

IFAC Nominating Committee Oversight Plan 2019

The following Oversight Plan has been developed on the basis that the IFAC Nominating Committee will continue working, as it is currently set up, during 2019. Should this assumption change, this Plan will be revised accordingly.

The Interim Nominating Committee, set up for the selection of the IAASB Chair, and observed by the PIOB Chair, is not included in this oversight plan¹.

Oversight intensity is proposed after a risk assessment of the Nom Com activity.

1. 2018 Highlights

During the year, the PIOB approved, by written procedure, the appointment of the new CAP Chair. In September 2018, at the end of the nominations cycle for 2019, the PIOB approved the appointment and reappointment of members to the IAASB, the IESBA, the IAESB, the CAP and the Nominating Committee. Those included the appointment for a one-year term of the new IAESB Chair and the reappointment for a renewable one-year term of the IESBA Chair. The PIOB also approved, in September, by teleconference, the new IAASB Chair, who later withdrew from his position. The PIOB approved the exceptional extension of the term of the current IAASB Chair (until June 2019).

The Nominating Committee published the Call for Nominations (CfNs) for the vacancies in the IAASB (with the exception of the Chair) and the IESBA, as well as the Call for the IFAC Board and Committees.

There will not be a CfN for the IAESB and the CAP, given the decisions taken by IFAC on their respective futures.

2. Expected NC Activity for 2019

The PIOB will continue monitoring the nominations cycle during 2019, as part of its oversight mandate.

Moreover, the Interim Nominating Committee, in charge of the selection of the new IAASB Chair, will be observed by the PIOB Chair.

Assuming that no change occurs in 2019, the NC will follow the process summarized in **Appendix II**, to fill the vacancies at the IAASB, the IESBA and the NC. Final nominations, once approved by the IFAC Board, will be submitted for PIOB approval, usually in September.

¹ In 2018 the MG set up an Interim Nominating Committee (INC), with the mandate to select the new IAASB Chair. The INC comprised an independent Chair (appointed by the MG), two IFAC nominees, two PIOB nominees and two observers: the IFAC President and the PIOB Chair. The INC successfully run the process and recommended a candidate for 2019-2021. The PIOB approved the appointment and IFAC made the announcement public in September 2018. Later, the candidate withdrew from the position for personal reasons. The INC has been resumed to start a new selection process for the IAASB Chair position. In the meantime, the current IAASB Chair's term will be exceptionally extended until April 2019.

Under the Oversight Plan approved for the year, PIOB members observing NC meetings 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 2019

	PIOB Observer
Nom Com	Aileen Pierce

4. Risk Assessment Analysis for 2019

Given the importance of the nominations cycle, and the implications on the Public Interest of the possible changes described above, 100% of Nominating Committee meetings in 2019 will be observed (Oversight **Model 1 (High Intensity)**). The PIOB will observe the agenda items which are under its remit.

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

5. Oversight Activities for 2019

6.1. Direct Observations of Meetings

The PIOB will directly observe the meetings scheduled in 2019. 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) will be considered, as an alternative to the direct observation, for the agenda items which fall under the PIOB’s mandate.

Four meetings will be held in 2019, all in New York, as follows:

- March 28-29
- May 9-10
- June 10-11
- September 3

One teleconference is scheduled on:

- October 24

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.



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Throughout the year, the team members, supported by PIOB staff, will confirm whether the OAM planned for 2019 remains relevant. Should the PIOB determine that a change of OAM be required, the reasons supporting the change will be recorded as part of this plan.

APPENDIX I - OVERSIGHT ASSURANCE MODELS

Model	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



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Appendix II - PIOB oversight of nominations

Month	Phase	PIOB oversight activity
October	The Call for Nominations (CFNs) for next year process are 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 CFNs are discussed before publication	The PIOB observer raises any concerns or recommendations on the CFN
Mid-December	IFAC publishes the CFNs (IAASB and IESBA, IFAC Board and Committees)	None
Until end of February	Curricula from candidates and nominations are received	None
March	<u>Nominating Committee meeting</u> Discuss CVs received to prepare a short-list of candidates, approve short lists, and select candidates for interviews. Approve re-appointments of current members, determine need for outreach. Discuss outcomes of the Volunteer Performance Program.	PIOB direct observation
April	Phone interviews carried out by Nominating Committee members (along with the relevant SSB Chairs).	None
May	<u>Nominating Committee meeting</u> Conduct in-person interviews for leadership positions, discuss outcomes of SSBs interviews and decide on recommendations.	PIOB direct observation
June	<u>Nominating Committee meeting</u> Finalize recommendations and decide on additional actions needed.	PIOB direct observation
September	<u>Nominating Committee meeting</u> Notify the 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
September	PIOB approval	PIOB deliberation and decision