



Trustees of the IFRS Foundation
30 Cannon Street
London
EC4M 6XH

correspondent
Ignace Bogaert
Tel:+32(2)277 61 74
ignace.bogaert@cnc-cbn.be

ons kenmerk
C-020

uw kenmerk

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Dear Trustees,

Paper for Public Consultation - Status of the Trustees' Strategy Review

The Belgian Accounting Standards Board (BASB) is pleased to respond to the Paper for Public Consultation – Status of the Trustees' Strategy Review. issued by the IFRS Foundation in November 2010 (hereinafter the "Paper").

Our detailed responses to specific questions in the paper for public consultation are set out below:

Mission: How should the organisation best define the public interest to which it is committed?

1. The current Constitution states, "These standards [IFRSs] should require high quality, transparent and comparable information in financial statements and other financial reporting to help investors, other participants in the world's capital markets and other users of financial information make economic decisions." Should this objective be subject to revision?

The Belgian Accounting Standards Board acknowledges the need for comparable international financial reporting standards for listed companies that reflect their economic reality. Hence, we are of the opinion that the current Constitution should not be revised.

2. The financial crisis has raised questions among policymakers and other stakeholders regarding the interaction between financial reporting standards and other public policy concerns, particularly financial stability requirements. To what extent can and should the two perspectives be reconciled?

The Belgian Accounting Standards Board is of the opinion that financial reporting can, to a certain extent, be aligned with financial stability requirements. However, we believe that within the current regulatory framework, general purpose financial statements cannot

provide a sufficient level of detail for financial stability requirements without impairing the user-friendliness of general purpose financial statements.

Governance: how should the organisation best balance independence with accountability?

3. The current governance of the IFRS Foundation is organised into three major tiers: the Monitoring Board, IFRS Foundation Trustees, and the IASB (and IFRS Foundation Secretariat). Does this three-tier structure remain appropriate?
4. Some stakeholders have raised concerns about the lack of formal political endorsement of the Monitoring Board arrangement and about continued insufficient public accountability associated with a private-sector Trustee body being the primary governance body. Are further steps required to bolster the legitimacy of the governance arrangements (including in the areas of representation of and linkages to public authorities)?

We believe that this three-tier structure remains appropriate, but we would like to indicate that the role of the Monitoring Board appears not always to be clear. In our view, the Monitoring Board should liaise continuously with the European (and other) stakeholders on a political level, but should not be involved in the technical work of the IASB.

With regard to the Trustees' role, we acknowledge the fact that via the Trustees the involvement of the private sector and the profession is assured in the standard-setting process, but within its composition we would like to see the European voice being clearly reflected as well.

Process: how should the organisation best ensure that its standards are high quality, meet the requirements of a well functioning capital market and are implemented consistently across the world?

5. Is the standard-setting process currently in place structured in such a way to ensure the quality of the standards and appropriate priorities for the IASB work programme?

With respect to the standard-setting process, we would encourage the Board to increase the degree of outreach activities and field testing initiatives (even in an early stage of the standard-setting process, i.e. discussion paper phase). Secondly, in order to achieve high quality standards, we believe that the role of the interpretation body, the IFRIC, should be more outspoken and pro-active.

6. Will the IASB need to pay greater attention to issues related to the consistent application and implementation issues as the standards are adopted and implemented on a global basis?

The Belgian Accounting Standards Board is of the opinion that the role of the IASB should be limited to preparing principles-based high quality standards. In our view, enforcement and consistent application should be monitored by local regulators like the European Securities and Markets Authority (ESMA). However, in order to achieve consistent application, we believe that the IFRIC can certainly facilitate certain implementation issues by providing their view on critical implementation and application issues in a timely manner.

In this context, we believe that sufficient Implementation Guidance and accompanying materials to each Standard will contribute to achieving consistent application.

Financing: how should the organisation best ensure forms of financing that permit it to operate effectively and efficiently?

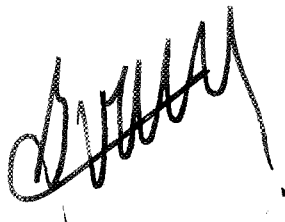
7. Is there a way, possibly as part of a governance reform, to ensure more automaticity of financing?

The Belgian Accounting Standards Board believes that a transparent non-voluntary financing mechanism should be established by the Foundation. In our view, the financing aspect should be clearly separated from the involvement of certain stakeholders.

8. Are there any other issues that the Trustees should consider?

We have no further comments at this stage.

Yours faithfully,



Jan Verhoeye
Chairman BASB