



DRSC e. V. • Zimmerstr. 30 • 10969 Berlin

Telefon +49 (0)30 206412-12

Telefax +49 (0)30 206412-15

E-Mail info@drsc.de

Pedro Solbes
Chairman, Supervisory Board
EFRAG
35 Square de Meeus
B-1000 Brussels

Berlin, 13 July 2011

Dear Mr Solbes,

EFRAG Draft Comment Letter on the Report of the Trustees' Strategy Review: IFRSs as the Global Standard: Setting a Strategy for the Foundation's Second Decade

On behalf of the German Accounting Standards Board (GASB) I am writing to respond to EFRAG's Draft Comment Letter on the Report of the Trustees' Strategy Review for public consultation: IFRSs as the Global Standard: Setting a Strategy for the Foundation's Second Decade.

To begin with, we would like to point out that we have not yet finalised our discussion on the Report of the Trustees' Strategy Review. Therefore, the following comments on EFRAG's Draft Comment Letter do not address all the aspects we will likely address in our final comment letter to the IFRS Foundations.

The GASB supports EFRAG's view that there should be an integrated package of proposals (by Trustees and Monitoring Board) to enhance the governance structure. Therefore, as EFRAG pointed out, Trustees and Monitoring Board should co-ordinate their reviews. We further share EFRAG's concern about integrating XBRL into the standard-setting process.

We disagree however with some other aspects pointed out by EFRAG:

- GASB does not believe that the focus on long-term investors should be an essential element of the Trustees' vision and strategy. As FRC states, for one there are issues of defining long term investors. Furthermore, we believe that generally speaking all investors have the same interest regarding high quality, globally accepted accounting standards.

Zimmerstr. 30 · 10969 Berlin · Telefon +49 (0)30 206412-0 · Telefax +49 (0)30 206412-15 · E-Mail: info@drsc.de
Bankverbindung: Deutsche Bank Berlin, Konto-Nr. 0 700 781 00, BLZ 100 700 00
IBAN-Nr. DE26 1007 0000 0070 0781 00, BIC (Swift-Code) DEUTDE33
Vereinsregister: Amtsgericht Berlin-Charlottenburg, VR 18526 Nz

Vorstandsausschuss:

Dr. Werner Brandt, Joe Kaeser, Prof. Dr. Rolf Nonnenmacher (Schatzmeister), Dr. Jörg Schneider



- We question whether the suggestion to have each trustee liaise “in his jurisdiction” is appropriate. Since there is no country specific appointment of the Trustees, their general – transnational –mandate should be “to assume a more visible external role” (as suggested by EFRAG).
- Regarding the integration of academic research into the Standardsetting process EFRAG suggests referring to existing academic research resources in the Discussion Paper phase. While we agree that the IASB could call upon existing academic resources for specific research questions we do not believe that helpful research results can be provided on the rather short notice of the Discussion Paper phase of a project. Also, it seems appropriate for the IASB to address research questions ahead of taking up a specific accounting problem (i.e. in response to the results of the research).

Last but not least we also note that EFRAG in several places in the DCL refers to the need for the IASB to stronger liaise with “bodies like” EFRAG. The IASB will most likely benefit from these liaisons; however we would like to note that the Trustees’ report explicitly refers to enhanced liaisons with national standard-setters. EFRAG could also refer to these particular liaisons in its comment letter.

If you have any questions regarding these comments, please do not hesitate to contact me. A copy of that letter will be send to you as soon as possible.

Yours sincerely,

Liesel Knorr
President