



International Accounting Standards
Committee Foundation

Press Release

FOR IMMEDIATE RELEASE

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Trustees appoint IASB member from China

Progress on oversight and funding announced

Philip A Laskawy, Chairman of the Trustees, announced today a number of decisions relating to membership of the International Accounting Standards Board (IASB) and to the Trustees of the International Accounting Standards Committee (IASC) Foundation.

Trustees Appoint Zhang Wei-Guo, Reappoint John Smith to IASB

Zhang Wei-Guo, Chief Accountant and Director General of the Department of International Affairs of the China Securities Regulatory Commission (CSRC), will join the IASB as a full-time member on 1 July 2007 for a five-year renewable term. Dr Zhang has been actively involved in accounting standard-setting and implementation issues, auditor oversight, and cross-border regulatory cooperation issues at the CSRC and with his work with the International Organization of Securities Commissions (IOSCO). China recently agreed to adopt new national accounting standards that bring about substantial convergence between Chinese accounting standards and International Financial Reporting Standards (IFRSs). Dr Zhang becomes the second IASB member from an emerging economy and the second IASB member from Asia.

The Trustees have reappointed **John Smith**, currently a part-time member, to a full-time position for a second five-year term, also beginning on 1 July 2007. Brief biographical notes on Dr Zhang and Mr Smith are attached.

The Trustees are in the process of completing their search for the remaining IASB position to be vacated in June 2007.

Mr Laskawy expressed his delight with the appointment of Dr Zhang and the reappointment of Mr Smith to the IASB:

Zhang Wei-Guo will bring an important perspective to the IASB. In his position at the CSRC, he has been a strong advocate of the need for high quality international

financial reporting standards and has witnessed practical implementation issues from the perspective of a market regulator in the world's largest emerging economy. John Smith has made an invaluable contribution to the IASB during his first term, and the Trustees are pleased that he has agreed to serve a second term.

Enhanced measures on Trustee oversight

The Trustees approved a framework to guide and evaluate the effectiveness of their oversight function. This recognizes the importance of oversight effectiveness as an integral part of the wider concept of Trustees' accountability. The Trustees' Procedures Committee, now chaired by Antonio Vegezzi, will oversee the implementation of this framework.

In announcing approval of the oversight framework, Mr Laskawy commented:

My colleagues and I believe that the development of more formalised measures of effectiveness in oversight will assist the Trustees in carrying out our duties and in protecting the independence of the IASB's standard-setting process. The continued improvement of oversight measurements, consistent with the IASC Foundation's Constitution, will improve confidence in the standard-setting process and is an important element of enhancing that independence.

Long-term funding advanced

The Trustees reviewed their progress in implementing the agreed framework to establish a broad-based, sustainable funding regime to finance the activities of the IASC Foundation and the IASB from 2008 onwards. The Trustees aim to raise £16 million in 2008, with the funding burden shared worldwide on a proportionate basis, using Gross Domestic Product as the determining factor of measurement. The Trustees were encouraged by the support for their plans expressed by the Economic and Financial Affairs Council of the European Union (ECOFIN), the committee of EU Finance Ministers, in July 2006.

In Europe, two years in advance of the 2008 deadline, France has initiated a financing system consistent with the Trustees' objectives. Austria has formally committed itself to the assigned target in 2008. Germany, Italy, the Netherlands, Spain and the United Kingdom are making positive progress in establishing a new national funding mechanism. Recently, those Trustees based in the US launched an expanded and vigorous fundraising effort in that

country. Elsewhere, China and Japan are committed to having mechanisms in place by 2008 and have already succeeded in raising a significant portion of the allocated totals.

Commenting on long-term funding, Mr Laskawy said:

I am pleased with the good progress being made in each country in establishing long-term funding arrangements, based upon the principles agreed earlier this year.

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The Trustees also announced the reappointment of Bertrand Collomb, Chairman of Lafarge, for a three-year term. The Trustees will shortly complete their consultations with the Trustee Appointments Advisory Group about the remaining four positions to be vacated by the end of the year.

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NOTE TO EDITORS

1. The International Accounting Standards Committee (IASC) Foundation, based in London, is the oversight body of the International Accounting Standards Board (IASB). The governance of the organisation rests with 22 Trustees. Six of the Trustees must be selected from the Asia/Oceania region, six from Europe, six from North America, and four from any region.
2. The IASC Foundation, through the IASB, is committed to developing, in the public interest, a single set of high quality, global accounting standards that require transparent and comparable information in general purpose financial statements. The IASC Foundation is funded by contributions from the major accounting firms, private financial institutions and industrial companies throughout the world, central and development banks, and other international and professional organisations.
3. For copy of the oversight framework approved by the Trustees, please visit the IASC Foundation's Website at www.iasb.org.

BIOGRAPHY OF ZHANG WEI-GUO

Zhang Wei-Guo is Chief Accountant and Director General of the Department of International Affairs of the China Securities Regulatory Commission (CSRC). He joined the CSRC as its Chief Accountant in 1997.

While at the CSRC, Dr Zhang has had experience in a number of national and international standard-setting, and regulatory activities. Since 2002, Dr Zhang has been a member of Standing Committee No.1 on Accounting, Auditing and Disclosure of the Technical Committee of the International Organization of Securities Commissions (IOSCO). He has also been a member of the China Accounting Standards Committee since 1998 and the China Auditing Standards Committee since 2004.

Before joining the CSRC, Dr Zhang was Head of the Department of Accounting at Shanghai University of Finance & Economics (SUFU), where he also received his PhD in economics. Dr. Zhang has been a PhD supervisor at SUFU since 1993 and at Tsinghua University since 2000. He has published a number of articles, monographs on issues related to accounting, corporate governance, and globalisation.

In accordance with the rules applying to IASB appointments, Dr Zhang will relinquish his employment with the CSRC upon taking up his appointment.

Dr Zhang is married with one son.

BIOGRAPHY OF JOHN SMITH

John T Smith was originally appointed to the International Accounting Standards Board in September 2002. In June 2007, he will retire from Deloitte & Touche (D&T) where he is a partner in the national office in the US. He provides accounting consultation to D&T national office and client service personnel.

Until joining the IASB, Mr Smith represented D&T on the Emerging Issues Task Force of the US Financial Accounting Standards Board (FASB). He was a member of the FASB's Derivatives Implementation Group (DIG) and Financial Instruments Task Force. He was a member of the International Financial Reporting Interpretations Committee (IFRIC) and was previously a founding member of the predecessor body, the Standing Interpretations Committee. Representing the US he served as a member of the Board of IASC in 2000. He was a member of the Steering Committee for the development of IAS 39 and chaired the former IAS 39 Implementation Guidance Committee.

Before joining the National Office of D&T in Wilton, Mr Smith was in charge of the Financial Instruments Research Group in New York. That group consisted of financial instruments specialists whose focus was on the valuation and operation of, and accounting for, financial products. Under his direction, the group provided consultation and technical support to practice office personnel and clients nationally, primarily on financial instruments including securitisations, hedging and risk management strategies and policies, off balance sheet instruments, derivative products, and valuation techniques.

He received his BA and MA in accounting from the University of South Florida.