



Regional Seminar on Corporate Governance for Banks in Asia

Hong Kong SAR, 19–20 June 2006

Agenda

Monday, 19 June

09:00 **Welcoming Remarks and Introduction**

Mr Jason George, Senior Financial Sector Specialist, Financial Stability Institute, Hong Kong SAR

Mr Eimon Ueda, Head, Outreach Unit for Financial Sector Reform, Directorate for Financial and Enterprise Affairs, OECD, France

09:15 **OECD Principles of Corporate Governance (2004)**

- Ensuring the basis for an effective corporate governance framework
- The rights of shareholders and key ownership functions
- Responsibilities of the board
- On-going work on the Principles

Mr Grant Kirkpatrick, Senior Economist, Corporate Affairs Division, Directorate for Financial and Enterprise Affairs, OECD, France (Tab #1)

10:30 Coffee/Tea Break

11:00 **Basel Committee Paper on Enhancing Corporate Governance for Banking Organisations (2006)**

- Building corporate governance structures for banks that work
- The impact of corporate governance on revisions to the Core Principles

Ms Elizabeth Roberts, Director, Financial Stability Institute, Switzerland (Tab #2)

12:15 Lunch

13:45 **OECD Policy Brief on Corporate Governance of Banks in Asia**

- Characteristics of banks and banking in Asia and the corporate governance issues they raise
- Priorities for reform in the corporate governance of banks in Asia

Mr Motoyuki Yufu, Principal Administrator, Outreach Unit for Financial Sector Reform, OECD, France (Tab #3)

Mr Jesus Estanislao, Chairman, Institute of Corporate Directors, Philippines



15:15 Coffee/Tea Break

15:45 **The Assessment of Corporate Governance in Banks**

Ms Laura Ard, Lead Financial Sector Specialist, World Bank, United States (Tab #4)

16:30 **Corporate Governance in Practice: An Industry Perspective**

- Ethics and value systems
- Sound corporate governance organisation structures
- Directors roles and duties
- Regulation
- Internal Audit and Compliance

Mr Michael Scales, Corporation Secretary, HSBC Holdings plc, Hong Kong SAR (Tab #5)

17:30 End of Session

19:00 Dinner

Tuesday, 20 June

09:00 **Controlling Related Party Transactions**

- Is there a common definition of related party?
- Prudential norms for related party transactions
- Disclosure of related party transactions

Mr Joseph Fan, Professor, Chinese University of Hong Kong, Hong Kong SAR (Tab #6)

Mr Edward K F Chow, former President of Hong Kong Institute of Certified Public Accountants, Hong Kong SAR (Tab #6)

10:00 **Compliance and the Compliance Function in Banks**

- The role of the compliance function in corporate governance
- Responsibilities of board directors and senior management for compliance
- Independence of the compliance function
- Responsibilities of the compliance function
- Relationship of the compliance function with the internal audit function

Mr Joe Longo, General Counsel, Asia, Deutsche Bank AG, Hong Kong SAR (Tab #7)

10:45 Coffee/Tea Break



11:15 **Auditing and its Role in Corporate Governance**

- IAASB – IFAC international audit standard setting activities
- Assessment of, and reporting on, internal controls
- Expectations for auditor communications with the audit committee and management

Mr Derek Broadley, Senior Manager, Deloitte Touche Tohmatsu, Hong Kong SAR (Tab #8)

12:30 Lunch

14:00 **The Supervisory Assessment of Corporate Governance**

- Fit and proper testing
- The examination process
- Surveillance
- Supervisory meetings with the board, senior management and auditors
- Fit and proper testing
- Disciplinary actions and sanctions

Ms Elizabeth Roberts, Director, Financial Stability Institute, Switzerland (Tab #9)

14:45 **Corporate Governance in State-Owned Commercial Banks: Is there a Difference?**

- The OECD Guidelines on Corporate Governance of State-Owned Enterprises

Mr Louis Bouchez, Senior Corporate Governance Specialist, Corporate Affairs Division, Directorate for Financial and Enterprise Affairs, OECD (Tab #10)

- Maintaining a level-playing field with the private sector
- Ensuring transparency of state-owned banks
- Strengthening the board of state-owned banks

Mr Louis Bouchez, Senior Corporate Governance Specialist, Corporate Affairs Division, Directorate for Financial and Enterprise Affairs, OECD, France (Tab #10)

Mr Masatomi Manabe, Deputy Executive Director, Financial Reconstruction Department, Deposit Insurance Corporation of Japan, Japan (Tab #10)

15:45 Coffee/Tea Break

16:15 **Governance of Supervisory Authorities**

Mr Michael Taylor, Head, Banking Policy Division, Hong Kong Monetary Authority, Hong Kong SAR (Tab #11)

17:15 Closing remarks

17:30 End of Seminar