strong and growing awareness of the benefits of responsible business conduct (RBC), ensuring RBC in the SOE sector is an issue that most Asian countries still grapple with. To begin with, Asian governments differ in what they consider RBC.

In this context, the main theme of the 11th meeting of the *Asia Network on Corporate Governance of State-Owned Enterprises* will be ***the challenge of ensuring responsible business conduct in the state-owned sector***. The OECD will organise the meeting, jointly with the Institute of Public Enterprise (IPE) in Hyderabad, India with support from the [Korea Institute of Public Finance \(KIPF\)](#). The meeting will allow an exchange of national experiences on relevant state ownership and SOE governance practices as well as a discussion of challenges in bringing national practices in line with internationally-agreed good practices, including the [OECD Guidelines on Corporate Governance of State-Owned Enterprises](#) and the [OECD Guidelines for Multinational Enterprises](#).

The meeting will first stocktake the recent developments of SOE reform related to ownership practices, privatisation and corporate governance in the host country as well as select participant countries relative to the [SOE Guidelines](#). It will be followed by Part I which will focus on identifying actionable ways in which governments – as shareholders in SOEs – can more effectively enhance responsible business conduct. The topics will include legal and regulatory framework relevant to enhancing responsible business conduct including the government policies, requirements and expectations regarding RBC. The Part 2 will be dedicated to identifying what SOEs can do to promote ethics and integrity in individual SOEs. It will cover the role of board governance and challenges of integrating responsible business conduct into corporate governance of SOEs. To conclude the meeting, the last panel will discuss the OECD's ongoing work on the ***SOE Anti-Corruption and Integrity Guidelines***, which is one of the main OECD instruments in this area. By the end of the discussion, it is hoped that the OECD will have a 'road map' of key questions to answer, with a particular focus on areas where the OECD could offer a clear 'value added', given its experience in monitoring and promoting implementation of the [SOE Guidelines](#).

Format and Participation

The event is attended by representatives of governments, state ownership entities, individual SOEs and relevant experts invited to consider experiences on SOE governance reforms from a range of perspectives. It will be attended by a number of its members and associates from within the Asian region.

8:20-08:50 *Registration*

08:50-09:30 *Welcoming remarks*

Dr. Madhukar Gupta, IAS, Additional Secretary, Department of Public Enterprises, India

Mr. K Madhava Rao, President, Institute of Public Enterprise, India

Representative of the Republic of Korea (tbc)

Mr. ESL Narashmhan, Hon'ble Governor of Telangana State (tbc)

09:30-11:00 *State ownership practices in India : recent developments and ongoing reform*

This session will allow participants to engage in an in-depth discussion on recent developments in state ownership practices in the host country, India. Presentations by experts from India will be followed by a question-and-answer session with two lead discussants, then an open discussion with all participants.

Key topics: **Ownership practices, corporate governance, accountability, privatisation, [OECD Guidelines on Corporate Governance of State-Owned Enterprises \(SOE Guidelines\)](#).**

Moderator: Representative of the Republic of Korea (tbc)

Speakers:

- Dr. Madhukar Gupta, IAS, Additional Secretary, Department of Public Enterprises, India
 - Dr. U.D. Choubey, Director General, Standing Conference of Public Enterprises (SCOPE), India
 - Dr. Ram Kumar Mishra, Director, Institute of Public Enterprise (IPE), India
 - Dr. Yaga Ramesh Konda Reddy, International Advisor in Corporate Governance & Strategy, India
 - Mr. Dinesh Kumar Sarraf, Chairperson, Petroleum & Natural Gas Regulatory Board, India
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11:00-12:30 *Roundtable on recent SOE reform experiences*

This session invites government delegates and SOEs with recent and planned SOE reforms to provide updates on these developments. This session will allow participants to track progress and challenges in SOE governance reform related to ownership practices, corporate governance and privatisation in their respective countries. The select participant countries will be asked to provide updated information on reform progress, if possible with reference to consistency with the [OECD Guidelines on Corporate Governance of State-Owned Enterprises \(SOE Guidelines\)](#).

Key topics: **Ownership practices, corporate governance, accountability, privatisation, [OECD Guidelines on Corporate Governance of State-Owned Enterprises \(SOE Guidelines\)](#).**

Moderator: Mr. Hans Christiansen, Senior Economist, Corporate Affairs Division, OECD

Speakers:

- Mr. Zhu Kai, Deputy Director General, International Cooperation Bureau, State-owned Assets Supervision and Administration Commission of the State Council (SASAC), China
 - Mr. Tran Tho Hai, Head of General Policy Division, Corporate Finance Department, Ministry of Finance, Viet Nam
 - Mr. Samuel G. Dagpin, Chairman, Governance Commission for Government-owned and controlled corporations (GOCC), Philippines
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- Ms. Ratna Januarita, Board Member, National Committee on Governance of Indonesia

12:30 – 14:30 **Lunch**

14:30-18:00	<p>Thematic discussion : The State’s role in enhancing responsible business conduct of state-owned enterprises</p>
	<p>Session 1: Government policies, requirements and expectations regarding responsible business conduct in SOEs</p> <p>As stated in the SOE Guidelines, the state ownership policy should fully recognise SOEs’ responsibilities towards stakeholders and request that SOEs report on their relations with stakeholders. It should make clear any expectations the state has regarding responsible business conduct by SOEs. In this context, the participants of this session are invited to identify actionable ways in which governments – as shareholders in SOEs – can link the governance of SOEs with creating value for citizens. The panellists will discuss the government’s challenges as well as best practices in supporting responsible business conduct in SOEs.</p> <p><i>Key topics : OECD Guidelines on Corporate Governance of State-Owned Enterprises, OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights, ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policies, stakeholder rights, reporting, monitoring, performance management, mechanisms for employee participation, social and environmental responsibility disclosure</i></p>
14:30-16:00	<p>Panel I : Challenges of integrating responsible business conduct into corporate governance of SOEs: Communicating, reporting and monitoring</p> <p><i>Moderator:</i> Dr. Gambhir Bhatta, Advisor, Sustainable development and climate change department ; Head, Knowledge Sharing & Services Center, Asian Development Bank</p> <p><i>Speakers:</i></p> <ul style="list-style-type: none"> • State Enterprise Policy Office, Thailand • Dr. Madhukar Gupta, IAS, Additional Secretary, Department of Public Enterprises, India • Mr. Rakesh Kumar, Director, NLC India Limited, India • Mr. Ya Eem Chea, Head, Corporate Governance Division , Securities Issuance Supervision Department, Securities and Exchange Commission of Cambodia • Mr. Adem Sezer, chief of department in General Directorate of SOEs, Turkey
16:00- 16:30	<p>Coffee</p>
16:30–18:00	<p>Panel II : Enhancing responsible business conduct through establishing legal and regulatory framework: recent developments and progress related to the internationally agreed standards</p> <p><i>Moderator:</i> Dr. Lawrence Lee, CEO, Corporate Governance Research Center, National Taipei University of Business, Chinese Taipei</p> <p><i>Speakers:</i></p> <ul style="list-style-type: none"> • Ms. Chung-a Park, Policy Analyst, Corporate Affairs Division, Directorate for Financial and Enterprises Affairs, OECD • Dr. Antonius Alijoyo, National Committee on Governance of Indonesia • Mr. Ali Salman, Chief Executive Officer , Institute of Democracy and Economic Affairs (IDEAS), Malaysia • Mr. Fuad Hashimi, Head, Centre of Excellence in Responsible Business, Pakistan Business

DAY 2	Friday 7 September 2018 (morning)
9:00-12:40	<p>Session 2: Promoting ethics and integrity in individual SOEs</p> <p>According to the <i>SOE Guidelines</i>, the boards of SOEs should develop, implement, monitor and communicate internal controls, ethics and compliance programmes or measures, including those which contribute to preventing fraud and corruption. In addition, incentivising SOEs so that they observe high standards of responsible business conduct is important. In this context, this session will take the form of a roundtable to examine what SOEs can do to enhance responsible business conduct in their own business relationships and how they can be held accountable for their actions. To conclude the meeting, the last panel will discuss the OECD's ongoing work in this area, including the SOE Anti-Corruption and Integrity Guidelines.</p> <p><i>Key topics: Board governance, ethical standards, internal controls, monitoring, international commitments, compliance programmes or measures, code of ethics, managing the conflict of interests, OECD SOE Guidelines on anti-corruption and integrity</i></p>
9:00-10:30	<p>Panel I: A Roundtable of Chairmen, CEOs & Experts on enhancing board governance: communicating internal controls, implementing ethics and compliance programmes or measures</p> <p><i>Moderator:</i> Dr. Mathilde Mesnard, Deputy Director of the Directorate for Financial and Enterprise Affairs, OECD</p> <p><i>Speakers:</i></p> <ul style="list-style-type: none"> • Dr. S K Acharya, Chairman-Cum-Managing Director, NLC India Limited • Mr. Santosh Sharma, Chairman & Managing Director, Hindustan Copper Ltd, India • Mr. Yu Tengqun, Vice President & Board Secretary, China Railway Group Limited • Mr. Than Tun, Chief Executive Officer, Myanmar National Airlines (tbc) • Mr. Jesus P. Estanislao, Institute of Corporate Directors, Philippines • Dato' Abdul Aziz Abu Bakar, Executive Director, Malaysian Directors Academy (MINDA), Malaysia
10:30 – 10:50	<p>Short break (coffee and tea available)</p>
10:50 – 12:20	<p>Panel II: Consultation session on the OECD SOE Anti-Corruption and Integrity Guidelines</p> <p><i>Moderator :</i> Mr. Hans Christiansen, Head of the OECD Working Party on State Ownership and Privatisation Practices (WPSOPP) Secretariat</p> <p><i>Speakers:</i></p> <ul style="list-style-type: none"> • Mr. Hans Christiansen, Head of the OECD Working Party on State Ownership and Privatisation Practices (WPSOPP) Secretariat • Dr. Gambhir Bhatta, Advisor, Sustainable development and climate change department ; Head, Knowledge Sharing & Services Center, Asian Development Bank (tbc) • Ms. Anne Molyneux, Director, CS International & Vice Chair, International Corporate Governance Network (ICGN) • Ms. Elvira Konakhbayeva, Director of Corporate Governance and Sustainability, Samruk-Kazyna, Kazakhstan • Mr. Dambar Singh Kharka, Officiating CEO, Druk Holding and Investments, Bhutan
12:20 – 12:40	<p>Concluding remarks and way forward</p>

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- Dr. Madhukar Gupta, IAS, Additional Secretary, Department of Public Enterprises, India
 - Representative of the Republic of Korea (tbc)
 - Dr. Mathilde Mesnard, Deputy Director of the Directorate for Financial and Enterprise Affairs, OECD

12:40 – 14:00 **Lunch**

Sightseeing organised by IPE
