


LAUNCH OF A COMMUNITY OF PRACTICE FOR SOE POLICY MAKERS IN WESTERN BALKAN AND EASTERN PARTNERSHIP COUNTRIES

 Federal Ministry
Republic of Austria
Finance

 Austrian
Development
Cooperation

 Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO

CFRR 
Centre for Financial and
Sustainability Reporting Reform

 **WORLD BANK GROUP**

RATIONALE



SOEs at the core economic transition

Governance & Performance
Fiscal Risks
Competitive Neutrality
Climate Action
(EU Accession)



Many parallel (and ambitions) reform efforts in the region

Differences in specific objectives and starting points, but
Convergence in practices and direction of change



Interest in peer-to-peer learning

Beyond principles
Practical implementation focus



Leveraging WBG platforms and partner-supported initiatives

EAASURE
VDKC

CORE OBJECTIVES

Facilitate

...structured knowledge exchanges, training, and capacity building on SOE reform

Promote

...policy dialogue and peer learning

Foster

... international partnerships, regional cooperation, and integration

Support

... the implementation of effective SOE reforms

PARTICIPANTS AND GOVERNANCE

- Core constituency
 - Regional SOE Policymakers, SOE Ownership Entities, Center of Government Ministries responsible for SOE reform
- Ad-hoc Participants
 - Other countries, International organizations, Academic institutions, Civil society organizations, Individual SOEs.
- Governance and Secretariat
 - WBG Secretariat
 - Embedded in EAASURE and VDKC programs (results framework, co-funding), initially for 2-3 years,
 - Advisory Committee of 2-3 participating countries (rotating)



FOCUS AREAS

- SOE Policy
- SOE Legal Frameworks
- SOE Ownership Functions
- SOE Performance Management
- SOE Board Quality and Autonomy
- SOE Climate Change Action
- SOE Financial and Non-Financial Reporting
- SOE Transparency and Disclosure
- Public Service Obligations and Fiscal Risks
- Capacity Building and Training



CATEGORIES OF ACTIVITIES

- Peer-to-Peer Learning Activities
- Regional Analytics and Research
- Capacity Building (training)

WHAT ARE WE ASKING?

- Indication of interest/prioritization
- Indication of commitment to contribute input/data (questionnaires, contact point)
- Indication of interest in co-develop and host (advisory committee, workshops)



PEER-TO-PEER LEARNING ACTIVITIES

- Annual Workshop/ Conference of the COP (in-person)
 - Present/discuss analytical reports and emerging themes
- Thematic events, ad-hoc (virtual)
 - Technical, single-topic
- Including Exchanges with Countries and SOE Ownership Entities outside WeBe/Eastern Partnership Countries



CAPACITY BUILDING ACTIVITIES

- Rollout of the SOE Corporate Governance Leadership Training Toolkit (training)
- Training in SOE Climate Change and Sustainability Reporting (training)
- SOE Performance Management Systems and Digital Solutions (workshop)

POSSIBLE ANALYTICS AND RESEARCH ACTIVITIES

- Survey of **Regional SOE Corporate Governance Practices**. (Update of 2020 ECA Corporate Governance Survey)
- Benchmarking of regional **SOE Corporate Governance Codes**
- **SOE Climate Action** Diagnostics and Country-Level Action Plan
- Survey of **SOE Audit Committees'** Needs in Order to Follow Good international Practice
- Good Practices for Development of **State Ownership Policies**
- Benchmarking SOE **Performance Management** Practices
- Benchmarking of **Public Service Obligation** / Public Policy Objectives Management Practices
- Survey of **Remuneration and Incentives** for SOE Boards and Executives
- Survey of **State Audit Institutions** in SOE Auditing

IN SUMMARY - FOR INPUT AND DISCUSSION

	General indication of interest / prioritization	Requires designated contact point/ interviewees	Requires data contribution / Questionnaire
Peer-to-Peer Events			
Annual Workshop/Conference (in-person)	X		
Ad-hoc thematic workshops (virtual)	X		
Analytics & Research			
Survey of Regional SOE Corporate Governance Practices	X	X	XXX
Benchmarking of Corporate Governance Codes for SOEs	X		
SOE Climate Action Diagnostic and Action Plan	X	X	
Survey of SOE Audit Committees' Needs in Order to Follow Good international Practice	X	X	X
Benchmarking of Public Service Obligation Management Practices	X	X	X
Survey of Remuneration and Incentives for SOE Executives	X	X	X
Survey of State Audit Institutions in SOE Auditing	X	X	X
Training			
Roll-out of SOE Corporate Governance SOE Leadership Training	X		
SOE Climate Change Reporting	X		
SOE Performance Management Systems and Digital Solutions (workshop)	X		
Governance of CoP			
Join CoP Advisory Committee		X	
Co-host CoP Meeting/Workshop		X	

Indicates preparations have commenced and are relatively advanced



EXTRA SLIDES PER ACTIVITY – NOT TO BE UTILIZED UNLESS
PROMPTED



Survey of SOE Corporate Governance Practices

- Scope & Objectives
 - Overview of trends, performance and challenges in SOE corporate governance in Western Balkan and Eastern Partnership Countries.
 - Consistent with revised OECD's SOE Corporate Governance Guidelines.
 - Coverage: SOE landscape; legal, policy and institutional frameworks; transparency, reporting and accountability; boards; sustainability; competitive neutrality/PSOs
 - (Will not entail a detailed/separate review of country-level practices) .
- Partner Countries' Contribution
 - Indication of interest.
 - Countries to complete a questionnaire and provide data on SOE portfolio's composition and performance
 - Designate counterpart responsible for outreach/reminders to contributing institutions/stakeholders/SOEs within each country




Survey of SOE Audit Committees

- Scope & Objectives
 - Overview of regional practices and legal requirements
 - Identify audit committees' needs for guidance in following good international practice.
 - Recommend specific legal/regulatory measures for consideration and define possible capacity-building initiatives
- Partner Countries' Contributions
 - Indication of interest / prioritization
 - Identify informational (anonymous) interviewees: 2-3 SOE Audit Committee Chairs, 1 representative from the ownership/coordination entity, 1-2 chairmen of SOE boards
 - Designate contact person




Benchmarking Corporate Governance Codes

- Scope & Objectives
 - Benchmarking of European Corporate Governance Codes for SOEs
 - Pros and cons of stand-alone SOE CGCs
 - Consideration of circumstances for adoption or disregard
- Partner Countries' Contributions
 - Indication of interest
 - From countries with stand-alone SOE CGC:
Designate for informational interview representatives from 1-2 SOEs and ownership/coordination entity



SOE Climate Action Diagnostic and Action Plan

- Scope & Objectives
 - Fast-track “SOE Climate Action Diagnostic”: Identification of salience of the SOE portfolio challenges (emission, adaptation, transition), and of the readiness of the supporting SOE policies.
 - Draft diagnostic report with identification of gaps and opportunities for action
- Partner Countries Contribution
 - Indication of interest
 - Validation of draft report




Benchmarking SOE Performance Management Practices

- Scope & Objectives
 - Establish overview of trends in SOE performance management. Identify challenges in SOE performance management
 - Special focus on digital tools used (data basis, ERP, BI solutions, dashboards)
 - Complemented by a case studies of selected best global practices, to establish benchmark / standard to measure against
- Partner countries' contribution
 - Indication of interest/prioritization



Benchmarking Public Service Obligation Management Practices

- Scope & Purpose
 - Establish overview of regional and global trends in PSO management
 - Analyze performance and challenges in PSO practices
- Partner countries' contribution
 - Indication of interest / prioritization



Survey of Remuneration and Incentives for SOE Executives

- Scope & Purpose
 - Establish an overview of regional trends, practices and challenges
 - Analyze performance and challenges
 - Drive SOE performance through remuneration and incentives
- Contributing countries' contributions
 - Indication of interest/prioritization
 - Complete questionnaire on remuneration and incentive policy practices.



Survey of State Audit Institutions Involvement in SOE Auditing

- Scope & Objective
 - Establish a regional overview of trends, practices and challenges of SAI's involvement in SOE audits
- Participating countries' contribution
 - Indication of interest/prioritization
 - Complete mini questionnaire



Good Practices for State Ownership Policies

- Scope & Objectives
 - Overview of practices, trends, and challenges in Western Balkan and Eastern Partnership Countries
 - Compilation and analysis of practices
- Participating countries' contribution
 - Indication of interest/prioritization