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Date
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CESR consultation paper on IAS/IFRS and US GAAP

Dear Mr. Colinet,

We thank you for the opportunity to comment on the CESR consultation paper and would like to state as follows:

The paper sets out the circumstances under which financial statements in the USA, Canada and Japan can be equivalent to accounting under IFRS. The major differences - above all the technical differences - between US GAAP and IFRS have been clearly described by the paper. Adjustments of the mentioned accounting systems for the purpose of achieving equivalence to IFRS above all include the following:

- Consolidation of Special Purpose Entities to the extent they are subject to consolidation under IFRS should be presented on a pro-forma basis.
- Stock options should be treated as in IFRS.
- Other differences as compared to US GAAP, such as, e.g., the impairment test or minority interests at acquisition cost have been mentioned.

Financial Instruments (IAS 39), however, have not been dealt with (mostly). This may result in a wide range of requirements for adjustment of other accounting systems.

However, we believe that the underlying general intention to facilitate access to European financial markets is more important than the presentation. This issue - which is actually a political one - has not been dealt with in the paper.

As regards the second issue dealt with in the consultation paper, namely the comparison of enforcement procedures, we would only like to make a very basic statement.

It is obvious that there is only one supreme authority for each GAAP which is in charge of enforcement and authorised to take decisions.

If one regards IFRS as a worldwide accounting standard, ultimately there can only be one institution which has to be in close proximity to the institution setting the standards, for reasons of a worldwide uniform level playing field alone, which is based on uniform application.

Yours sincerely,

Dr. Herbert Pichler
Bank and Insurance Division of the
Austrian Economic Chamber