

**CFRED's 40<sup>th</sup> Corporate and Finance Law Seminar:**

**PUBLIC AND PRIVATE ENFORCEMENT OF  
CORPORATE AND SECURITIES LAWS:  
AN EMPIRICAL COMPARISON OF HONG KONG AND SINGAPORE**

by

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Chaired by: **Prof. David C. Donald**, *Faculty of Law, CUHK*

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*The CUHK Graduate Law Centre, 2/F Bank of America Tower, 12 Harcourt Road, Central*

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Current scholarship has emphasised the correlation between enforcement of corporate and securities laws and strong capital markets. Yet, the issue of how private and public enforcement may achieve the twin objectives of compensation and optimal deterrence remains controversial. While enforcement strategies have been studied extensively in the highly developed stock markets in the US and the UK, which are characterised by having dispersed shareholdings among their publicly listed companies, there is comparatively less attention placed on successful and high-functioning Asian economies where concentrated shareholdings are the norm. This study fills the gap by focusing on Hong Kong and Singapore, which are leading international financial centres in Asia. In the aftermath of the Asian financial crisis of 1997, Hong Kong and Singapore have changed their laws to strengthen the private enforcement framework. Public enforcement activities have also been significant. The question that arises is whether these reforms and enforcement activities have been successful in reaching the afore-mentioned objectives. Based on our study of breaches of directorial duties and corporate disclosure violations involving listed companies from 2000 to 2015, we find that (1) private enforcement remains rare and public enforcement continues to dominate; and (2) there exist important, but limited, substitutes to private enforcement: the securities regulators use public enforcement mechanism to obtain compensation for investors in selected cases and the shareholders file requisitions to remove the errant directors. We argue that: (a) there is a significant gap in enforcement strategies for directorial wrongdoing in Singapore; (b) for public enforcement of corporate disclosure violations in both Hong Kong and Singapore, the beneficiaries of the compensation should be the investors (rather than the company) and the defendants should be confined to the errant directors (rather than the companies). Our study is relevant to those seeking reforms to their securities framework on the powers of regulators and improving their enforcement framework.

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**All are welcome!  
Admission is free of charge!**

**To join us, please register your interest [here](#) by 7 March 2018.**

## **ABOUT THE SPEAKER:**



*Prof. WAN Wai Yee* is Associate Professor and Lee Kong Chian Fellow in the School of Law at the Singapore Management University.

She graduated with an LLB (First Class Honours) from the National University of Singapore in 1996. She also holds a BCL from the University of Oxford, where she was in residence at St Edmund Hall in 1996/97.

Immediately prior to joining academia, she was a partner at Allen & Gledhill, Financial Services Department, where she practised in the areas of mergers and acquisitions as well as equity capital markets. Her main areas of research are in corporate and securities regulation. She has published in international peer-reviewed legal journals, including *Journal of Corporate Law Studies*, *Journal of Business Law*, *Company and Securities Law Journal* and *Lloyds' Maritime and Commercial Law Quarterly*. She has received research awards and fellowships for her publication record, including the Lee Kuan Yew Fellowship for Research Excellence (2015-2018), the Lee Kong Chian Fellowship (2015), Hauser Global Research Fellowship by NYU (2008), and the Lee Foundation Fellowship for Research Excellence (2007).