



FOR IMMEDIATE RELEASE

Contacts:

Helene Kennedy +1-212-471-8707

(Mobile) +1-917-254-6706

helenekennedy@ifac.org

IFAC CALLS FOR G20 TO ADOPT GLOBAL ACCOUNTING, AUDITING, AND INDEPENDENCE STANDARDS AND TO ENHANCE GOVERNMENT TRANSPARENCY

(New York/July 31, 2009) – In a letter issued today, the International Federation of Accountants (IFAC) has called for broad action by the G20 leaders at their September meeting in Pittsburgh, PA to encourage adoption and implementation of global accounting, auditing, and auditor independence standards to improve the ability of capital markets to work globally. In addition, IFAC has called for the worldwide adoption and implementation of International Public Sector Accounting Standards as a means to greatly improve government transparency and accountability in light of the “unprecedented takeovers, lending, guarantees, and bailouts of major market institutions, banks, and companies.” It is also urging that further steps be taken to enhance the governance of the International Accounting Standards Board in order to ensure its legitimacy and its ability to act independently, and without inappropriate political interference, in its standard-setting role.

“The G20 leaders must act quickly to build a reformed international financial system,” said Ian Ball, IFAC Chief Executive Officer. “While some nations appear to be moving toward recovery from the financial crisis, underlying problems of accountability and transparency remain. We believe that the adoption of international standards can help to address these issues and play an essential role in resolving the current crisis.”

“The G20 should acknowledge that small- and medium-sized enterprises are the engine of the global economy and address their unique needs,” emphasizes Robert Bunting, IFAC President. “IFAC’s letter emphasizes this and points out that those establishing regulations must take into account any related costs and complexities that will impose burdens on, and threaten the sustainability of, the small business sector.”

IFAC’s letter to the G20 also includes recommendations on enhancing corporate governance, supporting the long-term strengthening of the accountancy profession in developing countries, and developing new tools and metrics to achieve global sustainability. The submission also asks the G20 to

facilitate debate to resolve issues between financial reporting—designed to communicate business performance to investors—and prudential reporting—used to monitor and maintain financial stability. The letter with the full list of recommendations is posted on the IFAC website (<http://www.ifac.org/financial-crisis/>).

The recommendations reflect the views of the 60 leaders of accountancy organizations who attended the IFAC G20 Accountancy Summit, which took place in London, UK, July 23-24. They build on IFAC's previous submission to the G20, which was issued prior to their April 2009 meeting.

About IFAC

IFAC (<http://www.ifac.org/>) is the global organization for the accountancy profession dedicated to serving the public interest by strengthening the profession and contributing to the development of strong international economies. IFAC is comprised of 157 members and associates in 123 countries and jurisdictions, representing more than 2.5 million accountants in public practice, education, government service, industry, and commerce.