



EPRC MONTHLY NEWSLETTER

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Institute of Finance & Economics and EPRC launch corporate governance program

Pursuant to the Memorandum of Understanding (MoU) signed on 16 December 2008 between the Institute of Finance and Economics (IFE) and the EPRC project to develop a corporate governance program and complementary train-the-trainers program, seventeen participants attended the three and a half day Corporate Governance Directors train-the-trainers workshop launched on 21 February 2009. Held at IFE, the train-the-trainers workshop is the first event among a series of corporate governance activities planned for 2009 in partnership with IFE.



Included among the seventeen participants were senior academics from IFE and the National University of Mongolia (NUM), officials from the Financial Regulatory Commission, State Property Committee and the Mongolian Employers' Federation and representatives from Mobicom Corporation.

The three-and-a-half day intensive training program consisted of twelve modules on various corporate governance topics. Dr. Demir Yener, the EPRC Corporate Governance Advisor designed and developed the modules and IFE translated them into Mongolian. On 9 February, before the train-the-trainers sessions, the project held a workshop on case writing techniques and methodology to assist with the development of Mongolian case studies for use in future training programs.

The train-the-trainers program intends to prepare Mongolian instructors to teach corporate governance principles and best practices to corporate directors, board members and chief

executive officers of leading Mongolian publicly traded companies. The course provided global best practice perspectives and explanations of the current corporate governance trends and practices for implementation in the Mongolian corporate environment. Materials were prepared with consideration of Mongolia's current legislation including the Law on Companies and the Corporate Governance Code of 2007 adopted by the Financial Regulatory Commission.



Participants received certificates of completion at the end of the workshop. The trainers will deliver a pilot Corporate Directors Training Workshop from March 13-15, with project assistance.

Memorandum of Understanding signed with the General Agency for Specialized Inspection

At a brief ceremony held at the office of the General Agency for Specialized Inspection (GASI) on 20 February 2009, the project signed a Memorandum of Understanding (MoU) with GASI. Under the terms of the MoU, EPRC will provide assistance to GASI to:

- Improve the dissemination of public information through a redesigned GASI website
- Improve the information systems and network security of the GASI Ulaanbaatar office to maintain the reliability and integrity of the website offering public information
- Improve the information systems, establish local network and strengthen network security of the GASI Zamyn-Uud office to connect to Customs office network which will serve as pilot project in preparation of connecting GASI offices to Customs network in various locations.

Within the scope of these objectives, the project will provide assistance to GASI to:

- Develop an IT improvement plan for the GASI offices in Ulaanbaatar and Zamyn-Uud
- Develop and implement an action plan to improve the website

- Design the information structure for the GASI website (www.ssia.gov.mn) and assist in planning of client-oriented content
- Provide training to GASI staff on website management, use of open source content management tools, and website content creation
- Install and secure a local area network in the Zamyn-Uud office to connect it to the Customs GAMAS information system.

- A half-day workshop on case writing techniques and methodology to assist with the development of Mongolian case studies
- A three-and-a-half day train-the-trainers workshop on the corporate governance modules held during 21-24 February.



Board members and executive directors, with assistance from the certified instructors and Dr. Yener, examined and discussed the concepts and case studies presented in the twelve modules on:

The MoU was signed by Dr. Ts. Shiirevdamba, Director of GASI and Dr. Fernando Bertoli, Chief of Party of the EPRC project.

Corporate governance training for directors held

On 13 through 15 March, fifteen board members and executive directors of various Mongolian joint stock companies and banks participated in an intensive three-day seminar on modern corporate governance held at the Institute of Finance and Economics (IFE). Instructors trained and certified during the train-the-trainers workshop held during 21-25 February conducted the seminar under the supervision of the project corporate governance advisor, Dr. Demir Yener.

- Module 1: Introduction: Corporations and corporate governance
- Module 2: The Mongolian and international environment for corporate governance
- Module 3: The Board of directors
- Module 4: Shareholders and shareholder activism
- Module 5: Executive and nonexecutive compensation and incentives
- Module 6: Financial controls, auditing & disclosure
- Module 7: Corporate takeovers: mergers & acquisitions
- Module 8: Risk management
- Module 9: Role of financial institutions in corporate governance
- Module 10: Corporate social responsibility
- Module 11: The Board committees and meeting organization
- Module 12: Dividend, investment and financial policy and strategy

Participants filled out evaluation forms at the end of each day. According to the results of these forms, a majority viewed the seminar on corporate governance positively and stated that they would recommend this course to others.



Officers from Zamyn Uud General Agency for Specialized Inspection complete IT training workshop

In accordance with the MoU signed on 20 February 2009 between GASI and the project, IT specialists from both organizations visited Zamyn Uud during 16 through 20 March to provide assistance with the installation of a local area network (LAN). The Fifty-three inspection officers from the GASI Zamyn Uud office received a two-day, hands-on IT workshop under project sponsorship. The workshop was designed to facilitate the installation and security of the local area network (LAN) of the GASI Zamyn Uud office.

The seminar is the first in the series of training courses for corporate board directors envisioned under the Memorandum of Understanding (MoU) signed on 16 December 2008 between IFE and the project. Prior activities under the MoU include:

- Development and translation into Mongolian of twelve modules on corporate governance for board members



Main topics of the training included:

- Network policies and standards
- Basic protection setup for desktop and server appliances
- Common procedures for reliable and safer computing
- Backup and restore procedure for office suites
- Regular maintenance steps for computer equipments
- Best practices for efficient computing
- Internet, e-mail and communication systems.

In addition, four inspection officers also received advanced training on computer system maintenance, operating system installation, antivirus protection setup and daily administrative routines.

Installation of the LAN aims to improve the efficiency of daily procedures of the agency and prepare the GASI Zamyn Uud office for eventual connection to the GAMAS Customs information system

This Newsletter is a monthly electronic publication of EPRC project activities. Comments, suggestions, and requests for inclusion or deletion from our mailing list can be forwarded to: Editor, EPRC Newsletter, by e-mail fbertoli@eprc-chemonics.biz or fax: (976-11) 32 78 25.