

Meeting: IAASB
Meeting Location: Mainz
Meeting Date: June 14-18, 2010

Agenda Item 11

Monitoring Group Consultation Paper

Objective of Agenda Item

1. To obtain the IAASB's initial views on the Monitoring Group's (MG) Consultation Paper¹ on its review of the 2003 IFAC reforms.

Background

2. Pursuant to the IFAC reforms in 2003, the MG has undertaken an assessment of the implementation of the reforms (the "Effectiveness Review"). On June 11, 2010, the MG released the attached consultation paper (Agenda Item 11-A) for public comment. The aim of the consultation paper is to seek input on:
 - a) The MG's assessment of the implementation of the reforms, including any other matters that the MG might take into account;
 - b) The MG's 18 recommendations for further improvement, as well as other opportunities for further improvement that the MG might identify; and
 - c) The MG's conclusion that it initiate a future effectiveness review approximately three years after its completion of the current one, unless circumstances indicate that it should initiate such a review sooner.
3. Of the 18 recommendations in the consultation paper, twelve of these refer to IFAC, IFAC's Public Interest Activity Committees (PIACs), and their operations directly. The final six are focused on the Public Interest Oversight Board (PIOB), although they have IFAC implications. Comments on the consultation paper are due by August 15, 2010.
4. The MG expects to release its final assessment report by November 2010. The MG's aim is to present the assessment report recommendations, and IFAC/PIOB responses, at the World Congress of Accountants. In the period to then, IFAC, the IFAC PIACs, the PIAC CAGs, and the PIOB will have opportunities to consider the draft recommendations in the consultation paper.

¹ Consultation Paper titled "Review of the IFAC Reforms–Consultation Paper."

Material Presented

Agenda Item 11-A Review of the IFAC Reforms – Consultation Paper

Action Requested

5. IFAC intends to develop a response to the consultation paper by the stated deadline of August 15, 2010. While views on any aspect of the consultation paper is welcome, as input to that response the IAASB is asked for its views on the following in particular:
 - a) Are there any inaccuracies in the report relative to IAASB activities?
 - b) Are the MG's recommendations clear, or are there aspects where there is ambiguity about the nature of the concern or what is required to be addressed, such that differences of interpretation may arise?
 - c) Are there any recommendations to which the IAASB would have fundamental objection, or that the IAASB believes would be impracticable?