

## CDSB due process

### Introduction

This document sets out the procedures, processes and principles adopted by CDSB and approved by its Board, which underpin its activities and in particular how it manages revisions to its Framework. This document is based on equivalents published by the IIRC, GRI and IFAC. This document complements the terms of reference for the CDSB Board and Technical Working Group.

### High level principles

- + The Technical Working Group is the primary body for developing and revising the text of the CDSB Framework;
- + The Technical Working Group is responsible for overseeing the consultation process;
- + The Board shall be ultimately responsible for approval of the Framework, but will take into account recommendations made by the Technical Working Group

### Consultation drafts

Before a consultation goes live, it must:

- + Be recommended to the Board by at least two-thirds of the Technical Working Group present or represented at a meeting (or if voted on out-of-session, is dissented to by no more than one third of the total membership). The reasons for dissenting votes, if any, are communicated to the Board prior to its vote;
- + Be endorsed by at least two-thirds of the Board's total membership;
- + Include an explanation of the reasons for dissenting votes, if any, of members;
- + Include a statement that all submissions received will be treated as public documents and posted to the CDSB website after the consultation period, unless (and only by prior agreement) a comment is submitted privately.

### Framework consultation

Requirements for consultation:

- + Consultation drafts are freely available on the CDSB website where they are exposed for public comment. This may include a download copy and/or link to online consultation tool (e.g. Collaborase);
- + Where CDSB recommends the use of an online consultation tool, it shall accept and give equal weight to consideration of comments received offline, including (and only by prior agreement) private comments. However, it reserves the right to interpret and/or apportion comments received offline to specific passages of consultation text or questions if the comments do not follow the prescribed format;
- + All respondents to previous CDSB Framework consultation drafts and any other stakeholders who have registered with CDSB shall be notified of the consultation;
- + Notice of the consultation shall be widely distributed to regulatory bodies, organizations that have an interest in the activities of CDSB and relevant media outlets;
- + Each consultation shall be accompanied by explanatory text that highlights the objective(s) of and the significant proposals contained in the consultation, as well as directing respondents to aspects of the draft on which specific comments are sought;
- + During the consultation period, updates and revisions may be made to the draft. These will be flagged with the appropriate justifications and/or explanatory text;
- + Subject to the following provision, the consultation shall be open for public comment for a period of at least 90 days;

.....  
T: +44 (0) 203 818 3939  
www.cdsb.net

.....  
71 Queen Victoria Street  
London EC4V 4AY  
United Kingdom



- + Although the consultation period will ordinarily be no shorter than 90 days, a shorter or longer exposure period may be set when considered appropriate. A longer exposure period may be set, for example, where complex or pervasive changes might affect translation or to make wider consultation possible. A shorter exposure period may be set, for example, where in the public interest there is a need to conclude on a matter more quickly, the exposure draft is relatively simple or short, or where CDSB decides to re-expose some/all of a draft Framework;
- + Submissions shall be made in English;
- + Consultation drafts shall indicate that CDSB cannot undertake to consider comments and suggestions received after the close of the consultation period;
- + All submissions received shall be posted to the CDSB website within one month of the consultation closing.

#### Requirements for consultation comment review:

- + A consultation summary report shall be prepared and posted on the CDSB website within one month of the consultation closing;
- + All submissions received shall be considered by the Technical Working Group;
- + The Technical Working Group shall not enter into debate with respondents on individual submissions or comments. The Technical Working Group may decide, however, to discuss a comment with a respondent to seek clarification on a matter;
- + The Technical Working Group shall decide whether changes proposed to the consultation draft are of such significance that a full or partial re-exposure would be in the public interest;
- + The basis of the Technical Working Group's decisions with respect to re-exposure shall be recorded in the minutes of the meeting at which it is discussed and reported to the Board;
- + When an exposure draft is re-exposed, the explanatory information accompanying the re-exposure draft shall include the reasoning for re-exposure and sufficient information to allow an understanding of the changes made as a result of the earlier exposure.

#### Framework approval

- + The Framework must be:
  - Recommended to the Board by at least two-thirds of the Technical Working Group present or represented at a meeting (or if voted on out-of-session, is dissented to by no more than one third of the total membership). The reasons for dissenting votes, if any, are communicated to the Board prior to its vote;
  - Endorsed by at least two-thirds of the Board's total membership.
- + A consultation report shall be published with, or shortly after, publication of the Framework and shall highlight key issues raised in responses to the consultation draft, explain how they have been dealt with, including the reason(s) significant changes recommended by a respondent(s) have, or have not, been accepted.

#### Matters of due process

If an issue over adherence to due process is raised formally with the Board (other than an issue that is clearly frivolous or vexatious), whether by a third party or otherwise, the Board shall assess the matter and seek an appropriate resolution. The Board's decision on the matter shall then be communicated to the party raising the matter. The results of investigations of alleged breaches of due process shall be reported to the Board.

#### Questions & more information

**Contact the CDSB Secretariat:** [secretariat@cdsb.net](mailto:secretariat@cdsb.net).

**Last updated:** February 2014.

.....  
T: +44 (0) 203 818 3939

[www.cdsb.net](http://www.cdsb.net)

.....  
71 Queen Victoria Street

London EC4V 4AY

United Kingdom

