

Sir,

I was surprised to read your interpretation of recent enhancements to the governance of the IASC Foundation (IASB softens stance on convergence), and in particular your assertion that a constitutional emphasis on adoption of International Financial Reporting Standards (IFRSs) represents a weakening of the Trustees' support for the ongoing work to converge global accounting standards.

Nothing could be further from the truth.

The Trustees of the IASC Foundation strongly support the work plan that the IASB has established with the US Financial Accounting Standards Board, which will reduce the differences between and improve IFRSs and US standards. By reducing differences and thereby reducing any cost of transition, convergence will "promote and facilitate" the possible adoption of IFRSs. The completion of the existing convergence programme will also achieve the objective set out by the G20 at their Pittsburgh summit.

For many other jurisdictions convergence is an important stepping stone on the path to adoption of IFRSs. The recent enhancements to the constitution of the IASC Foundation reinforce our commitment to this process.

Gerrit Zalm
Chairman of the Trustees, IASC Foundation