

**PROFESSIONAL ACCOUNTANCY ORGANIZATION
DEVELOPMENT COMMITTEE
TERMS OF REFERENCE – JANUARY 2012**

1.0 PURPOSE

The purpose of the Professional Accountancy Organization (PAO) Development Committee is to promote and facilitate the establishment and strengthening of professional accountancy organizations in support of the public interest. The constituency of the PAO Development Committee is professional accountancy organizations that exist or aspire to be IFAC members or associates, governments and other key stakeholders seeking to establish professional accountancy organizations, particularly in developing and emerging economies.

2.0 OBJECTIVES

The PAO Development Committee shall:

- Support the establishment and strengthening of professional accountancy organizations in all countries of the world, recognizing progress will be made in the medium to long term.
- Oversee and/or undertake targeted outreach activities to professional accountancy organizations and their key stakeholders. Such outreach may be undertaken by members of the PAO Development Committee, IFAC staff, individuals or organizations associated with the PAO Development Committee.
- Coordinate and facilitate the sharing of relevant information and good practices among professional accountancy organizations, Regional Organizations, Accountancy Groupings and the donor community.
- Maintain ongoing liaison with the donor community, governments and other stakeholders with emphasis on the contribution of strong professional accountancy organizations to increased transparency, enhanced accountability, and economic growth; and on the importance of adequate financial and technical resources to support the accountancy profession in developing and emerging economies.
- Establish partnerships or other arrangements with the donor community and other stakeholders to develop a common strategic focus for capacity development in the accountancy profession to support both the public and private sectors.
- Encourage and support the mentoring of professional accountancy organizations in developing and emerging economies by Regional Organizations, Accountancy Groupings and more developed bodies to provide direct assistance to such organizations.
- Monitor the work of other IFAC boards and committees and other standard-setting bodies to ensure that they are aware of and give due consideration to issues relevant to the accountancy profession in developing and emerging economies.

- Utilize the information received in response to the IFAC Member Body Compliance Program to respond to development needs in the most appropriate manner through accessing the resources within the IFAC membership and the donor community.

3.0 PUBLICATIONS

The PAO Development Committee may issue the following types of publications:

- *Good Practice Guidance*, which outlines commendable or recommended methods and/or practices, including those currently recognized as “best practice;”
- *Information Papers*, which provide a detailed investigation into a particular subject of relevance to developing nations and the accountancy profession;
- *Consultation Papers*, which promote discussion or debate on issues affecting developing nations and the accountancy profession and seek comments from interested parties on the issues raised in the paper; and
- *Special Reports*, which are reports on one off topics of interest to those parties involved with developing nations and the accountancy profession.

4.0 MEMBERSHIP

The PAO Development Committee will consist of up to twelve members whose appointment and terms of service shall be in accordance with the IFAC Constitution and Bylaws. The appointment of technical advisors shall also be in accordance with the IFAC Constitution and Bylaws allowing one technical advisor to accompany a member to a meeting.

The PAO Development Committee will have observers nominated by the World Bank and UNCTAD. Other observers may from time to time attend and participate at meetings of the PAO Development Committee subject to approval by the Chair.

Regional Organizations and Accountancy Groupings that have common objectives will generally have the right of attendance at all meetings, subject to approval by the Chair.

5.0 TERMS OF OFFICE

The standard term for PAO Development Committee members is three years, with approximately one-third of the membership rotating each year. A member may serve up to two consecutive terms, for an aggregate term of six years.

The Chair ordinarily may serve three consecutive terms (as Chair or as a member for one to two terms preceding the appointment as Chair), for an aggregate of nine years.

6.0 MEETING PROCEDURES

Each Committee meeting requires the presence, in person or by simultaneous telecommunications link, of at least two-thirds of the appointed members of the Committee.

Each member of the Committee will be allowed one vote. A member has the right to appoint a proxy in writing. (A proxy may be given to the Chair or another member of the committee, but

not to a technical advisor.) The affirmative vote of at least two-thirds of members present at a meeting in person or by simultaneous telecommunications link or by proxy is required to approve all actions or submissions of the Committee.

7.0 OTHER

The PAO Development Committee reports annually its work program, activities and progress made in achieving its objectives during the year. This information is normally included as part of the IFAC annual report.

The IFAC Board will review the terms of reference of the Committee at least every three years.