



International Accounting Standards  
Committee Foundation

# Press Release

18 October 2007

**Gerrit Zalm,  
former Dutch Deputy Prime Minister and Finance Minister,  
appointed Chairman of the Trustees**

The International Accounting Standards Committee (IASC) Foundation announced today that Gerrit Zalm, the former Deputy Prime Minister (2003–2007) and Finance Minister (1994–2002, 2003–2007) of the Netherlands, has accepted the Trustees' invitation to become the next Chairman of the Trustees. The Trustees are the oversight body of the International Accounting Standards Board (IASB). Mr Zalm's three-year term will begin on 1 January 2008.

The appointment follows an international search in which candidates and nominations were sought from a wide range of interested parties. Mr Zalm's appointment carries the strong support of the Trustee Appointments Advisory Group, a group comprising leaders of major international organisations.

In announcing the appointment, Philip Laskawy, the current Chairman of the Trustees, expressed his delight, and that of the other Trustees, at Mr Zalm's willingness to assume the chairmanship. He said:

Gerrit Zalm has been a leading advocate of the adoption of International Financial Reporting Standards (IFRSs) in the European Union and brings extensive experience in the field of international co-operation on economic policy issues. The experience he gained as the Dutch Finance Minister over nearly 12 years will be highly relevant as the organisation advances to its objective of having IFRSs implemented in a consistent manner throughout the world's capital markets.

Speaking after his appointment, Gerrit Zalm said:

I am looking forward to working with my fellow Trustees and with David Tweedie and the other members of the International Accounting Standards Board. The IASC Foundation and the IASB have made extraordinary progress in a short period of time,

and it is an honour to be selected to lead the organisation. There is a growing acceptance of the need for international accounting standards as the basis of financial reporting for the world's rapidly integrating capital markets. It is the role of the Trustees to help ensure that progress continues on a worldwide basis. In the coming months, I will work with my colleagues on the Trustees to continue to implement a number of oversight initiatives already under way and to advance the establishment of a broad-based financing programme.

**END**

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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. The Chairman is a part-time position.
2. Paul Volcker, former chairman of the US Federal Reserve Board, served as the first Chairman of the Trustees from 2001 to 2005. Tommaso Padoa-Schioppa assumed the chairmanship in January 2006, but stepped down when he became Finance Minister of Italy in May 2006. Philip Laskawy, former Chairman of Ernst & Young International, has served as Chairman since then and will step down from that position when Mr Zalm takes office on 1 January 2008.
3. 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.

**Biography of Gerrit Zalm**

Gerrit Zalm is a former Deputy Prime Minister and Minister of Finance of the Netherlands. Having served under four governments from 1994 to 2007, he is the longest serving Minister of Finance in the history of his country.

Beginning in 1975 and before becoming Minister of Finance in 1994, Mr Zalm held a number of high level positions in the Dutch Ministry of Finance and Ministry for Economic Affairs. In 1981 he was appointed the Deputy Director for Budgetary Affairs and Head of the Budget

Preparation Division. In 1983 Mr Zalm was appointed Deputy Director for General Economic Policy at the Ministry for Economic Affairs, becoming head of that directorate in 1985. He then joined the Central Planning Bureau in 1988, first as a Deputy Managing Director and from 1989 as Managing Director. He also served as part-time Professor in Economics at Amsterdam Free University (discipline Economic Policy) from 1990.

Since leaving the Dutch Government in February 2007, Mr Zalm has taken a number of advisory positions for private organisations. He is currently Chief Economist for DSB Bank, a consultant to PricewaterhouseCoopers in the Netherlands, and an adviser to Permira, a private equity fund. Mr Zalm is also Chairman of the Advisory Council of We go 4 it, a co-operative effort among the social assistance organisations of the four largest cities of the Netherlands.

Gerrit Zalm was born in Enkhuizen on 6 May 1952, is married and has five children. After completing his secondary education, he received a degree in General Economics at Amsterdam Free University in 1975.

## **Criteria for selecting Trustees**

The IASC Foundation has adopted the following guidelines for the selection of Trustees, as set out in its Constitution:

- 5 The Trustees shall be responsible for the selection of all subsequent Trustees to fill vacancies caused by routine retirement or other reason. In making such selection, the Trustees shall be bound by the criteria set forth in Sections 6 and 7 and in particular shall undertake mutual consultation with international organisations as set out in Section 7, for the purpose of selecting an individual with a similar background to that of the retiring Trustee, where the retiring Trustee was selected through a process of mutual consultation with one or more international organisations.
- 6 All Trustees shall be required to show a firm commitment to the IASC Foundation and the IASB as a high quality global standard-setter, to be financially knowledgeable, and to have an ability to meet the time commitment. Each Trustee shall have an understanding of, and be sensitive to the challenges associated with the adoption and application of high quality global accounting standards developed for use in the world's capital markets and by other users. The mix of Trustees shall broadly reflect the world's capital markets and a diversity of geographical and professional backgrounds. The Trustees shall be required to commit themselves formally to acting in the public interest in all matters. In order to ensure a broad international basis, there shall be
  - (a) six Trustees appointed from North America;
  - (b) six Trustees appointed from Europe;
  - (c) six Trustees appointed from the Asia/Oceania region; and
  - (d) four Trustees appointed from any area, subject to establishing overall geographical balance.
- 7 The Trustees shall comprise individuals that as a group provide an appropriate balance of professional backgrounds, including auditors, preparers, users, academics, and other officials serving the public interest. Two of the Trustees shall normally be senior partners of prominent international accounting firms. To achieve such a balance, Trustees should be selected after consultation with national and international organisations of auditors (including the International Federation of Accountants), preparers, users and academics. The Trustees shall establish procedures for inviting

suggestions for appointments from these relevant organisations and for allowing individuals to put forward their own names, including advertising vacant positions.

- 8 Trustees shall normally be appointed for a term of three years, renewable once: in order to provide continuity, some of the initial Trustees will serve staggered terms so as to retire after four or five years.

### **The IASC Foundation's Executive Committee**

The Trustees advertised for candidates and nominations and hired a search firm to assist in the nominations process. The Executive Committee managed the Chairman's search process with the assistance of a search firm and put forward candidates for consideration by the Trustees and the Trustee Appointments Advisory Group.

The members of the Executive Committee are:

Philip Laskawy, Chairman  
Bertrand Collomb, Vice Chairman  
Richard Humphry  
Sir Bryan Nicholson  
Antonio Vegezzi.

### **The Trustee Appointments Advisory Group**

This is a high level and broadly representative advisory group to help the Trustees in discharging their responsibility for nominating and appointing highly qualified and interested people as Trustees.

The use of the Advisory Group is aimed at increasing consultation between the Trustees and official international and regional organisations with an interest in accounting standard-setting. The Advisory Group's terms of reference are set out below.

The members of the Trustee Appointments Advisory Group are:

- Jane Diplock, Chairman of the Executive Committee, International Organization of Securities Commissions
- Mario Draghi, Chairman, Financial Stability Forum
- Donald Kaberuka, President, African Development Bank
- Haruhiko Kuroda, President, Asian Development Bank
- Luis Alberto Moreno, President, Inter-American Development Bank
- Rodrigo de Rato y Figaredo, Managing Director, International Monetary Fund
- Jean-Claude Trichet, President, European Central Bank
- Paul Volcker, Chairman of the Appointments Advisory Group and former Chairman of the Trustees
- Robert Zoellick, President, World Bank (*to be confirmed following appointment*).

## **Terms of reference and operating procedures of the Trustee Appointments Advisory Group**

### **Mandate**

1. The Trustees of the IASC Foundation shall consult the Trustee Appointments Advisory Group on nominations to the IASC Foundation Trustees before a final decision is made regarding appointments.
2. Members of the Advisory Group are free to suggest candidates who they believe would be well-qualified Trustees.
3. The ultimate decision on appointments will remain with the Trustees, consistently with the need to maintain organisational independence. However, the Trustees will explain to the members of the Advisory Group the rationale for any decision contrary to reservations expressed by members of the Advisory Group.

### **Membership**

4. The Advisory Group shall comprise five to eight leaders of official international and regional organisations that have an interest in the development of a single set of rigorous, internally consistent, and enforceable international accounting standards, faithfully and consistently applied throughout the world's capital markets.
5. The organisations selected for representation should reflect a geographical balance.
6. The membership of the Advisory Group shall also reflect the different perspectives of the official community with an interest in accounting standard-setting, including, but not limited to, securities regulators, banking supervisors, and development organisations.

### **Operations**

7. The Advisory Group shall meet at least once annually, either in person or by conference call. Additional meetings may be necessary in the event of extraordinary appointments.
8. The Chairman of the Trustees of the IASC Foundation shall chair the meetings of the Advisory Group. The Chairman of the Trustees shall determine whether other Trustees and the secretariat shall attend meetings of the Advisory Group.
9. The secretariat of the IASC Foundation shall be responsible for handling administrative arrangements for meetings of the Advisory Group, including the preparation of meeting materials. Such materials shall be sent to members of the Advisory Group at least seven days in advance of the meetings.