

PROPOSAL TO ESTABLISH AN ACCOUNTING STANDARDS ADVISORY FORUM: FORMALISING THE
ENGAGEMENT WITH NATIONAL STANDARD-SETTERS IN THE IASB'S STANDARD-SETTING PROCESS

Question 1—Do you agree with the proposed commitments to be made by ASAF members (paragraph 6.4) and that they should be formalised in a Memorandum of Understanding (paragraph 6.5)? Why or why not?

We understand the need for a formalization between the IASB and the participating standard setters of the goals and modus operandi of ASAF . We disagree however with §6.4 formulation which reads as a deed of adherence by participating standard setters . Such formulation will not be prone to fostering cooperation and may infringe upon the standard setters own duties.

Question 2—The Foundation believes that, in order to be effective, the ASAF needs 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 understand the purpose of the geographical balance in terms of representation in order to capture questions/ideas from a variety of perspectives . This leads however to a representation that does not reflect the regional balance in terms of economic weight of companies using ifrs. This could be problematic if the IASB or Foundation would consider the output of the forum as views expressed by some kind of a majority of standard setters. We suggest this should be clarified..

Otherwise, we strongly recommend the Foundation be pushing the regional standard setters associations to organize themselves to select or nominate participating members in accordance with their own formal or informal governance. We believe this would increase the efficiency of the dialog and would prevent a misperception that the Foundation is trying to 'select' accommodating partners.