

Media Release

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Mandatory Provisions Regarding Separation of Chairman/CEO Roles, awaiting Public Consultation – Ranel Wijesinha, Chairman SEC

“Corporate Governance Provisions for the separation of the Chairman and the Chief Executive Officer roles in Listed Companies, were to be introduced only after stakeholder consultation” said Ranel Wijesinha Chairman, Securities and Exchange Commission (SEC). A decision was taken at the end of the third quarter of 2018, to subject this issue for consultation when the Commission responded to a proposal I made that in the Sri Lankan corporate context it is a key measure, which requires the consideration of multiple perspectives. The Commission at a meeting early this year resolved to conduct a public consultation.

When the Commission was constituted in June 2018, we began a series of consultations on key issues between the SEC and the Colombo Stock Exchange (CSE), and between the SEC and the broking community or between and among any other groups of internal/external stakeholders. The healthy interaction, open and transparent approach, the positive, constructive and proactive dialogue has worked well so far and we have taken a decision to also adopt this approach to a “Dialogue with Listed Companies” to be hosted by the SEC. This “Dialogue” to be scheduled for October/November 2018 was postponed due to the political situation, which prevailed. It is our intention to conduct this forum to discuss a wide variety of matters within the next week or two.

The SEC is committed to building a robust, well regulated and attractive capital market. Towards that end, we benchmark ourselves against a wide variety of jurisdictions that are members of the International Organization of Securities Commissions (IOSCO), of which SEC Sri Lanka is an active member for more than 15 years. Over more than two and half decades the SEC and the CSE have worked closely with the Institute of Chartered Accountants of Sri Lanka (ICASL) who in turn developed its Codes of Best Practice on Corporate Governance, based on the work of regional and global organisations of which CA Sri Lanka is a member.



SEC Chairman, Ranel Wijesinha, Director General, Vajira Wijegunawardane and other officials of the SEC in discussion with IFC officials, Vladislava Ryabota, Regional Corporate Governance Lead, South Asia, Lopa Rahman, Corporate Governance Officer and Njari Gitonga, Senior Program Officer, Women in Work

Chairman, SEC Ranel Wijesinha stated that “In essence, we bring to bear upon our deliberations the latest developments in the field. However, we are not simply driven by “Best Practices of other jurisdictions alone or by rankings of the World Economic Forum or the Global Competitiveness Rankings or Competitiveness Rankings, or “Doing Business Index” of the World Bank”.

Issued by

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