

## PRESS RELEASE

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### Trustees announce membership of ASAF

**The Trustees of the IFRS Foundation, the oversight body of the International Accounting Standards Board (IASB), announced today the inaugural membership of the Accounting Standards Advisory Forum (ASAF). The ASAF will serve as a technical advisory body to the IASB and will consist of various members of the global accounting standard-setting community. The Trustees will review the ASAF and its membership after two years.**

The ASAF will be chaired by the IASB with an initial membership as follows:

#### **Africa**

- South African Financial Reporting Standards Council, supported by the Pan African Federation of Accountants (PAFA)

#### **Asia-Oceania**

(inc. one 'at large')

- Accounting Standards Board of Japan
- Australian Accounting Standards Board
- Chinese Accounting Standards Committee
- Asia Oceania Standard Setters Group (AOSSG), represented by the Hong Kong Institute of Certified Public Accountants

#### **Europe**

(inc. one 'at large')

- Accounting Standards Committee of Germany
- European Financial Reporting Advisory Group (EFRAG)
- Spanish Accounting and Auditing Institute
- United Kingdom Financial Reporting Council

#### **The Americas**

- Group of Latin American Standard Setters (GLASS)
- Canadian Accounting Standards Board
- United States Financial Accounting Standards Board

The first meeting of the ASAF is scheduled to take place in London on 8 and 9 April 2013. Meetings of the ASAF will be webcast and meeting papers will be published in advance on the IASB's website.

### Replacing multiple MoUs

The IASB has previously entered into bilateral arrangements for co-operation with national standard-setters with responsibility for various aspects of the jurisdictional development or endorsement of accounting standards. In the last 10 years, the IASB entered into such arrangements, in each case in the form of a Memorandum of Understanding (MoU), with national accounting standard-setters in Brazil, China, Japan and the United States.

During this period, the number of countries adopting IFRSs has expanded significantly, thus complicating the task of maintaining a series of bilateral arrangements. At the same time, many regions have established regional organisations to better co-ordinate regional accounting standard-setting activity or to provide jurisdictional advice on financial reporting matters. Such groups include the AOSSG, the EFRAG, the GLASS and the PAFA.

In response to these developments, the 2011 Trustees' Strategy Review recommended that the IFRS Foundation should encourage the maintenance of a network of national and regional standard-setting bodies as an integral part of the global standard-setting process. The ASAF responds to that recommendation by replacing multiple, bilateral MoUs with a single agreement to be signed by all ASAF members, and accommodating regional standard-setting bodies within that arrangement.

The Trustees also recommended that all national accounting standard-setters and regional bodies involved with accounting standard-setting should continue to undertake research, providing guidance on the IASB's priorities and to encourage stakeholder input from their own jurisdictions. The IFRS Foundation will continue to facilitate through various mechanisms such as dialogue with the broader international accounting standard-setting community.

### Extensive consultation and due process

The establishment of the ASAF and the appointment of its membership has been subject to extensive consultation and a thorough due process. The concept of an advisory body consisting of accounting standard-setters was widely supported by respondents to the Trustees' strategy review. In November 2012, the Trustees published for public comment proposals to create the ASAF, receiving more than 60 comment letters in response to those proposals. In February 2013 the Trustees published final details of the ASAF, including a [feedback statement](#) that summarised the comments received and how the Trustees responded to them. At the same time, the Trustees requested nominations for the membership of ASAF.

The Foundation reviewed the 25 nominations for membership of ASAF on the basis of the geographical balance, the membership criteria and other factors as described in the call for nominations.

The nominations were then discussed with relevant regional and other bodies, including on the question of regional representation. Appointments for Africa, Asia-Oceania, Europe and South America were coordinated with respectively the PAFA, the AOSSG, the European Commission and the GLASS. Where regional groupings do not exist, the Foundation consulted with relevant standard-setters and bodies. The final selection for membership of ASAF was taken by the Trustees.

Commenting on the establishment of the ASAF and the appointment of its initial membership, Michel Prada, Chairman of the IFRS Foundation Trustees said;

The creation of the ASAF reflects two important changes in the global accounting standard-setting landscape. First, the significant growth in the use of IFRSs around the world has complicated the task of maintaining bilateral MoUs with multiple jurisdictions. Second, many parts of the world have established regional accounting standard-setting organisations and forums to offer advice and to discuss matters related to IFRSs.

The ASAF is our response to these two developments. Its formation will replace multiple bilateral MoUs with a single forum based on an agreement signed by all members.

Importantly, the ASAF is a complement to the IASB's ongoing dialogue with the international standard-setting community in pursuit of its central mission to develop a global language for financial reporting.

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**Press enquiries:**

Mark Byatt, Director of Communications and External Affairs, IFRS Foundation  
Telephone: +44 (0)20 7246 6472  
Email: [mbyatt@ifrs.org](mailto:mbyatt@ifrs.org)

Chris Welsh, Communications Manager, IFRS Foundation  
Telephone: +44 (0)20 7246 6495  
Email: [cwelsh@ifrs.org](mailto:cwelsh@ifrs.org)

## Notes to editors

### About the IFRS Foundation

The IFRS Foundation is the oversight body of the International Accounting Standards Board (IASB). The Foundation, through the IASB, is committed to developing, in the public interest, a single set of high quality, global accounting standards that require transparent and comparable information in general purpose financial statements.

The Trustees of the IFRS Foundation promote the work of the International Accounting Standards Board (IASB) and the rigorous application of IFRSs but are not involved in any technical matters relating to the standards. This responsibility rests solely with the IASB.