**MEETING MINUTES**

**FORUM:** SG NMPG

**DATE AND TIME:** 08 MAY 2013, 4PM

**LOCATION:** SWIFT OFFICE, 8 MARINA VIEW, ASIA SQUARE TOWER 1, #28-04, RAFFLES ROOM

**ATTENDEES:**

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| **NAME** | **ORGANISATION** |
| Jamie Allen | ACGA |
| Rebecca F Terner | ASIFMA |
| Jackie | ASIFMA |
| Elizabeth Chia | BNP Securities Services |
| Mabel Goh | Citibank |
| Gan Lai Chun | Citibank |
| Herman Wan | DBS |
| Eu Wai-Ling | Deutsche Bank |
| Christina Ang | Deutsche Bank |
| Bridget Tien | Deutsche Bank |
| Gopu Maniam | HSBC |
| Ganesh M Iyer | HSBC |
| Daisy Lam | HSBC |
| Tony W Lewis | HSBC |
| Janice Ow | OCBC Bank |
| Anthony Sim | Standard Chartered Bank |
| Lim Ek Young | Standard Chartered Bank |
| Cindy Foo | SWIFT |

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| **AGENDA** |
| 1. Updates from the three sub-committees (including updates from combined meeting of SMPG Transactional Sub-Committee & APAC CA WG) 2. Priorities for SG NMPG/APAC NMPG to focus on for 2013 3. Nomination of names for formation of a group within the NMPG forum to look at market practices 4. Updates on Global SMPG 5. Review of sample past SGX broadcasts where communication can be improved/ SGX to share more information on exchange BCP plans where permissible 6. Feedback and finalize SG NMPG Terms of Reference 7. Nomination for SG NMPG Vice Chair role 8. Updates from Jamie Allen (ACGA) |

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| **MINUTES** |
| Introduction  Rebecca and Jackie from ASIFMA joined in the meeting via conference call. ASIFMA is working on an initiative on clearing and settlement fees and would like to explore if there are any opportunities where ASIFMA can work together with the Singapore community on common objectives and to achieve common goals. Rebecca added that SG NMPG (the “Group”) can approach ASIFMA if the Group requires more information or industry support.  1) Updates from the three sub-committees  Transactional Sub-Committee  The focus of the Transactional Sub-Committee for the month of March and April had been on the CA WG. The SG CA WG met twice on 19 March and 3 May and had completed the survey form from the APAC CA WG. In addition, the WG decided on the priority items specific to the SG market for discussions.  Priorities for the SG market are as follow:   * Standardization of the automated announcement process * Increase compliance with CA market practice (MP) and work with infrastructure to move from proprietary to ISO standards   On the MP front, the SG CA WG met with four representatives from SGX where misunderstandings by SGX on several topics were being cleared up. These topics included Share Purchase and Intraday Batching. Tender Offer was also discussed where the WG explained to SGX that with regards to the T+3 deadline, the buyer of the offer may not be able to participate. In addition, the WG clarified that the PMSM constraint was a result of a system problem. SGX will look into these issues and revert. The WG will continue the engagement with SGX and follow up on the discussions.  Anthony highlighted an issue pertaining to CA transformation where currently, the information issued by companies on their prospectus may not be the same as what is available electronically. This leads to wastage of time and a lack of STP. A suggestion was put forth by Anthony for the Group to check internally within their organisations to find out which of them are prepared to work with SGX on the formatting of the information. Ideally, there should be 2 – 3 organisations as representatives. These parties will not be representing their individual organisations but as an industry group instead. All the participants will go back to check with their organisations and revert on their interest.  Daisy shared another topic which was discussed with SGX – the electronic submission of tax declaration at the issuer level. SGX will check with their operations staff and advise the CA WG. Similarly, SGX will engage the CA WG on the development of the subscribing service.  Communication Sub-Committee  There was no update as the Communication Sub-Committee members did not have the time to meet up yet.  Anthony shared that SGX is to provide the distribution list of all the DAs as a communication tool for the Group when broadcasting information. There is also a need for the Group to obtain the registrars list.  This sub-committee will provide their updates to the Group by writing before the next SG NMPG meeting.  Advocacy Sub-Committee  As Conrad has moved to Australia, Mabel will take over the role as the Co-Chair for this sub-committee.  This sub-committee has been involved in the discussion on CSD fees for various markets (eg. Malaysia and Vietnam) and will be sharing information with SGX as a next step. ASIFMA is also involved in an initiative looking at fees which include CSD fees as well as clearing fees. Therefore, ASIFMA and this sub-committee can work jointly on this effort before making a representation to SGX. Anthony commented on the need to meet with senior management from SGX in the next meeting. He added that the sub-committee should fix a date for the next meeting with SGX.  The other item which this committee has been working on is Proxy Voting. There is a need to determine the issues in the region and assess if Singapore is on par with the other markets in the region.  Tony questioned if there is currently any best practice on Proxy Voting in Singapore. Anthony proposed engaging with the 2 companies specialising in Proxy Voting – ISS and Broadridge to determine how to form the best practice for Singapore which can thereafter be shared with the local community.  2) Priorities for SG NMPG/APAC NMPG to focus on for 2013  Anthony informed on the 2 priorities to focus on for this year. The first is to determine how to increase the participation of the SG NMPG/APAC NMPG at the Global SMPG level. Secondly, there is a need to formalise the SG NMPG in order to ensure continuity and consistency as the group progresses.  3) Nomination of names for formation of a group within the NMPG forum to look at market practices  There is a need to nominate names for the formation of a MP WG within the SG NMPG. The SG CA WG resides within the Transaction sub-committee and has committed to publishing the SG CA MP this year.  Anthony explained that the Global SMPG is split into 3 WGs – S & R, CA and Funds. Currently, there is no representation from SG NMPG in all these 3 WGs except Anthony himself. It is alright if there is no participation in the Funds WG for the time being but there should representation at the S & R WG. For the CA WG, there should be no issue in identifying the representatives from SG NMPG. The names of the representatives from the SG NMPG should be firmed up by the next SG NMPG meeting.  4) Updates on Global SMPG  Cindy updated the Group on the topics discussed at the Global SMPG meeting held in Frankfurt on 23 – 25 April 2013 for the S & R WG. One topic relevant to the SG NMPG is IPO. During the Global SMPG meeting, it was agreed that all the NMPGs will add the IPO MP for their respective market to the MP document in an effort to identify the commonalities between the various markets in order to build a truly global MP document. Hence, one of the action items for the Group is to draft a Singapore specific IPO MP to contribute to this global initiative. The IPO Global MP document had been circulated to the Group members previously. The members are to review and revert on the specificities of the IPO MP in SG which differ from the global MP.  During the Global SMPG meeting, the S & R WG also went through an exercise to update the 95a DEAG/REAG field in the Settlement MP Summary file. This file also documents the common settlement elements of the various markets. Singapore’s requirements are currently not documented in the file. Cindy proposed adding the Singapore’s requirements onto the file as another action item for the Group.  Other topics covered by the S & R WG included the mapping of charge amounts to codes, the use of “N” sign in the representation of a credit or debit, Financial Transaction Tax, field 97a Option A and E and an MT535 business case. The complete meeting minutes of the Global SMPG meeting for all 3 WGs (S & R, CA and Funds) will be posted on the SMPG website once they are finalised.  5) Review of sample past SGX broadcasts where communication can be improved/ SGX to share more information on exchange BCP plans where permissible  There was no update on the BCP plans as there was no representatives from SGX present at the SG NMPG meeting. Anthony will try to obtain some updates from SGX in writing.  Anthony shared that SGX had previously expressed that the infrastructure for BCP is ready. However, it depends on the readiness of the community before SGX can activate the BCP plans.  Looking at the amount of updates and information that the Group can now share with SGX, Anthony suggested organising a meeting with Ramu from SGX next and will make the necessary arrangements.  6) Feedback and and finalize SG NMPG Terms of Reference  The Terms of Reference are agreed upon by the Group and will be formally documented.  7) Nomination for SG NMPG Vice Chair role  Anthony will send out the nomination form to the Group for interested parties to apply for the role of the SG NMPG Vice Chair. If there is more than 1 nomination, the selection will be based on a balloting process.  8) Updates from Jamie Allen (ACGA)  Jamie from the Asian Corporate Governance Association (ACGA) was invited to join in the SG NMPG meeting. He is the Executive Director of the ACGA which is an independent and non-profit organization. ACGA engages in corporate governance research and advocacy work as well as educational work.  Jamie updated the Group on the recent initiatives that ACGA has been working on. These include Proxy Voting. He also shared the current hotspots at the moment, as follow:   * Singapore market is having some problems * Likewise for Hong Kong market * Indonesia market is also having issues * Japan is having issues with fraud * Korea is having issues with corporate fraud and embezzlement   Anthony queried on the priorities which SG market should be looking at, more from an advocacy point of view. Jamie shared the below insights:   1. Proxy Appointment System -   There is a need for the firms involved to ensure the workability of their solution.   1. Voting by poll -   There is a lack of voting by poll in the local market as the companies are unable to count their votes and disclose the voting results. This is an area which SGX will need to look into.   1. Enforcement -   One area which SGX needs to look into is the tightening on enforcement.   1. Loosening of the regulators -   MAS and SGX should loosen up and be more transparent about their rules and regulations. In addition, there is a need for companies to be more responsive towards corporate governance.   1. Spreading out of AGMs -   The current issue with AGMs is that they are often clustered together and as a result, many of the voters are unable to attend them. The problem is amplified when the AGMs are taking place in different geographical locations. Hence, the companies should be encouraged to be more flexible and to spread out the AGMs.  A suggestion by Jamie was to first gather the data on AGMs in Singapore, analyze the trend and decide if there is a problem. If there is, to formulate the solution then.   1. Clustering of regulatory consultation -   Ideally, there should be some coordination between the regulators.   1. Electronic voting –   SGX is currently working with Broadridge on the implementation of electronic voting for retail shareholders. Electronic voting will help to make the voting process a more efficient one. ISO 20022 can also assist to enable a faster and more accountable standard for voting. |

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| **ACTION ITEMS** |
| 1. For the CA transformation initiative, all SG NMPG members are to check internally with their organisations to find out if they are prepared to work with SGX on the formatting of the required information. 2. The Communication Sub-Committee is to obtain the registrars list and to provide updates on their progress before the next SG NMPG meeting. 3. The Advocacy Sub-Committee is to fix a date for the next meeting with SGX to further the discussion on CSD fees for various markets. This group should meet with some one more senior in SGX for this meeting. 4. The names for the SG S & R WG need to be firmed up by the next SG NMPG meeting. 5. All the SG NMPG members are to review the IPO Global MP document and revert on the specificities of the IPO MP in SG which differ from the global MP. 6. SG NMPG is to add the requirements for Singapore onto the Settlement MP Summary file published on the Global SMPG website. 7. Anthony is to obtain SGX’s updates on their BCP plans and share with the Group. 8. Anthony is to arrange a meeting with Ramu from SGX to share with him the updates on SG NMPG. 9. The Terms of Reference for SG NMPG are to be officially documented. 10. Anthony is to send out the nomination form to the Group for interested parties to apply for the role of the SG NMPG Vice Chair. |