

**Public Interest Committee
Inaugural Meeting
26 March 2015**

Summary Record

1. The inaugural meeting of the Public Interest Committee (“the Committee”) for the International Public Sector Accounting Standards Board (IPSASB) was held at OECD Headquarters in Paris on 26 March 2015.
2. The meeting was attended by all Organisations constituting the Committee – the International Monetary Fund (IMF), the International Organisation of Supreme Audit Institutions (INTOSAI), the Organisation for Economic Co-Operation and Development (OECD) and the World Bank. In addition, the Chair of IPSASB and the Chief Executive and other senior staff of the International Federation of Accountants (IFAC) attended parts of the meeting. See Appendix for a complete list of participants.
3. This Summary Record is divided into four sections reflecting the discussion at the meeting:
 - Nature of Public Interest
 - Due Process and Working Procedures
 - Consultative Advisory Group
 - Governance and Management of the Committee

Nature of Public Interest

4. The Committee agreed that its Public Interest responsibilities encompassed four key aspects of IPSASB activities:
 - Terms of Reference
 - Nomination Procedures
 - Standard-Setting
 - Programme of Work and Budget

Terms of Reference

5. The Committee agreed that it would review IPSASB’s current Terms of Reference and provide advice to IFAC and IPSASB on any clarifications or amendments following its next meeting.

Nomination Procedure

6. The Committee agreed that it would focus on the overall recruitment strategy for members, including representation by sex, geography and professional background to ensure inclusivity. It would not involve itself in individual appointment decisions.
7. It was agreed that IFAC will share a draft of the “Call for Nominations” document prior to issuance for comment by the Committee.
8. It was further agreed that IFAC will share the same information with the Committee as it does with its Nominating Committee at each stage of the recruitment process for all potential members of IPSASB.
9. IFAC invited members of the Committee to participate as observers in interviews for candidate members of IPSASB. Members of the Committee indicated that such involvement may be especially appropriate for the appointment of the Chair.

Standard-Setting

10. The Committee agreed that it would review IPSASB’s standard-setting due process and working procedures on an annual basis, *i.e.* not on a standard-by-standard basis.
11. IPSASB agreed to provide bi-annual progress reports on its standard-setting activity to the Committee, and more frequently as circumstances may warrant or as requested by the Committee.
12. For each proposed standard, IPSASB agreed to provide the Committee with a separate report highlighting the due diligence and working procedures applied in its preparation.

Programme of Work and Budget

13. The Committee agreed that it views consideration of IPSASB’s Programme of Work and Budget as a fundamental aspect of its public interest obligation and that *what* the IPSASB does is as important as *how* it conducts its work.
14. IPSASB agreed that it would share drafts of its strategy and work planning documentation with the Committee prior to any general distribution. This would include the budget implication for each proposal.
15. The Committee indicated it would not provide specific guidance on a project-by-project basis, but rather on the general orientation of the strategy and work planning documentation.
16. The Committee agreed this would form a fundamental basis for its public interest assessment of IPSASB.

IPSASB Due Process and Working Procedures

17. The Committee agreed to develop an IPSASB-specific Due Process and Working Procedures document, similar to the one IFAC has in place for other Public Interest Activity Committees. This would constitute the formal basis for the Committee's work.

18. The Committee noted three main divergences from the general IFAC document. *First*, a greater emphasis on its role in developing IPSASB's strategy and work programme. *Second*, a focus on overall oversight for IPSASB activity rather than one based on a standard-by-standard review. *Third*, removal of references to the Monitoring Group and Public Interest Oversight Board and other matters not relevant to IPSASB.

IPSASB Consultative Advisory Group (CAG)

19. The Committee welcomed the proposal by IFAC to create an IPSASB Consultative Advisory Group and the opportunity to interact on a regular basis. This is in line with the recommendation (3 - c) of the IPSASB Governance Review Group.

20. IFAC presented a draft document for the creation of such a body, based on similar bodies for other IFAC standard-setting bodies and the IFRS Advisory Council.

21. The Committee emphasised an inclusive approach to its membership, noting it viewed such a body as an outreach opportunity and as a venue for presenting the views of users.

22. Specifically, it was discussed that its membership be divided into three constituencies: a) users/preparers, b) auditors, c) global and regional international organisations with an emphasis on the first group.

Committee Governance and Management

23. The Committee agreed to operate on a collegial basis with all members acting as Co-Chairs. The host of each Committee meeting would assume lead responsibility for its organization.

24. The Committee agreed to meet annually with the OECD offering to host the meetings in conjunction with the OECD Accruals Symposium, which take place in February or March each year. Due to the initial work involved in establishing the Committee, the World Bank offered to host an extraordinary meeting of the Committee in Washington in September 2015.

25. The OECD will maintain the website of the Committee where all documentation will be made publicly available.