



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

Investment Compact
South East Europe

SOUTH-EASTERN EUROPE CORPORATE GOVERNANCE ROUNDTABLE

**Transparency and Disclosure:
Implementation and Enforcement**

Meeting Hosted By
Macedonia Corporate Governance Council

Sponsored By



DRAFT AGENDA

10-11 June 2004

**Inex-Gorica Hotel
NAUM OHRIDSKI 5-7
6000 Ohrid, Former Yugoslav Republic of Macedonia**

Day 1: 10 June 2004

8:30 – 9:00 Registration

9:00 – 9:30 Opening Session

- Welcoming remarks
Stevce Jakimovski, Minister of Economy, Former Yugoslav Republic of Macedonia
- Opening remarks
Mats Isaksson, Head of the Corporate Affairs Division, OECD
- Opening remarks
Gregory Maassen, Head of the USAID Company Law Reform Project, Macedonia Corporate Governance and Company Law Project
- Opening remarks
Ljupcho Zikov, Chairman, Macedonia Corporate Governance Council

9:30 – 11:00 Session 1: The Revised OECD Principles of Corporate Governance and their Relevance for South East Europe

Chairman: Chris Pierce, Head of Director Training and Development, British Institute of Directors

Presentation:

- The Revised OECD Principles of Corporate Governance
Mats Isaksson, Head of the Corporate Affairs Division, OECD

Discussants:

- Andrej Galogaza, General Counsel, Zagreb Stock Exchange, Croatia
- Harilaos Mertzanis, Director, Department of Research, Monitoring of Capital Markets and International Relations, Hellenic Republic Capital Market Commission, Greece
- Milko Stimac, CEO, G17 Institut, Serbia & Montenegro

Issues to be discussed: This session will discuss the recent revisions to the OECD Principles of Corporate Governance. It will highlight how the Principles have been revised to reflect the concerns of transition and emerging economies based on feedback from the Roundtable and other non-member consultation.

11:00 – 11:30 Coffee Break

11:30 – 13:00 Session 2: Corporate Governance in Former Yugoslav Republic of Macedonia

Chairman: Professor Dr. Vesna Pendovska, President of the Macedonian Security and Exchange Commission

Presentation:

- Recent Corporate Governance Reform in Former Yugoslav Republic of Macedonia
Professor Dr. Tito Belichanec, Professor, Faculty of Law in Skopje

Discussants:

- Gregory Maassen, Head of the USAID Company Law Reform Project, Macedonia Corporate Governance and Company Law Project
- Evgeni Zografski, CEO of the Macedonian Stock Exchange
- Samir Latif, Senior Legal Advisor, USAID Macedonia Corporate Governance and Company Law Project

Issues to be discussed: This session will review recent corporate governance developments and reform in Former Yugoslav Republic of Macedonia. This will include the recent Company Law reform and how it reflected corporate governance matters as described in the SEE White Paper on Corporate Governance in South East Europe.

13:00 – 14:30 Lunch break

14:30 – 16:00 Session 3: Recent Corporate Governance Developments in Romania

Chairman: Harilaos Mertzanis, Director, Department of Research, Monitoring of Capital Markets and International Relations, Hellenic Republic Capital Market Commission, Greece

Presentation:

- The implementation of the recommendations of the OECD Report on Corporate Governance in Romania and the White Paper on Corporate Governance in South East Europe: Progress to date.
Angela Ene, General Manager - Ardyan Consulting, Bucharest, Romania
Galina Narcisa Fatu, Lawyer, Societate Civila de avocati - Bostina si Asociatii, Romania

Discussant:

- Manuela-Diana Matei, Head of Corporate Action Department, Bucharest Stock Exchange, Romania
- Plamen Tchipev Senior Researcher, Institute of Economics, Bulgarian Academy of Sciences, Bulgaria

Issues to be discussed: This session will review recent corporate governance developments and reform in Romania. The focus will be on the extent to which the recommendations in the White Paper on Corporate Governance in South East Europe and the earlier OECD report on Corporate Governance in Romania have been implemented, and what steps should be taken next.

16:00 – 16:30 Coffee Break

16:30 – 18:00 Session 4: Recent Corporate Governance Developments in Bulgaria

Chairman: Aril Seren, Senior Vice-Chairman, Istanbul Stock Exchange

Presentation:

- The implementation of the White Paper on Corporate Governance in South East Europe in Bulgaria: Progress to date.
Stefan Petranov, Chairman of the Board of Directors, Zlaten Lev Capital, Bulgaria

Discussants:

- Bistra Boeva, Professor, University for National & World Economic Studies, Centre for Corporate Governance, Bulgaria
- Katilin Popov, Legal Counsel USAID, Bulgaria
- Davorin Pavelic, Executive Director, Center for Competitiveness and Corporate Governance, Bosnia and Herzegovina

Issues to be discussed: This session will review recent corporate governance developments and reform in Bulgaria. The focus will be on the extent to which the recommendations in the White Paper on Corporate Governance in South East Europe have been implemented, and what steps should be taken next.

Day 2: 11 June 2004

09:00 – 10:30 Session 5: Implementing and enforcing international standards for financial reporting and auditing

Chairman: Zoran Djikanovic, Chairman, Securities Commission of Montenegro

Presentations:

- Implementing international standards for financial reporting and auditing
John Rieger, Director of Financial Accounting and Reporting, Association for Financial Professionals

Discussants:

- Hysen Cela, Executive Director, Institute of Independent Accounting, Albania
- Verica Hadzivasileva Markovska, Partner, Ernst & Young, Skopje

Issues to be discussed: All countries in South East Europe have agreed to adopt International Financial Reporting Standards (IFRS) for public companies, and many are also adopting international standards for audit. While current plans and timeframes vary, each SEE member will face a common set of challenges in adopting IFRS. This session will discuss those challenges, and how these international standards can be implemented effectively.

10:30 – 11:00 Coffee break

11:00 – 12:30 Session 6: The board's role in overseeing transparency and disclosure

Chairman: Mathilde Mesnard, Administrator, Corporate Affairs Division, OECD

Presentation:

- The board's role in transparency and disclosure
Richard Frederick, Governance and Ethics Consultant, Spain

Discussants:

- Vladimir Puskaric, Head of Internal Audit, Allianz Zagreb, Croatia
- Chris Pierce, Head of Director Training and Development, British Institute of Directors

Issues to be discussed: This session will discuss the critical role of the supervisory board, or board of directors, in overseeing the transparency and disclosure of the company. This includes the role of the board in overseeing internal auditing and compliance, their relations with the external auditor, their individual duties of disclosure, and the functions of audit committees and audit boards.

12:30 – 14:00 Lunch Break

14:00 – 15:30 Session 7: Improving the disclosure of beneficial ownership and control

Chairman: Robert Strahota, Assistant Director, Office of International Affairs, United States Securities and Exchange Commission

Presentation:

- How to identify beneficial owners
Professor Panagiotis Alexakis, Chairman, Athens Stock Exchange

Discussants:

- Stevan Sapchevski, Director of the Macedonian Central Depository of Securities
- Nondas Metaxas, General Director, CEO, Cyprus Stock Exchange
- Davor Bajuk, Legal Advisor, Central Depository Agency, Croatia

Issues to be discussed: The ownership and control of companies in SEE is all too often opaque, this session will discuss how to improve the disclosure of beneficial ownership and control. It will look at current standards and practices, and what are the blocks to better disclosure. The role of various parties, such as stock exchanges, registries and regulators, and the different strategies that countries can exploit, will be highlighted.

15:30 – 16:00 Coffee break

16:00 – 17:30 Session 8: Reporting related party transactions and potential conflicts of interest

Chairman: Marinko Papuga, Chairman, Zagreb Stock Exchange

Presentations:

- Disclosure and conflicts of interest
Vladimir Dasic, Attorney at Law, Bojovic & Dasic, Correspondent law practice of PricewaterhouseCoopers, Belgrade

Discussants:

- Aril Seren, Senior Vice-Chairman, Istanbul Stock Exchange
- Robert Strahota, Assistant Director, Office of International Affairs, United States Securities and Exchange Commission
- Svetozar Janevski, General Manager, AD Pivara., Former Yugoslav Republic of Macedonia

Issues to be discussed: Related party transactions and conflicts of interest present serious corporate governance challenges in SEE, undermining investor confidence and corporate accountability. This session will discuss how to improve disclosure of these transactions, and the respective disclosure requirements from company law, securities regulation and listing requirements. It will also examine the role of improved transparency in mitigating the danger of potential conflicts of interest.

17:30 – 18:00 Conclusion: Summary and Next Steps

End of the meeting

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 15 minutes
 - Discussion: each discussant is invited to limit his/her initial comments/presentation to 5-10 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 time for general discussion. 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*