

**Statement from Stig Enevoldsen, chairman of EFRAG
on the removal of the SEC reconciliation requirement for foreign companies listed at
US Stock Exchanges**

The removal of the US SEC requirement for foreign filers to reconcile from IFRS to US GAAP makes this a grand day for global accounting. We congratulate all the parties involved for their hard work and the efforts they have made to make this possible.

Removal of the requirement has been a long-term European objective and it proves that the decision taken back in 2001/2002 by the European Commission, the European Parliament and the European governments to require all EU listed companies to comply with IFRS in their consolidated financial statements was a wise and bold decision. The decision was also at one with those parties' vision of adapting the financial reporting requirements in the EU to the increasing globalisation of capital markets. It took a region with strength and self confidence to take such a bold step. It has proven successful for several reasons. First of all, the transition to IFRS and therefore to high quality standards has – according to surveys – been "challenging but successful". Second, the EU move gave the IASB the strength to become the leading global accounting standard setter; as has been proved by the many countries outside the EU that have also decided to follow the EU and require or allow IFRS. Countries such as Australia, Canada and South Africa could be mentioned, and China, Japan and India are moving in the same direction. And now we have the removal of the reconciliation requirement.

The removal of the reconciliation requirement is the first step by the US to acknowledge the development of a single set of high quality global accounting standards and of course I would encourage the US to continue to move forward towards one set of global accounting standards for listed companies around the world including the US.

It is now important that the IASB exercises its leadership role wisely by issuing standards only with a content and at a speed that can be accepted by its constituents. EFRAG will certainly keep the IASB informed about the European views.

But first of all, let us enjoy the good news about the removal of the US SEC requirement for reconciliation to US GAAP for foreign filers. It is especially pleasing to note that the SEC has moved quickly to remove the requirement for most companies for 2007 year ends.

Stig Enevoldsen
Chairman of EFRAG
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