



Deutscher Industrie- und
Handelskammertag



Berlin, 23.06.2004

IASB
Andrea Pryde
30 Cannon Street
London EC4M 6XH

United Kingdom

Dear Mr. Tweedie

The Association of German Chambers of Industry and Commerce, the Association of German Banks and the Federation of German Industries generally welcome the discussion about "Strengthening the IASB's deliberative processes". We thank you for the opportunity to comment on the proposed revisions.

Due to the European Commission's regulation No 1606/2002 more and more European companies are preparing their accounts according to IFRS. Therefore the opportunity to take part in the standard setting process for the public e. g. the preparers of the financial accounts becomes more and more important. Just as important as a safeguard due process is the regional balance in the composition of the Board. It is obvious, that the Anglo-American tradition is over-represented. This composition has a direct impact on the standard setting and convergence process. We would appreciate if the Board would take the future balance into account.

Accessibility and transparency of the IASB's deliberative process

We welcome the proposed measures to increase the transparency of standard-setting. Enhanced transparency and accessibility via internet will offer interested parties the opportunity to inform themselves. Illustrations and examples will be very useful to show the impact of the proposed standards.

The IASB's responsiveness to constituents' comments

It is of the utmost importance that standards remain practicable. Therefore the responses of the preparers of financial accounts should be considered in particular. The IASB should be taken into account that the standards will be applicable to more and more companies. The standards should be more principle-based and avoid too many details. Too many details lead to unclearness and raise the expenses of the application. Furthermore the standard setting process should include the examination of the effects. The economic and financial effects and the practicability of the exposure draft are important for its acceptability.

Even if the IASB intends to propose slight amendments of standards, a discussion paper should be published to ensure that the impact of the change is clear and that there is no fundamental change. However we would welcome if the IASB does not

Deutscher Industrie-
und Handelskammertag

im Haus der
Deutschen Wirtschaft
Breite Straße 29
10178 Berlin

intend to make further, smaller improvements to existing standards. Small changes also make the application of standards more difficult. Therefore the IASB should wait until a full revision is undertaken.


We appreciate the mentioned summary of the Board's position on the major points raised in the comment letters. The summary and the evaluation of the comments will support the understanding and the focus of the IASB's decisions.

The extent of consultation before releasing proposals and standards

Advisory groups may improve the quality of the standard setting process. The IASB should regularly consult advisory groups in special fields to make sure that special knowledge of advisory groups can incorporate in the standard setting process.

As mentioned above the impact and practicability of standards has to be considered in an early stage of the standard setting process. Field-testings are useful and should be used on a regular basis. The results should also be published together with an exposure draft to show the effects of the draft standard.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Böhm', written in a cursive style.

Annika Böhm

Association of German Chambers of Industry and Commerce