

BELGIAN ACCOUNTING STANDARDS BOARD



IFRS Foundation
To the Trustees
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correspondent	Our reference	Your reference	Date
Ignace Bogaert Tel: +32(2)277 61 74 ignace.bogaert@cnc-cbn.be	C-094		17th of november 2010

Dear Sir, Madam,

Invitation to comment – *The annual improvements process: Proposals to amend the Due Process Handbook for the IASB*

The Belgian Accounting Standards Board (BASB) is pleased to respond to the IFRS Foundation Consultation Document: The annual improvements process: Proposals to amend the Due Process Handbook for the IASB issued by the IFRS Foundation (the "Foundation") in August 2010 (hereinafter the "Consultation").

The BASB acknowledges the need for an annual improvement process in order to eliminate small inconsistencies between the Standards and its related Interpretations. However, in the past the outcome of the process often resulted in significant changes to the Standards. In the past, EFRAG has expressed this concern towards the Foundation and we generally supported their view.

We support the criteria described in paragraph 65 A (a) of the Consultation for inclusion in the annual improvements process and understand that an exemption from the existing principles might be necessary. We also believe that the inclusion of this paragraph might underpin the characteristics of principle-based standards. Indeed, by allowing exemptions from the current principles, a more legalistic and rules-based framework might be introduced. The BASB suggests that whenever an exemption from the current principles is required, a separate project should address this issue.

The BASB would also like to propose to include additional guidance or clarification in the Due Process Handbook with respect to the difference between the Annual Improvement Process, an amendment to a Standard and an Interpretation. Hence, we support EFRAG's Comment Letter in relation to this point.

Should you wish to discuss the content of this letter with us, please contact Jan Verhoeve at jan.verhoeve@cnc-cbn.be.

Yours faithfully,


Jan Verhoeve
Chairman BASB