



**ISLAMIC FINANCIAL
SERVICES BOARD**

PROCEDURES AND GUIDELINES FOR THE DEVELOPMENT OF IFSB STANDARDS AND GUIDANCE NOTES

Revised December 2024

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1.0 PREAMBLE

- 1.1 The preparation and development of standards and related guidance for the Islamic financial services industry (IFSI) is a core mandate of the Islamic Financial Services Board (IFSB).
- 1.2 As stipulated in Article 4 of the IFSB Articles of Agreement, the IFSB has a mandate to promote the development of a prudent and transparent Islamic financial services industry through the introduction of new or adapting existing international standards consistent with Sharī'ah principles and to recommend these for adoption.
- 1.3 In line with Article 21(d) of the Articles of Agreement of the IFSB which states that the Council shall "...establish guidelines and procedures to be followed by any Technical Committee (and its working groups) when preparing standards and guidance for approval by the Council" - the Council of the IFSB first adopted the "Guidelines and Procedures for the Preparation of Standards/Guidelines" in its 2nd meeting held on 30 April 2003 in Jeddah, Kingdom of Saudi Arabia. These Guidelines and Procedures were subsequently updated in 2010, 2016, 2019 and 2022.
- 1.4 These Guidelines and Procedures are subject to periodic review and updates to ensure their continued relevance and effectiveness.
- 1.5 The following Guidelines and Procedures provide procedural guidance to the Technical Committee, its Working Groups and the Secretariat and improve the transparency and consistency of due processes in the policy development activities of the IFSB, in line with the Articles of Agreement and By-Laws. The contents of this document shall supersede all previously issued Guidelines on IFSB standard development due processes.
- 1.6 The due processes shall ensure that the standards and guidance notes issued and adopted by the Council:
 - (a) are high quality, understandable and implementable international standards or guidance, having undergone thorough and broad consultation with stakeholders; and
 - (b) are recognised as having given all important stakeholders of the IFSI (i.e. including regulatory and supervisory authorities (RSAs), international bodies and all other stakeholders as well as the public in general) adequate time and access to peruse, review and provide comments during the preparation of a standard or guidance note.

Purpose of the Guidelines and Procedures

- 1.7 The Guidelines and Procedures define and describe each stage in the due processes undertaken in the development of IFSB standards and guidance notes. They are designed for the following purposes:
 - a) To provide guidance on the minimum due processes for the preparation, issuance, and revision of IFSB standards and guidance notes;
 - b) To facilitate monitoring of compliance with these processes by relevant parties (i.e. Council, Technical Committee, Working Groups and the Secretariat) in executing their mandated tasks according to the specified due processes; and
 - c) To ensure proper recording and documentation of the due processes undertaken throughout the preparation, issuance and revision of IFSB standards and guidance notes.

- 1.8 The Technical Committee and Working Groups may perform steps and procedures over and above those described here if deemed necessary to improve the consultation and due processes, while ensuring a balance between the timely development of high-quality Standards and a thorough due process.
- 1.9 The due processes outlined in these Guidelines and Procedures:
- (a) specifies the **minimum steps** to be taken to ensure that the standard development activities have benefited from a thorough and effective consultation process to ensure the integrity and rigor of the due process.
 - (b) identifies optional steps that can be considered by the respective committees and working groups to help improve the quality of IFSB Standards and related documents.

Scope of Application

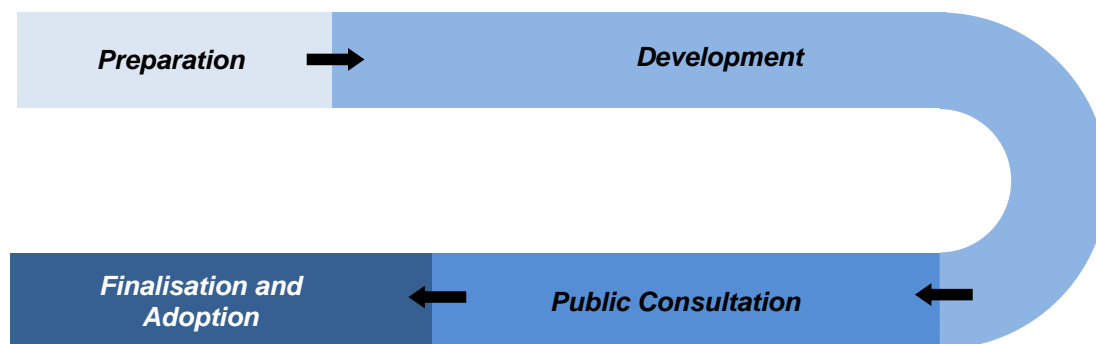
- 1.10 The Guidelines and Procedures shall apply to all standards and guidance notes issued by the IFSB. The application of certain elements of the stages of due process may, however, vary from one project to another depending on the nature and scope of a project. Hence, the Technical Committee has certain discretions as to the full or partial application of the stages, provided that the minimum mandatory due process requirements are met to maintain the robustness of the due process.
- 1.11 Exceptions may also apply to standards that are jointly prepared in collaboration with other international standard-setting bodies, and in these situations, the proposed due process will be duly presented to the Technical Committee for its recommendation and to the Council for its approval prior to commencement of the project.
- 1.12 A Working Group (WG) is required to be established (see the relevant sections in this document) to guide the preparation of standards and guidance notes.
- 1.13 The development of guidance notes involves the same elements of minimum due process requirements as a standard including the formation of a WG, consultation process and the first and second Sharī'ah review, but may require fewer number of WG meetings depending on work done earlier in the development of a related standard.

Stages of Due Process

- 1.14 The standards development process of the IFSB involves four stages, namely:
- a) **Preparation** stage, i.e. undertaking various preparatory steps before the project commences:
 - (i) Proposal for the Project
 - (ii) Recommendation of the TC
 - (iii) Approval by the Council
 - (iv) Establishment of the Working Group
 - b) **Development** stage, i.e. accomplishing various milestones towards developing the Exposure Draft (ED):
 - (i) Working Group Meetings
 - (ii) Arabic Editing
 - (iii) Sharī'ah Review

- (iv) Approval for Public Consultation
 - (v) Copy Editing
 - (vi) Publication of ED
- c) **Public consultation** stage, i.e. disseminating the ED to a wide audience and engaging various stakeholders of the IFSI in reviewing the ED:
 - (i) Reaching out to Stakeholders
 - (ii) Consultation Period
 - (iii) Reception of Public Comments
- d) **Finalisation and adoption** stage, i.e. revising the ED based on the public consultation process and thereafter recommending the standards and guidance notes to the Council for adoption:
 - (i) Sharī'ah Review
 - (ii) Recommendation by the TC
 - (iii) Adoption by the Council

1.15 Due Process Flow



2.0 STANDARD DEVELOPMENT DUE PROCESS

(A) PREPARATION STAGE

Proposal for the Project

2.1 The policies adopted by the IFSB Council will be published mainly in the form of:

- (a) **Standards**, which establish minimum requirements for the regulation and supervision of the Islamic financial services industry. This also includes Core Principles, which provide a comprehensive framework for effective regulation and supervision of a particular sector along with an accompanying assessment methodology.
- (b) **Guidance Notes**, which elaborates on the standards, providing application-level guidance in specific areas that are important for the prudential regulation and supervision of the Islamic financial services industry.

- 2.2 The process for determining and endorsing standard and guidance note development projects, following a 2-year rolling work plan is outlined below:
- (a) The Secretariat would prepare a paper proposing standards development or maintenance projects or guidance notes, taking stock of the status of the IFSB's current priorities and work programme and identifying any related initiatives underway by other international fora.
 - (b) The paper will outline the need for the development or revision of a standard or guidance note, as well as the proposed scope and objectives, and the anticipated timeline of each project.
 - (c) The proposed projects will be presented to the Technical Committee for feedback and discussion before it is tabled for approval by the Council.
 - (d) Following Council endorsement, the Technical Committee would then establish Working Groups and task them with developing specific work plans (in view of the target timeline approved by the Council and the due process requirements set out in these Guidelines and Procedures) to pursue each standard development or maintenance project or guidance note, for review by the Technical Committee.
- 2.3 The due process guidelines set out in this document apply to the development of both standards and guidance notes as defined above.
- 2.4 Development of standards or guidance notes that are complementary to conventional standards will adopt a supplementary approach, offering specific regulatory and supervisory standards for Islamic finance. Guidance that applies equally to both Islamic and conventional finance will be excluded, with references made to the relevant conventional standards. The Working Group will also prepare a mapping document to illustrate the relationship between the IFSB standard and the corresponding conventional standards.

Establishment of the Working Group

- 2.5 Working Groups are established by the Technical Committee with a specific mandate, reporting chain, and term. Working Groups have a pre-defined term, which could be extended by the Technical Committee as necessary. As a general principle, each Working Group reports to the Technical Committee through its Chairperson. Mandates of Working Groups are specified by the Technical Committee and endorsed by the Council.
- 2.6 Mandates should be laid down in writing, specifying the objectives and tasks of the Working Group, the projected duration of its work, and its reporting chain. Each Working Group shall have a sunset clause. A standardised template for the Terms of Reference for Working Groups is attached as Annex II.
- 2.7 Upon approval from the Council for a project to commence, the Chairperson of the Technical Committee shall issue an invitation to relevant IFSB Members to nominate representatives to a WG. The invitation will be sent to the relevant IFSB Members who are Regulatory and Supervisory Authorities (RSAs) or international/multilateral organisations. If necessary, to tap relevant expertise from outside the IFSB, an invitation can be extended to non-IFSB members to join the WG. Where a Standard is being developed in collaboration with other international organisations, the invitation may also be extended to members of the collaborating organisation, as mutually agreed beforehand between the IFSB and the collaborating organisation.

- 2.8 The WG members must meet suitable qualification requirements, including relevant years of experience and specialisation in a job area directly in line with the scope and objectives of the standard or guidance note being developed. To this extent, the Secretariat must invite member organisations that have the relevant mandate to the scope and sector of the standard being developed.
- 2.9 Members of each WG other than members of the Technical Committee shall be appointed by a committee comprising the Chairperson and Deputy Chairperson of the Technical Committee, Chairperson of the concerned Working Group, and the Secretary-General. In deciding the membership of Working Groups, the committee shall consider nominations received by the Secretariat with regard to appropriate expertise, balanced representation and mandate of the Working Group. The Secretariat may support the Committee in assessing the nominations received against such criteria.
- 2.10 Upon approval from the concerned committee, a Letter of Appointment will be issued to each Working Group member. The letter should include clear terms of reference (see Annex II). Working Group members shall be expected to adhere to these terms of reference in carrying out their duties.
- 2.11 Working Groups shall report regularly on their work to the Technical Committee. Reporting should include as appropriate, oral or written reports by the Chair of the Working Group to the Technical Committee.
- 2.12 Working Groups shall adapt their work plan to the governance meeting schedule (i.e. Technical Committee and Council meetings). Where the work is conducted jointly with other standard-setting bodies, the work plan should also take due account of the meeting schedule and work plan of the standard-setting bodies.
- 2.13 Expected minimum circulation periods for working group documents are 5 weekdays for initial drafts, 3 weekdays for final drafts and 2 weekdays for fatal flaw review. Documents may be circulated earlier than the minimum periods, where possible. All member comments on documents under review are to be shared with other members via email on a named basis (unless agreed otherwise by individual Working Groups).
- 2.14 In the event that a Working Group member is unable to attend the Working Group meeting, his/her representative is allowed to attend and participate in the meeting, subject to the Working Group Chairperson's approval.
- 2.15 Any member in the Working Group who does not attend three meetings (either physically or online via webinar) without a valid excuse accepted by the Chairperson and Deputy Chairperson of the relevant Working Group shall have his/her membership in the Group terminated.

Working Group Chairs

- 2.16 Chairpersons and Deputy Chairpersons of Working Groups are appointed by the Technical Committee and should normally be drawn from members of the Technical Committee. The Technical Committee may appoint both the Chairperson and the Deputy Chairperson of the Working Group either on a voluntary basis or by majority vote of the Technical Committee members, with the agreement of the Technical Committee Chairperson.

- 2.17 Where there are limitations due to which Technical Committee members do not have the necessary expertise, the Technical Committee may appoint only the Chairperson of the WG from the Technical Committee and a senior and suitably qualified member from amongst the nominated Working Group as a Deputy Chairpersons. In all cases, it should be ensured that the Chairs of Working Groups have recognised deep expertise in the required area.
- 2.18 Where both the appointed Chairperson and Deputy Chairperson are unable to participate in a Working Group meeting, the Chairperson shall appoint a suitably qualified member of the Working Group as the Acting Chairperson for that meeting.
- 2.19 Any attendance issues of Technical Committee members in Working Group meetings (as Chairpersons and Deputy Chairpersons) may be referred to and addressed by the Technical Committee Chairperson.

(B) DEVELOPMENT STAGE

- 2.20 To ensure that each project is executed and implemented according to a reasonable timeline and monitored progressively, the Working Group meetings shall be held at frequent intervals with reasonable time between meetings and in line with specific milestones and objectives intended from each meeting. Working Group meetings may be held in-person or virtually. Virtual meetings or written procedure may be used for minor issues, whereas in-person meetings may be utilised where the Working Group requires more substantial discussion and consensus-building. Working Groups may also use written procedures in lieu of a meeting for the purpose of reviewing drafts, to enable members to comment on a draft through an iterative process within a timeline agreed by the Working Group (guidance on written procedures are outlined later in this document).
- 2.21 Since different projects may require distinctive approaches and planning to achieve the mandated objectives, there is no fixed rule on how meeting agendas should be set out. However, it is reasonable for the Working Group to contemplate that the initial meetings should be dedicated towards arriving at a consensus on the scope and parameters of the project, while the rest of the meetings should be used to finalise the exposure draft and the final draft of the standard or guidance note.
- 2.22 The number of meetings and specific agendas for each meeting will also vary for standards developed jointly with other international organisations, and the Secretariat will present and seek approval from the Technical Committee for these jointly developed standards.
- 2.23 An example of milestones of a typical due process for the development of a standard or guidance note is provided below. Each Working Group may decide to conduct fewer or more meetings than outlined below, depending on the requirements of each project. Where the Working Group believes the initial scope and parameters of the project are largely defined, when a survey is not required for a standard or guidance note, or with narrow-scope maintenance projects, fewer meetings may be needed to finalise policy proposals. The Working Group shall indicate whether a shorter or longer process will be required for a specific project in their proposed work plan and how it intends to meet the minimum due process requirements, for review by the Technical Committee.

Typical Milestones	Purpose
Issues Paper	<p>The Issues Paper should help the Working Group to decide provisionally on the scope of the standard and the issues or gaps to be addressed through the policy proposals. It provides a starting point for the Working Group to look at the applicable existing global and national frameworks and narrow down the gaps and issues to be addressed by the Working Group.</p>
Survey Report (optional) and outreach	<p>The Working Group may decide, if needed, to conduct a survey, which is normally conducted as a stock-taking exercise before the drafting of the Preliminary Exposure Draft (PED). A WG could decide, if appropriate, not to conduct the survey in certain cases, e.g., when sufficient information is available through alternative sources to draft the PED or where past surveys conducted by the Secretariat for other standards have provided relevant information to perform this task.</p> <p>The WG may also conduct appropriate outreach with members and the industry (e.g. through roundtables, regional consultations etc.) to adequately understand the gaps, issues and challenges across jurisdictions in the initial stages, prior to commencing drafting of policy proposals.</p> <p>Where a survey is conducted, the Survey Report should help to verify or modify some of the understandings that the Working Group have so far developed regarding actual industry and regulatory practices on the relevant issues. It should also highlight any important new issues within the scope of the standard that have been raised by respondents.</p> <p>At this stage, the Working Group should also agree on the provisional scope and structure (annotated outline) of the PED, drawing on discussion during the initial meetings and on insights gained from the survey (if conducted).</p>
Preliminary Exposure Draft	<p>The first draft of the policy proposals, i.e. Preliminary Exposure Draft (PED) shall be deliberated by the WG for feedback and comment. The principal objective at this stage, should be to ensure that the content and structure of the PED are right and refine its drafting before tabling it for the review of the Technical Committee. This process can be an iterative process, through several rounds of written feedback along with an in-person meeting to discuss and agree on the policy proposals.</p>
Revised Preliminary Exposure Draft	<p>The Revised PED (RPED) incorporating feedback from members shall be reviewed by the Working Group either through a virtual meeting or written procedure. The Working Group may make any further necessary amendments to finalise the RPED.</p> <p>The RPED shall then be referred to the Technical Committee for its review prior to issuance as an exposure draft for public consultation.</p>
Exposure Draft	<p>The Technical Committee shall review the policy proposals presented by the Working Group and make a recommendation to proceed to public consultation. The Technical Committee may also provide its comments and feedback to the Working Group to be addressed prior to issuance of the Exposure Draft (ED) for consultation.</p>

Revised Exposure Draft	The Working Group will evaluate public comments received on the ED and revised the ED accordingly to address the comments received, as appropriate.
Final Draft of Standard	The RED will undergo a review by the designated Sharī'ah body, to ensure consistency of the draft with Sharī'ah principles. The final draft and actions taken based on the Shariah review (in the form of a Sharī'ah report) shall be circulated to the Sharī'ah body to inform them of how the Sharī'ah review comments were addressed.

Progress updates to the Technical Committee

- 2.24 The Chairperson, or in his/her absence, the Deputy Chairperson of the Working Group shall report to the Technical Committee, updates on the progress of the project and present any issues for the Technical Committee's deliberation at various stages in the standard development due process.

Arabic Editing

- 2.25 To spread better awareness of IFSB standards and guidance notes and reach a broader range of stakeholders during the public consultation, the Secretariat shall also make available the standards and guidance notes in Arabic.
- 2.26 Prior to public consultation, the Secretariat shall initiate the Arabic translation process. This translation may be undertaken by either internal resources within the Secretariat or an external professional translation service. The Secretariat shall ensure that the translation process is completed in a timely manner.
- 2.27 Upon completion of the Arabic translation, the Arabic Editing Committee (AEC), comprised of a minimum of 3 representatives of IFSB member regulatory and supervisory authorities (RSA), shall review the document and ensure the quality of its Arabic translation. The members of the AEC are required to be experts in the Arabic language utilised by Arabic-speaking RSAs in the drafting of regulations.
- 2.28 The Secretariat shall assist the AEC in reviewing the Arabic draft of a standard or guidance note and make the relevant documents available to the AEC members in a timely manner.
- 2.29 The AEC shall ensure that the final Arabic version accurately reflects the content and intent of the original document. Any discrepancies or issues identified during the review process shall be addressed and resolved before finalising the Arabic version.
- 2.30 Upon completion of the AEC review and necessary revisions, the Arabic version of the Exposure Draft shall be prepared for publication alongside the original language version. Both versions shall be made available simultaneously during the public consultation period.

Copy Editing

- 2.31 The English language version of the Exposure Draft shall undergo professional editing by a copyeditor engaged by the IFSB prior to issuance for public consultation.
- 2.32 The copyeditor shall review the Exposure Draft to ensure that the document is free from grammatical and spelling mistakes, has proper and concise sentence structures with correct use of English nuances, has accurate choice of terminologies, and is consistent with the quality of drafting that may reasonably be expected from an international standard.

Issuance of the Exposure Draft for Public Consultation

- 2.33 Prior to the issuance of the Exposure Draft for consultation, the designated Shariah body shall review the draft to ensure consistency with Sharī'ah principles.
- 2.34 The Technical Committee shall review the Exposure Draft, provide feedback and approve the issuance of the Exposure Draft for public consultation.
- 2.35 The Working Group shall take into consideration the comments and views provided by the Technical Committee and reflect these revisions before publication of the Exposure Draft.

- 2.36 The Arabic version, reviewed by the Arabic Editing Committee, shall be published alongside the English version of the Exposure Draft for the purpose of public consultation.

(C) PUBLIC CONSULTATION STAGE

Reaching Out to Stakeholders

- 2.37 The public consultation process is aimed at engaging as many stakeholders as possible to elicit their views, comments and suggestions on the draft proposals of standards or guidance notes prepared by the IFSB, within a reasonable timeframe.
- 2.38 Exposure Drafts issued for public consultation shall be published on the IFSB website along with an invitation to provide written comments and/or a dedicated press release inviting written comments. The invitation should state that responses received will be published on the IFSB website unless requested otherwise by the respondents.
- 2.39 Any Exposure Draft issued for public consultation shall be circulated to all IFSB members through an official letter inviting comments, with softcopies of the Exposure Draft.
- 2.40 In particular, all members shall be asked to:
- a) Bring the Exposure Draft to the attention of their respective constituents;
 - b) Encourage their constituents to comment on the Exposure Draft; and
 - c) Send their comments to the Secretariat.
- 2.41 Besides receiving written comments from the public through letters and e-mails, where appropriate, the Secretariat shall, upon instruction by the Technical Committee, hold public hearings or (optionally) expert roundtable discussions on the Exposure Draft.
- 2.42 During any public hearing, which shall be open to all, the Chairman of the Working Group or the Secretariat staff shall, on behalf of the WG, elicit comments from the participants on the Exposure Draft and respond to their queries. Proceedings of the public hearing or roundtable discussion shall be recorded and distributed to the WG members.
- 2.43 The locations of the public hearing(s) or roundtable discussion, if held physically, shall be determined with consideration to the geographical locations of the members of the IFSB to provide adequate opportunity for members to attend and provide comment. The Secretariat, in consultation with the Working Group, may also decide to conduct webinars in which IFSB members and stakeholders are invited to participate and provide feedback on the Exposure Draft.
- 2.44 Generally, for both standards and guidance notes, at least one direct engagement with the stakeholders shall be undertaken in the form of a public hearing or roundtable discussion or webinar during the public consultation stage.
- 2.45 A Quantitative Impact Study (QIS)¹ may be conducted **optionally** during the consultation stage where it is deemed useful and appropriate by the Working Group and Technical Committee.

Consultation Period

- 2.46 Each Exposure Draft shall be exposed to the public for a reasonable period to allow stakeholders sufficient time to study the document and convey their comments. As each project may involve a

¹ QIS is standard mechanism by international standard setting bodies to collect the empirical data on the possible implications of changes in the global standards for financial institutions. The information collected through this process is used by the WGs to make informed decision on various policy choices and proposals to be included in the standard. The QIS may also be used for standards evaluation process for existing standards, to help determine whether standards and guidelines meet the desired objectives.

different range of technical issues and be aimed at different segments of the IFSI, there is no fixed rule as to how long the public consultation period should be. However, a typical period for standards and guidance notes should be 45 - 60 days, though with some flexibility in exceptional cases. The period of public consultation shall be approved by the Technical Committee, based on the Working Groups' suggestion.

- 2.47 The Exposure Draft shall state the period that shall be allowed to receive the comments.

Reception of Public Comments

- 2.48 The Secretariat shall document and analyse all the comments received on the Exposure Draft and prepare recommendations to be presented to the Working Group regarding the revisions to be incorporated into the Exposure Draft.
- 2.49 Consultation comments received shall be published on the IFSB website unless otherwise requested by respondents. Post-consultation, the Secretariat may publish a consultation report that, in a consistent format, summarises public comments and explains how they have been addressed in the final document.

(D) FINALISATION AND ADOPTION STAGE

- 2.50 As stipulated in Article 21(c), the Council shall “adopt and approve for issuance, prudential and supervisory standards and guidance on Islamic financial services on such terms as it deems fit following the advice and recommendations of the Technical Committee.”

Shari’ah Due Process

- 2.51 Prior to finalisation of the draft standard, any Shariah issues identified in the document shall be reviewed by a designated Shari’ah body, as outlined in Article 30(e) of the Articles of Agreement to ensure that the recommendations remain consistent with Shari’ah rules and principles.

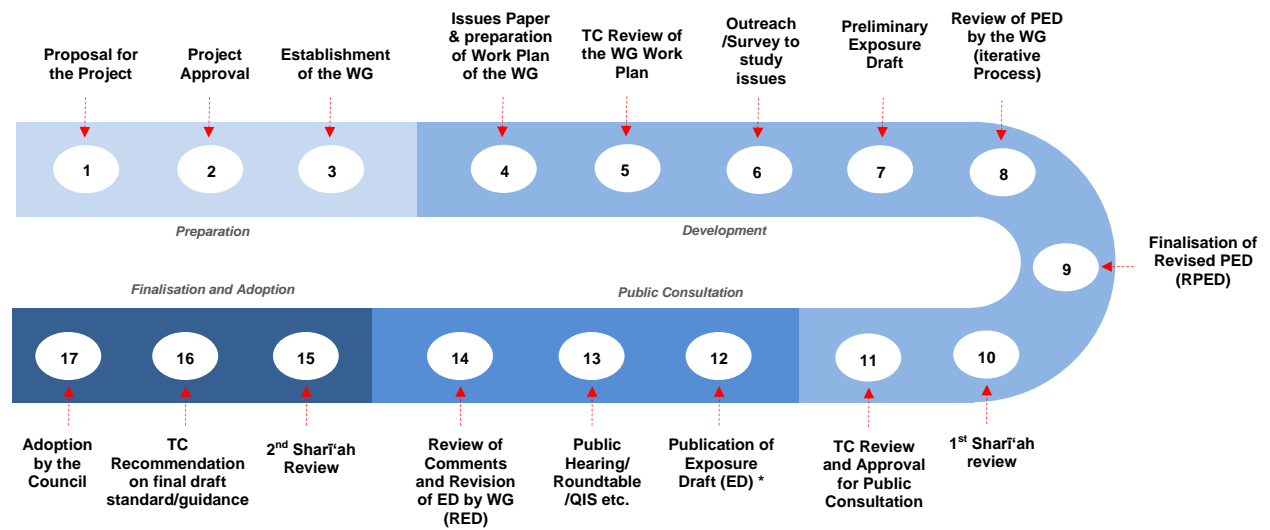
Technical Committee’s Review

- 2.52 The Technical Committee shall review the final draft of the standard or guidance note and recommend to the Council, the adoption of the standard or guidance note.
- 2.53 The Technical Committee may decide whether there is a need for further discussions at the Working Group level or a need for another round of consultation.

Adoption by the Council

- 2.54 The final version of the standard or guidance note shall be submitted for approval and formal adoption by the Council in accordance with Article 30(a).
- 2.55 Following the Council's adoption and approval, the Secretariat shall make the standard or guidance note available on the IFSB website. A press release shall accompany the publication of the standard.

Due Process



3.0 TECHNICAL COMMITTEE

Meetings

- 3.1 The Secretariat should draw up a provisional agenda for each meeting of the Technical Committee(s).
- 3.2 The final meeting agenda and related documents should be communicated to Member representatives by the Secretariat at least 14 weekdays in advance, except for urgent issues for which the circulation period could be shorter, but no less than 5 weekdays.
- 3.3 The agenda should set out clearly the purpose of the discussion, name the speakers and identify documents that are to be discussed by the Technical Committee(s). The number of agenda items should be calibrated to provide enough time for substantive discussions.
- 3.4 Unless the Chair decides otherwise, where the documents for adoption or decision are not sent according to this timeframe, the related agenda item will be automatically postponed for the next meeting, or, if the circumstances so demand in the view of the Secretariat, be decided by written procedure.

Role of the Technical Committee and Reporting to the Council

- 3.5 In accordance with Article 30, of the Articles of Agreement, Technical Committee shall appoint and approve the work plans of specific Working Groups.
- 3.6 The Technical Committee shall review and discuss the findings of the Working Groups in accordance with these guidelines and procedures as set by the Council pursuant to Article 21(d).
- 3.7 The Technical Committee shall engage the services of an established representative body of Shari'ah scholars with the knowledge of industry practice approved by the Council to guide their deliberations.
- 3.8 The Technical Committee shall present draft prudential and supervisory standards and guidance notes for consideration and formal adoption by the Council. The Chairman of the Technical Committee (or in his absence, the deputy Chairperson) shall report to the Council on the progress of various Working Groups.
- 3.9 The Technical Committee shall meet at such times and in such locations as its Chairman shall decide, after consultation with the Secretariat.
- 3.10 Each member of the Technical Committee shall have one vote. Resolutions of the Technical Committee shall be effective upon a simple majority of those members of the Technical Committee present. In the event of a tie, the Chairman of the Technical Committee shall cast the deciding vote.
- 3.11 The Chairman of the Technical Committee shall determine the procedural rules of the meeting in accordance with the by-Laws and these Guidelines and Procedures.

4.0 WRITTEN PROCEDURE

- 4.1 Members' comments on a document may be obtained through written procedure, as opposed to in-person or virtual meetings. Written procedure (i.e., circulation of documents to Members by the Secretariat for obtaining their written comments) should be adopted whenever judged appropriate by the Chairperson of the respective Working Group or Technical Committee, based upon the efficient working of the IFSB, where necessary, in consultation with the member representatives.
- 4.2 The comment period should be no less than 5 weekdays after circulation of documents by the Secretariat, except in case of final revisions or fatal flaw reviews, or in exceptional circumstances by decision of the Chairperson. Fatal-flaw reviews, following a written procedure, may have a shorter comment period.
- 4.3 Requests for additional time to comment should be made to the Chairperson before the comment period has elapsed, specifying the additional time needed. If the extension is granted, the Chairperson or the Secretary-General should provide written confirmation of the additional time given.
- 4.4 In case member representatives have not sent comments under written procedure within the time provided or have not requested an extension of time, it will be assumed that they had no comments to offer.
- 4.5 Comments received after the deadline or after the additional time given will not be considered unless the Chairperson decides the comments can be accommodated without significant disruption to the workflow.
- 4.6 A member representative that was unable to send comments in time would not be precluded from providing comments in subsequent meetings if the same issue were to be on the agenda.
- 4.7 Comments received under written procedure should be made available to all Member representatives by the Secretariat, clearly identifying where they came from.
- 4.8 If it does not appear possible to resolve member representatives' fatal-flaw comments through written procedure, the Chairperson may convene a meeting.
- 4.9 Where a decision of the Technical Committee is required, if a simple majority of members of the Technical Committee that opted to vote, based on a *no objection, lapse of time approach*, sign a written recommendation or approval, this shall be valid and effective as if it had been passed at a meeting of the Technical Committee provided that it has been sent to all members of the Technical Committee.

5.0 MEETING SUMMARY AND ACTION POINTS

- 5.1 The IFSB Secretariat should prepare a draft summary of each meeting, containing decisions and conclusions reached as well as action points agreed [and, if so, requested by member representative(s), summarising any specific minority points of view expressed by member representative(s)].
- 5.2 The draft summaries should be distributed to member representatives as soon as possible, but no later than 10 weekdays after the meeting. Summaries should be reviewed or commented upon by member representatives in writing within 10 weekdays of circulation.

6.0 DISTRIBUTION OF DOCUMENTS

- 6.1 At all the steps outlined in these Guidelines and Procedures, the Secretariat shall ensure that documents and information relating to the preparation of the standards and guidance notes are made available to the members of the related Working Groups and to members of the Technical Committee, where relevant.
- 6.2 The agenda and meeting documents may be distributed by e-mail and simultaneously posted on the secure e-IFSB system. Sensitive documents should be posted only on e-IFSB, with notification sent by e-mail.
- 6.3 The documents should contain a document number based on a document numbering system adopted by the Secretariat to uniquely identify all documents sent to the Council, Technical Committee and Working Groups.
- 6.4 The timelines for circulation of documents are tabulated in Annex I.

7.0 CONFIDENTIALITY

Data and information sharing

- 7.1 All non-public data and information shared by Members within the IFSB shall be treated with due confidentiality and not be disclosed to third parties, except in cases where its disclosure is compelled by law or necessitated under respective legal frameworks applicable to Members or referred to in any publication or external research without prior written consent of the parties providing the data or information.
- 7.2 Members and their staff, and Secretariat staff, should exercise all due care and caution and take all reasonable measures to prevent access to information and data by unauthorised persons and prevent any accidental loss or disclosure of such information and data.
- 7.3 Discussions in the IFSB Council, Technical Committee and Working Groups are on a confidential basis. It is the duty of the Member representatives to protect the confidentiality of discussions and the views of individual members.
- 7.4 All members of the Technical Committee, Working Group and the Secretariat shall treat all documents and information presented to them during the process of preparing the standard or guidance note with strict confidentiality and shall neither circulate nor make the information available to another party that is not directly linked or contributing to the work of the Working Group.

Public disclosure

- 7.5 Members shall identify in documents to be published, any confidential or market sensitive information that they request should not be published and inform the Secretariat accordingly. The Secretariat should take due care that such information as agreed by the Council is removed from the documents before their publication.
- 7.6 The Secretariat should prepare press releases on policy decisions approved by the Council

(e.g. adopted standards and guidance notes) and upon the issuance of Exposure Drafts for consultation.

7.7 Meeting summaries and the associated list of action points shall not be published.

Annex I: Timeframes

The below table provides guidance on timeframes.

Action	Time Period
Issuance of notification of meeting	
for meetings	At least 30 calendar days ahead of the meeting
for online meetings	At least 7 calendar days ahead of the meeting
Circulation of final agenda and documents to Council	
for meetings	14 weekdays ahead of the meeting date, except for urgent issues for which the circulation period could be shorter
Circulation of final agenda and documents to the Technical Committee	
for meetings (in-person and online)	14 weekdays ahead of the meeting date, except for urgent issues for which the circulation period could be shorter, but no later than 5 weekdays
Circulation of final agenda and documents to Working Groups	
for meetings (in-person and online)	At least 5 weekdays ahead of the meeting date for initial drafts, except for urgent issues for which the circulation period could be shorter
Circulation of the draft summaries of meetings and comment period	
Circulation of draft summaries of meetings/online meetings	No later than 10 weekdays after the meeting
Commenting on summaries	Within 10 weekdays of circulation
Commenting on other documents	No less than 5 weekdays after circulation of documents, except for urgent or fatal-flaw reviews, which can be shorter

Annex II: Working Groups Terms of Reference – Template

Date:

Document number:

Working Group Name and Acronym

Terms of Reference

Working groups should be established on the basis of terms of reference (ToR) that cover all relevant elements set out in the Due Process Guidelines. This template is intended to help develop the ToR for WGs in a consistent format.

The headings identify common elements that should be addressed in the ToRs for all working groups/task forces or workstreams that are established within the IFSB. This is not intended to preclude the inclusion of other elements in the ToR where appropriate to the mandate. However, ToRs should seek to confine themselves to items necessary for establishing the mandate of the group. The Working Group should develop its own more detailed workplan for how it will carry out the mandate given in the ToR. That workplan will not form part of the ToR.

1. Objective

Brief description of the overall aims of the work.

2. Relevance to IFSB's mandate

Brief explanation of the relevance of the work to the IFSB in carrying out its broader mandate.

3. Tasks

Description of the specific tasks that the Working Group is asked to undertake in order to achieve the objectives, and any considerations that the Working Group or Task Force is asked to take into account in doing so. (This should only be as detailed as is needed for the purpose of providing a ToR.)

4. Process

Description of the working methods that the Working Group is expected to follow to carry out its tasks including, for example the resources or information that the Working Group should rely on and the nature of the information that it might collect, how meetings will be conducted and the number of meetings planned.

5. Expected final deliverable

Description of the expected final deliverable or deliverables, and whether any deliverable is intended for publication, including public consultation.

6. Oversight bodies and reporting

The oversight body the working group will be reporting to (i.e. Technical Committee); which other bodies will be expected to review (e.g. designated Sharī'ah body), comment on, or approve any deliverables (e.g. Council).

7. Coordination with other groups

Where applicable, list any other groups or bodies (e.g. standard-setting bodies) that the WG should consult or coordinate with.

8. Composition

Describe the expected composition of the Working Group in terms of, e.g. expected seniority, technical expertise, institutional or geographic representation.

9. Term (expected completion date)

Specify either an explicit end-date or an end-point linked to the completion of a specific deliverable (together with an expected completion deadline). If the work is delayed or needs to be extended, the parent body (Technical Committee) and Council need to be informed and asked for approval.

10. Indicative timeline of work

An indicative timeline illustrates a set of actions, including interim progress reports and deliverables to oversight bodies and to the Council.

The timeline for interim and final deliverables should build in adequate time for review by oversight bodies and other groups to be consulted.

Date	Deliverable or Action