

## **Compliance Advisory Panel Strategy and SMO Revision Due Process**

### **Strategy and Work Program**

1. In setting its strategy and work program, the CAP consults with the PIOB as to whether CAP's strategy and work program has been developed with proper regard for the public interest.
2. The development of the CAP strategy and work program includes the issue of a consultation paper for public comment, placed on the IFAC website where it can be accessed free of charge by the general public, for ordinarily no less than 60 days.
3. The CAP considers the results of the public consultation in formulating, as necessary, a revised strategy and work program.
4. Strategy reviews and consultations are not anticipated to be an annual process.
5. See Section 11 for additional PIOB Oversight Mechanisms.

### **SMO Revision Due Process**

6. Project Proposal
  - a. Prepared by the CAP
  - b. Consulted with other IFAC Boards and Committees
  - c. Consulted with the PIOB
  - d. Considered and approved by the IFAC Board
7. Review and Development of Proposed SMO Revisions and/or New SMOs by:
  - a. CAP and Compliance staff
  - b. Task Force(s) created as appropriate.
  - c. See Section 11 for additional PIOB Oversight Mechanisms
8. Public Exposure
  - a. Accompanied by an explanatory memorandum highlighting the objective(s) of, and the significant proposals in the SMOs for 90 days
9. Consideration of Respondents' Comments on an Exposure Draft
  - a. Comment letters are made publically available on the IFAC website
  - b. The CAP deliberates significant matters raised in the comment letters, and significant decisions are minuted
  - c. Feedback is provided to the ED respondents
  - d. IFAC Board is consulted on significant issues raised by respondents to the exposure draft
  - e. CAP assesses whether there has been substantial change to the exposed document that might warrant re-exposure
  - f. If the exposure draft has been re-exposed, the explanatory memorandum accompanying the re-exposure draft explains the reasoning for re-exposure and the changes made as a result of the earlier exposure
  - g. See Section 11 for additional PIOB Oversight mechanisms
10. Approval of the Final SMOs



- a. Considered by the CAP and Compliance Staff for recommendation to the Board
- b. Consultation with the PIOB
- c. Approved by the IFAC Board
- d. Ratified by the IFAC Council

### **PIOB Oversight**

11. PIOB Oversight Occurs Through Ongoing Oversight Mechanisms
  - a. PIOB has access to CAP agenda papers
  - b. PIOB representatives can observe CAP meetings
  - c. PIOB representatives can observe Task Force(s) meetings
  - d. CAP minutes and reports are submitted to the PIOB
  - e. CAP gives regular updates on its work program to the PIOB
  - f. PIOB oversees the strategy development SMO revision due process.