



**INTERNATIONAL FEDERATION  
OF ACCOUNTANTS**

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DATE: 12 JUNE 2005  
MEMO TO: MEMBERS OF THE IPSASB  
FROM: MATTHEW BOHUN  
SUBJECT: **IPSASB CONSULTATIVE GROUP**

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### **ACTION REQUIRED**

The Board is asked to:

- **Note** the current status of the appointment process;
- **note** the Consultative Group Membership profile and operating procedures;
- **approve** an amendment to the operating procedures; and
- **note** the Consultative Group members attending this meeting.

### **AGENDA MATERIALS**

	Pages
17.2 Possible process for the appointment of Regional Chairs of the IPSASB Consultative Group	17.3
17.3 Current Status of the Appointment Process	17.4 – 17.5
17.4 Consultative Group membership and Operating Procedures (with proposed amendment)	17.6 – 17.10
17.5 Consultative Group members attending IPSASB Meeting	17.11

### **BACKGROUND**

At the last meeting it was noted that the IPSASB's Consultative Group structure is different to that of the Consultative Advisory Groups of IFAC's designated Public Interest Activity Committees (PIACs) (International Auditing and Assurance Standards Board, Ethics Committee, and Education Committee). The IPSASB also noted that the PSC Review Committee's recommendation that the IPSASB be designated a PIAC was likely to involve a restructure of the Consultative Group in line with the structure of the PIAC CAGs. The IPSASB discussed these issues with the Consultative Group members present in Oslo, who recommended that the IPSASB maintain the CG in its current form until it is clear whether the IPSASB is to be designated as a PIAC.

### **UPDATE ON CONSULTATIVE GROUP**

#### *New Appointments*

Staff have not received any additional nominations since the meeting in Oslo. A number of organizations have made inquiries in recent weeks, and these will be followed up before or immediately after the New York meeting. Staff have written to the American Accounting Association concerning their nomination, however no reply has been received to date.

*Appointment of Regional Chairs*

Staff do not recommend the appointment of regional chairs at this time. Staff are of the view that any restructuring of the CG should be delayed until the IFAC Board and Public Interest Oversight Board decide whether the IPSASB is to be designated as a Public Interest Activity Committee. A possible process for the appointment of regional chairs is attached at item 17.2 which the IPSASB should consider if it decides to appoint Regional Chairs in the future.

**Matthew Bohun**  
**TECHNICAL MANAGER**

**POSSIBLE PROCESS FOR THE APPOINTMENT OF REGIONAL CHAIRS OF  
IFAC INTERNATIONAL PUBLIC SECTOR ACCOUNTING STANDARDS  
BOARD CONSULTATIVE GROUP**

The IFAC IPSASB Consultative Group currently has 72 memberships identified, although nine organizations are still to appoint members. Currently, eight groupings are identified:

- Africa (6 members)
- Asia (8 members)
- Europe including Russia (16 members)
- Latin America (5 members)
- North America (13 members)
- Australasia/Pacific (12 members)
- Middle East (6 members)
- International (8 members)

*IPSASB CG*

The establishment of Regional Chairs of the Consultative Group was recommended by the PSC Review Panel recommended that the IPSASB. This recommendation was accepted by the IFAC Board. The Review Panel also recommended that the IPSASB be designated as a PIAC, this recommendation was also adopted by the IFAC Board. The Consultative Group members present in Oslo in March 2005 recommended that the IPSASB delay making any decision on restructuring the CG until a firm decision was taken as to whether the IPSASB is to be designated as a Public Interest Activity Committee. Staff support this recommendation and do not propose that the CG be restructured at this stage, staff do not, therefore, recommend appointing Regional Chairs at this time. However, staff have provided a possible process for appointing Regional Chairs if the IPSASB wishes to do so in the future.

Staff are of the view that if the IPSASB decides to appoint Regional Chairs of the IPSASB CG in the future, it should adopt the following process:

- 1) The IPSASB write to the CG members in each region, asking members to nominate themselves for the position of Chair, outlining what is expected of the Regional Chair.
- 2) The IPSASB Chair, Deputy Chair and Technical Director review the nominations and make recommendations to the IPSASB for the appointment of Regional Chairs.
- 3) The IPSASB confirm or otherwise, the appointments recommended by the Chair, deputy Chair and Technical Director.

It is likely that those CG members who have been most active will nominate themselves for the positions of regional chairs.

**IPSASB Consultative Group current status**

The details are shown in the table below:

**Table on Status of Nominations to date**

<b>Region</b>	<b>Nominations Confirmed</b>	<b>Nominations Outstanding</b>	<b>Remarks</b>
Africa	6	0	All nominations have been made.
Asia	7	1	ASOSAI has yet to nominate.
Europe including Russia	16	0	Still awaiting the name of the Ukrainian Ministry of Finance's nominee.
Latin America	3	2	OLACEFS –Auditors & Latin American Assoc of Public Acc Schools are yet to nominate
North America	12	1	AAA is yet to nominate
Australasia/Pacific	10	2	Association of Public Accounts Staff of Australia & New Zealand yet to nominate. Awaiting the name of the Australian Department of Finance and Administration Nominee
Middle East	3	3	Arab Bankers Union, Chamber of Commerce, BADEA & ACC & Auditors Assoc yet to nominate
International	6	0	4 committees of IFAC are in this group.
<b>Totals</b>	<b>63</b>	<b>9</b>	The total number is 72 with 63 nominations made so far and 9 outstanding.

The current status of appointment process to the Consultative Group is that 63 nominations have been made so far with 9 outstanding nominations. The total number of the group is 72. I am awaiting the names of the nominees of the Ukrainian Ministry of Finance, the Australian Department of Finance and Administration and the American Accounting Association.

CONSULTATIVE GROUP MEMBERSHIP

Region	Auditors Associations	Preparers/ Ministries. of Finance/ Accountants General etc	Academia	Regional Bodies	Independent Standard Setters/ Professional Bodies	Users incl. Lenders, Aid Agencies, Rating Agencies etc	Others eg Consultants, Individuals, Legislature	Organizations currently represented on PSC through members/observers & technical advisors etc	Ex-PSC Members/Observers	Totals
<b>Africa</b>	1. AFROSAI/ .SADCOSAI Mr. Rajun Jugurnath	1. ESAAG Mr Jerry Gutu	1.ABWA Prof. Ato Ghartey	1.ECSAFA Mr Lebohanga Thotanyana	1.ASB OF SA*  2. KPMG Tunisia Mr Rached Fourati	1. AfDB Mr Charles Muthuthi		1. SAICA* 2. IPFA*		6
<b>Asia</b>	1. ASOSAI	1. Government of Hong Kong Treasury*  2. Ministry of Finance of Japan Mr Hirokazu Fujita  3. Ministry of Finance of PRC Dr. Lou Hong	1. Indonesia Prof. Indra Bastian	1. Confederation of Asian & Pacific Accountants Mr Pyan Ho-bum	1. India Representative Mrs Soma Roy Burman  2. Mongolia Institute of CPA Prof. Dondog			1. ADB*	Mr. M. Rafi	8
<b>Europe/ Eastern Europe+</b>	1. National Audit Office of Netherlands Mrs Anneke van Zanen	1. Ministry of Finance of Croatia Mrs Vesna Vasicek  2. UARG Germany Federal Statistical Office Mr Hans Rehm  3. Swedish Financial Management Authority Mr Claes-Goran Gustavsson  4. Ministry of Finance of Malta Mr Pierre Pace	1. Prof. Ricardo Mussari of Siena University of Italy	1. Federation of Experts Comptables Europeens FEE PSC Chair Ms. Caroline Mawhood,  2. European Commission Mr Brian Gray  3. FEE rep. Mr Marinos Athanassiou (Poland)  4. FEE rep. Mr Daniel Faura (Spain)  5. FEE rep. Dr Tuomas Poysti (Finland)	1. French Professional Body of Accountants Ms. Daniele Lajoumard  2. ACCA GLOBAL Mr Andy Wynne	1. Fitch Ratings – Europe Office Mr Fernando Mayorga	1. UNICON-MS OF RUSSIA Mr Alexander Verenkov  2. Switzerland University of Zurich, Switzerland Prof. Andreas Bergmann	1. OEC – Organization of Professional/ Expert Accountants (France)* 2. IDW (Germany)* 3. Royal Nivra (Netherlands)* 4. ICAS/CIPFA*		15
<b>Latin America</b>	1. OLACEFS	1. Ibero-American (Latin American Accountants General) Mrs Mercedes Vega Garcia Coordinator	1. Latin American Association of Public Accounting Fac & Schools	1. Inter American Accounting Association Ms. Edgar Nieto Sanchez	1. Latin American Federation of Internal Auditors Mr Genaro Soriano			1. IADB* 2. Mexican Institute of Certified Public Accountants* 3. Argentina Federation of Professional Accountants*		5
<b>North America</b>	1. CCOLA Mr John Noseworthy	1. GFOA-USA Mr Stephen Gauthier 2. AGA-USA Ms. Sharon 3. NASACT Mr Kinney Poynter	1. AAA		1. FASAB Ms. Wendy Combes  2. CGA Mr David Rattray  3. Institute of Internal Auditors Mr Jiwan Shourie		1. Dr Bob Freeman  2. Dr Jesse Hughes	1. AICPA* 2. CICA* 3. GASB*	1. Mr. Ken Dye Former PSC Chair 2. Mr. Charles Coe 3. Mr Erik Peters	12

<b>Australasia/ Pacific</b>	1. ACAG Dr Arthur McHugh  2. AARF Mr Richard Mifsud  3. SPASAI Mr Todd Beardsworth	1. NZ Treasury Mr Ken Warren  2. Australian Dept of Finance & Treasury  3. NLFMF. Mr. Malcolm Duce  4. HOTARAC Mr Craig Jeffrey  5. PNG Treasury Mr. Jim Kerwin		1. AFAANZ Mr Bryan Howieson		1. Association of Public Accounts Committees Staff of Australia & New Zealand		1. AASB* 2. CPAA* Public Sector Centre of Excellence 3. ICAA* 4. ICANZ*	Mr Ian Mackintosh  Mr Kevin Simpkins	11
<b>Middle East</b>		1. Union of Arab Bankers	1. Prof. Talal Abu Ghazaleh	1. General Union of Chambers of Commerce, Ind. & Agric of Arab Countries	1. Arab Society of Certified Accountants- Mr Esmat Fahmy Nagy	1. BADEA	1. Union of Arab Accountants & Auditors- Dr A. M. Hegazy			6
<b>Inter- national</b>	1. INTOSAI*	1. NATO Mr James Luedeke  2. IFAC- PAIB Mr Robin Mathieson			1. IVSC Mr. Mark Gerold  2. IFAC- IAASB Mr James Gunn		1. IFAC- ETHICS Ms. Jan Munro  2. IFAC- EDUCATION Ms Claire Egan	1. IMF*/WB* 2. OECD* 3. WB*		8
TOTAL	9	18	6	12	10	4	6	0	6	71

**\*Those identified by an asterisk (\*) were proposed for membership to the Consultative Group. However, they currently have access to the PSC through PSC members/observers/technical advisors and therefore have not been included in the consultative group. They are not included in the count. These organizations will be reconsidered for inclusion on the Consultative Group once their members/observers and technical advisors retire from IPSASB.**

#### **ACCRONYMS**

AAA – American Accounting Association  
AARF – Australian Accounting Research Foundation  
AASB – Australian Accounting Standards Board  
ACAG – Australasian Council of Auditors General  
ACCA – Association of Chartered Certified Accountants  
ADB – Asian Development Bank  
AFAANZ – Accounting and Finance Association of Australia and New Zealand  
AfDB – African Development Bank  
AFROSAI – African Organization of Supreme Audit Institutions  
AGA – Association of Government Accountants of USA  
AICPA – American Institute of Certified Public Accountants  
ARABOSAI – Arab Organization of Supreme Audit Institutions  
ASCA – Arab Society of Certified Accountants  
ASOSAI – Asian Organization of Supreme Audit Institutions

BADEA – Arab Bank of Economic Development

CAPA – Confederation of Asian Pacific Accountants  
CCOLA – Canadian Council of Legislative Auditors  
CGA – Certified General Accountants Association  
CICA – Canadian Institute of Chartered Accountants  
CIPFA – Certified Institute of Public Finance and Accountancy  
CPAA – Public Sector Centre of Excellence

ECSAFA – Eastern, Central and Southern African Federation of Accountants  
ESAAG – East and Southern Africa Association of Accountants General

FASAB – Financial Accounting Standards Advisory Board  
FEE – Federation des Experts Comptables Europeens  
FMAC – Financial and Management Accounting Committee (IFAC)

GASB – Governmental Accounting Standards Board, United States  
GFOA – Governmental Finance Officers Association

HOTARAC – Heads of Treasuries of Australia

IAASB – International Auditing and Assurance Standards Board (IFAC)  
IADB – Inter-American Development Bank  
IBEROAMERICAN – Latin American Association of Accountants General  
ICAA – Institute of Chartered Accountants in Australia  
ICANZ – Institute of Chartered Accountants of New Zealand  
ICAS - Institute of Chartered Accountants of Scotland  
IDW – Institute of Certified Public Accountants (Germany)  
IFAC – International Federation of Accountants  
IIA – Institute of Internal Auditors  
IMF – International Monetary Fund  
INTOSAI – International Organization of Supreme Audit Institutions  
IPFA – Institute of Public Finance and Auditing  
IVSC – International Valuation Standards Committee

NASACT - National Association of State Auditors, Controllers and Treasurers, United States  
NATO – North Atlantic Treaty Organization  
NIVRA – Royal Netherlands Institute of Registered Accountants  
NLFMF – National Local Government Financial Management Forum (Australia)

OECD – Organization of Economic Cooperation and Development  
OLACEFS – Organization of Latin American and Caribbean Supreme Audit Institutions

PRC – People’s Republic of China

SAICA – South African Institute of Chartered Accountants  
SPASAI – South Pacific Association of Supreme Audit Institutions

UARG – Sub-committee of the conference of the Ministers of the interior of 16 federal states in Germany

WB – World Bank



## CONSULTATIVE GROUP OPERATING CRITERIA

### *Operating Procedures*

#### *Meeting details*

The Consultative Group is an electronic forum for interested parties to give their views and opinions on public sector *financial reporting* developments and issues. The need for meetings will be assessed as interest develops with members of the Group determining whether formal meetings are required. When a meeting is determined necessary, such meeting will be held in public and may be followed by, or include, a regional seminar. Members of the public who wish to observe the Consultative Group meeting should register prior to the meeting and will be provided with Agenda papers relevant to the sessions for which they register. Public seats will be limited on a first come first serve basis as capacity permits.

#### *Role*

The Consultative Group is not a voting group, but provides a means by which the IPSASB can consult with and seek advice as necessary from a broad constituent group. The Group will operate as a proactive body, which is used to get feedback from various constituencies and act to communicate and promote IPSASs and the work of IPSASB.

#### *Meeting agenda and minutes*

IPSASB agenda papers and meeting minutes will be made available electronically to all Consultative Group members through the IPSASB portion of the IFAC web site.

#### *Confidentiality requirements*

Meeting agenda material and other non-public draft material made available to Consultative Group members may be marked “confidential” in certain circumstances. Consultative group members are responsible to maintain the confidentiality of such material. The confidential materials will not be provided to members of the public Gallery.

#### *Staff Support*

An IPSASB Technical Manager will provide administrative support to the Consultative Group.

#### *Relationship with IPSASB Steering Committees*

The Consultative Group will be kept informed of IPSASB Steering Committees’ activities through access to minutes and meeting agenda materials. The PSC may from time to time invite certain Consultative Group members to join a PSC Steering Committee.

#### *Chairmanship*

The Consultative Group will be chaired by the chairman of IPSASB.

*Regional Chairs*

The IPSASB may appoint Regional Chairs of the Consultative Group to assist the IPSASB Chair in the administration of the Consultative Group, in coordinating consultation with Consultative Group members in a particular region and in promoting the work of the IPSASB in that region.

*Size*

As the Consultative Group will start off as electronic forum flexibility in the size of the membership will be maintained.

*Review*

The IPSASB will regularly review the membership, terms of reference and operating procedures of the Consultative Group and amend procedures as necessary.

**CONSULTATIVE GROUP MEMBERS ATTENDING NEW YORK MEETING**

Andreas Bergmann (Switzerland)  
Lou Hong (People's Republic of China)

Full list to follow