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IFRS Foundation
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Via e-mail: info@ifrs.org

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Proposal to Establish an Accounting Standards Advisory Forum

14 December 2012

Dear Mr. Prada,

We are both grateful and pleased to have this opportunity to comment on the above proposal.

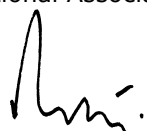
We generally consider establishing an Accounting Standards Advisory Forum (ASAF) to be a suitable means in which to globally standardise and formalise relationships between the IASB, standard setters and other accounting bodies.

However, we do see a significant need for precision regarding how the new committee is to be integrated into the existing structure and how its tasks can be distinguished from those of the existing advisory IASB committees. Before establishing the Accounting Standards Advisory Forum, its role and function should be fully clarified in the overall context.

We assume that preparers and users will continue to be able to participate in the standard setting process, as is the case in the current due process. Below, please find our detailed comments on questions 1 and 2.

Should you have any questions, please feel free to contact us.

Yours sincerely,
on behalf of the German Banking Industry Committee
National Association of German Cooperative Banks



Dr. Andreas Martin



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Question 1

Do you agree with the proposed commitments to be made by ASAF members and that they should be formalised in a Memorandum of Understanding? Why or why not?

We believe commitments by the ASAF members make sense. There is room for discussion regarding whether or not all six of the points proposed in the proposal are in fact necessary or whether some of the points overlap. Irrespective of the final wording of the MoU, we believe that all of the members represented in the committee should make the same kind of positive commitment.

Question 2

The Foundation believes that, in order to be effective, the ASAF need to be compact in size, but large enough to allow for an appropriate global representation. Do you agree with the proposed size and composition as set out in paragraphs 6.7 – 6.13? Why or why not?

We agree with the IFRS Foundation's idea that the ASAF should be both representative and efficient. We see the proposed 12 members more at the lower range of possible size. We should remember that Europe alone has 27 different jurisdictions. The fundamentals of these jurisdictions must be known during standard setting in order to be able to arrive at globally accepted standards. The current importance of the IFRS in the regions foreseen must also be taken into consideration. In terms of market capitalisation, a considerable share of the world's IFRS preparers are from Europe. This means that Europe can supply a great deal of technical input for standard setting.

This is why we believe that Europe should be represented in this new committee by at least 6 seats and therefore support an increase in the overall number of members in the ASAF.

We agree that membership should be on the basis of organisational representation rather than on an individual basis. This is the only way to ensure that the work of the ASAF takes into consideration the economic and legal foundations in the member states and that no particular interests are represented.