

**REPORT ON IMPLEMENTATION OF  
INTERNATIONAL DISCLOSURE STANDARDS**



**Report of the Technical Committee  
of the  
International Organization of Securities Commissions**

May 2000

In November 1999, the Technical Committee Working Group on Multinational Disclosure and Accounting (TCWG-1) distributed to its members a survey regarding the International Disclosure Standards (IDSs) published by IOSCO in September 1998.<sup>1</sup> The purpose of the survey was to determine the extent to which each Working Party member had implemented the IDSs in its home jurisdiction. A copy of the form of survey is attached, and the results are summarized below.

Of the 17 Working Party members responding to the survey, 16 indicated that either they currently accept documents prepared in accordance with the IDSs from foreign companies or they have taken steps to be in a position to do so at some point in 2000.

- In four jurisdictions, this has been accomplished by changes to laws or rules. Two of these jurisdictions [*Spain, U.K.*] permit optional use of the IDSs by foreign companies; one [*Mexico*] requires use of the IDSs by both foreign and domestic companies; and the fourth [*Italy*] has revised its listing rules in a manner that conforms to the IDS requirements (although without specific reference to the IDSs) and those listing rules apply to both foreign and domestic companies.
- Two jurisdictions [*France, U.S.*] indicated that they have changed their laws or rules to permit use of the IDSs and the changes would be effective sometime in 2000.
- Eight jurisdictions [*Australia, Belgium, Germany, Hong Kong, Japan, Luxembourg, the Netherlands, Switzerland*] indicated that currently they would permit (either through discretionary authority or other means) foreign companies to use the IDSs without the necessity of changing their laws or rules. One of these jurisdictions [*Japan*] indicated that it has amended its foreign company disclosure forms to be more comparable to the IDSs and will accept disclosure that complies fully with the IDSs under its discretionary authority. One of these jurisdictions [*Switzerland*] indicated that it plans to make follow-up changes to its laws or rules during 2000.
- Two jurisdictions [*Ontario, Quebec*] indicated that during 2000 they plan to undertake rulemaking activities in cooperation with other provincial securities regulators to permit use of the IDSs by foreign companies. In the interim period, they will consider exercising their discretionary authority to permit a foreign company to use the IDSs to access their markets.

One jurisdiction [*Sweden*] noted that the content of the IDSs would satisfy most, but not all, of the requirements for an offering in that jurisdiction, but that companies would have to

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<sup>1</sup> The jurisdictions represented on TCWG-1 are Australia, Belgium, France, Germany, Hong Kong, Italy, Japan, Luxembourg, Mexico, the Netherlands, Ontario, Quebec, Spain, Sweden, Switzerland, the United Kingdom and the United States. All of these jurisdictions completed the survey.

provide additional information on the topics covered by the IDSs before documents based on those standards would be accepted.

Apart from providing information about implementation of the IDSs as recommended by IOSCO, the survey also provided an opportunity to ask about use of the IDSs by a jurisdiction's domestic companies. As noted above, two jurisdictions [*Italy, Mexico*] indicated that domestic companies are required to provide disclosure that conforms with the IDS requirements. Eight other jurisdictions [*Australia, Belgium, Germany, Luxembourg, the Netherlands, Spain, Switzerland, U.K.*] indicated that they would permit their domestic companies to use the IDSs, although with conditions in some cases.

**SURVEY ON IMPLEMENTATION OF  
INTERNATIONAL DISCLOSURE STANDARDS**

- 1. Pick the one response (either A, B, C or D) below that best describes the extent to which the IOSCO International Disclosure Standards (IDSs) have been implemented in your jurisdiction:**

**A. We changed our rules or laws on [give date] : \_\_\_\_\_ to provide for use of the IDSs by foreign companies. Using the IDSs is [check one]:**

permitted on an optional basis, or  
required.

**B. Implementation is underway [check one]:**

We are in the process of changing our rules or laws, or  
Changes to rules or laws have been made already, but aren't yet  
effective.

Indicate the expected time frame for complete implementation:

**C. We already permit use of the IDSs by foreign companies without changes to our rules or laws (for example, by exercising discretionary authority). Nevertheless, are any follow-up changes to your rules or laws planned [check one]?**

yes (indicate date changes will be made: \_\_\_\_\_ and whether  
using the IDSs will be [check one] permitted on an optional basis, or  
required.)

no

**D. Other [please explain]:**

- 2. If you changed or are planning to change your rules or laws, do the changes [check one]:**

incorporate the full text of the IDSs into your rules or laws, or  
simply refer to the IDSs published by IOSCO?

**3. Are your domestic companies either required or permitted to use the IDSs?**

Required

Permitted, on an optional basis

Permitted and use is recommended or encouraged

Not required or permitted