

Minister Nakatsuka, President Hagiwara, distinguished guests. I am delighted to be able to join you for this important event to celebrate the opening of the IFRS Foundation Asia Oceania office. Allow me to say how happy I am to be here in Tokyo for the second time this year, as I had the pleasure to visit your country in May and enjoyed a warm welcome and a most fruitful series of meetings with Japanese authorities, and representatives of the business and accounting community.

For those of you who don't know me, my name is Michel Prada and I serve as Chairman of the Trustees of the IFRS Foundation. I, and my 21 fellow Trustees from around the world are responsible for the governance and oversight of the IASB. In turn, we ourselves are publicly accountable to a Monitoring Board of public authorities with responsibility for capital markets. The Acting Chairman of the Monitoring Board is my good friend Masamichi Kono, Vice-Commissioner of International Affairs of the Japanese Financial Services Agency.

My appointment earlier this year as Chairman of the Trustees brings me back to some very familiar ground. In 2000, I was Chairman of the Technical Committee of the International Organization of Securities Commissions, or IOSCO, when it endorsed for cross-border listings the international accounting standards produced by the IASB's predecessor body. In many ways, that decision put in train a process that led to the creation of the IASB with a new mission – to develop a single set of high quality global accounting standards.

Shortly after the IASB began its work, the European Union decided to adopt IFRSs from 2005. Others followed in quick succession. Today, we have companies in more than 100 countries using IFRSs. More than two thirds of G20 members now require the use of IFRSs, while almost half of Fortune Global 500 companies report using IFRSs. Look at an IFRS map of the world and you will see all of South America is now on board, Mexico and Canada in North America, the Caribbean, Australasia, vast swathes of Asia, most of Africa and Europe, including non-EU countries such as Russia. This is a remarkable success story, and a tremendous achievement in just over ten years.

Clearly, there are still some very important economies that have yet to complete their own transitions to IFRS – Japan and the United States being two examples. However, we should not forget that in each of these jurisdictions, substantial progress has been made. For instance, the US SEC already permits non-US companies to report using IFRSs, while in Japan we are starting to see an increasing number of very large Japanese companies voluntarily adopting IFRS. There is no doubt that the momentum behind IFRSs becoming global accounting standards is unstoppable, even though it may take a little longer than many of us hoped to complete this global transition to IFRS.

Of course, if IFRSs are to be global accounting standards, the IASB must become a truly global accounting standard-setter. Earlier this year, the Monitoring Board completed its governance review and the Trustees completed our strategy review. The reviews were conducted independently but in a coordinated manner. Collectively, the reviews describe a series of measures that build on the already impressive governance arrangements and due process of the IASB. The recommendations of both reviews are being implemented in full, and as a result we will have provided the IASB with the required institutional framework to become the global accounting standard-setter.

Today, we are recognising another important milestone on that journey, with the opening of the IFRS Foundation's first international office.

We already see a great deal of support for IFRS across the entire Asia-Oceania region. For example, today we will hear from our Korean friends about their experience of transitioning to IFRS. China provides the secretariat to the IASB's Emerging Economies Group. Australia and New Zealand have always been closely involved in the development of international accounting standards, even before the IASB began its work. Malaysia and Indonesia have both hosted IFRS Policy Forums and of course, here in Japan we continue to enjoy very impressive levels of support and cooperation for our work. These are perhaps just a few examples of why Asia-Oceania was the logical choice for our first office outside of London.

The office has an important role to play in supporting widespread adoption of IFRS across the Asia-Oceania region. It will fulfil a vital function, linking the developed and high-growth economies of this region into the global accounting standard-setting process.

What started as a vision has become a reality through the hard work and determination of my fellow Trustees from this region, led by Jeffrey Lucy - our Trustee from Australia. It was the unanimous view of all of the Trustees to choose Tokyo as the base for the Asia Oceania office. Once this decision was made, Aki Fujinuma and Noriaki Shimazaki, our two Japanese Trustees worked in very close cooperation with Japanese stakeholders to make the appropriate arrangements, such as funding. We really are very grateful to the Japanese Financial Accounting Standards Foundation, led by President Hagiwara for their remarkable generosity. We would not be here today without their continued support and goodwill.

Of course, this is an office to serve the whole of the Asia-Oceania region. Under the leadership of Mitsuhiro Takemura, the office director, it will become the regional hub for the IASB and will fulfil a multitude of roles, including research, stakeholder engagement and technical liaison. It will also provide an important point of interface for the Asia-Oceania Standard-Setters Group that does so much work to ensure that the voice of this region is properly reflected in the day-to-day deliberations of the IASB and that will hopefully be part of the new Forum of Standards setters we have undertaken to set up in order to improve both the preparatory to standard setting and the promotion of IFRS in the field.

To conclude these brief opening remarks, there is no doubt that we now have a very impressive facility in Tokyo. Today, we hand over these resources to the IASB and to the Asia-Oceania accounting standard-setting community. We have high hopes for the office. Please help us to ensure that this new venture is a success.