



## **EU CORPORATE GOVERNANCE STANDARDS:**

### **A SEMINAR FOR EU CANDIDATE AND POTENTIAL CANDIDATE COUNTRIES INCLUDING LESSONS LEARNED FROM NEW MEMBERS**

**Brussels, February 20<sup>th</sup> 2008**

**European Parliament  
Room A-5G2**



EAST • WEST  
MANAGEMENT  
INSTITUTE

Partners for Financial Stability (PFS) Program  
[www.pfsprogram.org](http://www.pfsprogram.org)



#### **Background**

Within its mandate to raise awareness and disseminate international corporate governance standards, the Global Corporate Governance Forum (GCGF) is holding a comprehensive seminar on the European Union (EU) approach to corporate governance for EU candidate and potential candidate countries. So far, the EU has been actively developing specific corporate governance best practice guidelines and regulations, in particular tackling corporate governance issues related to shareholders' rights and transparency. Yet candidate and potential candidate countries states are not always attuned to EU corporate governance requirements and recommendations. To bridge this gap, the Forum is planning, in cooperation with various regional partners and institutions, to hold a seminar on EU Corporate Governance for EU candidate and potential candidate countries including lessons learned from new EU members. For more information, please contact Desislava Radeva by email at [dradeva@ifc.org](mailto:dradeva@ifc.org) or by phone at 1-202-473-9327.

#### **Key objectives**

The ultimate goal of the seminar is to build understanding and awareness of the EU corporate governance directives, regulations, best practices, and guidelines. The key objectives of the seminar are to:

- ◆ Help raise awareness of existing EU corporate governance requirements and guidelines;
- ◆ Help candidate and potential candidate countries better access relevant EU information;
- ◆ Help candidate and potential candidate countries participate in current EU debates, such as cross-border voting, executive compensation, and corporate governance control mechanisms; and
- ◆ Review lessons learned from recent new EU members.

Seminar Facilitator: Ken Rushton, former Director of Listing at the Financial Services Authority

## FEBRUARY 20, 2008

8:00 – 9:00

### Registration

*Coffee will be served*

9:00 – 9:45

### Introduction

#### Welcoming Remarks

Wolfgang Bertelsmeier, Special Representative Europe, IFC (TBC)

Piia-Noora Kauppi, Member of the European Parliament, Committee on Economic and Monetary Affairs

#### Keynote Address

Tomaž Jeršič, State Secretary of the Ministry of the Economy, Slovenia

9:45 – 11:15

### Session I: Key Pillars of EU Corporate Governance

Chaired by Patrick Zurstrassen, Chairman of the Board, Director's Office

#### Rights and Responsibilities of Shareholders

Stilpon Nestor, Principal, Nestor Advisors Ltd

#### Transparency and Disclosure

John Hegarty, Head, Centre for Financial Reporting Reform, Europe & Central Asia Region, The World Bank

#### Executive Compensation

Christian Strenger, German Corporate Governance Commission; Member of GCGF's Private Sector Advisory Group

#### Q&A/ Open Discussion

- ❓ Boosting shareholders' rights has recently been the focus of EU legislative reform. What needs to be done to strengthen and align shareholders' rights in candidate and potential candidate countries to the EU recommendations?
- ❓ Investors have confidence in transparent securities markets. How will regulators and companies from the accession countries work together to build investor trust?
- ❓ How prepared are the candidate and potential candidate countries for the investors' demands for greater transparency around executive compensation?

11:15 – 11:30

COFFEE BREAK

11: 30 – 12:30

**Session II: Bridging the Gap in EU Candidate and Potential Candidate Countries**

Chaired by Prof. Eddy Wymeersch, Chairman of the Committee of European Securities Regulators and Chairman of the Belgian Banking, Finance, and Insurance Commission

**Corporate Governance and Securities Market Legislation in Transition: Law and Practice**

Gian Piero Cigna, Principal Counsel, European Bank for Reconstruction and Development (EBRD)

**Impact and Challenges of Accession on the Bulgarian Corporate Governance Framework**

Prof. Bistra Boeva, University for National and World Economic Studies, Sofia  
Kamen Kolev, Vice President of the Bulgarian Industrial Association, Member of Business Europe

**Q&A/Open Discussion**

- ? What are some of the best practices and big challenges of implementing EU corporate governance regulations and standards?
- ? Once the countries become part of the EU, how are the EU corporate governance standards and regulations implemented in practice? How much should be done by the EU regulators and how much by the accession countries?
- ? More and more countries are producing corporate governance codes. What is the role of regulators in enforcing these codes?

12:30 – 13:30

**LUNCH BREAK**

13:30 – 14:45

**Session III: Drivers of Reform**

Chaired by Geoffrey Mazullo, Director, Partners for Financial Stability Program, East-West Management Institute

**The Role of the Business Sector**  
(TBD)

**The Role of Investors**

Peter Montagnon, Director of Investment Affairs, Association of British Insurers

**The Role of Professional Institutions**

Irena Prijovic, Secretary General, Association of Supervisory Board Members

**Q&A/ Open Discussion**

- ? How has business dealt with these requirements? What are some of the practical lessons?
- ? What institutions should be driving corporate governance reforms in the candidate and potential candidate countries and how?
- ? Do candidate and potential candidate countries have sufficient resources and trained staff to drive the required corporate governance reforms?
- ? What needs to be done to encourage investors and shareholder engagement?

14:45 – 15:15

## COFFEE BREAK

15:15 – 16:45

### **Session IV: The Broader Corporate Governance Agenda**

Chaired by John Plender, Lead Writer, Financial Times; Member of GCGF's PSAG

#### **Cross-border Voting and Related Issues**

John Wilcox, Consultant, TIAA-CREF; Member of GCGF's PSAG

#### **Corporate Governance Control Mechanisms and Institutional Shareholder Activism**

Marco Becht, Executive Director, European Corporate Governance Institute

#### **Effective Monitoring by Boards and Stakeholder Engagement** (when referenced to two-tier board system, consider the role of the Supervisory Board)

Dr. Daniel Summerfield, Adviser, Universities Superannuation Scheme Ltd.

#### **Q&A/ Open Discussion**

- ❓ What new corporate governance issues will arise as a result of EU enlargement?
- ❓ Where will the pressure for compliance with corporate governance standards and where regulations come from – regulators, global investors, media, other stakeholders?
- ❓ Corporate governance is not only about providing reliable information to the market, but it also requires a dialogue between company management and their shareholders, and stakeholders in general. How can accession countries equip management and stakeholders to make that dialogue effective?

16:45 – 17:30

## CLOSING SESSION

16:45 – 17:15

### **Challenges in Incorporating the “Acquis Communautaire”**

Claire Bury, Head of Unit, Company Law, Corporate Governance and Financial Crime DG Internal Market & Services, European Commission

17:15 – 17:30

### **Closing Remarks**

Philip Armstrong, Head of GCGF

18:00 – 19:30

## COCKTAIL RECEPTION

Crowne Plaza Hotel

### **Opening remarks:**

**Miguel Marques**, Conseiller de Direction 1ère classe, Government of Luxembourg, Ministry of Finance; Member of the Forum's Donor Steering Committee

Venue to be determined