

EFRAG Academic Panel**TERMS OF REFERENCE**

Approved by EFRAG TEG January 2017

Objective

The role of the EFRAG Academic Panel (the Panel) is to promote the cooperation between EFRAG and the academic community and support EFRAG TEG in providing its technical advice to the EFRAG Board on research related to financial reporting and accounting issues that are relevant to European constituents. The Panel contributes to the debate on current relevant topics by

- Assisting in the definition of a clear scope for EFRAG Research projects;
- Making suggestions on the appropriate methodology for EFRAG Research Projects;
- Providing input to EFRAG TEG discussions on the perceived issues and possible solutions (both on IASB and EFRAG Research projects);
- In case of outsourcing literature reviews or parts of its Research projects, reviewing public calls (including the research question), where appropriate providing input on the applications received and be involved in reviewing the resulting papers;
- Contributing, where relevant, to the preparation of endorsement advices to the European Commission on final pronouncements issued by the IASB.

Where appropriate, the members of the Panel should liaise with other academics active in the financial reporting field.

The Panel's output always takes the form of input to EFRAG TEG. The Panel is not an EFRAG decision-making body, but advisory in nature. The Panel does not express its views publicly in any way.

Preferred composition of the Panel

The Panel should consist of academics specialising in accounting and (financial) reporting and notably in IFRS issues and knowledgeable in European specificities. The Panel should also provide a good mix of country backgrounds.

The size of the Panel is limited to 16 members including the Chairman of the Panel if he or she is not an EFRAG TEG member and excluding other EFRAG TEG members, if any, participating in the Panel. The Chairman (or another member) of the EAA Financial Reporting Standards Committee is entitled to one seat.

The appointment of the members is proposed by the EFRAG TEG Chairman for approval by EFRAG TEG in accordance with EFRAG's procedures for appointments of members to EFRAG Working Groups as included in article 28 of the EFRAG Internal Rules. The members are appointed in their personal capacity and may not be represented by alternates.

Generally at least one EFRAG TEG member is appointed as a member of the Panel and chairs the Panel. However, in specific cases another person can be appointed in accordance with EFRAG's procedures as laid down in article 28 of the EFRAG Internal Rules.

Representatives of the European Commission, the IASB and other interested organisations may be invited to attend the meetings of the Panel as observers with speaking rights.

The EFRAG TEG Chairman may decide on revisiting the composition of the Panel at an appropriate time and launching a new call for candidates for membership of the Panel.

Meetings

The Panel is expected to have two physical meetings a year with the possibility to have more via conference calls. Advice and other input will also sometimes be sought via email, telephone, video conferencing or other electronic means.

The work and meetings of the Panel are conducted in English.

It is expected that one Panel meeting takes place at the EFRAG offices in Brussels, organised in such a way that most members are able to travel to and from Brussels on the same day. One other meeting will take place in conjunction with a major academic event in Europe.

EFRAG will cover the travel expenses for the Brussels meetings and the additional costs for a meeting related to an academic event. Travel expenses are subject according to the EFRAG Travel Policy and are booked by the EFRAG Secretariat unless agreed otherwise.

The Panel can, through its Chairman and in coordination with the EFRAG TEG Chairman, invite (academic) guests to its meetings for specific agenda items.

All meetings of the Panel are closed sessions, i.e. not open to public observers.

Relationship with EFRAG TEG

The EFRAG TEG Chairman, the EFRAG management, in particular the EFRAG Research Director and other EFRAG Secretariat members participate in the discussions as appropriate. EFRAG TEG members can and are encouraged to attend the meetings of the Panel to raise questions to improve their understanding of the issues at stake and the recommendations of the Panel.

EFRAG Secretariat will provide regular updates to EFRAG TEG on the outcome of the Panel discussions, including any diverging views between the members or preferred alternatives, with the underlying arguments.

The Panel members are informed about the reports provided to EFRAG TEG on their discussions, with the invitation to provide input.

Methods of working

The administrative support of the Panel is provided by the EFRAG Secretariat. The topics for the agenda of the meetings are selected in cooperation with the Panel members approximately one month in advance.

The EFRAG Secretariat prepares the papers for the Panel. Panel members would be encouraged but not required to present papers at meetings. The EFRAG Secretariat assessed that the papers do not duplicate others and are sufficiently understandable. The EFRAG Secretariat endeavours to make the meeting papers available not less than ten working days before the meeting of the Panel.

The EFRAG Secretariat endeavours to make the draft minutes of a meeting of the Panel available not later than ten working days after the meeting.

Internal rules

The EFRAG Internal Rules as approved by the EFRAG General Assembly on 16 June 2014, in particular article 28, apply to all EFRAG Working Groups.

Brussels, 13 January 2017