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## IFRS Advisory Council

Date	<b>April 2023</b>
Project	<b>IFRS Advisory Council</b>
Topic	<b>Future format of Advisory Council meetings</b>
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## Introduction

1. Between 2017 and 2019 the Advisory Council met twice per year in person in London.<sup>1</sup> At the onset of the Covid-19 pandemic the meetings moved to a virtual format with all meetings in 2020 and 2021 taking place via videoconference. In 2022, as international travel and social distancing restrictions began to ease, the meeting returned to an in-person format – a two-day hybrid meeting was hosted in London on 5 and 6 April 2022 and a fully in-person meeting was held in London on 11 and 12 October 2022.
2. In 2023 two in-person meetings will be held in London on 4 and 5 April 2023 and 7 and 8 November 2023. A shorter virtual meeting was held on 22 February 2023 and further virtual meetings may be convened when the IFRS Foundation’s Trustees and its two boards would benefit from strategic advice from the Advisory Council.
3. However, since 2020 the IFRS Foundation has experienced a considerable transformation in its operations, both in its increasing experience of hosting large meetings like the Advisory Council via videoconference, but also through the expansion of its global footprint by consolidating with the VRF, headquartered in San

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<sup>1</sup> Prior to 2017 the Council met three times per year. In 2017 the Advisory Council recommended that meetings be held on a twice-annual basis and the Trustees agreed to that frequency to reflect the Council's strategic role. Additional meetings may be convened at the request of the Chair.

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Francisco, and opening offices in Montreal, Frankfurt and Beijing. This poses two questions for the Advisory Council to consider:

- (i) What do members view as the optimal combination of in-person and virtual formats?
- (ii) Should the Advisory Council continue to meet only in London or should it rotate its meetings around other locations where the Foundation has established offices?

### **In-person vs. virtual format**

4. In 2020 and 2021, despite the pandemic, the IFRS Foundation worked at pace to deliver projects of significant strategic importance, most notably the third agenda consultation of the IASB, and the consultations and constitutional changes required to establish the ISSB. The Advisory Council effectively adapted its operating model and met seven times in a virtual format to provide valuable feedback and advice on these, and other, strategic matters.
5. Virtual meetings offer a degree of flexibility that in-person meetings do not. For example, they do not require travel, therefore reducing related expenses and members' time away from the office. Removing the costs and time associated with attending Council meetings could facilitate greater participation from regions currently under-represented in the Advisory Council's composition - Latin America, Africa and the Middle East.
6. However, whilst it was proven that the Advisory Council can operate effectively via a virtual format, there are a number of benefits gained from in-person meetings. These include:
  - (a) the ability to have longer meetings covering topics in greater depth, because participants are in the same time zone;
  - (b) fewer barriers to interaction that can arise from virtual platforms, as well as reduced risk of disruption to the meeting from technology issues;

(c) greater interaction amongst members offering increased opportunity for information sharing and for members to build relationships with one another and grow networks that support the work of the IFRS Foundation.

7. **Recommendation:** Having considered the relative advantages and disadvantages of the formats, it is proposed that the Advisory Council continues to meet in person twice per year. However, staff should explore opportunities to hold targeted, narrow-scope virtual meetings in the interim periods to maintain momentum and maximise opportunities for participation, where the costs of travel can be a barrier.

**Do Advisory Council members support this recommendation?**

## **Rotating locations of Advisory Council meetings**

8. Before the IFRS Foundation established the ISSB, the majority of its staff worked in London, with approximately ten staff working in its Asia-Oceania Liaison Office in Tokyo. Therefore, it was logical that Advisory Council meetings were held in London because IASB members, technical and operations staff could easily participate, and meet with Advisory Council members.
9. Since 2021, when the decision was taken to establish the ISSB, the IFRS Foundation has opened offices in Montreal, Frankfurt and Beijing, expanded its operations in Tokyo and incorporated the operations in San Francisco. As a consequence, a number of staff, as well as the members of the ISSB, are not able to participate in Advisory Council meetings as easily as those based in London.
10. **Recommendation:** In order to increase the engagement between the Advisory Council and non-London based staff, IASB members and ISSB members, it is proposed to rotate meetings around other locations where the IFRS Foundation has offices.

**Do Advisory Council members support this recommendation? If so, would they support this being implemented from 2024 onwards?**