

**Public Interest Committee
2nd Meeting**

17 September 2015

1. The second meeting of the Public Interest Committee (“the Committee”) for the International Public Sector Accounting Standards Board (IPSASB) was held at the World Bank Headquarters in Washington DC on 17 September 2015.

2. The meeting was attended by all members of the Committee. In addition, the Chair of the IPSASB and the Chief Executive and other senior staff of the International Federation of Accountants (IFAC) attended parts of the meeting. See Appendix 1 for a complete list of participants.

3. This Summary Record is organized around the meeting agenda and reflects the ensuing comments and recommendations.

Review of 2015 Standard Setting Activities

4. The Chair of the IPSASB presented to the PIC a summary of activities undertaken during the first semester of 2015 by the Board, including preparation of new standards and revision of the existing ones.

5. The Committee congratulated the IPSASB for the work undertaken.

Review of the IPSASB 2016 strategy, work program, and budget

6. The Chair and Technical Director of the IPSASB presented the Board’s strategy and 2015-2017 work plan, as well as its budget for 2016.

7. The Committee took note that the strategy and work program were built on the 2014 *IPSASB Strategy Consultation*. The Committee also noted that most of the projects listed on the work program had duration of more than two years, including the project on Social Benefits which was identified by a majority of respondents to the public consultation as a high priority.

8. The Committee recommended to the IPSASB to focus its resources on enacting an accounting standard for social benefits.

9. The Committee also recommended that the IPSASB provides information on the timeline applicable to all on-going projects and on costs associated with each project, and explores possible actions to shorten the time lapse for developing standards.

10. The Committee finally noted that the IPSASB should consider adjusting annually its official Work Plan to incorporate possible issues arising on the international agenda, and underlined that enacting accounting standards on Natural Resources and continuing the on-going work on alignment of IPSAS and GFS were important issues, directly contributing to the improved usefulness of Government’s fiscal reports, even though these issues were not identified as priorities by the majority of respondents to the consultation paper. It also noted that these areas may merit being assigned a higher priority during the next Work Plan review.

Review of the nomination process and recruitment strategy

11. IFAC presented the Selection Process for renewal and appointment of new IPSASB members.

12. The Committee welcomed the nominations proposed by IFAC, but noted a number of representativeness issues. Indeed, following the 2016 nominations:

- Some geographical areas are overrepresented in the Board;
- Only a third of Board members are female;
- A majority of Board members are Anglophones, while Spanish and Arab speakers, Francophones, and Lusophones are underrepresented.

13. The PIC welcomed the initiation of the forthcoming 2017 nomination process. While recognizing that technical expertise should be the main criteria for appointing Board members, the committee recommended to set up a clear recruitment strategy (incl. numerical targets and timelines) to “close the gap” with regards to the key representativeness issues listed above.

Establishment of the IPSASB Consultative advisory Group (CAG)

14. IPSASB Staff presented the Terms of Reference (ToRs) for the CAG, as approved at the June IPSASB meeting. The PIC welcomed the ToRs.

15. The Committee recommended that Users be represented in the CAG, with consideration to be given to including at one representative(s) of Parliament(s) and one representative of a non-governmental organization operating in the fiscal transparency area. It also recommended the SAI representative of the CAG to be nominated by the accounting and reporting sub-committee of INTOSAI.

16. The Committee recommended that the CAG members’ selection be undertaken after a public call for nominations.

IPSASB due process

17. The Committee, the IPSASB Chair and IFAC agree to prepare an IPSASB Due Process, to be formally submitted to the Committee’s approval at its next meeting.

Closing remarks

18. The next Committee’s meeting will take place in March 2016, in Paris, France.

Annex 1: List of participants
Public Interest Committee (PIC) meeting September 17th, 2015

Committee's members

Jon Blondál, Head of Budgeting and Public Expenditures Division, Organization for Economic Cooperation and Development (OECD)

Richard Hughes, Public Financial Management Division Chief, Fiscal Affairs Department (FAD), International Monetary Fund (IMF)

Samia Msadek, Director, World Bank

Dominique Pannier, INTOSAI

IFAC

Fayezul Choudhury, Chief Executive Officer

Russell Guthrie, Chief Financial Officer

Gary Pflugrath, Director Public Policy and Regulation

IPSASB

Andreas Bergmann, IPSASB Chair (by phone)

James Gunn, Managing Director, Professional Standards

John Stanford, Acting Technical Director, IPSASB

Committee's Secretariat

Svetlana Klimenko, Lead Financial Management Specialist, World Bank

Delphine Moretti, Public Financial Management, Fiscal Affairs Department (FAD), International Monetary Fund (IMF)