

IFRS Foundation
30 Cannon Street
London EC4M 6XH
UK

Cc: EFRAG

Oslo, December 17th, 2012

Dear Sir/Madam

Proposal to Establish an Accounting Standards Advisory Forum

Norsk RegnskapsStiftelse (the Norwegian Accounting Standards Board) welcomes the opportunity to submit its views on the Proposal to Establish an Accounting Standards Advisory Forum (ASAF or the Forum).

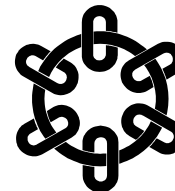
We support the proposal to establish more formalised procedure for communication between the IASB and NSS and regional bodies involved with accounting standard-setting. We also agree that the forum should be an advisory body, and not a part of the decision-making structure of the IASB.

We further agree that, to be technically effective and efficient in the discussions as well as globally representative, the size of ASAF should be limited to no more than twelve non-IASB members. This being said, we have no strong opinion on whether the correct number is twelve or a few more. However, making the decision one should also take into account that flexibility will be required to allow representation by additional individuals with specialist expertise where appropriate.

We support the proposal that membership would be on the basis of organisational representation rather than on an individual basis. We think that the objective of bringing to the table a broad range of relevant perspectives should guide how the representation from each region is organised. For some regions the objective may be better served if the membership is held by the regional bodies, rather than by individual organisations in that region. The regional body should then be responsible for coordinating the representation from that region. Specifically we think that for Europe the representation should be coordinated through EFRAG. Instead of three individual European organisations having one member each, EFRAG would have three representatives, representing Europe. As mentioned in the proposal, ASAF representatives will need to ensure that they consult others within their region to ensure that they understand their perspectives. For Europe we do not see how this could be done in a better way than through EFRAG.

Alternatively, if the IFRS Foundation will decide that EFRAG will not have all three European seats, we would argue that EFRAG should have at least one seat. If the two remaining European seats would go to national standard-setters, including the non-EU countries, we would be glad to be candidate to one of those seats.

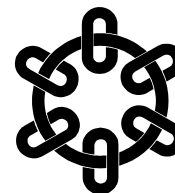
We support the proposed frequency of meetings of ASAF. As for the chairmanship there are arguments for the proposed arrangement as well as for an arrangement whereby the chairman is selected among the other ASAF members.



We suggest that a decision to establish ASAF is accompanied by a commitment to review the structure after not more than three years of operation.

Yours faithfully,

Erlend Kvaal
Chairman of the Technical Committee on IFRS of Norsk RegnskapsStiftelse



Appendix

Question 1—Do you agree with the proposed commitments to be made by ASAF members (paragraph 6.4) and that they should be formalised in a Memorandum of Understanding (paragraph 6.5)? Why or why not?

We have some concerns regarding the commitments. We agree that some kind of commitment could be required from the members, and it seems appropriate to formalise them in MoU. Of the proposed commitments listed in para. 6.4 we consider no. 1, 2 and 5 to be reasonable. However, an obligation to promote endorsement in a MoU is not compatible with the roles that some organisations have to advise governments on that question. We also think that an obligation to support consistent application is an interpretative or supervisory task beyond what is normally the roles of a NSS. In our view the commitments stated in para. 6.4 should be rethought and reformulated.

Question 2—The Foundation believes that, in order to be effective, the ASAF needs to be compact in size, but large enough to allow for an appropriate global representation. Do you agree with the proposed size and composition as set out in paragraphs 6.7–6.13? Why or why not?

We agree that the ASAF should be compact in size, in order to be effective, but large enough to allow for an appropriate global representation. Also for this reason, we think that membership could primarily be organised through the regional bodies. See further comments on that issue in our cover letter.