

财政部会计准则委员会

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盖尔特·扎尔姆主席

尊敬的盖尔特·扎尔姆主席:

我们欢迎理事会就《章程审议第二阶段: 提升公众受托责任的建议》公开征求意见。收到征求意见稿后, 财政部和中国会计准则委员会进行了研究。我们对理事会和基金会在响应 G20 和金融稳定理事会提出的增强组织的公众受托责任和透明度要求方面的工作表示赞赏。我们基本支持受托人对《章程》所做的修订, 但认为部分将规定需做进一步修改。

我们建议: 受托人在《章程》中明确 IFRS 虽然主要服务于资本市场, 但不仅仅服务于资本市场; 监督委员会应真正本着公众利益进行改组, 包括与 G20 建立正式联系并增设新兴市场国家的单独代表, 以扩大其代表性; 对适用加速应循程序的特殊情况, 应做出严格的限定。详细意见请见附件。

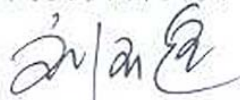
感谢全体受托人及您本人为推动《章程》修订所做出的不懈努力!

此致

敬礼!

中华人民共和国财政部会计司司长

中国会计准则委员会委员



二〇〇九年十二月二日

财政部会计准则委员会

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Dec 4, 2009

Mr. Gerrit Zalm
Chairman
IASCF
30 Cannon Street
London EC4M 6XH
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Dear Mr. Gerrit Zalm,

Re: CASC's Comments to *Part 2 of Constitution Review: Proposals for Enhanced Public Accountability*

We welcome the Board's consultation on *Part 2 of Constitution Review: Proposals for Enhanced Public Accountability*. Upon receiving the exposure draft, the Ministry of Finance (MOF) and China Accounting Standards Committee (CASC) conducted research on relevant issues. We appreciate the work of the Foundation and the Board in response to the calls of G20 and the Financial Stability Board (FSB) on enhanced public accountability and transparency of the organization. We basically support the amendments to the *Constitution*, but hold that further amendments should be made to certain provisions.

We recommend that Trustees specify in the *Constitution* that IFRSs mainly but not only serves the capital market; the Monitoring Board should be restructured truly in the public interests, including establishing official contacts with G20 and adding individual representatives of emerging economies in order to expand their representation; and making strict restrictions on special circumstances appropriate for the accelerated due process. Please refer to detailed opinions in the appendix.

We would like to express our hearty thanks to you as well as Trustees for the unremitting efforts in promoting the revision of the *Constitution*.

Sincerely yours,

Liu Yuting [Signed]

Director-General, Accounting Regulatory Department, MOF
Member of China Accounting Standards Committee (CASC)

Appendix

Comments of China Accounting Standards Committee (CASC) to *Part 2 of Constitution Review: Proposals for Enhanced Public Accountability*

Question 1

The Trustees seek views on the proposal to change the name of the organization to the ‘International Financial Reporting Standards Foundation’, which will be abbreviated to ‘IFRS Foundation’.

The Trustees also seek views on the proposal to mirror this change by renaming the International Accounting Standards Board (IASB) as the International Financial Reporting Standards Board, which will be abbreviated to ‘IFRS Board’.

Do you support this change in name? Is there any reason why this change of name might be inappropriate?

Answer: We support changing the names to the ‘International Financial Reporting Standards Foundation’ and to the ‘International Financial Reporting Standards Board’, which will make the names of the Foundation and the Board easier to understand and reduce misunderstanding.

Question 2

The Trustees seek views on the proposal to replace all references to ‘accounting standards’ with ‘financial reporting standards’ throughout the Constitution. This would accord with the name change of the Foundation, the Board and the formal standards developed by the IASB—International Financial Reporting Standards (IFRSs).

Do you support this change?

Answer: We agree with the proposal to replace all references to ‘accounting standards’ with ‘financial reporting standards’ throughout the *Constitution*, because we support the consistency between the names of the Foundation and the Board and the formal standards developed by them. However, considering that ‘financial reporting standards’ in certain contexts usually refers to ‘accounting standards’ used in

the capital markets, we recommend that the “objective” in the *Constitution* should be specified that IFRS mainly but not only serves the capital market, in order to avoid the misunderstanding that might ensue from changes in references. Besides, we support the unchanged use of “accounting standard-setter” in Section 18 of the *Constitution*.

Question 3

The Trustees seek views on their proposal to change section 2 as follows:

The objectives of the ~~IASC~~ IFRS Foundation are:

- (a) to develop, in the public interest, a single set of high quality, understandable, ~~and~~ enforceable and globally accepted accounting financial reporting standards that require high quality, transparent and comparable information in financial statements and other financial reporting to help participants in the world’s capital markets and other users make economic decisions;
- (b) to promote the use and rigorous application of those standards;
- (c) in fulfilling the objectives associated with (a) and (b), to take account of emerging economies and, as appropriate, the special needs of small and medium-sized entities ~~and emerging economies~~; and
- (d) to bring about convergence of national accounting standards and ~~International Accounting Standards and~~ International Financial Reporting Standards (IFRSs, being the standards and interpretations issued by the IFRS Board) to high quality solutions.

Do you support the changes aimed at clarity?

Answer: We support that the objective of the Foundation is further clarified. In order to avoid the misunderstanding that IFRS only serves the capital market, we recommend that the last sentence of Section 2 (a) of the *Constitution* should be revised as “to help participants in the world’s markets, especially the capital markets and other users make economic decisions.”

We supports that the Foundation and the Board take more accounts of the roles and special needs of emerging market economies. In consideration of limited resources of the Board, we uphold the status and interpretation of the Board on focusing on the private sectors. But we hope that the Board could give necessary and possible consideration to public sectors and not-for-profit sectors when setting International Financial Reporting Standards.

Question 4

The Trustees seek views on the proposal to amend section 3 of the Constitution as follows:

The governance of the ~~IASC~~ IFRS Foundation shall primarily rest with the Trustees and such other governing organs as may be appointed by the Trustees in accordance with the provisions of this Constitution. A Monitoring Board (described further in sections 18-23) shall provide a formal link between the Trustees and public authorities. The Trustees shall use their best endeavours to ensure that the requirements of this Constitution are observed; however, they ~~are empowered to~~ may make minor variations in the interest of feasibility of operation if such variations are agreed by 75 per cent of ~~all~~ the Trustees.

Do you support this clarifying amendment?

Answer: We support the efforts made by Trustees in enhancing public accountability, and appreciate the prompt establishment of the Monitoring Board. However, we think the Monitoring Board only comprising of representatives from capital market regulators is unable to make the organization undertake the global public accountability. We recommend that:

(a) The Monitoring Board should amend its charter (especially the restrictions on the qualification of membership as capital market regulators in Article 1 of the Charter), in order to designate more public accountability representatives as its members. Currently the composite of the Monitoring Board is unable to fully represent the global public accountability. First, almost all current members of the Monitoring Board come from securities regulators. Due to the differences in financial supervisory structures of countries, it's hard for the securities regulators to fully assume the public accountability, even for capital market. In response to the global financial crisis, prudential supervisors' concerns on accounting standards can prove this point. Second, there is no individual representative from emerging market economies. We believe it's not conducive for strengthening the financial infrastructure of major emerging market economies, and might bring about systemic risks to the global capital market. Therefore, we strongly recommend that the Monitoring Board improve its composite, and add individual representatives of other stakeholders such as the emerging market economies.

(b) Seek to establish official liaison with G20 as soon as possible. We note that since the outbreak of the global financial crisis, recommendations of G20 on improving the IFRSs and establishing a single set of high-quality global accounting standards have not only pushed forward the convergence of international accounting standards, but also expressed its support for the Foundation and the Board concerning the debate relating to IFRSs and other accounting standards at the initial stage of the crisis. This

is exact the authoritative support representing public interest that the Foundation and the Board need. Therefore, we make the official recommendations that the Foundation and the Board should seek to establish official liaison with G20, restructure the Monitoring Board, and improve the long-term financing mechanism and enhance the independence with the help of G20, so as to better assume the global public accountability.

Question 5

The Trustees seek views on the proposal to amend section 6 of the Constitution as follows to include one Trustee from each of Africa and South America:

All Trustees shall be required to show a firm commitment to the IFRS-IASC Foundation and the IFRS Board-IASB as a high quality global standard-setter, to be financially knowledgeable, and to have an ability to meet the time commitment. Each Trustee shall have an understanding of, and be sensitive to, the challenges associated with the adoption and application of high quality global ~~accounting~~ financial reporting standards developed for use in the world's capital markets and by other users. The mix of Trustees shall broadly reflect the world's capital markets and diversity of geographical and professional backgrounds. The Trustees shall be required to commit themselves formally to acting in the public interest in all matters. In order to ensure a broad international basis, there shall be:

- (a) six Trustees appointed from the Asia/Oceania region;
- (b) six Trustees appointed from Europe;
- (c) six Trustees appointed from North America; ~~and~~
- (d) one Trustee appointed from Africa;
- (e) one Trustee appointed from South America; and
- ~~(f)(d)~~ two four Trustees appointed from any area, subject to maintaining ~~establishing~~ overall geographical balance.

Do you support the specific recognition of Africa and South America?

Answer: We uphold that Trustees should include one from Africa and another one from South America respectively.

Question 6

The Trustees seek views on the proposal to amend section 10 of the Constitution as follows to allow up to two Trustees to be appointed as vice-chairmen of the Trustees.

The Chairman of the Trustees, and up to two Vice-Chairmen, shall be appointed by the Trustees from among their own number, subject to the approval of the Monitoring

Board. With the agreement of the Trustees, regardless of prior service as a Trustee, the appointee may serve as the Chairman or a Vice-Chairman for a term of three years, renewable once, from the date of appointment as Chairman or Vice-Chairman.

Do you support the constitutional language providing for up to two Vice-Chairmen?

Answer: We agree that up to two Trustees are appointed as vice-chairmen. We believe that apart from the reasons stated in the proposal, a more compelling advantage of the arrangement is that Trustees are able to perform their duties in a continuous and consistent manner, to avoid the negative impact of the sudden dismissal of the Chairman.

Question 7

The Trustees seek views on the proposal to make no specific amendments to sections 13 and 15, but to address the valid and important concerns raised by commentators by way of enhanced accountability, consultation, reporting and ongoing internal due process improvements.

Answer: We agree that no specific amendments are made to sections 13 and 15, but to address the concerns raised by commentators on issues beyond the *Constitution*, such as the *Due Process Handbook*. We recommend that the Due Process Oversight Committee conducts regular evaluation on the effectiveness of the due process executed by the Board and release the evaluation results to public regularly.

Question 8

Section 28 would be amended as follows:

The ~~IASB-IFRS Board~~ will, in consultation with the Trustees, be expected to establish and maintain liaison with national standard-setters and other official bodies ~~concerned~~ with an interest in standard-setting in order to assist in the development of IFRSs and to promote the convergence of national accounting standards and International Accounting Standards and International Financial Reporting Standards-IFRSs.

Do you support the changes aimed at encouraging liaison with a broad range of official organisations with an interest in accounting standard-setting?

Answer: We support that the Board should establish more extensive liaison, but the amendment to Section 28 is not adequate. We recommend that provisions should be made on specific liaison activities in the *Due Process Handbook for IASB*, in order to make the liaison mechanism more normal and transparent. The following amendments should be made to sections 82 to 85 in the *Due Process Handbook for*

IASB.

- (a) Add specific provisions on assisting the development of IFRS via the liaison mechanism in the *Due Process Handbook for IASB*, to enhance the transparency of the influence of liaison mechanism on IFRS;
- (b) Pay adequate attention to the role of existing mechanism, and consider establishing regular liaison with international organizations of auditing and valuation;
- (c) Consider combining the liaison mechanism with working groups on project level, and enhance the efficiency of the liaison mechanism.

Question 9

The Trustees seek views on the proposal to amend section 30 of the Constitution as follows to permit the appointment of up to two Board members to act as vice chairmen of the IASB.

The Trustees shall appoint one of the full-time members as Chairman of the ~~IASB~~ IFRS Board, who shall also be the Chief Executive of the ~~IASB~~ IFRS Foundation. ~~One~~ Up to two of the full-time members of the ~~IASB~~ IFRS Board ~~shall~~ may also be designated by the Trustees as a Vice-Chairman, whose role shall be to chair meetings of the ~~IASB~~ IFRS Board in the absence of the Chairman or to represent the Chairman in external contacts in unusual circumstances (such as illness). The appointment of the Chairman and the designation as Vice-Chairman shall be for such term as the Trustees decide. The title of Vice-Chairman would not imply that the ~~individual member (or members)~~ concerned is (or are) the Chairman-elect.

Answer: We support that up to two full-time members from the Board are designated as Vice-Chairmen, so as to better facilitate the duties of the Chairman.

Question 10

The Trustees seek views on the proposal to amend section 31 to allow for altered terms of appointment for IASB members appointed after 2 July 2009.

The proposed amendment is to allow for Board members to be appointed initially for a term of five years, with the option for renewal for a further three-year term. This will not apply to the Chairman and Vice-Chairman, who may be appointed for a second five-year term. The Chairman or Vice-Chairman may not serve for longer than ten consecutive years.

The proposed amendments to section 31 are as follows:

Members of the ~~IASB~~ IFRS Board appointed before 2 July 2009 shall be appointed for a term of up to five years, renewable once for a further term of five years.

Members of the IFRS Board appointed after 2 July 2009 shall be appointed initially for a term of up to five years. Terms are renewable once for a further term of three years, with the exception of the Chairman and a Vice-Chairman. The Chairman and a Vice-Chairman may serve a second term of five years, but may not exceed ten years in total length of service as a member of the IFRS Board.

Do you support the change in proposed term lengths?

Answer: We believe that the first term should be shortened to three years, and the second term remains five years, so that more excellent professionals who are suitable for the work of the Board can be maintained.

Question 11

The Trustees seek views on the proposal to insert in section 37 (to become section 38) of the Constitution an additional subsection as follows to allow the Trustees, in exceptional circumstances, to authorise a shorter due process period. Authority would be given only after the IASB had made a formal request. The due process periods could be reduced but never dispensed with completely.

The ~~IASB~~ IFRS Board shall:

- (a) ...
- (b) ...
- (c) in exceptional circumstances, and only after formally requesting and receiving prior approval from the Trustees, reduce, but not eliminate, the period of public comment on an exposure draft below that described as the minimum in the Due Process Handbook.

Answer: We support that the provision about the accelerated due process is added in the *Constitution*, but strongly recommend that much more strict and detailed restrictions should be made on specific circumstances applicable to the accelerated due process. We believe that these specific circumstances are really rare.

Question 12

The Trustees seek views on the proposal to amend section 37(d) (to become section 38) of the Constitution as follows to expressly provide that the IASB must consult the Trustees and the SAC when developing its technical agenda.

The ~~IASB~~ IFRS Board shall:

- ~~(e)~~(d) have full discretion in developing and pursuing the technical agenda of the IASB IFRS Board, after consulting the Trustees (consistently with section 15(c)) and the SAC (consistently with section 44(a)), and over project assignments on technical

matters: in organising the conduct of its work, the ~~IASB~~ IFRS Board may outsource detailed research or other work to national standard-setters or other organizations.

Answer: We support a stricter requirement to the Board on consulting the Trustees and the SAC on the technical agenda.

Question 13

Trustees seek views on the proposal to make no amendment to sections 44 and 45 (renumbered as 45 and 46), which are the provisions relating to the SAC, at this time.

Answer: We support that no amendment is made to sections 44 and 45. We fully recognize the efforts made by the Trustees in improving SAC, and the existing procedure, personnel component and terms of reference.

Question 14

The Trustees seek views on the proposal to amend section 48 by removing specific staff titles and replacing it with the term ‘the senior staff management team’. Accordingly section 49 should be deleted.

The Trustees also seek comment on the proposal to update the Constitution by removing all historical references that relate to when the organisation was established in 2001.

Answer: We consent to the proposal.