



**G20/OECD CORPORATE
GOVERNANCE FORUM**

JULY 14th, 2022

AGENDA

G20/OECD CORPORATE GOVERNANCE FORUM





Background

The G20/OECD Principles of Corporate Governance

The G20/OECD Principles of Corporate Governance are the international standard for corporate governance. The Principles help policy makers evaluate and improve the legal, regulatory, and institutional framework for corporate governance. They also provide guidance for stock exchanges, investors, corporations, and others that have a role in developing good corporate governance. The absence of good governance in any institution, whether public or private ones, are often cited as main reasons of operation inefficiencies and failure to deliver their mandate. The Principles were endorsed by the G20 Leaders' Summit in 2015 and the Financial Stability Board has adopted them as one of its Key Standards for Sound Financial Systems.

The Review of the Principles

At the G20 Summit in Rome on 30-31 October 2021, G20 Leaders supported the decision to review the G20/OECD Principles. In the Summit Declaration, Leaders “recognise(d) the importance of good corporate governance frameworks and well-functioning capital markets to support the recovery, and look(ed) forward to the review of the G20/OECD Principles of Corporate Governance”.

The review of the Principles is underpinned by the conviction that a strong recovery from the COVID-19 crisis requires well-functioning capital markets that can allocate substantial financial resources to long-term investments. The decision to review the Principles also recognises the need to adapt corporate governance rules and practices to the post-COVID-19 environment, including climate change and other rising environmental, social and governance (ESG) risks, changes in corporate ownership, digitalisation and capital market developments.

The review of the G20/OECD Principles started in November 2021 with the objective of presenting revised G20/OECD Principles to G20 Finance Ministers and Central Bank Governors for endorsement and agreement on transmission to the G20 Leaders' Summit in 2023.



The G20/OECD Corporate Governance Forum

The G20/OECD Corporate Governance Forum will provide a platform for discussion among G20, OECD and FSB members and stakeholders on the review of the Principles within the framework of Indonesia's G20 Presidency. It builds upon the work already undertaken on the review in the OECD Corporate Governance Committee in which all G20 and FSB members participate. The discussions will inform the next steps of the review. The Forum is co-organised by the G20 Presidency, the OECD, the Financial Services Authority of Indonesia (OJK), the Ministry of State-Owned Enterprises, and also Indonesia Stock Exchange (IDX).

Sessions description

Session 1

Sound corporate governance and well-functioning capital markets for a stronger post-COVID-19 recovery

The COVID-19 crisis has shed light on major shifts in capital markets, including the declining number of listed companies, particularly in advanced economies, and the lower number of growth companies accessing public markets. In addition, the ownership of listed companies has shifted, reflecting widespread dominance of company group structures, growing state ownership and the re-concentration of ownership in the hands of large institutional investors, often following passive index investment strategies. The pandemic has also helped to spur technologically-driven innovation, while providing an opportunity to expand the use of digital tools to strengthen shareholder engagement and voting, disclosure and other corporate governance practices while also increasing the need for boards to address digital security risks.

Sound corporate governance frameworks and well-functioning capital markets will strengthen the quality and resilience of the recovery from the COVID-19 crisis. Capital markets play an essential role in mobilising savings to finance large established companies as well as new and innovative firms. They also help entrepreneurs reduce reliance on short-term financing and match long-term investments with long-term patient capital. During the COVID-19 crisis, equity markets provided non-financial corporations with almost USD 2 trillion in new capital during 2020 and 2021.

This session will discuss companies' access to capital from public equity markets, including the decline in the number of growth companies going public, changes in the corporate ownership landscape, and the use of digital technologies to improve access to public markets and corporate governance practices.

Session 2

The role of corporate governance in improving sustainability and resilience in the business sector

The COVID-19 crisis has revealed or exacerbated pre-existing weaknesses in corporate governance and capital markets, such as the management of health and supply chain risks, the rise of new and complex risks - including climate change and

other environmental, social and governance (ESG) risks – and insufficient resilience to unanticipated crises. Improvements in corporate governance frameworks are therefore called for.

Better corporate governance will also improve corporations’ access to market-based financing, in particular public equity. Better access to equity translates into stronger corporate balance sheets and enables new and innovative businesses to support the green and digital transitions, both essential for long-term sustainability and resilience.

This session will discuss the main implications of climate change for corporate governance, in particular related to shareholders’ rights, corporate disclosure and the responsibilities of companies’ boards. It will also discuss how the increasing indebtedness in the corporate sector may be hampering corporate resilience.

Session 3

Strong SOE governance for sustainable and inclusive development

SOEs play a major role in both developed and developing countries in driving sustainable and inclusive development. SOEs are active in many sectors of the economy, from energy, transportation and logistics, water and utilities to financial services and infrastructure, and they are a major source of employment in many countries. SOEs account for 55% of infrastructure investments in the world and for 20% of global investment, 5% of employment and up to 40% of domestic output.

The global pandemic placed large responsibilities on SOEs to support economic stability and recovery. Given SOEs’ sectorial reach, their impact on sustainable and inclusive development is particularly important: they are expected to support employment, accelerate the green and sustainable transition, provide public services and be financially sustainable.

The poor governance of SOEs is often cited as one of the main reasons for their inefficiencies and failures in undertaking their mandate, and may impose unnecessary and unexpected fiscal costs.

This session will discuss approaches to improving the governance of SOEs, including in the consideration of ESG risks, transparency, reporting, and their role in the green transition by addressing climate change and biodiversity loss.



G20/OECD Corporate Governance Forum

Nusa Dua Bali, Indonesia | 14 July 2022 | 12.00 – 21.00 WITA

Time (GMT+8)	Agenda
G20/OECD Corporate Governance Forum (BICC, Westin Resort, Exhibition Gallery 2 nd Floor, Nusa Dua – Bali)	
12.00 – 13.30	Registration (In-person attendance) / Zoom Webinar testing (online attendance) and Lunch
13.30 – 13.35	Welcoming remarks
	Mr. Wimboh Santoso , Chairman of Board of Commissioners, Financial Services Authority (OJK), Indonesia
13.35 – 14.05	Opening remarks
	<ul style="list-style-type: none"> • Ms. Sri Mulyani Indrawati, Minister of Finance, Indonesia • Mr. Mathias Cormann, Secretary-General, OECD • Mr. Shunichi Suzuki, Minister of State for Financial Services, Japan
14.05 – 14.20	Update on the review of the G20/OECD Principles of Corporate Governance
	Mr. Masato Kanda , Chair, OECD Corporate Governance Committee; Vice-Minister of Finance for International Affairs, Japan
14.20 – 15.05	Session 1: Sound corporate governance and well-functioning capital markets for a stronger post-COVID-19 recovery
	<p>Moderator: Mr. Carmine Di Noia, Director, Directorate for Financial and Enterprise Affairs, OECD</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Mr. Andy Baukol, Undersecretary for International Affairs, US Treasury • Mr. Alessandro Rivera, Director General, Treasury, Italy

	<ul style="list-style-type: none"> • Mrs. Djustini Septiana, Deputy Commissioner of Capital Market Supervision I, Financial Services Authority (OJK), Indonesia
15.05 – 15.20	Coffee break
15.20 – 16.05	Session 2: The role of corporate governance in improving sustainability and resilience in the business sector
	<p>Moderator: Ms. Masyita Crystallin, Special Advisor to the Minister of Finance on Macroeconomic and Fiscal Policy, Indonesia</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Ms. Alice Carr, Executive Director of Public Policy, GFANZ • Ms. Gabriela Figueiredo Dias, Chair, International Ethics Standards Board for Accountants (IESBA) • Mr. Marco Aurélio dos Santos Rocha, Secretary for International Economic Affairs, Ministry of Economy, Brazil
16.05 – 16.15	Keynote speech
	Mr. Erick Thohir , Minister of State-Owned Enterprises, Indonesia
16.15 – 17.00	Session 3: Strong SOE governance for sustainable and inclusive development
	<p>Moderator: Mr. Rabin Hattari, Assistant Minister for Industry, Ministry of State-Owned Enterprises, Indonesia</p> <p>Speakers:</p> <ul style="list-style-type: none"> • Ms. Nawal Nely, Deputy for Finance and Risk Management, Ministry of State-Owned Enterprises, Indonesia • Ms. Mathilde Mesnard, Deputy Director, Directorate for Financial and Enterprise Affairs, OECD • Mr. Yurendra Basnett, Senior Public Management Specialist, Asian Development Bank



17.00 – 17.10	Closing remarks
	<ul style="list-style-type: none"> • Mr. Yoshiki Takeuchi, Deputy Secretary-General, OECD • Mr. Hoesen, Member of the Board of Commissioners, Financial Services Authority (OJK), Indonesia
Dinner (Graha Paruman Ballroom-Hilton Bali Resort)	
19.00 – 21.00	The G20 Joint Dinner: Corporate Governance Forum, Asia Initiative Ministerial Meeting and Signing Ceremony, and B20 Dialogue
	G20/OECD Corporate Governance Forum Speakers and Participants are invited in The G20 Joint Dinner Speech: <ul style="list-style-type: none"> • Ms. Sri Mulyani Indrawati, Minister of Finance, Indonesia • Mr. Wimboh Santoso, Chairman of Board of Commissioners, Financial Services Authority (OJK), Indonesia

