

6th Tokyo Roundtable on Capital Market Reform in Asia

(draft final schedule and agenda; as of September 16, 2004)

Schedule: September 28 (Tu) - 29 (Wed), 2004

Venue: ADB Institute, Tokyo (8th floor, Kasumigaseki Building,
Chiyoda-ku Kasumigaseki 3-2-5, Tokyo
tel: 81-3-3593-5500)

Draft agenda:

Sept 28 (Tu)

8:45 – 9:00 registration

9:00 – 9:30 Opening remarks: ADBI : Mr. Peter McCawley, Dean

OECD: Mr. William Witherell, Director, DAF

Conference Chair: Mr. Alan Cameron, former ASIC Chairman

Issues of topical interest

9:30 – 10:50 Session 1: Issues involved in “agency/principal” or “conflicts of interest”, especially as regards fund managers

Discussion will build on the results of last year’s Roundtable sessions on "Governance of and by Institutional Investors" and “conflicts of interest in capital markets”, and will take account of the important role (too important?) that institutional investors and fund managers play in today's financial markets. Many cases of malfeasance have been unearthed in major markets, notably the United States, focusing the attention of officials and private market participants on the need to align the interests of institutions offering investment management services and final investors. In the general assessment of the excesses that led to the pre-2000 bubble and the subsequent revelation of cases of corporate malfeasance, many analysts are questioning whether institutional investors have used their ownership rights appropriately. Participants may wish to comment on the causes of these problems and on possible remedies, particularly regarding their repercussions in the Asian-Pacific markets.

Speakers: Mr. John Thompson, Counsellor, DAF, OECD

Mr. Ghon Rhee, Professor of International Finance and Banking, University of Hawaii, U.S.

Comments: Mr. William Witherell, OECD

General Discussion

10:50 – 11:10 Coffee break

11:10 – 12:30 Session 2: The move to international accounting standards and its implications for enforcement

While active debate continues internationally on which standard should be most appropriate for each jurisdiction/region, discussion will focus mainly on the "enforcement" side of the issue.

- 1) The ABA (Asian Bankers' Association) study on the convergence of accounting standards will be presented, followed by
- 2) A presentation on the "Cross-country study on the quality, acceptability, and enforceability of accounting standards"

Speakers: Ms. Judith Lopez, Managing Partner, Joaquin Cunanan & Co.-PriceWaterhouseCoopers, Philippines
Ms. Ety Wulandari, Head of Accounting Standard Division, Bapepam, Indonesia

General Discussion

12:30 – 14:00 Lunch (Tokyo Kaikan in Kasumigaseki Building)

Special Address: Mr. Nakahira, former Vice-Minister of Finance for International Affairs, Japan

14:00 – 15:20 Session 3: Developments in OECD and Asian Bond Markets

- 1) Recent trends and developments in OECD public securities markets will be discussed. Policy issues in primary and secondary markets will be highlighted, based on recent discussions in the OECD Working Party on Public Debt Management, including the use of electronic systems, the growth of inflation-indexed bonds, market squeezes, uncovered auctions, overbidding and the development of futures markets. Participants will be invited to discuss best practices.
- 2) Recent trends and developments in Asian bond markets will be discussed, including the "Asian Bond Market Initiative".

Speakers: Mr. Hans Blommestein, Secretary to Working Party on Government Debt Management, OECD
Mr. J.C. Parrenas, Senior Advisor to the Chairman, Chinatrust Financial Holdings, Chinese Taipei

Comments: Mr. P.K. Mishra, Executive Director, Securities and Exchange Board of India

General Discussion

15:20 – 15:40 Coffee break

15:40 – 17:00 Session 4: Rating firms – their role and accountability

The Roundtable will be invited to carry forward the discussion under the auspices of the IOSCO (-- see "The IOSCO Statement of Principles regarding the Activities of Credit Rating Agencies", September 2003) giving special attention to Asia. For example, is there any progress on establishing local (or Asian) rating firms, possibly within the context of the "Asian Bond Market Initiative" ?

Speakers: Mr. Naohiko Matsuo, Financial Supervisory Agency, Japan

Mr. Kazuo Imai, Chairman, Association of Credit Rating Agencies in Asia (ACRAA)

Comments: Ms. Joselia Poblador, Commissioner, Philippine Securities and Exchange Commission

General Discussion

18:00 – 20:00 Buffet Dinner Reception at Mita House

Sept. 29 (Wed): Regional cooperation

10:00 – 11:20 Session 5: Cooperation in market development

Recently, there have been several developments in regional cooperation particularly in the field of market development, e.g. facilitating cross-border clearing & settlement, and "cross-access" in securities exchanges, so that it will be useful to take stock of the achievements to date and the issues that remain to be addressed. A European expert will also speak about the experiences in Europe.

Speakers: Mr. Ruben Lee, Oxford Finance Group, United Kingdom

Mr. Toshitsugu Shimizu, Executive Officer, Tokyo Stock Exchange

Comments: Mr. P.K. Mishra, Executive Director, Securities and Exchange Board of India

Mr. Palitha Silva Gunawardene, Director General/CEO, Sri Lanka Securities and Exchange Commission

General Discussion

11:30 – 13:00 Lunch (ADBI premises)

13:00 – 16:30 Session 6: Enforcement cooperation

Combining formal presentation and interactive delegate participation, this session will explore a well-known international securities fraud case involving Bre-X Minerals Limited, a Canadian company exploring for gold in Indonesia. With investors around the world, geographically diverse market players, large international companies and various interested governmental agencies, the Bre-X fraud had global repercussions and spawned international interest. Using a case study format and a “stakeholder and influence management” methodology, we will simulate problem solving on the following issues:

- 1) the need for effective standards for continuous disclosure, including verification of asset valuations, and
- 2) the need for regulatory agencies to have the tools and resources necessary to maintain investor confidence in their own capital markets and to work cooperatively with other agencies (at the national and international levels) to address inter-jurisdictional and international issues.

Speaker: Ms. Susan Wolburgh Jenah, Vice-Chair, Ontario Securities Commission, Canada

(An interim coffee break will be provided at about 15:00)

16:30 – 17:00 Concluding remarks

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Hotel arrangements

We have made arrangements with the ANA Hotel Tokyo (about 5-10 minutes walk from conference venue), to provide us with discounted rates for the participants.