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TRADE AND DEVELOPMENT BOARD

Commission on Investment, Technology and Related Financial Issues

Intergovernmental Working Group of Experts on

International Standards of Accounting and Reporting

Nineteenth session

Geneva, 25–27 September 2002

Item 2 of the provisional agenda

**PROVISIONAL AGENDA AND ANNOTATIONS**

**I. Provisional agenda**

1. Election of officers
2. Adoption of the agenda and organization of work
3. Transparency and disclosure requirements for corporate governance
4. Accounting by small and medium-sized enterprises
5. Other business
6. Provisional agenda for the twentieth session
7. Adoption of the report

## **II. Annotations to the provisional agenda**

### **Item 1: Election of officers**

1. In accordance with established practice, it is suggested that the Intergovernmental Working Group of Experts elect a Chairperson and a Vice-Chairperson-cum-Rapporteur.

### **Item 2: Adoption of the agenda and organization of work**

2. Concerning the organization of the work of the session, the Group has three working days available to it. It is therefore suggested that the first plenary meeting on 25 September be devoted to procedural matters (items 1 and 2) and the introduction of item 3. Subsequent meetings will be devoted to a detailed discussion of items 3-6. The secretariat will prepare a tentative schedule indicating the issues to be dealt with by the meeting, which will be available on the first day.

### *Documentation*

TD/B/COM.2/ISAR/14

Provisional agenda and annotations

### **Item 3: Transparency and disclosure requirements for corporate governance**

3. In accordance with the Bangkok Plan of Action (TD/390), the Group conducted preliminary deliberations on corporate governance at its eighteenth session. It reviewed existing corporate governance practices, and country, company and regional codes and principles. This was followed by discussions on how the Group could contribute to the improvement of corporate governance practices in member States and on how it could assist particularly developing countries and countries with economies in transition identify and implement best corporate governance practices and improve transparency, financial disclosure and accountability. It placed corporate governance on its provisional agenda for the nineteenth session. A number of suggestions were made regarding the future work of ISAR in this area. However, due to time constraints, the eighteenth session was not able to lay out in detail a particular topic in the area of corporate governance. The Group requested the UNCTAD secretariat to present possible topics for final approval by the Commission on Investment, Technology and Related Financial Issues.

4. After the eighteenth session, the secretariat followed up with a number of experts and sought their input in identifying specific topics. On the basis of the views and comments expressed in the course of the discussions, there was broad consensus on focusing ISAR's work on transparency and disclosure requirements for corporate governance, with a view to developing guidelines. This topic was presented to the sixth session of the Commission on Investment, Technology and Related Financial Issues. The Commission approved the topic for further work, as well as the secretariat's request to call on an informal consultative group of experts to work on the topic and prepare a background document for consideration at

ISAR's nineteenth session. Accordingly, an ad hoc group of experts was formed. It conducted discussions via electronic mail and at a two-day meeting held in Geneva on 22–23 April 2002. The ad hoc group has concluded its discussions and prepared a background document. This document will be discussed under agenda item 3.

*Documentation*

TD/B/COM.2/ISAR/15      Report by the ad hoc consultative group of experts on transparency and disclosure requirements on corporate governance

**Item 4:      Accounting by small and medium-sized enterprises**

5.      The eighteenth session reviewed a report by the ad hoc consultative group of experts on accounting by small and medium-sized enterprises. The report provided approaches to addressing the accounting needs of SMEs at different levels in their development. After deliberations, the eighteenth session requested the ad hoc group to continue its work and make further refinements to the report. The session also requested the ad hoc group to further elaborate the guidance suggested for level III entities, to indicate the extent of disclosure required for level II, to finalize the draft pro-forma example of condensed standards for level II entities and to demonstrate the consistency between the international conceptual framework and the proposed approach for accounting by SMEs. During the inter-session period, the ad hoc group conducted consultations via electronic mail and at a meeting held in Geneva on 24–25 April 2002 and worked towards meeting the requests of the eighteenth session. The ad hoc group has completed its work and its report will be discussed at the nineteenth session under agenda item 4.

*Documentation*

TD/B/COM.2/ISAR/16 and Add. 1-4  
Report of the ad hoc consultative group of experts on accounting by small and medium-sized enterprises

**Item 5:      Other business**

6.      Under “other business”, several topics can be raised, some of a substantive nature and others of a follow-up nature, in connection with the ongoing activities of the Intergovernmental Working Group. For instance, the Group may decide to review work-in-progress on environmental performance indicators and the implementation of the guideline on national requirements for the qualification of professional accountants. It may also wish an update on recent developments in international accounting from other international organizations.

**Item 6:      Provisional agenda for the twentieth session**

7. The provisional agenda for the twentieth session will be discussed in the light of the deliberations of the nineteenth session, as well as previous sessions and the Bangkok Plan of Action.

**Item 7: Adoption of the report**

8. The Intergovernmental Working Group may wish to adopt agreed conclusions, as it deems necessary. The Chairperson may wish to produce a Chairperson's summary. The final report will be compiled under the authority of the Chairperson after the conclusion of the session. It will be submitted to the Commission on Investment, Technology and Related Financial Issues.