

## **Public Interest Committee**

### **Meeting of 29 March 2021**

The Public Interest Committee (PIC) is the oversight body for the International Public Sector Standards Board (IPSASB) and held its 11<sup>th</sup> meeting on 29 March 2021 via Zoom.

1. The PIC was represented by Jón Blöndal, Vincent Feller, Manal Fouad and Robert Saum. In addition, the following organisations and bodies participated in the meeting (see Appendix 1 for a list of participants):
  - IPSASB
  - Consultative Advisory Group (CAG)
  - International Federation of Accountants (IFAC)
  - IFAC Nominating Committee
  - PIC Secretariat
2. Jón Blöndal opened the meeting by welcoming Vincent Feller, INTOSAI's new representative on PIC. Mr. Feller is the Principal Auditor of the Government Financial Statements, Court of Accounts, France.
3. This summary record of the meeting is organised around the meeting agenda. The meeting ended with Committee-only time.

### **Oversight Activities**

#### *Due Process*

4. Vincent Feller thanked IPSASB for the reports it submitted to PIC in advance of the meeting to provide information on projects and due process since the PIC meeting of 23 October 2020. At its meeting on 29 March 2021, PIC noted that:
  - a. IPSASB had approved the following Exposure Drafts (ED) since the October 2020 PIC meeting:
    - a. ED 75, Leases
    - b. ED 76, Conceptual Framework–Limited Scope Update
    - c. ED 77, Measurement
    - d. ED 78, Property, Plant, and Equipment
    - e. ED 79, Non-Current Assets Held for Sale and Discontinued Operations.
  - b. IPSASB had commenced deliberations on stakeholder responses to its Revenue (EDs 70 and 71) and Transfer Expenses (ED 72) proposals.
  - c. IPSASB is developing a Consultation Paper on accounting for natural resources, such as subsoil resources, living resources and water, for a planned approval in September 2021.

### *Nominations*

5. The Chair of the Nominating Committee, Alan Johnson, attended the PIC meeting and was joined by his colleagues Kevin Dancey and Elena Churikova. Manal Fouad thanked the Nominating Committee for its work, and in particular its ongoing efforts to strengthen diversity in all its dimensions and encouraged the Committee to continue advancing in diversity and inclusiveness.
6. The Nominating Committee submitted a report to PIC in advance of the meeting regarding its activities. At the meeting, PIC noted that:
  - a. There are six rotations on the IPSASB in 2021: Four of the current members will finish their terms at the end of 2021 and two of the current members are eligible for re-appointment for a second term of service.
  - b. In response to the [Call for Nominations for IPSASB Membership in 2022](#), the Nominating Committee had received 23 nominations. The Call for Nominations included objectives to maintain gender parity and to achieve greater geographic diversity, in particular from the Africa-Middle East and Asia regions. The Nominating Committee is to meet on 31 March and 1 April 2021, and Andrew Blazey is scheduled to observe the session on IPSASB nominations on behalf of PIC.
  - c. To build the pipeline of qualified and inclusive candidates, the Nominating Committee has:
    - Translated the Call for Nominations into three languages—Arabic, French, and Spanish—to extend exposure to a broader audience.
    - Added a new section to the Call for Nominations to inform the public about IPSASB vacancies for the next two-year period.
    - Increased activities on co-ordination and outreach.

### *Strategy and Work Programme*

5. Robert Saum thanked IPSASB for its reports on strategy and work programme, in particular for Ian Carruthers' video presentation, which was distributed in advance of the PIC meeting along with the Q4 2020 Activity Report. PIC noted the following consultation activities.
  - a. *2021 Consultation on IPSASB Work Programme:* When approving its 2019–2023 Strategy and Work Plan, the IPSASB committed to a consultation during 2021 to determine new projects for its work programme as resources became available. The IPSASB is scheduled to approve its Mid-Period Work Programme Consultation in June 2021. Milestones in the forthcoming process are:
    - Q2 2021 – Develop the Consultation
    - Q3/Q4 2021 – Distribute the consultation document including through regional roundtables and with public sector national standard setters
    - Q4 2021 – Discuss the response feedback with PIC
    - Q1 2022 – IPSASB to approve additional work programme projects.
  - b. *Consultation on strategy planned for 2023:* In 2022, the IPSASB is to begin work on its 2024-2028 Strategy and Work Programme, for public consultation during 2023.

7. The PIC acknowledged IPSASB's emphasis on consultation and the ongoing effort to adapt processes in light of the restrictions and new business practices brought about by COVID-19.

**Update from the Consultative Advisory Group Chair**

8. On behalf of PIC, Jón Blöndal thanked Thomas Muller-Marques Berger for his report and video presentation which were submitted to PIC in advance of the meeting.

**Recommendations of the Review of IPSASB Oversight Arrangements**

9. On behalf of PIC, Jón Blöndal noted that the report on the findings of the governance review and survey had been distributed to IPSASB and was available on the PIC website. Mr. Blöndal summarised the PIC's activities since the completion of the review as:
  - a. To establish a working group with IFAC and IPSASB to consider ways to ascertain oversight of due process at each milestone of the standard-setting process, including through in-person observations at IPSASB meetings, rather than as an *ex post* event.
  - b. Emphasize the importance of diversity in all its dimensions for appointments and of IFAC developing and maintaining a pipeline of potential candidates.
  - c. Emphasize relevant and timely standards, where relevance is defined by public interest and timeliness by the prioritisation and volume of activity.
  - d. Investigating an extension of PIC oversight to include IPSASB funding activities.
10. At the meeting, representatives of IPSASB and IFAC welcomed these developments to increase the clarity of PIC's oversight functions, to demonstrate the oversight to external stakeholders, and to support the transparency of the funding arrangements. It was noted that the inclusion of oversight over IPSASB funding activities would benefit from additional clarity about the approach and objectives.

**Committee-Only Session**

11. The PIC agreed to update the PIC Terms of Reference on the continuity and status of Committee Members consistent with the findings of the 2020 Review of IPSASB Oversight Arrangements.

**Any Other Business**

12. No other business was discussed.

**Annex: List of participants****Public Interest Committee members**

Jón Blöndal, Head of Public Management and Division, Organisation for Economic Cooperation and Development (OECD)

Vincent Feller, INTOSAI's Representative and Principal Auditor, Court of Accounts, France.

Manal Fouad, Assistant Director, Fiscal Affairs Department, International Monetary Fund (IMF)

Robert Saum, Director, Standards, Procurement and Financial Management, Operational Policy and Country Services and Chief Financial Management Officer, World Bank

**IPSASB**

Ian Carruthers, IPSASB Chair

James Gunn, Managing Director, Professional Standards

Ross Smith, Program and Technical Director

Dave Warren, Deputy Director

**IFAC**

Alan Johnson, IFAC President and Chair of the Nominating Committee

Kevin Dancey, IFAC Chief Executive Officer

Elena Churikova, Senior Manager

**CAG**

Thomas Muller-Marques Berger, CAG Chair

**PIC Secretariat**

Andrew Blazey, Deputy Head of Public Management and Budgeting Division, OECD

Guohua Huang, Senior Economist, Public Financial Management Division II, Fiscal Affairs Department, IMF

Rajat Narula, Lead Financial Management Specialist, Governance, World Bank.