

7 July 2009

IASC Foundation Monitoring Board

Press release

Statement of the Monitoring Board for the International Accounting Standards Committee Foundation Regarding Enhanced Technical Dialogue on Financial Institution Reporting Issues

Amsterdam, Netherlands, 7 July 2009 – The Monitoring Board met on Monday and expressed continued support for the ongoing efforts of the International Accounting Standards Board (IASB) to undertake a comprehensive review of the International Financial Reporting Standards (IFRS) relating to financial instruments. The Monitoring Board also supports the ambitious time schedule to deliver results by the end of this year. The IASB's actions are responsive to calls by G-20 Leaders in their Communiqué of April 2009 for “the accounting standard setters to work urgently with supervisors and regulators to improve standards on valuation and provisioning and achieve a single set of high-quality global accounting standards”, and to “reduce the complexity of accounting standards for financial instruments”.

In connection with its inaugural meeting of 26-27 June 2009, the Financial Stability Board (FSB) “encouraged the IASB to explore ways to further enhance its technical dialogue with prudential authorities, market regulators and other stakeholders on financial institution reporting issues”. The Monitoring Board believes that information derived from an enhanced dialogue with stakeholders engaged in and affected by financial institution reporting issues could contribute positively to the development of improved IFRSs in these areas.

The IASB currently engages with market participants through various advisory groups, task forces and other formal and informal dialogues with a host of market participants. We encourage these forms of constructive engagement to continue. It should confer with the Monitoring Board regarding the overall composition of the various groups. A strong system of due process is an essential complement to the independence of the accounting standard setting process.

We therefore encourage the IASB's willingness, to establish an enhanced technical dialogue on financial institution reporting issues with a cross section of stakeholders. The IASB should work with the FSB Secretariat to determine which FSB member organisations hold an interest in participating in such a group.

Notes to Editors

The members of the Monitoring Board are, at this moment, the Chairmen of the Emerging Markets and Technical Committees of the International Organization of Securities Commissions (IOSCO), the Commissioner of the Financial Services Agency of Japan (JFSA), and the Chairman of the US Securities and Exchange Commission (SEC). The Chairman of the Basel Committee on Banking Supervision participates in the Monitoring Board as an observer. Through the Monitoring Board, securities regulators that allow or require the use of IFRS in their jurisdictions will be able to more effectively carry out their mandates regarding investor protection, market integrity, and capital formation.

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