

IFAC Nominating Committee Oversight Plan 2018

The following Oversight Plan has been developed on the basis that the Nominating Committee will continue working, as it is currently set up, during 2018. It assumes that the Interim Nominating Committee (with a different composition and mandate), as foreseen in the MG Consultation Paper, will only deal with the IAASB Chair selection process. Should this assumption change, this Plan will be revised accordingly.

1. 2017 Experience

The PIOB directly observed two out of the four in-person NC meetings, while the other two meetings were observed remotely (via teleconference). A PIOB observer also joined the two teleconferences scheduled during the year.

In 2017 there was a good number of nominations, high-quality candidates, and an increase of self-nominations. Overall the experience with the nominating process was satisfactory.

The PIOB was consulted on the extension of the terms of the three Chairs of the SSBs. Those terms were all extended until the end of 2018, in a consistent manner.

The public interest concerns raised by the PIOB in the previous years remained outstanding, due to the discussions between IFAC and the MG on the reforms process. Such concerns included: the need for a revised definition of Public Members and Non-Practitioners, casual vacancies, and the independence of the Nom Com.

Some of those themes may not be relevant any longer, once the outcome of the reforms process is known.

The 2019 Call for Nominations for SSBs was delayed, to await the publication of the MG consultation paper¹. It was published in December 2017 and, since it did not substantially change from previous years, the PIOB reiterated its recommendation on the need to revise the definition of Public Members (assuming that the current three categories of SSBs members will be still in place in 2019). The PIOB also recommended to coordinate the nominations process between IFAC and MG, under the possibility that the Interim Nominating Committee, foreseen in the MG consultation paper, deals with the selection of the IAASB Chair. Whether this interim panel will deal also with the other vacant positions in the SSBs is not clear.

2. Expected NC Activity for 2018

¹ The 2019 Call for Nominations for IFAC Board and Committees was published in November.

At the time this document is drafted, it is not known how the reform process will influence the composition and the working cycle of the Nominating Committee. Assuming that things will not change in 2018, the PIOB will continue reviewing the CFN and observing the full nominations cycle.

The NC will follow the process summarized in **Appendix II**, to fill the vacancies at SSBs, NC and CAP. Final nominations, once approved by the IFAC Board, will be submitted for PIOB approval, usually in September.

However, as the terms of the three SSBs Chairs have been extended until the end of 2018, before that deadline a decision must be made on the renewal/reappointment of those positions.

While the 2019 CFN acknowledges the vacancies of the three SSBs Chairs, a call for applications for the IAASB Chair is foreseen early in 2018, while for the other two SSB Chairs, it will be determined whether there is a need to issue call for applications.

Under the Oversight Plan approved for the year, PIOB members observing NC meeting may be provided with Briefing Memos (BMs) prepared by the Staff whenever the topics discussed may require it. The BMs would include relevant insight on the specific NC meeting and any issue that would require the observer’s attention or follow up.

3. Oversight Assurance Team in 2018

	Team members
Nom Com	Eddy Wymeersch, Maria Helena Pettersson

4. Oversight Assurance Model for 2018

Given the importance of nominations to the SSBs, the outstanding topics such as the definitions of public members and non-practitioners, and the suggestions for reform leading to a more independent Nom Com, we have concluded that an Oversight **Model 1 (High Intensity)** will be applied in 2018 and 100% of the meetings will be observed.

Appendix I details the three different Oversight Assurance Models that the PIOB applies.

5. Oversight Activities for 2018

6.1. Direct Observations of Meetings

The PIOB will observe the following meetings in 2018, of which three will be held in New York and one in Hong Kong (in June):

March 27-28

May 17-18

June 10-11

September 4 (to be determined, whether TC or in person-meeting)

In case the agenda of the Nom Com meeting focuses on topics which are not within the remit of the PIOB, a remote observation (i.e. by teleconference) may be considered, as an alternative to the direct observation, for the agenda items which fall under the PIOB's mandate.

Two teleconferences are scheduled:

February 22nd (tbc)

October 23rd

PIOB members observing the NC would pay attention to the structure of Nom Com, the possible implementation of reforms to enhance its independence from IFAC, the breadth of nominations and nominating organizations, the selection process of candidates to be interviewed, the conduct of interviews and the decision process adopted by the NC for every candidate.

The PIOB Bluebook provides detailed guidance on observations.

6.2. Remote Observations

A PIOB Board Member or the Secretary General will join the teleconferences scheduled during the year.

Throughout the year, the team members, supported by PIOB staff, will confirm whether the OAM planned for 2018 remains relevant. Should the PIOB determine that a change of OAM would be required, the reasons supporting the change will be recorded as part of this plan.

APPENDIX I - OVERSIGHT ASSURANCE MODELS

Mode I	Intensity of PIOB Oversight	When	PIOB Observations
1	High	Higher risk to public interest protection	100% observations
2	Medium	Medium risk to public interest protection	Medium level of observations
3	Low	Low risk in public interest protection	Minimal or no observations



Public Interest Oversight Board

Appendix II - PIOB oversight of nominations

Month	Phase	PIOB oversight activity
October	The Call for Nominations (CFN) for next year is drafted to be finalized	The PIOB reviews the draft CFN. Recommendations can be made but no PIOB approval is required
October	<u>Nominating Committee teleconference</u> The CFN is discussed before publication	The PIOB observer raises any concerns or recommendations on the CFN
End of October and Mid-November ²	IFAC publishes the CFNs (SSBs, CAP and NC)	None
Until end of January or mid-February	Curricula from candidates and nominations are received	None
April	<u>Nominating Committee meeting</u> Discuss outcomes of the Volunteer Performance Program, approve re-appointments of current members, determine need for outreach, discuss CVs and select candidates for in-person interviews	PIOB direct observation
May	<u>Nominating Committee meeting</u> Discuss CVs, select short-listed candidates for phone interviews, conduct interviews for leadership positions	PIOB direct observation
May-June	Interviews carried out by Nominating Committee members (along with the relevant SSB Chairs)	None
June-July	<u>Nominating Committee meeting</u> Conduct in person interviews, discuss outcomes of phone interviews, finalize recommendations for submission to the PIOB, IFAC Board and Council	PIOB direct observation
September	<u>Nominating Committee meeting</u> Consider any outstanding vacancies, review outcome of the nominations process, address issues that have been identified during the year and discuss composition targets for the following year. IFAC Board approval	PIOB direct observation

² This year the publication of the CFNs has been slightly delayed, to wait for the publication of the MG Consultation Paper.



Public Interest Oversight Board

Month	Phase	PIOB oversight activity
September or December	PIOB approval	PIOB deliberation and decision