



WIRTSCHAFTSPRÜFERKAMMER

Körperschaft des  
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4. Oktober 2013

## **Stellungnahme zur Überarbeitung der IFAC-Satzung (Exposure Draft Proposed Revision to the Constitution and Bylaws of the International Federation of Accountants)**

Die Wirtschaftsprüferkammer hat mit Schreiben vom **30. September 2013** gegenüber der International Federation of Accountants (IFAC) zu deren Konsultationspapier vom August 2013 zur Überarbeitung der IFAC-Satzung wie nachfolgend wiedergegeben Stellung genommen:

We are pleased to take this opportunity to comment on the Exposure Draft *“Proposed Revision to the Constitution and Bylaws of the International Federation of Accountants”*. We support IFAC’s objective to develop a principles-based Constitution, with an appropriate level of details specified in the Bylaws and Policies.

### **General Remarks**

We particularly appreciate IFAC’s attempt to make the Constitution and Bylaws more readable and understandable by simplifying, clarifying and redrafting quite a number of provisions. Moreover we noted positively that substantial parts and aspects of our position statement provided on IFAC’s Constitution Review (as of 8<sup>th</sup> May 2013) were taken into account during the consultation process, in particular with respect to the admission of Members, Associates, and Affiliates as well as the suspension and expulsion of Members, Associates and Affiliates, which are now largely in line with our positions.

With respect to the terms of office for the president and deputy president, it may be positively concluded that a reduction is not proposed. However, we would like to point out that a long term representation (such as three years for Board members) within IFAC is strongly recommended by WPK. WPK is considering an extension of terms of office of currently three years to four years.

## ***Specific Remarks***

### **Article 29 Rights to Attend Board Meetings**

We highly appreciate the introduction of the possibility and right of representatives of member bodies to attend and participate in the discussions and deliberations at Board meetings as observers.

WPK has repeatedly called for this change since it would be of benefit to IFAC, the member bodies and the entire profession as well. Participating in the Board meetings would enable member bodies to more closely and actively following and thereby supporting IFAC's activities. By means of such an involvement IFAC might receive a fruitful input of the member bodies' representatives at an early stage thereby avoiding any protracted obstructions but instead making the decision-making processes more efficient.

Moreover, against the background of WPK's long-standing experience as an observer in various IFAC Committee and Board meetings, respectively, there is a tremendous difference between just reviewing IFAC papers prepared for the meetings and participating in the meeting itself. The latter enables a much more deeper insight into and understanding of the respective topic by, e.g., getting more background information and learning more about the motivation and drivers for the project. In return, this extended knowledge facilitates a more profound and differentiated opinion and statement of the member body, particularly when it comes to a subsequent public consultation.

However, we are concerned that only the representatives of the twelve highest contributing members in good standing are supposed to be entitled to attend and participate in the discussions and deliberations at Board meetings as observers. Clearly, also other member bodies do have a legitimate interest to participate as observers. Since we do not misjudge that there has to be - already naturally - a limitation in place, we are of the opinion that the right balance would be struck with the twelve highest contributing members (with two observers each, unless otherwise represented as Board members) and in addition with the subsequent corresponding 12 member bodies. It could be envisaged that those 12 subsequent member bodies would only be entitled to participate with one observer instead of two. At least it might be worthy of consideration, to ignore the counting of those members which are already represented in the board (ten) to enable the next 12 highest contributing members to send an observer.

We would like to thank you for the opportunity to comment on the Exposure Draft: *Proposed Revision to the Constitution and Bylaws of the International Federation of Accountants* and hope

that you will find our comments useful. We would be delighted to answer any further questions that you may have.