



Agenda

**The 2011 Meeting of the
*Latin American Network on Corporate Governance of State-
Owned Enterprises***

8-9 September, 2011

Bogotá, Colombia

Auditorium of the Federación Nacional de Cafeteros de Colombia – Cl. 73 No. 8-13

Co-host

Gobierno de Colombia

With the support of:



Background and Objectives of the Latin American Network on Corporate Governance of State-Owned Enterprises

The OECD and the CAF Latin American Development Bank are co-organizing this first meeting of the *Latin American Network on Corporate Governance of State-Owned Enterprises (the Network)* with the support of the Spanish Government. The objective of the *Network* is to enhance SOE governance in Latin America through an ongoing exchange of experience and knowledge on SOE governance policies, practices and reforms, using the OECD Guidelines on Corporate Governance of State-Owned Enterprises as the main conceptual framework for discussion. Building on the OECD's Guidelines, CAF's recently published Guidelines for Good Corporate Governance of SOEs provide an additional useful reference adapted to the Latin American context. The *Network* will provide a forum to leverage the experience of a range of governments and other institutions to share knowledge on policy, institutional frameworks and best practices to support corporate governance improvements in SOEs across the region.

The *Network* builds upon a well-established record of partnering with like-minded institutions, working with policy-makers and other relevant officials concerned with SOE governance throughout the world to support governance reform. Jointly with key regional and global players, the OECD has established focused networks in Asia, the Middle East and North Africa, and Southern Africa which provide an ongoing platform for a structured exchange of recent reform experiences in key areas for good SOE governance. The more specific objectives of the *Network* are:

- to raise awareness of all concerned constituencies on the importance and challenges related to the good corporate governance of SOEs;
- to evaluate current SOE corporate governance policy frameworks and practices, and benchmark these against international best practices as described in the Guidelines;
- to influence policy making by providing a forum in which policy makers, practitioners and experts can share knowledge and experience among peers;
- to support viable and effective reforms, by discussing and analysing policy options, developing relevant recommendations and agreeing on priorities for reforms.

The **Network** will meet yearly (subject to sufficient budget) in a different Latin American country and develop into a high-level regional hub for a structured policy dialogue on corporate governance of SOEs.

Guidance for chairs, moderators, speakers and participants

Moderators are invited to encourage open discussion among all participants, to maintain the focus on the theme of their session and to be strict in managing time. The objective is to stimulate reflection and encourage an active exchange of views and experience on the discussed issues among all participants. **Speakers** are reminded that their presentations should be no longer than 15 minutes and should be designed to help frame the discussion. Please limit the use of slides to a maximum of 5 slides, which should be provided to the OECD in advance, so they can be made available on-line.

Simultaneous interpretation will be provided between Spanish and English.

8 September, 2011

DAY 1

8:15-9:15

Registration/Coffee

9:15-10:00

Welcoming Words

Speakers:

Mr. Juan Carlos Echeverry, Minister of Finance and Public Credit, Colombia

Mrs. Catalina Crane, High Counselor for Public and Private Management, Colombia

Mr. Hans Christiansen, Manager, OECD Working Party on SOEs, OECD Corporate Affairs

Mr. L. Víctor Traverso, Director in Colombia, CAF

10:00-12:00

Session 1: SOE Governance Landscape in Latin America: Current SOE policy priorities

Moderator:

Mr. Daniel Blume, Senior Policy Analyst, OECD Corporate Affairs

Speakers:

Mr. Michael Penfold, Director of Public Policy and Competitiveness, CAF

Mr. Juan Munguira, Legal Adviser, Capital Markets Authority, Spain

Mr. Alejandro Díaz, Economy, Production and Federal Planning Supervisory Manager, SIGEN, Argentina

Mr. Darío Luna, Advisors Coordinator, Viceministry of Finance and Public Credit, Mexico

Mr. Luis Guillermo Vélez, Superintendencia de Sociedades, Colombia

Latin American country policy-makers to be asked to outline what they consider their current policy challenges and priorities for improving corporate governance of SOEs.

Summary: The objective of this session is to provide participants with an overview of how SOE ownership and oversight is structured and organised across Latin America, at least in major countries, and to give policy-makers from Latin American and OECD countries an opportunity to discuss their policy priorities for improving SOE governance and effectiveness.

Key questions:

How is SOE ownership and oversight structured across the region?

What are the main priorities for reform currently under consideration and why?

What are the main obstacles/challenges for improved governance of SOEs?

12:00-14:00

Lunch (open choice)

14:00-16:00	Session 2: Developing the state's ownership strategy and ownership role: different approaches (centralised, co-ordinated or de-centralised)
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Moderator:

Mr. Leonardo Villar, Vicepresident, CAF

Speakers:

Mr. Arto Honkaniemi, Senior Financial Counsellor, Prime Minister's Office, Finland

Mr. Mario Gonzales, Executive Director, Corporación FONAFE, Perú

Mr. Hugo Caneo, Legal Counselor, Sistema de Empresas Públicas (SEP), Chile

Mr. Bruce Mac Master, Viceminister of Finance and Public Credit, Colombia

Mr. Israel Fainboim, Fiscal Affairs Department, IMF

Summary: The organization of the exercise of the ownership function within the state administration varies from one country to another. Three main types of organizations dominate: the decentralized or sector model, the dual model and the centralized model. The objective of this session is to compare and contrast experiences with the different models and to review how this may impact on the state's overall strategy for governance and management of its assets. The presentations aim to present a few experiences, and will serve as the basis for discussion.

Key questions:

How are public assets managed? What are the implications of the different ownership structures on the governance and management of SOEs?

What have been the main rationale and objectives for centralizing the ownership function?

Have the objectives been achieved? What are the main improvements in terms of SOE governance?

What are the implications of different ownership structures for the development of an overall ownership strategy for management of state assets?

What processes and issues should be taken into consideration in developing such a strategy, e.g. profitability and impact on government revenues, achievement of public policy objectives, comprehensiveness of assets to be retained or considered for sale, etc.

16:00-16:20	Coffee/Tea
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16:20-18:20	Session 3: Case studies of SOE reforms
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Moderator:

Mr. Michael Penfold, Director of Public Policy and Competitiveness, CAF

Speakers:

Mr. Javier Gutiérrez, CEO, Ecopetrol, Colombia

Mr. Jorge Bande, Board member, Codelco, Chile

Mr. Federico Restrepo, CEO, EPM, Colombia

Mr. Marco Mastroeni, Managing Director, Banco do Brasil

Mr. Humberto Campodónico, Chairman of the Board, Petroperu

Summary: This session will focus on case studies of corporate governance improvement initiatives, the challenges involved and how they are being addressed.

Moderator:

Mr. Andrés Oneto, Executive, Direction of Public Policy and Competitiveness, CAF

Speakers:

Mr. Hans Christiansen, Senior Economist and Manager of OECD Working Party on SOEs

Mrs. Ione Tereza A. M. Heilmann, General Coordinator of Corporate Administration of SOEs, Ministry of Planning, Budget and Management, Brazil

Mr. Germán Arce Zapata, General Director of Public Credit and National Treasure, Ministry of Finance and Public Credit, Colombia

Mr. Alfredo Ibarguen, IAAG Consulting, Spain

Summary: SOEs can carry out the roles assigned to them only if they have efficient and well-functioning professional boards, with the required mix of competencies to fulfil their responsibilities. An effective SOE board needs to comprise an adequate variety of skills, competencies and experiences. The nomination process needs to be structured and transparent. Furthermore, a systematic evaluation process is a necessary tool in enhancing SOE board professionalism, since it highlights the responsibilities of the board and the duties of its members. It is also instrumental in identifying necessary competencies and board member profiles.

Key questions:

How to improve the selection and nomination process for SOE boards?

What type of mechanisms could be developed to improve boards' composition, competence and independence?

What mechanisms are in place to evaluate SOE boards?

Are these mechanisms effective in improving SOE boards' performance?

What are the main concerns in evaluating SOE boards?

Moderator:

Mr. Daniel Blume, Senior Policy Analyst, OECD Corporate Affairs

Speakers:

Mr. Miguel Mora, Senior Advisor, Ministry of Economy and Finance, Spain

Mr. Bruce Mac Master, Viceminister of Finance, Colombia

Mrs. Silvana Vallejo, MCPEC, Ecuador

Mr. Michael Penfold, Director of Public Policy and Competitiveness, CAF

Summary: This session will be devoted to discussing conclusions and priority areas for further SOE governance reform. An opportunity will be given to different country representatives and international institutions to provide some concluding remarks and suggest topics or projects for the Network to undertake for its next meeting. These recommendations will help identify priority topics for future Latin American SOE Network meetings.