

# The First Meeting of the IASB Emerging Economies Group Communiqué

July 26<sup>th</sup>, 2011, Beijing · China

The Emerging Economies Group of the International Accounting Standards Board (“EEG”) was established in Beijing China on July 26, 2011 and held its first plenary meeting. Attendants included IASB Chairman Hans Hoogervorst, Board members Mr. Kalavacherla Prabhakar, Mr. Darrel Scott, Mr. Wei-guo Zhang, IASB Director of International Activities Mr. Wayne Upton and IASB Senior Technical Manager Ms. Hilary Eastman, and delegates from Brazil, China, India, Indonesia, Republic of Korea, Malaysia, Russia and South Africa. All delegates agreed to establish the EEG and approved the proposed EEG Work Plan, and also conducted a productive discussion on fair value measurement (FVM) in emerging economies.

The establishment of the EEG by the IFRS Foundation will further enhance the influence of emerging economies in the development process of IFRSs and is a pragmatic move of IASB to respond to the recommendation of the G20 to introduce more involvement from emerging economies. EEG operation will enlighten specific issues from emerging economies in the development of IFRSs through a regular communication mechanism with the IASB. Such efforts will strengthen the global acceptance of IFRSs, which will ultimately facilitate the IASB’s mission to set up a single set of high quality accounting standards in the world.

During the meeting, all delegates agreed:

I. EEG member includes all emerging economies from the G20 and Malaysia. As the group expands, other economies can also be considered;

II. In order to maintain the effectiveness and continuity, Mr. Wayne Upton, the IASB Director of International Activities will chair the EEG, and Ms. Yang Min, the Director-General of Accounting Regulatory Department of Ministry of Finance, P.R.China will be the Vice Chair.

The organization consists of permanent members and temporary members. The permanent members are representatives designated by and from national standards setters in the member countries (one member for each setter), and the temporary members are included each EEG meeting for a specific issue, and are nominated by national standards setters.

III. EEG holds regular meetings. Two plenary meetings are held annually.

IV. The standing office of EEG is its liaison office in China; the office is in charge of the daily operation of EEG and the delivery of organization updates on a timely basis.

The subject of the plenary EEG meeting was “Fair Value Measurement in Emerging Economies”. Delegates conducted a thorough discussion on specific FVM issues raised in emerging economies under various national circumstances and provided important report that can be used in the development of education materials prepared by IASB.