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**A Set of International
OECD and ICGN
Corporate Governance
Standards After
Financial Crisis,
Corporate Scandals
and Manipulation -
Applications for Nigeria
and Implications for
Developing Countries**

1. Introduction

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Is it time to look back our corporate governance systems? Many researches from various organizations show the answer “Yes” to it. Therefore, here, we try to make a comparative analysis on different International Corporate Governance approaches. Despite trying to select an easy-reading writing style, there are still some academic words need to be explained in further. Exhibit 2 shows us various risks which need to be controlled in corporate governance system. These days, a lot of countries reevaluate their own corporate governance (CG) code and enhance it during economic recession. Hence, one of this study purposes is to compare various codes of CG and propose a better comparative set of CG standards.

This paper is organized as following. Research literature and theories are covered in the first two sessions. Then, it is followed by introduction of our research methodology in section 2. Continuously, it illustrates our familiar groups of empirical findings. 3rd session turns to our conclusion and policy suggestion. Before last, there is an exhibit session which covers some summary of this paper's analysis and comparison. And lastly, a references is provided with information for reference.

2. Research literature review

There are many and controversial researches so far ~~are~~ done in the corporate governance area around the world. Coffee, John C., (2006) identifies how professions changed their behavior through the last century and he also indicates that all boards of directors are prisoners of their gatekeepers and only when the board's agents properly advise it, the board could act efficiently. On the other hand, Prentice, Robert A., (2007) stated SOA can be burdensome cost to corporation with adverse impact on American capital markets.

Besides, CFA Institute (2005) stated good Corporate Governance and Value Creation for Companies and investors have a positive relationship. Additionally, OECD (2004) presents a view that corporate governance also provides the structure through which the co.'s objectives are set, the means to obtain those objectives and to monitor performance are determined. It is stated that good CG provides sound incentives for BD and MB to achieve shareholders' long term interests and facilitate effective monitoring. And together with trends in upgrading countries and organizations' CG codes, there are lots of controversial opinions on CG subjects such as what is independence and transparency. NYSE (2003) pointed no director can be considered as independent director if they are former employees and the time since their employment ended within (\leq) 5 years.

Dobre et al. (2015) and Arniati et al. (2019) provided evidence that the existence of corporate governance elements do positively influence the audit quality of the entity, especially when it comes to the number of members that the executive board has. Al-Gamrh et al. (2018) found a positive influence of corporate governance strength on the accounting performance, but a negative influence on the firms' economic performance. In normal times, corporate governance mitigates the negative influence of leverage and risk on the accounting and economic firm performance. Mahdy and Dina (2019) addressed the need for proactive corporate governance, using meta analysis to reconcile conflicting

research findings, employing alternative theoretical underpinnings that go beyond agency theory, thinking blockchains, and developing an agenda for corporate governance convergence.

Since then, based on different, general and detailed, corporate governance rules in different markets, what is the common and comparative standardized set of so-called International corporate governance standards?

3. Theory of Corporate Governance, Scandal and Market Manipulation

3.1. Theory of manipulation

There are different views on market and stock manipulation. Also, the term illegal price manipulation is hard to find a true definition as well as controversial. Cataldo, A.J., Killough, Larry N., (2003) pointed the roles of the market maker in creating inventory of stocks and then they buy low and sell high to make profit. Khanna and Sunder (1999) found that brokers collaborate with company to make stock prices in dump and pump schemes. In practice a well linkage among the market makers, in fact, can be a tool for market manipulation. Hammad, Siddiqi., (2007) suggested that stock market manipulation may have the involvement of financial intermediaries and brokers may manipulate while maintaining their credibility.

3.2. Theory of corporate governance and financial crisis

First, OECD (2004) stated corporate governance is affected by relationships of participants in the governance system. CFA Institute (2005) defines corporate governance as the system of internal control and procedures managing companies. ADB and Hermes, stated in the 2003 Code, Good Corporate Governance provides a framework in which both board directors and shareholders can fulfill their responsibilities such as operating company in shareholders' long term interests and exercising stewardship of company, respectively. After Asia crisis, in 2001, ADB group of authors identified that one way to enhance BD independence is to accept nominations for BD from institutional investors. Johnson, Simon., Boone, Peter., Breach, Alasdair., and Friedman, Eric., (1999) recognized CG measures, such as protection for minority shareholders, provide a better means than standard macroeconomic measures in explaining stock market downturn.

Also, Lessing, John., (2009) stated a mechanism of check and balance is required for maintaining a good corporate governance.

We can see, hence, there are different analytical views on corporate governance and its importance.

3.3. Introduction of Corporate governance models

Following the Anglo-US CG model, there are 3 key players as shown in the below figure 1.

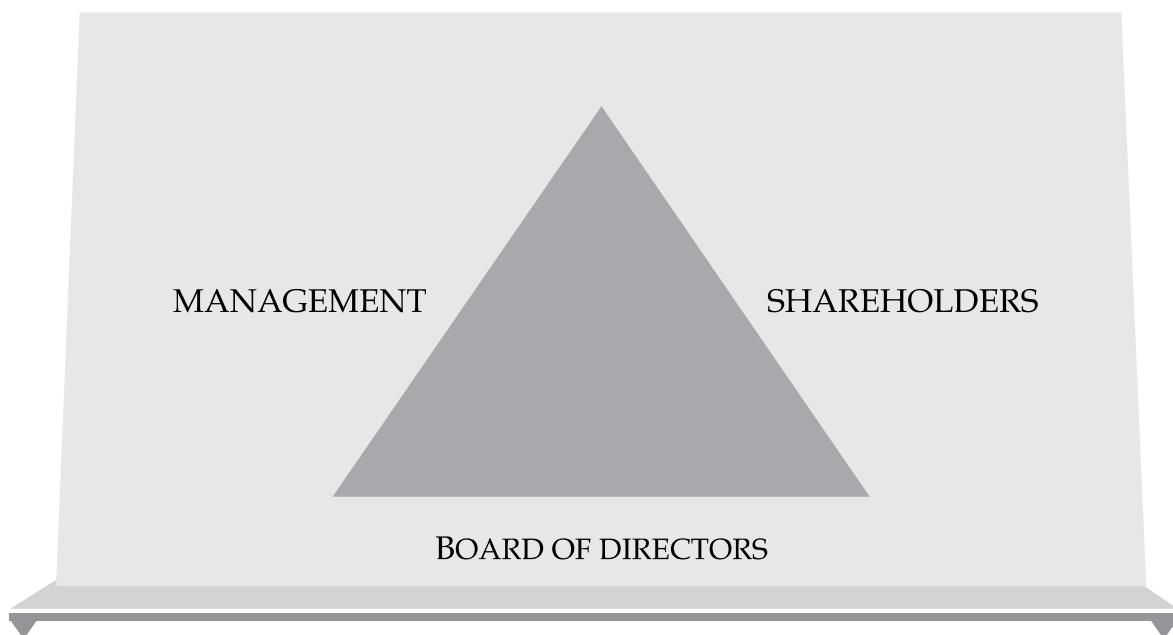


Figure 1. Three (3) key players in the Anglo-US model

Source: own study

Shareholders may involve individual investors and institutional investors. These investors will contribute capital to the business and keep ownership of the corporation. There is a separation between ownership and control of the company.

And Thailand Stock Exchange, until 2006 defined corporate governance as a set of structures and processes b.t board, management and shareholders to strengthen the co.'s competitiveness, growth and longterm shareholder value, together with interests of other co.'s stakeholders.

4. Research methodology

Firstly, we analyze and compare corporate governance principles in each of two (2) different groups including: 1) Group 1 - International CG representative standards including ICGN and OECD Corporate Governance Principles which have many modifications in corporate governance principles after the crisis period; and use ACCA Principles as reference.

We also use, but not limited to, international standards of corporate governance such as: World Bank, and Mc Kinsey corporate governance principles and surveys as reference.

Then, we suggest on what so-called comparative International corporate governance principles which is aiming to create a basic background for relevant corporations interesting in different aspects of corporate governance subjects. See Exhibit 3 for our model.

Last but not least, it can be considered as the recommendation to relevant countries' government and other relevant organizations for public policy and necessary evaluation. For a summary of our standards, see Exhibit and the below table 1 and 2 in relevant sessions.

5. Empirical findings

5.1. Findings on Corporate governance issues after financial crisis, corporate scandals and market manipulation

There are several popular issues including: a weakness in overall corporate governance system in measuring and protecting shareholders or owners' interests and benefits, as well as the matter of reevaluating related-, or 3rd, parties relationships and transactions that might harm the company's shareholders' interests, benefits and values.

Also, we can find out another corporate governance (CG) issue. It is, the lack of "fair and true" views in internal control and auditing which may lead to improperly accounting practices. Another problem, in famous Enron scandal, we can remember functions of internal control and external audit failed to make the accounting problems transparent.

Moreover, the lack of a careful ethical management system and code of conduct implementation can be attribute to scandals and frauds which tends to be expressed during and after financial crisis. Last but not least, a holding company or grouping structure, involving subsidiaries such as SPVs, can be

used as a mean to hold large assets or debts and can be recognized as off-balance sheet transactions which needed to audit.

5.2. Findings on Ways of Manipulation during Corporate Scandals

Several Manipulation Techniques found out during corporate scandals involve, but not limited to:

1. The manipulation techniques in the income statement:

Here, the technique is used to hide the expenses and therefore, inflating co.'s profits. Worldcom showed a famous example when it has \$3,9 b hidden expenses in 2001. Also, other examples were found in such cases as Sunbeam (manipulating revenues by a "bill and hold" mechanism) or Waste Management (see our previous papers on Corporate Governance).

2. The manipulation techniques in both the income statement and balance sheet:

Not only does it want to increase reported earnings or keep a smooth reported profit number, but also the company has motivation to hide or decrease debt level from its balance sheet as well. Enron scandal shows us that there is debt omitted in using SPVs which enable it to lower the cost of debt. Or another case, GE in 2002, shows it uses SPVs to hold a larger amount of assets.

3. The manipulation techniques relevant to international accounting practice code:

Although we cannot deny the fact that IFRs and GAAP are among current standardized accounting standards to protect shareholders' value, it is obvious that there is not much thing to do with business ethics and clear obligations in international accounting standards such as IPRs or GAAP, which implies an ethical risk and in this context it is not effective tool against manipulation environment. For other relevant information, see our previous papers on Corporate Governance.

4. Other manipulation techniques net belong to above classifications:

Market Manipulation can happen in an event in which there is a unified cooperation and solid interaction among investors, which can be explained by risk diversification, or even taking advantages of easy financial regulations in banking and finance system to use financial intermediaries' mechanisms for manipulation.

5.3. Actions on Preventing or Controlling negative manipulation

Necessary actions to prevent or control negative market manipulation are, but not limited to, enhancing internal control and audit system and reevaluating corporation's corporate governance strengths and weaknesses, as well as strengthening internal and external audit functions in knowing comprehensively "transfer internal transactions" or insider trading, understanding well division b.t good and bad manipulation, and key business risks as well as risk management models.

5.4. Findings on Construction of Comparative International Corporate Governance Standards

These findings will be shown in a detailed analysis of a model indicated in the later sessions.

<D.1> - Group 1 - ICGN and OECD Corporate Governance standards analysis

6. The OECD 2004 CG Principles

The OECD 2004, after its 1999 version and revision in 2002, is used widely in many countries in the world, especially after the Asian financial crisis 1997-1998. It is meaningful in an aspect that policy makers can find good corporate governance has positive affect to stable market and economic development, and in another aspect that it might help OECD and non-OECD countries to upgrade their own legal framework of CG.

It is said that one of its significant advantages is mentioning the exercise rights of institutional shareholders, though it would be better to clearly identify their duties in the invested company. Additionally, providing proper items on shareholder protection is one among other strengths of the OECD Code. Besides, it also gives appropriate recommendations of "good corporate governance framework" to policy makers.

And different from some other Asian Codes, it pays more attention on disclosure policies such as disclosure of institutional investors on how they exercise voting rights.

Generally speaking, The OECD 2004 Code has a meaningful objective in encouraging transparent and efficient markets. Besides, it provides good information on clearer shareholders' rights. And it is good to maintain a legal system that protects BD and MB from litigation abuse such as tests for sufficiency

of shareholders' complaints, as well. However, it still has not quite clear views on establishments of specific committees which enable the BD to resolve matters of interest conflicts.

Table 1. The OECD Corporate Governance policies (a short summary evaluation)

Subjects or parties	Main quality factors	Sub quality factors	Responsibilities	Objectives	Note
Audit committee	Independent	Not mentioned clearly by the Code	Might receive report from IA system and manage relationship with external auditor and receive reports of illegal behavior from employees	Not mentioned clearly by the Code	
Nomination committee	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Not mentioned clearly by the Code	
Compensation or Remuneration committee	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Might be set for remuneration policy of BD and executives	Not mentioned clearly by the Code	
CEO or Lead director	Not mentioned clearly by the Code	Supported by corporate secretary	Performance reviews	Not mentioned clearly by the Code	
The Chair	Not mentioned clearly by the Code	Supported by corporate secretary	Selection of chairman covered by shareholders, Performance reviews	Strengthen the independence	
CEO and The Chair relationship	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Might be separation	Not mentioned clearly by the Code	There is a lead Non-executive director if they are same
Corporate Secretary	Not mentioned clearly by the Code	Provide appropriate access to directors and non-executives	Plays a role in enhancing effectiveness of directors and non-executives	Not mentioned clearly by the Code	

Compliance officer (compliance)	Not mentioned clearly by the Code	Related to laws of security, safety work	Have safe harbors	Compliance with applicable laws and standards	As understood from the Code
Board of Directors	Independent judgement, Access to accurate and timely information, appropriate skills	Effective monitor, high ethical standard, treat shareholders fairly, Formal and transparent nomination, Functions clearly set by BD	Nominated and elected by shareholders, review corporate strategy, set performance objectives, replace executives, key role in identifying new member, self-assessment, Inform BD if have any outside relationship which may harm independence	Ensure integrity of accounting system	Formal and transparent nomination process
Executive director	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Remuneration may be set by CNC, Inform BD if have any outside relationship which may harm independence	Not mentioned clearly by the Code	
Non-executive director	Independent judgement, elected and nominated by shareholders for specialized functions	Access to secretary, key managers and IA provided	Assigned by BD for potential tasks with conflicts of interest like accounting integrity and related-party transactions, might join in specific committees	Not mentioned clearly by the Code	
(Senior) Independent director	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Not mentioned clearly by the Code	
CFO (senior financial officer)	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Not mentioned clearly by the Code	
Management team	Compose executives	Functions clearly set by BD	Proper access to non-executive board, MGT performance affected by objective evaluation of independent BD, manage risks	Not mentioned clearly by the Code	

Supervisory board	Comprises of non-executive board members	Not mentioned clearly by the Code	Appoint MB with key executives	Not mentioned clearly by the Code	
Internal control	Not mentioned clearly by the Code	BD ensure proper control system in place	BD guide risk policy with clear type of risks and degrees, BD oversee IC	Not mentioned clearly by the Code	
Internal audit	Independent	Competent and qualified	Annual audit, proper access to proper directors, IA system report directly to BD	Not mentioned clearly by the Code	Not mentioned clearly
External (Independent) audit /registered public accounting firm	Accountable to shareholders, independent	Competent and qualified, Professional care	Annual audit, relationship may be managed by AC, oversight of IA activities	Assure financial statements fairly represent co.'s financial position	
Disclosure and transparency	Disclose co.'s objectives, BD's committees' composition and procedures	Timely and accurate, oversight by BD, disclose BD experience and background, disclose rules or merges and acquisition	Institutional investors disclose their voting policies, Disclose financial and operational results, compensation policy and qualifications of BD, Disclose how meeting chairperson exercises voting rights, shareholder filing	In accordance with high quality standard of financial and non-financial disclosure	
Shareholders and Minority Stockholder	Provided with sufficiently and timely information on date, place and agenda of GM	Participate effectively, actively in GM, equal treatment to foreign shareholder, electronic voting	Right to elect and remove BD, secure methods of ownership registration, ask questions about BD and put contents on GM agenda, affect BD composition	Not mentioned clearly by the Code	
Accountability	Separation two roles b.t chair and CEO, clear lines of duties set by BD	Continuing dialogue b.t portfolio companies, institutional investors	Co. know roles and rights of stakeholders required by laws, abuse of insider power be prohibited, Enable custodian institution to cast votes	Not mentioned clearly by the Code	As understood from the Code

Leadership	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Not mentioned clearly by the Code	Not mentioned clearly by the Code	
Employee	Work Council or Employee representation on Boards	Be able to freely communicate illegal matters to BD	Develop mechanisms of enhancing employee's participation	Not mentioned clearly by the Code	
3 rd parties and conflicts of interests	Disclose related-party transactions	Abuse in related-party transactions monitored by BD	Institutional investors disclose how to manage conflicts of interests	Not mentioned clearly by the Code	

Source: the underlined part is describing some more works needed to be done for relevant subjects and parties; it is noted that specific committees might be established

7. The ICGN Corporate Governance Principles

Since its foundation in 1995, the revised 2009 Code is the third (3rd) generation. It pays lots of attention to disclosure policies including shareholders' rights in corporate charter disclosure. Different from most of Asian Codes, there is a focus on risk management activities and its disclosure policies as well. And though it has advantages in view of the BD as a whole, it needs to care its subcommittees as a private body. For more information, please see below table 2. However, it would be better to clarify details on ethical guidelines.

Table 2. Evaluation of ICGN Revised 2009 Code Corporate Governance

Subjects or parties	Main quality factors	Sub quality factors	Responsibilities	Objectives	Note
Audit committee	Solely independent directors, true and fair view	Special competence and independence, part of checks and balances	As board subcommittees, report regularly to BD	In compliance with applicable laws	
Nomination (HR) committee	Majority independent	Special competence and independence	As board subcommittees, report regularly to BD	Not mentioned clearly in the Code	
Compensation or Remuneration committee	Solely independent directors	Special competence and independence, enforce culture	As board subcommittees, report regularly to BD	Not mentioned clearly in the Code	

CEO	Not mentioned clearly in the Code	Separate from Chair	Not mentioned clearly in the Code	Not mentioned clearly in the Code	
The Chair	Chair be independent	Available to dialogue with shareholders	Create openness culture, constructive challenges, set board agenda, open board-room discussion	Not mentioned clearly in the Code	
CEO and The Chair relationship	Chair be independent	Lead director needed when Chair and CEO not independent	Chair most effective when not CEO or former CEO	Not mentioned clearly in the Code	
Corporate Secretary	Not mentioned clearly in the Code	Ensure BD receive proper information	Act as vital source for chair and BD	Not mentioned clearly in the Code	
Compliance officer	Not mentioned clearly in the Code	Not mentioned clearly in the Code	Not mentioned clearly in the Code	Not mentioned clearly in the Code	
Board of Directors	Independent leadership, Sufficient mix b.t diversity, skills, majority of independent directors	Dialogue with shareholders, formal and transparent nomination, sufficient time	Generate debate and discussion about risks and operation, review, approve and guide strategy, risk policy, budget, self-assessment, maintain integrity culture, assure accuracy of financial statements	Make robust strategic decisions, Act in the best interests of shareholders	
Executive director	Not mentioned clearly in the Code	Dialogue with shareholders	Participate ongoing training	Not mentioned clearly in the Code	
Non-executive (external) director	Enough business knowledge	Dialogue with shareholders	Participate ongoing training, succession planning	Not mentioned clearly in the Code	
Independent director	Not mentioned clearly in the Code	Independent	Involved in BD, Participate ongoing training	Not mentioned clearly in the Code	As understood from the Code

CFO	Not mentioned clearly in the Code	Not mentioned clearly in the Code	Not mentioned clearly in the Code	Not mentioned clearly in the Code	
Management team (Board)	Performance measured with risk factor	Positive work relationship b.t MGT and BD	BD enhance effectiveness of MGT's views of business, succession planning, disclose ownership policy of MGT	Not mentioned clearly in the Code	
Supervisory board	Not mentioned clearly in the Code	Not mentioned clearly in the Code	Not mentioned clearly in the Code	Not mentioned clearly in the Code	
Internal control	Not mentioned clearly in the Code	Consider to set an independent risk committee, BD know risk-bearing capacity/tolerance	BD oversee RM and total risk assessment, a mechanism allowing employee report suspected breaches of code of conducts, ongoing process to identify risks, maintain RM plan	Not mentioned clearly in the Code	
Internal audit	Not mentioned clearly in the Code	Has respect, confidence and cooperation from BD and MB	Reporting line to AC, AC be responsible for appointing, assessment of head of IA	Effective IA	
External (Independent) audit	Independent	High quality ethic standards	Proposed by AC, ongoing dialogue with AC	Not mentioned clearly in the Code	
Disclosure and transparency	Disclose share ownership policy of MGT and ED, co.'s transparent goals and failures	Disclose BD qualifications, disclose auditor resignation, timely	BD oversee process of disclosure, Disclose director evaluation process, Disclose risk MGT procedures	Not mentioned clearly in the Code	

Shareholders and Minority Stockholder	Responsible actions aligned with co.'s objectives	Dialogue with BD, BD treat shareholders equally	Deputy chair or lead director lead meeting with shareholders, nominate directors to BD and external a shareholders auditor, institutional join in dialogue to know co.'s objective	Not mentioned clearly in the Code	
Accountability	Not mentioned clearly in the Code	BD accountable to shareholders as a whole and concern about its accountability to them	Policies and procedures to avoid corruption or bribery	Not mentioned clearly in the Code	
Leadership	Chair be independent	Lead director provide leadership for BD	Act by BD, Explain appropriate leadership structure when Chair not independent	Not mentioned clearly in the Code	
Employee	Performance measured with risk factor	Effective MGT of relationship b.t co. and employee	Be trained for understand code of ethics or conduct	Chair be independent	
3 rd parties and conflicts of interests	Disclose non-audit services fees in annual report	Process to monitor related-party transaction	BD monitor conflicts of interests b.t MGT, board, advisors and related-party transactions, directors be conscious of public perceptions	Chair be independent	
Note	The underlined part is describing some more works needed to be done for relevant subjects and parties.				

Source: own study

8. Comparison between the ICGN and OECD Corporate Governance Principles

Different from most of Asian Codes, there is a focus on standards of the OECD 2004 Code such as recommended mix between laws, legislation, regulations, self-regulations and voluntary criteria. Moreover, it is recommended in the Code that conflicts of interests, if any, happen when fiduciary body is a part of another grouping financial institution, are disclosed. Also, it makes a sound point when indicating that an overall ethical framework goes beyond compliance with the law can be set for BD. Last but not least, it is also stated BD can set specific committees for resolving conflicts of interests. And it gives sound suggestion for disclosure of foreseeable risks to investors such as information relevant to off-balance sheet transactions (see Table 1).

On the other hand, the ICGN Code considers the BD as a whole in resolving relationships with its subcommittees. And it set separated challenging functions for the Chair including opening boardroom discussion which requires he or she understands well about business operation and risks. Next, it is strong at provisions for guiding risk and RM activities. And it also puts an emphasis on guides of disclosure items. But it has to identify differences and separate views b.t consideration corporation or/and BD as a whole to avoid overlaps in their actions.

<D.2> Assessment of Nigeria 2018 Code of Corporate Governance:

Good recommendations mentioned in the 2018 Nigeria Code is that companies with good CG, competent Board and management will achieve better business goals.

Then, Nigeria Code of CG 2018 stated that good corporate governance will enhance board accountability and corporate prosperity.

It also indicated the Audit committee reviews the Company's Information Technology (IT) data governance framework to ensure that IT data risks are adequately mitigated and relevant assets are managed effectively.

Table 3. Evaluation of Nigeria Code of CG 2018

Subjects or parties	Main quality factors	Sub quality factors	Responsibilities	Objectives
Audit committee	Board delegates some of its functions, duties and responsibilities to well-structured committee, At least one member of the committee should be a financial expert, have current knowledge in accounting and financial management and be able to interpret financial statements	A sufficient number of members that qualify to serve on the committees of the Board, Each committee should be composed of at least three members	Not mentioned clearly from the Code	Not mentioned clearly from the Code
Nomination committee	Board delegates some of its functions, duties and responsibilities to well-structured committees	A sufficient number of members that qualify to serve on the committees of the Board, Each committee should be composed of at least three members	Board evaluation assesses how each Director, the committees of the Board and the Board are committed to their roles effectively	Not mentioned clearly from the Code
Compensation or Remuneration committee	Remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives	A sufficient number of members that qualify to serve on the committees of the Board, Each committee should be composed of at least three members	Not mentioned clearly from the Code	Not mentioned clearly from the Code
CEO	MD/CEO and the management team cover day to day operation of firm	The positions of the Chairman of the Board and the Chief Executive Officer (MD/CEO) of the Company should be separate	The Chairman of the Board should not serve as chairman or member of any Board committee. The CEO or an Executive Director should not serve as chairman of any Board committee	Not mentioned clearly from the Code

The Chair	Overall leadership of the Company and the Board, and eliciting the constructive participation of all Directors to facilitate effective direction of the Board	The Chairman of the Board should be a NED and not be involved in the day-to-day operations of the Company	Ensuring effective communication and relations with the Company's shareholders and other stakeholders, and taking a lead role in the assessment, improvement and development of the Board	Not mentioned clearly from the Code
CEO and The Chair relationship	Not mentioned clearly from the Code	The Chairman of the Board should not serve as chairman or member of any Board committee. The CEO or an Executive Director should not serve as chairman of any Board committee	Not mentioned clearly from the Code	Not mentioned clearly from the Code
Corporate Secretary	Assisting the Board and management to develop good corporate governance practices and culture within the Company	Should be a member of senior management and should be appointed through a rigorous selection process	The Company Secretary, or any other officer in the office of the Company Secretary, should be the secretary of all Board committees	Not mentioned clearly from the Code
Compliance officer	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code
Board of Directors	Balance of skills and diversity (including experience and gender) without compromising competence, independence and integrity. should not be members of Boards of competing companies to avoid conflict of interest, breach of confidentiality	Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise	Overseeing the internal audit function, approving the internal audit plan, and appointing and removing the head of the internal audit function on the recommendation of the committee responsible for audit	Providing entrepreneurial and strategic leadership as well as promoting ethical culture and responsible corporate citizenship

Executive/ Representative director	Support the Chief Executive Officer in the operations and management of the Company	Directors are sometimes required to make decisions of a technical and complex nature that may require independent external expertise.	Support the MD/CEO in the proper implementation and achievement of the Company's strategic imperatives, as well as prudent management of the Company's finances and other resources	
Non-executive director	High degree of objectivity to the Board for sustaining stakeholder trust and confidence	Knowledge, expertise and independent judgment on issues of strategy, most of the Non-Executive Directors are independent	The Chairman may interact with NEDs periodically	
Independent director	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code
CFO	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code
Management team	Not mentioned clearly from the Code	Cover day to day operation of firm	Board Committees may engage a consultant at the expense of the Company for the purpose of obtaining independent external expertise in carrying out their responsibilities	Not mentioned clearly from the Code
Supervisory for the board	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code
Supervisory for the managers	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code

Internal control	Not mentioned clearly from the Code	Board overseeing the effectiveness and adequacy of the internal control system	AC exercise oversight on the internal audit function which provides assurance on the effectiveness of the internal controls. On a quarterly basis, obtain and review a report by the internal auditor describing the strength and quality of internal controls	Safeguard shareholder's interest and co.'s assets
Internal or statutory audit	AC authorise the internal auditor to carry out investigations into any activities of the Company	AC assess the qualifications and independence of the external auditors, and the performance of the Company's internal audit function as well as that of the external auditors	AC Review the scope and planning of audit Requirements, Provide assurance to the Board by conducting periodic evaluations to determine the effectiveness and efficiency of the Company's internal control systems and make recommendations for enhancement or improvement	Not mentioned clearly from the Code
External audit	To preserve independence, there should be a rotation of the audit engagement partner every five years	Independent opinion on the true and fair view of the financial statements of the Company to give assurance to stakeholders on the reliability of the financial statements	AC Review the findings in management letter in conjunction with the external auditor and management responses, AC assess the qualifications and independence of the external auditors, and the performance of the Company's internal audit function as well as that of the external auditors	Not mentioned clearly from the Code
Disclosure and transparency	Board overseeing the Company's communication and information dissemination policy	Board providing oversight over Information Technology governance	Not mentioned clearly from the Code	Not mentioned clearly from the Code
Shareholders and Minority Stockholder	Develop a balanced understanding of shareholder issues and ensure that their views are communicated to the Board	Not mentioned clearly from the Code	Not mentioned clearly from the Code	Not mentioned clearly from the Code

Accountability	At board meetings, the chairman of each Board committee should present a written report of the key recommendations made at all the meetings held by the committee since the last Board meeting	Evaluating the Company's corporate governance practices ensures that its governance standards, practices and processes are adequate and effective	Not mentioned clearly from the Code	Not mentioned clearly from the Code
Leadership	Not mentioned clearly from the Code	Adequate attention to sustainability issues including environment, social, occupational and community health and safety	Board ensuring that management systems are in place to identify and manage environmental and social risks and their impact	Not mentioned clearly from the Code

Source: the underlined part is describing some more works needed to be done for relevant subjects and parties

Based on the above <D.1> and <D.2> group code of CG analysis, we can build international CG standards and applications for Nigeria in the below figure 2 and table 4.

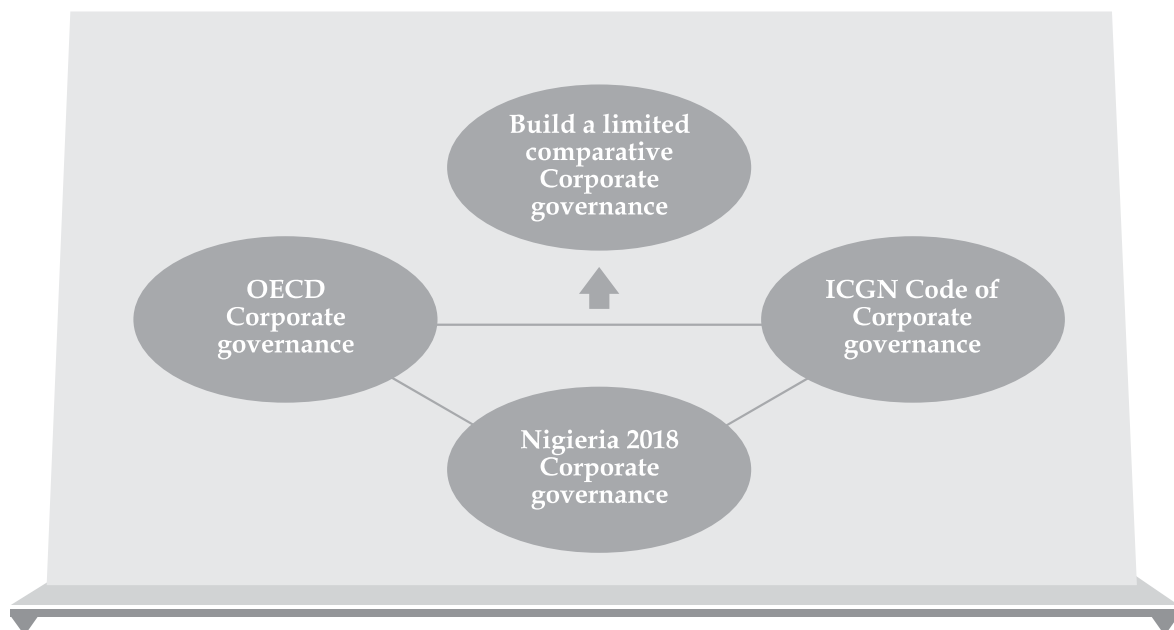


Figure 2. The building of limited comparative CG standards

Source: own study

Table 4. International CG representative standards

Subjects or parties	Main quality factors	Sub quality factors
Audit committee	Solely independent directors, true and fair view	Manage relationship with external auditor and receive reports of illegal behavior from employees
CEO and The Chair	Chair most effective when not CEO or former CEO	N/A (for further research and implementation)
Corporate Secretary	Provide appropriate access to directors and non-executives	N/A (for further research and implementation)
Compliance officer	Have safe harbors	N/A (for further research and implementation)
Board of Directors	As a whole, maintain integrity culture	Good faith, due diligence and care
Independent director	Involved in BD, Participate ongoing training	N/A (for further research and implementation)
Supervisory board to the Management	BD enhance effectiveness of MGT's views of business	N/A (for further research and implementation)
Supervisory to the Board of Directors	Comprises of non-executive board members	N/A (for further research and implementation)
Internal control	BD guide risk policy with clear type of risks and degrees	BD oversee RM and total risk assessment
Internal audit	IA system report directly to BD or/ and AC	Annual audit; proper access to proper directors
External audit	Professional care duty to the co.	oversight of IA activities
Disclosure and transparency	Disclose risk MGT procedures	Disclose accounting policies
Shareholders	Shareholder filing	Have means of redress for minority shareholders
The corporation as a whole entity	Know roles and rights of stakeholders required by laws	Not make expensive to cast votes apply high quality, international accounting standards

Source: own study

9. Discussion

The advantages of Group 1 (OECD and ICGN) are related to clear division of responsibilities of Board, but not limited to, disclosure standards, though it still works more on board composition.

The above table 4 can overcome some above limitations and strengthen standards of CG; hence, can be applications for Nigeria and other developing countries.

10. Conclusions

Among several key corporate governance issues is, but not limited to, the lack of an efficient internal control and auditing systems, together with the need to build a good disclosure policy in the corporation.

The 2018 Nigeria Code mentions several good points such as: describing more on corporate secretary duties and roles.

To reduce its impacts, The OECD 2004 Code enhances regulations and recommendations on disclosure and transparency policies in many sessions.

Besides, the Code should have strong features such as its goals of being consistent with current laws and applicable standards. Besides, the ICGN revised 2009 Code also plays a vital roles in guiding internal and risk contents.

Past surveys from IFC in 2008 showed results with 67% of listed companies considering CG implementation as important and very important.

In consideration of corporate governance issues analyzed in the previous sessions, we proposed the main and sub quality factors in this paper **a set of general international corporate governance standards** in a limited comparative model with selected countries. Though limited, it has some implications for further research and proper recommendations to relevant government and organizations. And it also provides relevant academic and non-academic, lawyer and consultant, board and non-board people with minimum information for further researches.

Implications for Developing Countries: For developing countries such as Vietnam, India, Latin America, Africa, etc. the above set of comparative CG standards can be used as reference for establishing better CG standards in these developing countries, for all kinds of businesses.

Summary

A Set of International OECD and ICGN Corporate Governance Standards After Financial Crisis, Corporate Scandals and Manipulation - Applications for Nigeria and Implications for Developing Countries

A statement by ACCA in May 2009 that any corporate governance system should consider factors such as transparency, accountability, fairness and responsibility, raises issues in this field over past few years. There are also a few researches which have been done in the field of international corporate governance standards. This paper chooses a different analytical approach and among its aims is to give some certain systematic conclusions.

First, it separates international standards into groups: ICGN and OECD latest principles covered in group 1 while it uses ACCA principles as reference.

Second, it identified differences between these above set of standards which are and have been used as reference principles for many countries and organizations.

Third, it aims to build a selected comparative set of standards for corporate governance system in accordance to international standards.

Last but not least, this paper illustrates some ideas and policy suggestions.

Keywords: *corporate governance standards, board structure, code of best practice, financial crisis, corporate scandals, market manipulation, internal audit.*

Abbreviations and acronym:

CG - Corporate governance

BD - Board of Director

CSR - Corporate Social Responsibility

IA - Internal Audit

CEO - Chief Executive Officer

SOA - Sarbanes Oxley Act

OECD - Organization for Economic Cooperation and Development

ICGN - International Corporate GOVERNANCE Network

NYSE - New York Stock Exchange

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Exhibit

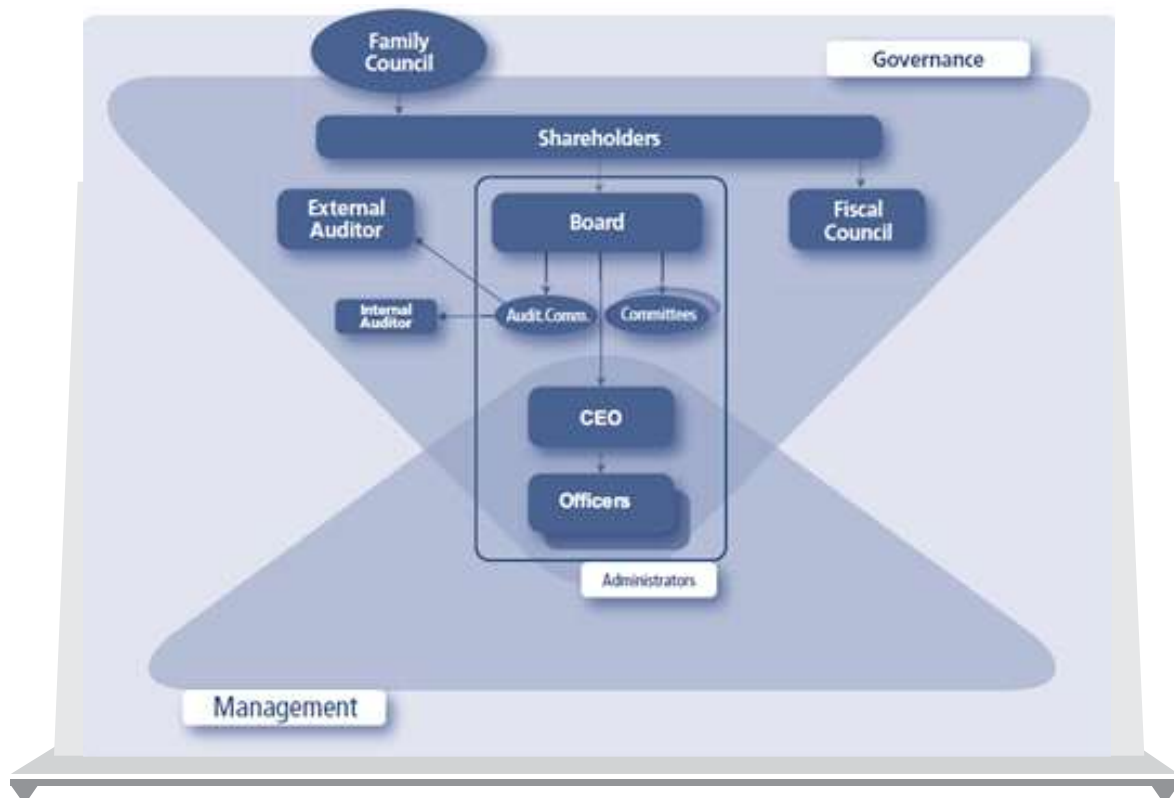


Exhibit 1. Corporate Governance system

Source: Brazil Code of Best Practice of CG

Exhibit 2 – Risk classification related to disclosure by OECD 2004 Code

Types	Note
Risks related to industry	Most effective, foreseeable for investors
Financial market risks	for investors
Risks related to derivatives	for investors
Risks related to environment	for investors

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