

STAFF PAPER

July 2012

IASB

Project	Due Process
Paper topic	Availability of meeting papers
CONTACT(S)	Alan Teixeira ateixeira@ifrs.org +44 (0)20 7246 6442

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Background

1. The IASB strives to operate in an open and transparent manner. Accordingly, both the current and proposed revised due process handbooks include sections explaining the importance of making papers discussed by the IASB members available to observers.

2. Paragraphs 71 and 72 of the current handbook explains that:

Before IASB meetings, the staff prepare IASB papers and observer notes for review and approval by the directors. IASB papers are distributed to the IASB members on or before the second Wednesday before the IASB meeting date. Meeting agendas and observer notes are normally posted on the website five days before the IASB meeting day. Observer notes normally include the following:

- background to the issues to be considered by the IASB
- all illustrations and examples given to the IASB
- all PowerPoint presentations and spreadsheets used at IASB meetings
- staff recommendations.

The numbering of paragraphs in observer notes matches the numbers used in IASB papers. Staff analysis may be omitted from the observer notes to allow staff to express their views freely.

3. IASB members were not normally notified if material was removed from a Board paper when the Observer Note was prepared. When material was removed, this was indicated in the Observer Note (which also ensured that the paragraph numbers were aligned with the Board paper).

4. In July 2008 I reviewed the application of the Observer Note policy, and began requiring staff to have any deletions or modifications approved. My recollection is that two paragraphs were removed over the 12 months that followed. From July 2009 until today we have maintained a principle of ensuring that everything given to IASB members for discussion in a public meeting is made publicly available.
5. Staff papers were converted to Observer Notes by removing the name(s) of the paper authors and replacing the words 'Staff Paper' with 'Observer Notes'. In 2011 we stopped this practice and simply began posting the Staff Papers on the meetings web pages and making printed copies available to observers.
6. Similar steps were taken in relation to the IFRS Interpretations Committee (the Interpretations Committee). Draft Rejection Notices were included in Staff papers but not in Observer Notes, until early 2011 when we stopped this practice. Since then the Interpretations Committee has followed the same procedures as the IASB.
7. The proposed revised *IFRS Foundation Due Process Handbook* reflects these changes and states that:
 - 3.10 All material discussed by the IASB or Interpretations Committee members in their public meetings, including papers that are prepared by staff, is normally made available to observers via the IFRS Foundation website. The staff have the discretion to withhold papers, or parts of papers, from observers if they determine that making the material publicly available would be harmful to individual parties, for example if releasing that information could breach securities disclosure laws. The DPOC expects that withholding material in such circumstances would be rare and that most papers will be publicly available.
 - 3.11 The staff are required to report to the IASB and the DPOC at least annually on the extent to which material discussed by the IASB or the Interpretations Committee has not been made available to observers and the main reasons for doing so.

Practice in the year to 30 June 2012

8. I am not aware of any cases in the year to 30 June 2012 where a document discussed by the IASB or the Interpretations Committee in a public meeting was withheld from observers or had any material removed.

9. Having said that, I am aware of three scenarios where papers have not been made available to observers on a timely basis.
- (a) Papers are not posted to our website before a meeting: in all such cases this reflects an administrative error rather than a deliberate action. Not posting papers to our website before a meeting is rare. When it does happen, observers make us aware of such oversights. In the last few months we have re-designed our meetings web pages and our posting procedures to reduce the risk of failing to post a paper.
 - (b) Correspondence arrives, or analysis is prepared, during an IASB or Interpretations Committee meeting: as a result, I am aware of instances when the staff have distributed a paper to IASB members and to observers physically attending the meeting but the paper has not been available to remote observers until after the meeting has finished. The papers are then made available, but clearly have not been available on a timely basis. Again, this is rare. We are working to eliminate such cases completely.
 - (c) The perception that we are withholding papers: individual IASB members speak with interested parties and receive emails and letters about aspects of a project. In most cases the correspondent wishes the IASB member to treat the exchange as private or informal. Nevertheless, individual IASB members often mention these exchanges, in very general terms, in Board meetings. This can create the impression that all IASB members have access to material that is being withheld from observers. This is not the case. IASB members and staff are careful to protect the principle that full and open consideration of technical issues must take place during public meetings.

Conclusion

10. In the year to 30 June 2012 all agenda papers distributed to IASB members for public meetings of the IASB were made available on our public website, unaltered.