



[This paper was presented at the June 2013 Interim AOSSG Meeting and is included in this meeting for background only]

<b>To:</b> AOSSG members	<b>Date:</b> 27 May 2013
<b>From:</b> Christina Ng	<b>Agenda Item:</b> 2.1
<b>Subject:</b> IFRS Centre of Excellence in Nepal	<b>File:</b>

**Action**

Members will receive an update on the progress of the IFRS Centre of Excellence in Nepal and the progress of Nepal’s IFRS adoption at the 4 June 2013 Interim AOSSG Meeting.

**Overview**

The purpose of establishing an IFRS Centre of Excellence (IFRS CoE) is to help in the development of the capacity of AOSSG’s members that can be characterised as developing jurisdictions to cope with introducing and applying IFRS. This is with a view to trying to ensure the Asia-Oceania region eventually becomes consistent in its application of global standards.

The Nepal ASB, a member of the AOSSG, had identified a need for assistance in capacity building associated with standard-setting and the adoption/application of IFRS. At the 2012 Annual AOSSG Meeting, AOSSG members agreed to establish a pilot IFRS CoE in Nepal and established a Working Party volunteered by 11 AOSSG members, including the ASB, to provide advice on the establishment of the IFRS CoE in Nepal. The Working Party, and separately, the Chair of the AOSSG and the Chairman of the ASB, have met via teleconference every month to discuss the progress of the IFRS CoE, including the effectiveness of the initiatives, review the operational processes and identify issues of concern.

The IFRS CoE in Nepal will belong to the ASB and not to the AOSSG. The AOSSG’s objective is to help in the building of the ASB’s capacity in standard-setting rather than directly assisting in the adoption of IFRS, which remains the prime responsibility of the ASB. It is intended that building domestic standard-setting capacity will facilitate adoption of IFRS.

**Progress of the pilot IFRS CoE in Nepal**

The table below outlines the progress of the Working Party’s first initiatives of the IFRS CoE.

Initiatives	Objective	Progress
Review of the ASB’s standard-setting processes	To identify areas in which improvements could be suggested, based on the experiences of other AOSSG members.	The review of the ASB’s standard-setting processes was completed in April 2013.  A report of recommendations for the ASB is in progress.
IFRS Train-the-Trainer (TTT)	To train board members and staff of the ASB, and selected other people on IFRS. This will be achieved over a number of concentrated but short-duration efforts, complemented by remote assistance (if necessary).	A pilot TTT, involving seven trainers contributed by Australia, India, Korea, Malaysia and Pakistan, has been scheduled to take place on 23-25 June 2013 in Kathmandu.  At least two more TTT sessions will take place upon completion of the pilot TTT.

Further initiatives could be developed at a later stage upon the completion of the first two initiatives above.