

Monitoring Board Meeting

(Minutes of Private Meeting)

Date: 11 April, 2013

Venue: London

Note: Minutes of private meeting, summarizing the discussion held.

Monitoring Board Meeting on 11 April, 2013

On 11 April, 2013, the International Financial Reporting Standards (IFRS) Foundation Monitoring Board had its private meeting of the Monitoring Board members and observers in London before the public session with the IFRS Foundation Trustees.¹

The participants of the private meeting include Elisse Walter (U.S. Securities and Exchange Commission), Michel Barnier (European Commission), Masamichi Kono (Financial Services Agency, Japan), Greg Medcraft (Representative of the IOSCO Board) and Vedat Akgiray (Representative of the IOSCO Emerging Markets Committee), and Sylvie Matherat (Representative of the Basel Committee on Banking Supervision) participated in the meeting as an observer.

1. IFRS Foundation Governance Review

(1) Selection and assessment of the Monitoring Board members

Members discussed the procedure and time table for selection and assessment of the Monitoring Board members, following the IFRS Foundation Governance Review and agreement on its approach to assess current and prospective members. They agreed on the following points:

- The Monitoring Board will issue a public call for nominations for selecting new member candidates² (excluding rotating members to be selected in consultation with IOSCO).
- The Monitoring Board will determine the selection procedure for rotating members in consultation with IOSCO.
- The Monitoring Board will assess all the existing members.
- The Monitoring Board will complete the selection of new members and the assessment of existing members in 2013; the selection and assessment process will be assessed in accordance with the membership criteria.

(2) Amendments to the Charter and MoU

The members agreed on the amended draft of the Monitoring Board Charter and Memorandum of Understanding to strengthen the Institutional Framework of the International Financial Reporting Standards Foundation (MoU) with the IFRS Foundation Trustees, which were updated in accordance with the recommendation of the Monitoring Board Governance Review. They agreed that the amended Charter and MoU will go under formal approval procedures and will be published. They also agreed to ask the IFRS Foundation to approve the amended MoU.

(3) Strategic engagement with oversight activities

¹ Transcripts of the public session will be published separately on the Monitoring Board website.

² Call for Nomination was published on 20 May, 2013. The closing date for nominations is the end of June, 2013. (See. http://www.iosco.org/about/monitoring_board/pdf/20130520-Call-For-Nominations.pdf)

The members discussed the following points:

- How to take forward the remaining recommendations included in the final report of IFRS Foundation Governance Review published in February 2012.
- How to enhance the oversight activities beyond the scope of the recommendations in the final report of the Governance Review.

Although they did not reach a consensus, the members discussed a proposal that the Monitoring Board would request the International Accounting Standards Board (IASB) to analyze the influence of accounting standards on macro economy and long-term investments.

2. Transparency

The members discussed measures to enhance visibility and transparency of the Monitoring Board, following the requests from relevant stakeholders to improve its transparency. The members agreed that they would publish the transcripts of public meetings and the minutes of private meetings sooner, and increase the use of press releases.³

3. Funding of the IFRS Foundation

The members discussed issues on funding of the IFRS Foundation and agreed that at the joint meeting with the IFRS Foundation Trustees they would bring up the following points:

- The Monitoring Board will work more closely with the IFRS Foundation on the funding issue.
- The IFRS Foundation needs to have an external review of its operating expenses if the Foundation has not been recently assessed by an independent external party.
- The Monitoring Board will consider what is next step it should take in the context of discussions in international fora.

END

³ The outcomes of the Monitoring Board's private session and public session are summarized in a 2 May, 2013, press release (See. http://www.iosco.org/about/monitoring_board/pdf/Press20130502-1.pdf).