

Public Interest Committee

5th Meeting

Washington, 5 October 2017

1. The fifth meeting of the Public Interest Committee (“the Committee”), the oversight body for the International Public Sector Standards Board (IPSASB), was held at the IMF Headquarters in Washington on October 5, 2017.
2. The meeting was attended by all members of the Committee. In addition, the Chair and Technical Director of the IPSASB together with representatives of the leadership 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 discussions.

IPSASB Draft Strategy 2019-2023

4. The IPSASB team informed the PIC about the current status of their internal and external consultations on preparation of the new IPSASB strategy covering the 2019-2023 period. The draft strategy incorporating outcomes of these consultations was presented to the Board in September 2017. PIC acknowledged the appropriateness of the due process followed by the IPSASB, and suggested that as part of strategy consultations the IPSASB should strive to reach out to the representative range of stakeholders by leveraging a variety of the communication channels, e.g. inputs received through the CAG; dialogue with international organizations and professional associations; and regional consultative roundtables.
5. The IPSASB team highlighted key objectives of the draft strategy, which incorporates a direct reference to the stronger Public Financial Management, through the increased adoption of accrual-based IPSASs. Based on the presented overview, the Committee provided the following comments:
 - The IPSASB strategy should make reference to, and whenever possible converge with the guidance provided by the GFS;
 - Standard setting should remain a key IPSASB focus area;

- The IPSASB should consider mapping issued IPSAS with the IFRS and the items in the financial statements¹ of public sector entities, and including this information in the strategy document, to highlight existing gaps and focus areas;
- As IPSASB refines the implementation approach for its new strategy, it should seek opportunities to enhance collaboration with the global, regional and country-level organizations interested in the benefits which public sector accountability may bring to the broader public sector administration agenda.

IPSAB's work program

6. IPSASB representatives informed the Committee members about its foreseen working program, which will continue focusing on such key themes as Revenue, Non-exchange Expenses, and Social Benefits. The IPSASB acknowledged that progress in developing the Social Benefits standard has been slow, due to the diverging views with regards to the methodological approach which could be adopted by this standard. The Committee encouraged the Board to continue working on this standard in accordance with its due processes, while striving to develop a balanced approach which will ensure implementability of the final product.

IPSASB Standard Setting

7. The IFAC Managing Director of Professional Standards and the IPSASB Chair and Technical Director presented a summary of implementing the PIC's recommendations on IPSASB standard setting activities. The Committee noted that all of its recommendations have been adopted, or are in the process of being adopted.

8. The Committee questioned the Chair and Technical Director on the criteria for issuing Consultation Papers (CPs). The Chair and Technical Director provided detailed explanations and noted that the Board is currently exploring possibility of combining CP and Exposure Draft stages, at least for some of its projects. The Committee encouraged the IPSASB to continue this process, and to consider the impact on public finances and not just on technical aspects when it decides whether to issue CPs. The Committee encourages the IPSASB to report on its outcomes during the next PIC meeting.

Nomination Process for IPSASB Members

9. The IFAC President, the Chair of the Nominating Committee, informed PIC members of the re-appointment of the current IPSASB Chair for the second term of

¹ Statement of financial position and statement of financial performance.

service. The President noted that the Nominating Committee consulted with the PIC before the approval of the re-appointment.

10. The IFAC President, CEO and Executive Director presented a summary of the nominations process for 2018. The process entailed implementation of past PIC recommendations on the nominations process, e.g. improving diversity and attracting candidates from underrepresented regions, genders, languages. They reiterated IFAC's commitment to continue working towards achieving greater diversity on the IPSASB.

11. The Committee welcomed IFAC's efforts to address the PIC's recommendations on the nominations process and sought information on the IPSASB membership pipeline, notably for potential candidates from underrepresented groups, as well as the due process to renew the tenure of current members. The Committee stressed the importance of achieving the targets for improving diversity.

Next Steps

12. The next meeting of the Committee will take place in February 2018, at OECD Headquarters, Paris.

Annex 1: List of participants

Public Interest Committee (PIC) meeting 5 October 2017

Committee members

Manal Fouad, Chief of the Public Financial Management Division II, Fiscal Affairs Department (FAD), International Monetary Fund (IMF)

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

Ed Olowo-Okere, Director, Governance Global Practice, World Bank Group.

Dominique Pannier, INTOSAI's representative, and Principal Auditor of the Government Financial Statements, Court of Accounts (France)².

IFAC

Rachel Grimes, President, Chair of the IFAC Nominating Committee³

Fayez Choudhury, IFAC CEO and Secretary, IFAC Nominating Committee

Sylvia Tsen, IFAC Executive Director⁴

Elena Churikova, Senior Manager, Governance⁵

IPSASB

Ian Carruthers, IPSASB Chair

John Stanford, Technical Director

² Rapporteur général de la certification des comptes de l'État, Cour des comptes (France).

³ Attended the meeting by telephone.

⁴ Attended the meeting by telephone.

⁵ Attended the meeting by telephone.

Ross Smith, Deputy Technical Director

James Gunn, Managing Director, Professional Standards

Committee Secretariat

Svetlana Klimenko, Lead Financial Management Specialist, World Bank

Guohua Huang, Senior Economist, IMF