

# **Annual Report of the Audit Committee of the Board 2016–2017**

Distribution of this document is restricted until its disclosure has been approved by the Board of Directors. Following such approval, ADB will disclose the document to the public in accordance with ADB's Public Communications Policy 2011.

*Asian Development Bank*

## ABBREVIATIONS

ACB	–	Audit Committee of the Board
ADB	–	Asian Development Bank
ADF	–	Asian Development Fund
BPMSD	–	Budget, Personnel, and Management Systems Department
CTL	–	Controller's Department
OAG	–	Office of the Auditor General
OAI	–	Office of Anticorruption and Integrity
OAS	–	Office of Administrative Services
OCR	–	ordinary capital resources
OIST	–	Office of Information Systems and Technology
ORM	–	Office of Risk Management
TD	–	Treasury Department

## CONTENTS

	<b>Page</b>
I. INTRODUCTION: COMPOSITION OF THE AUDIT COMMITTEE OF THE BOARD AND MEETING	1
II. INTERNAL AUDIT	1
A. Office of the Auditor General's Biannual Reports	1
B. 2017 Internal Audit Work Program	2
III. ENGAGEMENT WITH THE EXTERNAL AUDITOR	2
A. External Auditor's Interim Update on 2016 Attestation and Statutory Audit	2
B. External Auditor's Report on the 2016 Audit of ADB	2
C. External Auditor's 2017 Audit Service Plan and Accomplishments in 2016	2
IV. THE FINANCIAL STATEMENTS	3
V. ANTICORRUPTION AND INTEGRITY: QUARTERLY UPDATES AND ANNUAL REPORT	3
VI. INFORMATION TECHNOLOGY UPDATE ON CLOUD TECHNOLOGIES	4
VII. RISK MANAGEMENT OVERVIEW	4
VIII. BUSINESS CONTINUITY AND DISASTER PREPAREDNESS	4
IX. AUDIT COMMITTEE WORK PROGRAM	4
X. RECOMMENDATION TO THE BOARD	5
APPENDIXES	
1. Audit Committee of the Board: Terms of Reference	6
2. Audit Committee of the Board: Work Program for 2016–2017	11

## **I. INTRODUCTION: COMPOSITION OF THE AUDIT COMMITTEE OF THE BOARD AND MEETINGS**

1. This annual report covers the activities of the Audit Committee of the Board (ACB) from 1 July 2016 to 30 June 2017. During this period, the ACB met 12 times. The chair and members of the ACB during this period were:

- (i) Director Maurizio Ghirga (chair);
- (ii) Director Swati Dandekar (until February 2017));
- (iii) Director Bhimantara Widyajala;
- (iv) Director Paul Dominguez (from January 2017, replacing Gaudencio Hernandez, Jr.); and
- (v) Alternate Director Scott Dawson (from August 2016).

2. Absences and departures of committee members resulted in the ACB meeting on many occasions during the period covered by this report with only 3 or 4 out of a notional 6 members in attendance. It is suggested that ACB membership should be adjusted quickly in such circumstances to ensure that this important committee can maintain effective Board oversight.

3. In the course of the year, the ACB met with staff from the Controller's Department (CTL), the Office of the Auditor General (OAG), the Office of Anticorruption and Integrity (OAI), the Office of Information Systems and Technology (OIST), the Treasury Department (TD), the Office of Risk Management (ORM), the Office of Administrative Services (OAS), and the external auditor (Deloitte & Touche LLP, Singapore) of the Asian Development Bank (ADB). The work program is in Appendix 2. In addition to such official activities, the ACB also organized various briefing sessions, in particular on the processing of sovereign investment projects and related streamlined procedures, and on the adoption and use of cloud technologies.

## **II. INTERNAL AUDIT**

4. The ACB reviewed the following reports of the auditor general:
- (i) OAG's Biannual Reports for the periods ended 30 June 2016 and 31 December 2016, and
  - (ii) OAG's 2017 Internal Audit Work Program.

### **A. Office of the Auditor General's Biannual Reports**

5. OAG completed its work program for 2016 with one carryover audit to 2017. OAG reported that internal controls, governance, and risk management processes of audited areas were generally established and functioning. The ACB noted that certain processes in support services and nonsovereign operations could benefit from better internal controls. These included the project procurement contract variations system, treasury payment reconciliation system, nonsovereign record-keeping system, and outsourced vendors' monitoring. On the staff recruitment process audit, which was completed in June 2016, OAG stated that the audit took some time but that the recommendations were accepted by the Budget, Personnel, and Management Systems Department (BPMSD). The ACB specifically requested an audit of the staff recruitment process to closely understand and monitor the processes adopted by BPMSD and the related control systems. An update on progress in implementing the audit recommendations was provided to the ACB on 2 August 2017. Some ACB members felt that the information given by BPMSD was not exhaustive enough, considering the highly strategic importance of the human resources selection process. BPMSD committed to a fully comprehensive presentation at a later

stage. The ACB further noted that more discipline was required in the process of engaging staff consultants.

6. A key aspect of OAG's work is monitoring the implementation of audit recommendations and validating actions taken by business units to mitigate risks. OAG reported past-due recommendations biannually, and the actions taken by business units to mitigate risks pending full implementation of the recommendations.

#### **B. 2017 Internal Audit Work Program**

7. The ACB reviewed OAG's 2017 work program and expressed its support. The ACB specifically requested OAG to add to their work program an audit on the multitranche financing facility, and to give priority to the audit on nonsovereign private fund activities, to ensure integrity of such activities. It was noted that the Credit Risk Management System was not included in the audit for 2017 because the user acceptance testing for the data-cleansing project, which is essential to the portfolio management and reporting functions of the system, is still ongoing. OAG may include the system for audit if the system becomes fully functional in 2017.

### **III. ENGAGEMENT WITH THE EXTERNAL AUDITOR**

8. The ACB met with Deloitte & Touche three times and reviewed the following reports they submitted:

- (i) Interim Update on 2016 Attestation and Statutory Audit;
- (ii) Report on the 2016 Audit of ADB; and
- (iii) 2017 Audit Service Plan and Accomplishments in 2016.

#### **A. External Auditor's Interim Update on 2016 Attestation and Statutory Audit**

9. Deloitte & Touche reported that no significant deficiencies were noted during its interim internal control testing. It further reported that the review of past bond issuances had been completed. The ACB was also updated about the visit to the Uzbekistan Resident Mission, where no major issues were reported.

#### **B. External Auditor's Report on the 2016 Audit of ADB**

10. The ACB discussed with the external auditor issues with (i) nonsovereign operations, (ii) information technology, (iii) delegated authority to resident missions, (iv) ADF-OCR transfer, (v) the Staff Retirement Plan and Postretirement Group Medical Insurance Plan, and (vi) changes to accounting policies and accounting standards.

11. The ACB acknowledged the external auditor's report that financial statements prepared by ADB were presented fairly in all material respects and that internal controls over financial reporting are effective.

#### **C. External Auditor's 2017 Audit Service Plan and Accomplishments in 2016**

12. The ACB discussed and agreed that the audit focus areas in 2017 will include (i) internal controls over financial reporting, (ii) information technology controls with particular focus on decentralized resident missions, (iii) changes in accounting standards, and (iv) accounting considerations from the ADF-OCR transfer.

13. The main risks considered in developing Deloitte & Touche's audit plan were: (i) loan provisioning, (ii) accounting for equity investments, (iii) valuation of complex financial instruments, (iv) the Staff Retirement Plan and the Postretirement Group Medical Insurance Plan, (v) risks related to revenue recognition, and (vi) management override of controls over financial reporting.

#### **IV. THE FINANCIAL STATEMENTS**

14. The ACB reviewed the following reports:
- (i) quarterly and annual financial statements, and
  - (ii) 2016 assertion and attestation on internal control over financial reporting.
15. No major changes in accounting standards occurred that impacted ADB's 2016 financial statements. Highlights of the 2016 financial statements were:
- (i) The ordinary capital resources (OCR) reported an increase in operating income of \$178 million, primarily thanks to the increase in profit from divestment of equity investments.
  - (ii) Administrative expenses remained stable.
  - (iii) The size of the OCR loan portfolio increased by \$7.9 billion, with India as the largest borrower.

ACB also discussed the accounting and reporting requirements for the transfer of assets from ADF to OCR, which became effective on 1 January 2017. The effect of the transfer was reported in the 2016 year-end financial statements as a significant subsequent event. ACB also noted that the transfer was reflected in the first-quarter 2017 financial statements.

16. The ACB acknowledged that no significant deficiencies or material weaknesses were noted during the assertion and attestation of internal controls over financial reporting in 2016. The ACB noted that ADB maintained adequate internal controls over financial reporting.

#### **V. ANTICORRUPTION AND INTEGRITY: QUARTERLY UPDATES AND ANNUAL REPORT**

17. In 2016, OAI had a successful year in terms of overall output. The number of integrity due diligence (IDD) reviews significantly increased from 346 to 644. In addition, OAI updated the Anticorruption Policy to address tax transparency and integrity issues, and established the Respectful Workplace Unit, in line with the update of the code of conduct and the new administrative order on dealing with misconduct, bullying, and harassment.

18. The ACB noted that no reported cases had an impact on ADB's operations and financial processes. It also acknowledged that ADB's anti-money-laundering technical assistance was applauded by other multilateral development banks. In addition, the ACB noted that the ongoing reforms in procurement were linked to an evolution of the role of OAI in reviewing projects and cases. With the shift to a principles-based procurement approach, flexible procurement methods, and greater delegation of authority over procurement decisions, it is anticipated that OAI's role will become more critical. OAI will tailor the project procurement-related review methodology to better target its resources at fiduciary and integrity oversight, such as assessing the appropriateness of (i) risk assessments, (ii) executing agencies' procurement decisions, and (iii) post reviews given the inherent vulnerabilities to conflict of interest, fraud, corruption, and abuse.

## **VI. INFORMATION TECHNOLOGY UPDATE ON CLOUD TECHNOLOGIES**

19. The ACB reviewed the status of initiatives related to information technology and noted that OIST underwent thorough due diligence in assessing the benefits and risks of cloud technologies. It acknowledged that the World Bank, United Nations agencies, and several other multilateral development banks had adopted cloud technologies, and that OIST was working on the finalization of a risk assessment framework. The ACB finally noted that OIST would closely cooperate with OAG on a cyber-security risk audit in 2017.

## **VII. RISK MANAGEMENT OVERVIEW**

20. The ACB reviewed ORM's quarterly presentations on key portfolio developments and noted that for the second half of 2016, the sovereign portfolio had increased by \$2.1 billion from the third quarter, with a stable BB+ probability of default weighted average rating, and a stable risk profile; the nonsovereign portfolio had increased by 6.0% from the third quarter, with an improved probability of default weighted average rating from BB- to BB, and a strengthened risk profile. It was also noted that after the ADF–OCR transfer, on 1 January 2017, ADB's capitalization improved significantly, with the equity–loan ratio increased to 51%. The ACB took note of operational risks identified as very high and high during the period, and initiatives undertaken to mitigate such risks.

21. The ACB also discussed issues related to the impact of Brexit on interest and currency rate risk amid increased volatility, the offshore disaster recovery site, and the situation of impaired transactions, among others.

## **VIII. BUSINESS CONTINUITY AND DISASTER PREPAREDNESS**

22. The ACB acknowledged ADB's significant step in realizing its organizational resiliency goals, and the collaboration demonstrated by different teams from OAS and OIST in setting up the Offshore Active Disaster Recovery Site in Geneva, Switzerland. It noted that, in December 2016, a memorandum of understanding was established with ADB's partner United Nations International Computing Center (UNICC), hosting the new active data center; and in March 2017, the active disaster recovery site project was completed. The ACB also discussed costs related to the offshore data center, and the need of a change of culture to digitize business processes.

23. On disaster preparedness, the ACB noted that the emergency supplies fair in 2016 had been well attended, and that earthquake and evacuation drills had been conducted. It urged OAS to organize more drills, and to focus on crisis management, including the development of an ADB earthquake response operation plan.

## **IX. AUDIT COMMITTEE WORK PROGRAM**

24. For the next reporting period of 1 July 2017–30 June 2018, the ACB will include the following activities in its work program:

- (i) review developments in accounting standards that are relevant to or may potentially affect ADB;

- (ii) review ADB's financial statements and results, and the adequacy of the internal control over financial reporting;
- (iii) review credit, operational, and treasury risk management in ADB, including the risk implications of nonsovereign operations and of investments included in watch lists and impaired accounts;
- (iv) monitor possible changes in ADB's postretirement benefits liabilities (pension and medical);
- (v) review business continuity management and disaster preparedness framework and action plan; and
- (vi) review non-audit services by the external auditor.

#### **X. RECOMMENDATION TO THE BOARD**

25. The ACB recommends that this annual report be publicly disclosed after its consideration by the ADB Board of Directors.

## **AUDIT COMMITTEE OF THE BOARD TERMS OF REFERENCE**

The Audit Committee is a committee of the Board of Directors established pursuant to Section 12 of the *By-Laws of the Asian Development Bank* (ADB). Its function is to assist the Board of Directors in carrying out its responsibilities as they relate to matters such as ADB's financial reporting and audits, including internal controls and risk management, in line with Article 31 of the *Agreement Establishing the Asian Development Bank*.

### **1. AUTHORITY**

1.1 In discharging its oversight functions over matters within the scope of its responsibilities, the Audit Committee of the Board (the Committee) is authorized to

- (i) perform activities within the scope of its terms of reference;
- (ii) seek any pertinent information from ADB as is necessary, and which shall not be unreasonably withheld;
- (iii) refer its requests for documents or information to the President;
- (iv) seek briefings on relevant auditing, accounting, risk management and internal controls, anticorruption and integrity, and financial matters it has identified from staff member(s) designated by the President, including such staff that the Committee has suggested, and request their participation in meetings;
- (v) meet with the Outside Auditor, as necessary;
- (vi) advise the Board of Directors on the appointment of the Outside Auditor and consider any question of the Outside Auditor's resignation and/or dismissal; and
- (vii) consider the independence of the Outside Auditor, including the provision of non-audit services by the Outside Auditor to ADB.

### **2. COMPOSITION AND TENURE**

2.1 The Committee shall consist of not more than six members of the Board. The Chair and other members shall be appointed by the President in consultation with the Board.

2.2 The Committee members shall be free from any relationship that, in the opinion of the President, would interfere with the exercise of their independent judgment as members of the Committee. The Committee members shall inform the President of any circumstances which reasonably may be perceived to interfere with the exercise of their independent judgment as members of the Committee.

2.3 The President shall, when appointing members of the Committee, appoint at least one member with a background in accounting or related financial expertise and who, through education and/or experience, would have a thorough understanding of financial, accounting, and auditing functions.<sup>1</sup> Members of the Audit Committee should have a working familiarity with basic finance, accounting, governance, internal audit, and risk management practices and principles and are strongly encouraged to enhance their familiarity with them by participating in educational programs. In circumstances where the Committee requires specific advice and assistance to be

---

<sup>1</sup> Section 10(a) of the Rules of Procedures of the Board of Directors states: "Membership of the Committees established pursuant to Section 12 of the By-Laws need not be limited to Directors or their Alternates. The President, in consultation with the Board, shall appoint the members of committees and shall designate the chairmen thereof."

able to perform its functions and such advice and assistance are not available to the Committee members, including from within ADB if appropriate, the Committee may request the President to engage such outside expertise and provide the necessary resources, which shall not be unreasonably withheld, required for that purpose.

2.4 The Committee shall be appointed for a term of 2 years, commencing 1 July each year in which the election of directors occurs. Members of the Committee may be reappointed.

2.5 If a member of the Committee ceases to be a member of the Board, the President, in consultation with the Board, shall appoint another Board member for the remaining term of the Committee.

### **3. MEETINGS**

3.1 The Committee shall meet as often as it considers necessary, but not less than once per quarter. Other Board members as well as Directors' Advisors may attend meetings of the Committee as observers.<sup>2</sup>

3.2 The Committee will meet at least once a year with the Outside Auditor without Management or ADB staff present. In addition, the Committee may meet with the Outside Auditor if requested by the Committee or by the Outside Auditor, as and when considered necessary.

3.3 The quorum for meetings of the Committee shall be three of its members. If the Chair of the Committee is unable to be present in person at a meeting, the members of the Committee that are present shall select a member to preside.

### **4. RESPONSIBILITIES**

The Committee shall assess in its annual report the Committee's work and evaluate its performance annually relative to the Committee's purpose and responsibilities outlined herein. The Committee shall periodically review the adequacy of its terms of reference for possible adjustments as conditions dictate, and recommend necessary amendments to the Board of Directors for approval. The Committee shall assist the Board of Directors in overseeing ADB's finances, accounting, internal control and risk management (including information technology systems and reputational risk), and anticorruption and integrity, and how these are being managed and how accountabilities are being enforced. The Committee shall satisfy itself that ADB's financial reporting and audits, including internal control and risk management, are adequate and efficient. In this regard, the Committee shall in particular:

#### **A. Financial Reporting**

4.1 Review and if necessary discuss with the Controller the quarterly financial statements.

4.2 Review and discuss with the Controller, Auditor General, and Outside Auditor major accounting and auditing issues and financial statements presentations, including any significant changes in the selection or application of accounting principles and auditing standards; and results of the audit by the Outside Auditor.

---

<sup>2</sup> Observers may participate in the deliberations at the invitation of the Committee.

4.3 Review and discuss with the Controller, Auditor General, Outside Auditor, and other ADB staff as requested by the Committee and/or designated by the President upon completion of the annual external audit and before the financial statements are published, the draft annual financial statements and related notes; and the Outside Auditor's opinion and appropriateness of accounting principles, including disclosures through Management's discussion and analysis (MD&A). Discussions will include Management's assertion on internal controls over financial reporting and the Outside Auditor's attestation thereof. The Committee will report on such discussions to the Board of Directors.

4.4 Meet with the Controller and Auditor General on a periodic basis to discuss any matters of concern in the context of the financial information and MD&A, internal control over financial reporting, and the assertion and attestation process.

4.5 Meet annually with the Outside Auditor to discuss Management's assertions with respect to the adequacy and appropriateness of internal control over financial reporting, and the Outside Auditor's attestation, including any significant deficiencies and/or material weaknesses in accordance with ADB's adopted attestation standard.

4.6 Meet with the General Counsel to discuss any significant pending litigation that may have a material impact on ADB's financial condition. Notwithstanding the foregoing, the Committee will be informed on a timely basis of any such litigation.

## **B. Outside Audit**

4.7 Appoint an observer to the Evaluation Committee for the selection of the Outside Auditor.

4.8 Review and discuss annually the scope of work and audit plan of the Outside Auditor and any material changes to the audit plan during the year.

4.9 Review and discuss the performance of the Outside Auditor and recommend to the Board of Directors for approval the appointment, reappointment for a contract period, or termination of the engagement of the Outside Auditor. Engagement or reappointment of the Outside Auditor will be in line with the *Principles for the Selection of the Outside Auditor*.

4.10 Review and obtain a statement from the Outside Auditor to confirm annually the independence of the Outside Auditor. Consider the provision of any other services by the Outside Auditor in accordance with the *Principles for the Selection of the Outside Auditor*.

4.11 Review and discuss the annual report from the Outside Auditor as a confidential document, and ensure that significant deficiencies and/or material weaknesses identified by the Outside Auditor, as well as other findings and recommendations made by the Outside Auditor and Management's responses thereto, are reviewed, discussed, and appropriately acted upon. The Committee shall review any recommendations and Management's responses thereto, including their accompanying timetables, to address significant deficiencies and/or material weaknesses and to improve or establish necessary controls.

4.12 Meet separately, as necessary, with the Outside Auditor to review and discuss any matters that the Committee or the Outside Auditor believe should be reviewed and discussed.

**C. Internal Audit**

4.13 Review and discuss annually the scope of work and audit plan of the Auditor General and any material changes to the audit plan during the year and, if necessary, request that specific audits be added to the work plan.

4.14 Review and discuss the effectiveness of the internal audit function.

4.15 Review and discuss, at least semiannually, an internal audit activity report, which includes a summary of recent audit reports and recommendations, the current inventory of outstanding audit recommendations, and the implementation progress of outstanding high risk audit recommendations. Ensure that significant internal audit findings and recommendations and Management's responses thereto are considered. Notwithstanding the foregoing, the Committee will be informed of any significant audit findings on a timely basis.

4.16 Meet separately with the Auditor General to review and discuss any matters that the Committee or Auditor General believes should be reviewed and discussed.

4.17 Be consulted prior to the engagement or appointment of, and on any intended removal of, the Auditor General.

**D. Risk Management and Internal Control**

4.18 Review and discuss the efficiency, effectiveness, and integrity of the internal control system; including risk management; information technology security and control; and financial policies in such areas as trust fund administration, procurement policies and procedures, and financial management. Review and discuss pension fund related matters that may impact the financial statements.

4.19 Review and discuss with the controller; auditor general; head of ADB's ORM; chair, Risk Committee; treasurer, and outside auditor, issues with respect to financial systems efficiency and effectiveness of administrative procedures, and review of internal control over financial reporting, including significant findings and recommendations and Management's responses thereto.

4.20 Meet at least quarterly with head, ORM to review and discuss the adequacy of ADB's risk management functions in order to ensure that appropriate risk management functions are in place.

4.21 Meet at least quarterly with head, ORM to review and discuss assessments of ADB's risk exposure. The committee will be informed of any significant changes in assessments of ADB's risk exposure on a timely basis.

4.22 Receive prior advice on the engagement or appointment, and any intended removal of the Head, ORM.

**E. Anticorruption and Integrity Measures**

4.23 Ensure that ADB has established and maintains appropriate, efficient, and consistent procedures for the receipt, retention, and treatment of complaints and anonymous submissions from internal and external complainants, including protection of "whistleblowers," in regard to fraud and corruption, or questionable accounting or auditing matters.

4.24 Meet at least quarterly with OAI to discuss activities and outcomes of the anticorruption function, including cases where findings indicate systemic control weaknesses, or where the findings are of such character that could constitute a reputational risk for ADB. Notwithstanding the foregoing, the Committee will be informed of any significant investigation findings on a timely basis.

4.25 Receive prior advice on the engagement or appointment, and any intended removal of the Head, OAI.

## **F. Reporting Responsibilities**

4.26 The Committee shall

- (i) report to the Board of Directors annually, through the Chair of the Board, on its activities and submit conclusions and/or recommendations to the Board, which shall not be unreasonably withheld by the Chair of the Board, as the Committee deems appropriate;
- (ii) update the Board of Directors about the Committee's activities, as appropriate; and
- (iii) ensure that the Board of Directors is aware of matters that may significantly impact on the financial affairs of ADB.

## **5. ADMINISTRATIVE ARRANGEMENTS**

5.1 The channel of communication between the Committee and ADB's Management and staff is through the Secretary of ADB.

5.2 The Office of The Secretary shall be responsible for providing the necessary administrative services for the functioning of the Committee, including providing a secretariat for the Committee and maintaining its records.

**AUDIT COMMITTEE OF THE BOARD (ACB) - WORK PROGRAM for 2016–2017  
(As of 31 May 2017)**

16 August 2016	- Quarterly update from Office of Anticorruption and Integrity as of 30 June 2016 (OAI)
31 August 2016	- OAG's Bi-Annual Report as of 30 June 2016 (OAG) - Quarterly Financial Statements as of 30 June 2016 (CTL) - Update on Business Continuity and Disaster Risk Management (OAS)
12 October 2016	- Risk Management quarterly presentation as of 30 June 2016 (ORM) - Quarterly update from Office of Anticorruption and Integrity as of 30 September 2016 (OAI)
24 November 2016	- Quarterly Financial Statements as of 30 September 2016, and Update on 2016 Assertion on ICFR (CTL) - External Auditor's Interim Update on 2016 Attestation and Statutory Audit (External Auditor)
9 December 2016	- Risk Management quarterly presentation as of 30 September 2016 (ORM)
14 February 2017	- Tentative 2017 Internal Audit Work Program (OAG) - Update on Business Continuity and Disaster Risk Management (OAS)
2 March 2017	- Office of Anticorruption and Integrity 2016 Annual Report (OAI) - OAG's Bi-Annual Report as of 31 December 2016, and 2017 Internal Audit Work Program (OAG)
15 March 2017	- Working Session on Financial Statements, and 2016 Assertion and Attestation on internal control framework (CTL)
17 March 2017	- Report on the 2016 Audit of the Asian Development Bank (External Auditor)
19 April 2017	- Quarterly update from Office of Anticorruption and Integrity as of 31 March 2017 (OAI) - Risk Management Quarterly Presentation as of 31 December 2016 (ORM)
30 May 2017	- External Auditor's 2017 Audit Service Plan and Accomplishments in 2016 (External Auditor)
8 June 2017	- Quarterly Financial Statements as of 31 March 2017 (CTL)

Note:

The agenda items/dates are still subject to change based on matters arising from the ACB meetings.