



Governance in the Era of Regulatory and Geopolitical Shifts

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How we experience Regulator and RGPS in our contexts (Saudi)?

- Understanding the root cause of RGPS. What drives RGPS?
- Global Competitiveness; Ease of Doing Business; ...Vision 2030...
- How clear is the regulator? Smart regulation!
 - Clarity in the website
 - Case: The CMA Strategy and policy consultation process
- The role of Advisory Boards.
- How the regulators are regulated? How do they create value?
- How we reviewed our governance system ?
 - Governance progression and maturity assessment to address gaps.
- How we reviewed our effectiveness as a board?
 - The use of an external SME twice
 - How we nominated / selected the new CEO / Boards / commissioners?
 - Importance of the composition of the board of the regulators and the business
- Strategic communication is critical.

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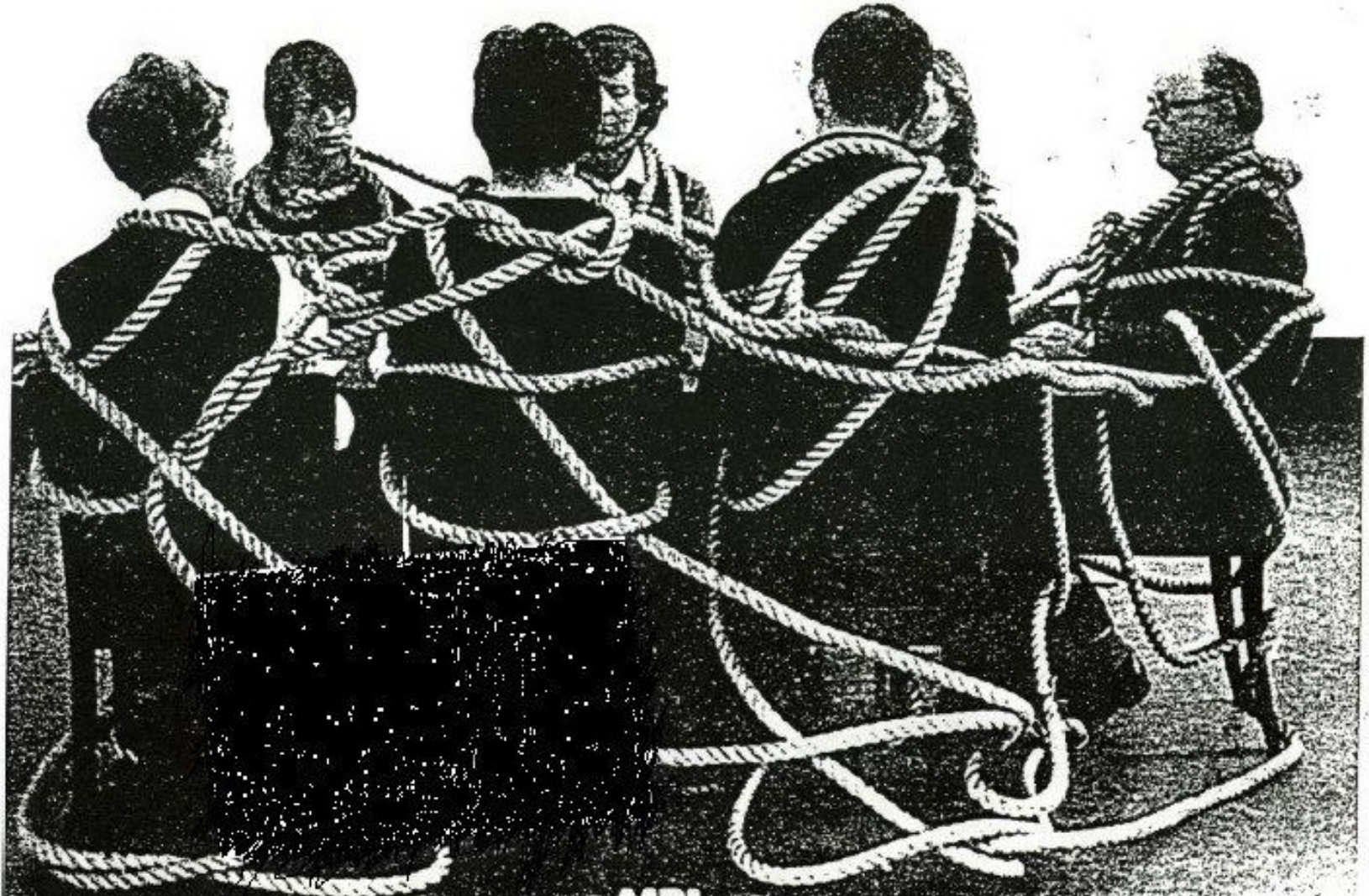
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Management By Regulation



Architects of Transformation Governance & Effectiveness

How Regulars are regulated? How do they create value?

- Are stakeholders continuously engaged?
- Multiple layers of engagement
- Having a dialogue on value creation
- Performance measurement & maturity of process
- Board assessment & maturity of the process

More stories to share context?

- Vision 2030 - many stakeholders we effectively engaged.
- The Transformation: The Fat; The Spoiled; The Addicts >>> Progress
- Institutional voids and regulation gaps >>> Progress
- The shifts in regulating the Financial Sector
 - The FSDP: Financial Sector Development Program.
- Saudization policieslocal contenta new dynamics is being created ...
- Gas prices & other subsidies
- How education is being funded? Regulated? >>> maturity of the mindset >> Progress
- Almost every sector is reset (reform in every sector): >>> Progress
 - Education; Healthcare; Housing;
 - Regulation of regulation; V2030 Governance
- Policy makers vs policy takers >> effectiveness of the dialogue to progress the nation
- Governance of policy making
- The CMA case study ; the CMA Advisory committee

What are the key challenges?

What are the key questions our boards are struggling with?

- Mindset exchange
- Mutual trust & Mutual respect
- Interaction model
- Beliefs sharing
- Value creation stories
- Impact assessment
- Quality of the PPP

**What are things that we in our contexts are doing well?
What could we do better?**

- **Be proactive ..Vision 2030**
- Begin with the end in mind
- Deeper dialogue on value creation

What are the roadblocks that we need to conquer for positive change to happen?

- Continuous learning from others
- Knowledge sharing is critical
- Experience sharing is critical
- Evidence based cases of value creation stories and value destruction stories are critical.

Some learned lessons:

- **PROACTIVE GOVERNANCE:** Policy and Strategy Design in the Context of Accelerating Change

AT Kearny. World government summit

Five most common chairs' practices in Europe

1. Arranging dinners with board members the evening before the board meeting

'You can have some content-rich discussions about current and future issues without a pressure of making a decision.'

2. Reaching out to each director before the board meeting to discuss agenda and seek input

'15-minutes long phone call gives me a chance to pick up every director's brain before the board meeting'

3. Speaking the last during board meeting discussions

'I try to make as little room as possible. My task is to help others to speak their minds.'

4. Meeting with shareholders to discuss an upcoming board meeting

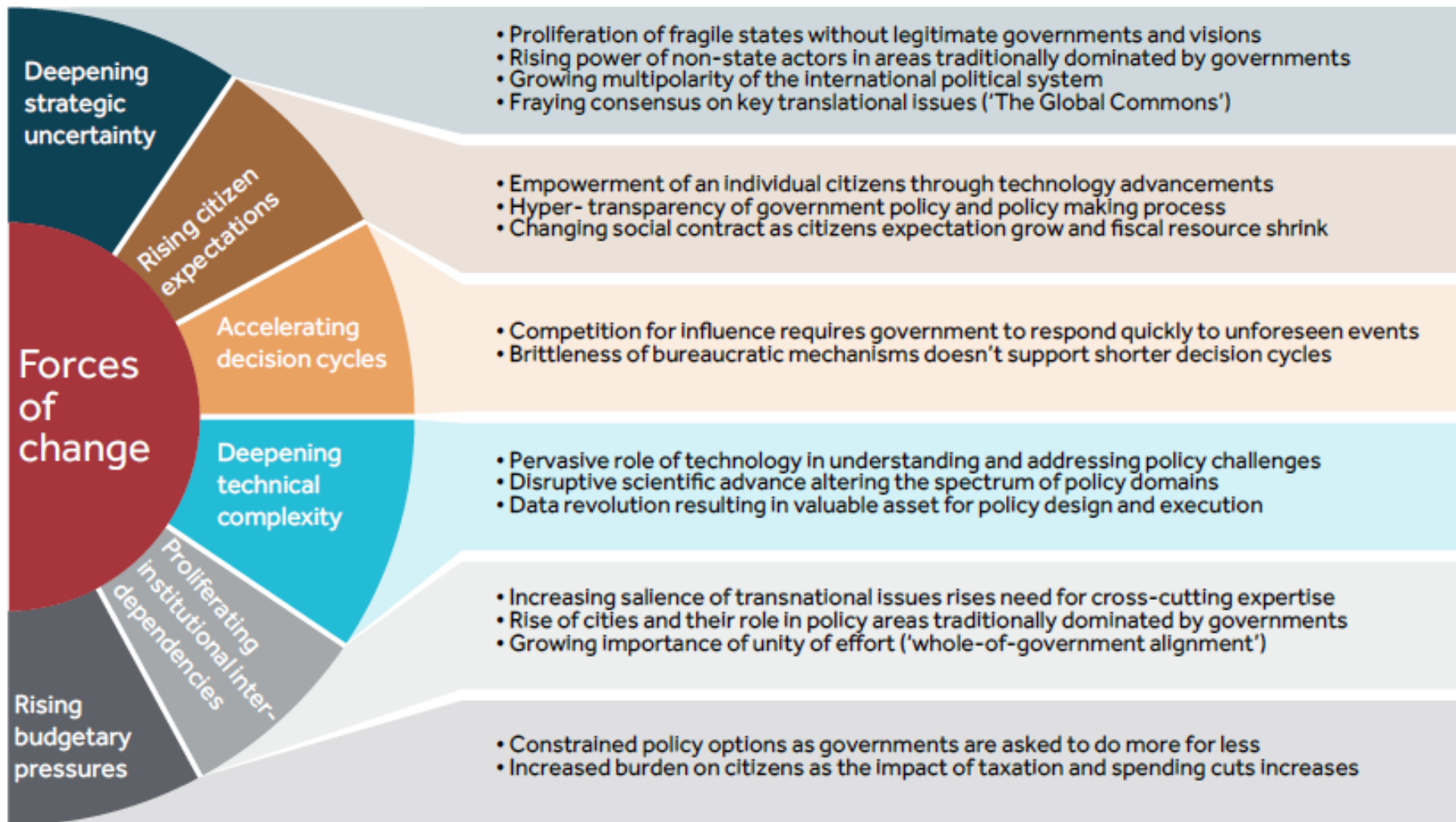
'I am not promising them we will do what they want, I am promising that we will keep it in mind.'

5. Making yourself available to the CEO 5x7 or 7x7

'Whenever the CEO calls me I thank her and repeat that I am available 24 hours 7 days a week. She knows that I care and she can rely on me'

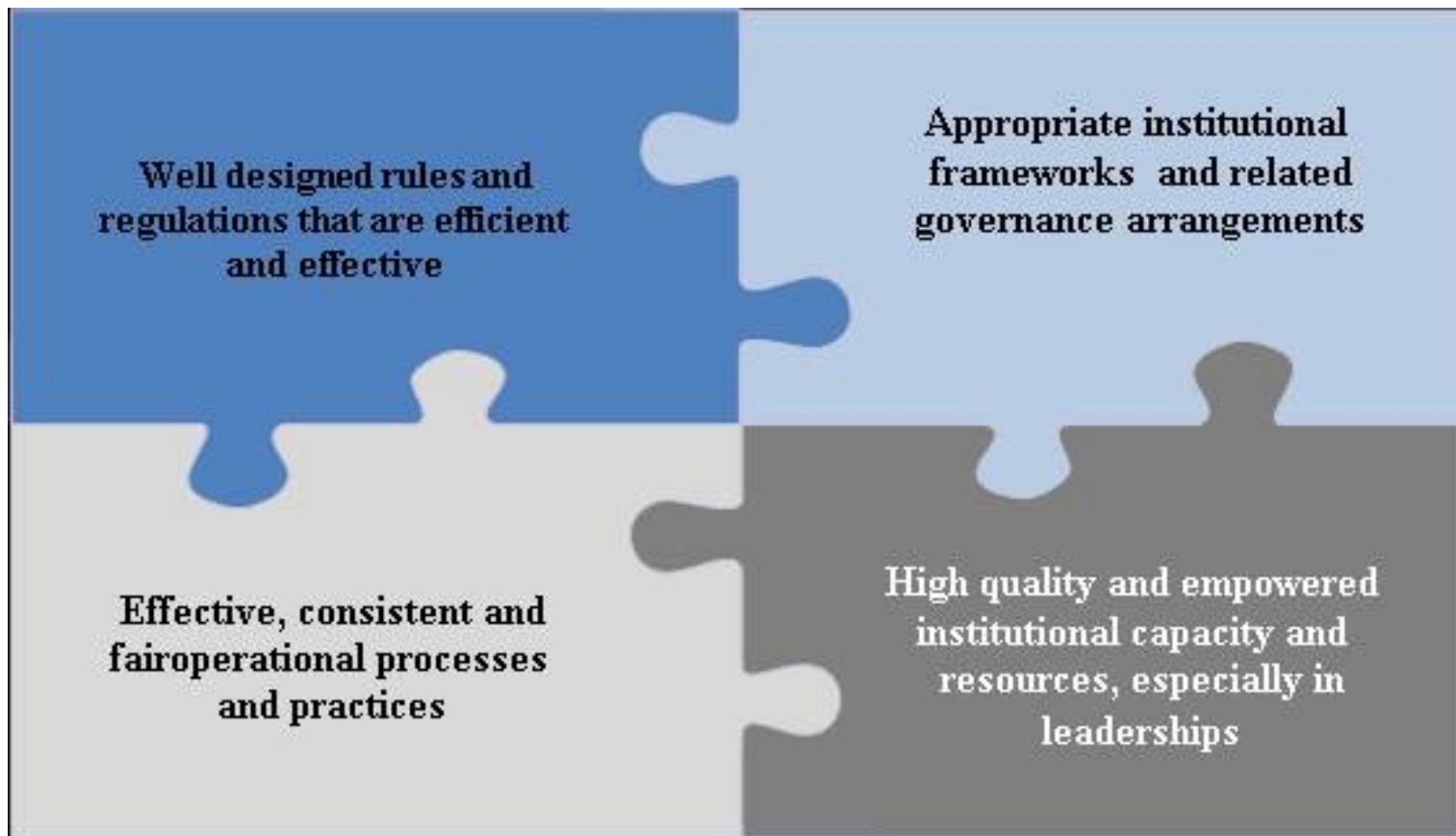
Back-up slides

Primary forces of change in policy and strategy landscape



Source: A. T. Kearney Analysis / Global Business Policy Council - World Government Summit 2018

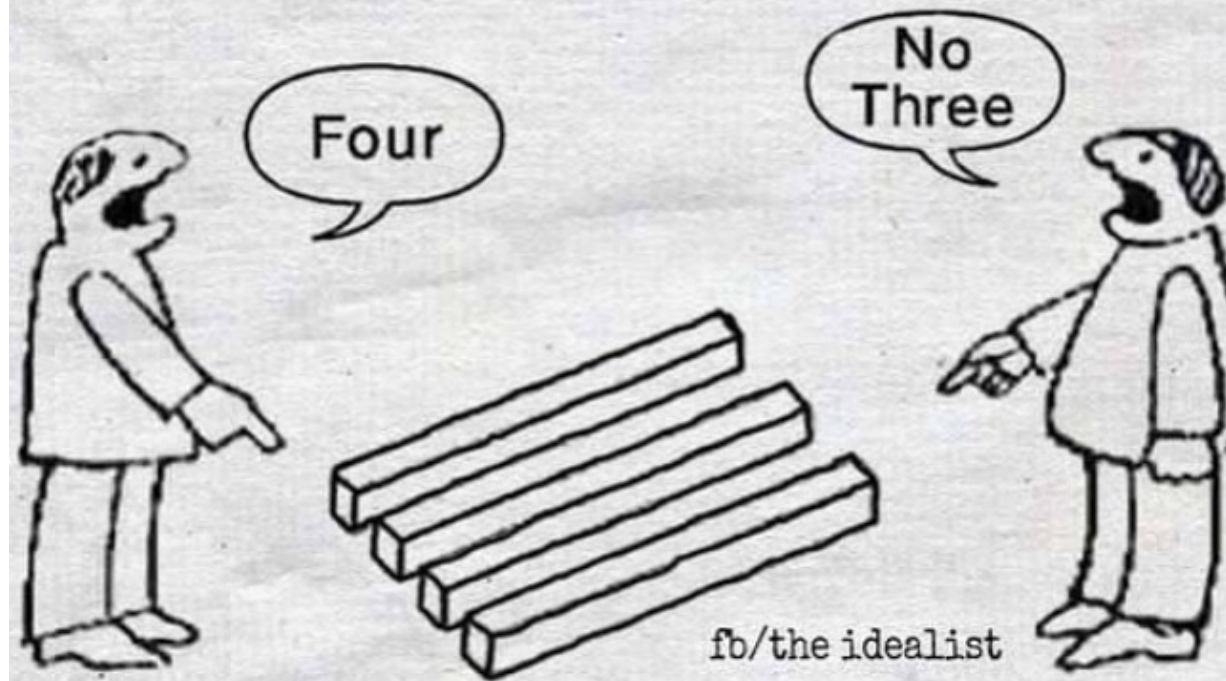
Necessary elements of better regulatory outcomes



Source: OECD - Principles for the Governance of regulators

**"Everything we hear
is an opinion, not a fact.
Everything we see
is a perspective, not the truth."**

- Marcus Aurelius



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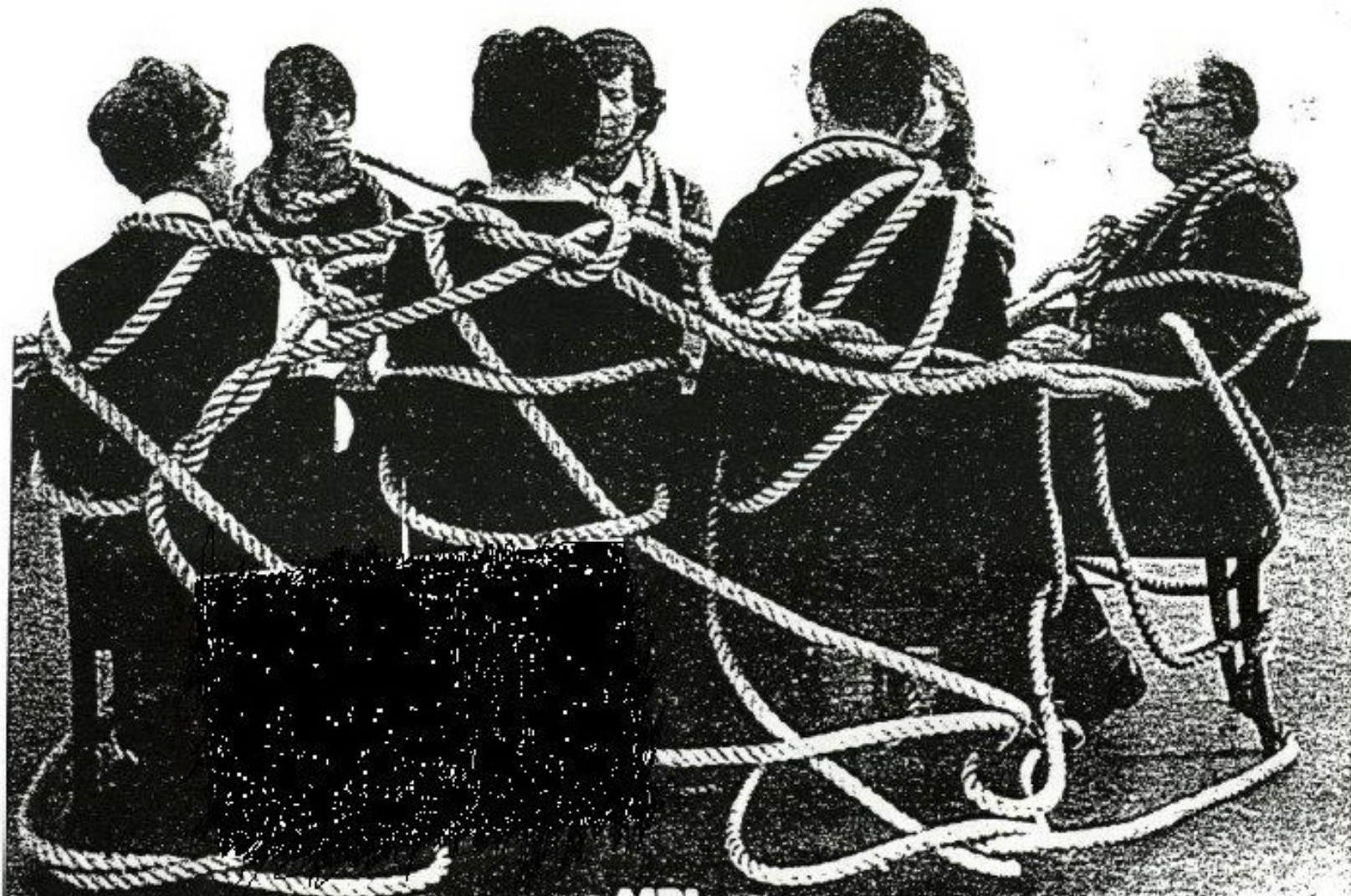
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Definition of Policy & Strategy

The terms policies and strategies are interpreted in many ways.

The description below is based on the conventional western understanding

Agreed decision or course of action, adopted or proposed by an appropriate authority

- Official guiding orientation or position of the State with respect to a given issue or set of issues
- Defines the parameters in which a government will act with respect to a given issue
- Principle or guidance mechanism for decisions
- It may include goals, strategies and resources
- Usually seen in laws, regulations and speeches of the leadership, who are the policy makers

Policy



Strategy



A plan of action with specified objectives and timeline, referring to topics specified in policies

- Pertains to actual choices and prioritization of longer term consequences
- Bears a significant relationship to a given mission or central purpose
- Is based on a point of view – requires a defined acting subject with specific perspective and set of interests
- Is iterative – there are feedback loops in place to facilitate updating the strategy

Source: A. T. Kearney Analysis / Global Business Policy Council - World Government Summit 2018

Thank You