

MEDIA RELEASE

Tokyo, May 31, 2023

Monitoring Board completes revisions to its Charter and Memorandum of Understanding with the IFRS Foundation and sets out its 2023-2024 Work Plan

The Monitoring Board (MB) members met virtually on May 24, 2023, for its first principals meeting under new Chair, Takashi Nagaoka since his appointment in March. The MB welcomed the latest progress made by the IFRS Foundation, which includes the International Sustainability Standards Board's (ISSB's) work which is expected to result in the finalization of its first two standards soon. Responding to the progress, the MB hereby announces a number of updates on its work and membership to renew its commitment to continuously monitoring and reinforcing the public interest oversight function of the IFRS Foundation.

Revisions to Charter and MoU

The MB has concluded work to revise its Charter and Memorandum of Understanding (MoU) with the Trustees of the IFRS Foundation. The Charter describes the mission and operations of the MB, while the MoU describes the MB's relationship to the IFRS Foundation. The original versions of these documents were published in 2009.

Following the establishment of the ISSB in November 2021, the MB has discussed and agreed to revise the Charter and MoU in order to add the MB's new scope of mission and operations, which is to monitor work on development of sustainability disclosure standards by the ISSB. The revised documents have been published after being approved by the MB members.

The MoU was also renewed between the Monitoring Board and the IFRS Foundation Trustees, signed by the MB Chair Takashi Nagaoka and Erkki Liikanen, Chair of the Trustees in London on May 30. The IFRS Foundation has also published its [press release](#) regarding the signing.

The full versions of the revised Charter and MoU can be downloaded below.

- [Charter \(revised version\)](#)

- [MoU \(revised version\)](#)

MB 2023-2024 Work Plan

The MB has approved and published its [Work Plan for the period of 2023-2024](#). The Work Plan guides the MB in its activities and keeps stakeholders informed of its areas of focus which enhances both the operational efficiency of the MB and transparency regarding its operations. The 2023-2024 Work Plan encompasses three key areas:

- a) reviewing the Trustees' oversight of the IASB's and ISSB's standard-setting processes, including the interactions and interdependencies of their respective agendas;
- b) monitoring and conferring with the Trustees on their responsibilities; and
- c) the MB's organization and governance activities.

The MB intends to update its work plan periodically.

UK FCA's membership in the MB

The MB appointed the Financial Conduct Authority (FCA) of the United Kingdom as a member in March. The appointment has become effective with the signature of the FCA to the Charter and Nikhil Rathi, Chief Executive of the FCA participated in the MB meeting on May 24.

About the IFRS Foundation Monitoring Board

The Monitoring Board was created in 2009 with the aim of overseeing the IFRS Foundation, whose Trustees in turn exercise oversight over the IASB (International Accounting Standards Board) and the ISSB (International Sustainability Standards Board).

The members of the Monitoring Board are the Board of the International Organization of Securities Commissions (IOSCO), the IOSCO Growth and Emerging Markets Committee, the Financial Services Agency of Japan (JFSA), the European Commission, the US Securities and Exchange Commission (SEC), the Comissão de Valores Mobiliários (CVM) of Brazil, the Financial Services Commission (FSC) of Korea, the Ministry of Finance of the People's Republic of China and the Financial Conduct Authority (FCA) of the United Kingdom.

The Basel Committee on Banking Supervision is an observer.

Through the Monitoring Board, capital markets authorities responsible for setting the form and content of financial reporting in their respective jurisdictions are able to carry out more effectively their mandates regarding investor protection, market integrity and capital formation.

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