

24 January 2014

## **Representatives of the Accounting Standards Board of Japan and the European Financial Reporting Advisory Group Hold Bilateral Meeting**

Representatives of the Accounting Standards Board of Japan (ASBJ) and the European Financial Reporting Advisory Group (EFRAG) met on 21 and 22 January 2014, in Tokyo, Japan.

The ASBJ and EFRAG (hereafter “both parties”) have been exchanging views and information for the development of high-quality global accounting standards. Considering the recent developments including the creation of the Accounting Standards Advisory Forum (ASAF), both parties felt that it would be useful to formalise the past practice of holding bilateral meetings so as to better understand views and surroundings of each party.

At this meeting, the ASBJ and EFRAG both provided updates on their respective activities, and exchanged views on the opportunities for cooperation between the two parties as well as among the interested parties more broadly, including major national accounting standard-setters from the world. As for the technical topics, the ASBJ and EFRAG discussed respective views on the International Accounting Standards Board (IASB)’s major projects including the Conceptual Framework, Financial Instruments, Leases and Insurance Contracts. In addition, the ASBJ and EFRAG discussed how they can work together more effectively on research activities including the topic of impairment and amortisation of goodwill on which both parties and the Organismo Italiano di Contabilità (OIC) have worked together.

Both parties agreed that they would continue to exchange views on issues faced and potential future concerns and confirmed that the next meeting will be held in Brussels.

Ikuo Nishikawa, Chairman of the ASBJ, stated “I am very pleased to hold the meeting, and would like to thank Françoise for coming to Tokyo. I found it very meaningful for us to exchange information and views on major issues regarding global accounting standard-setting with representatives of EFRAG. I believe this enables us to form more informed views when participating in the global discussions relating to accounting standards such as those at the ASAF meetings.”

Françoise Flores, EFRAG Chairman, stated “To provide useful contribution to the international standard-setting process from a European perspective, it is essential to have a good understanding of the current thinking of other major stakeholders in the IFRS global community. EFRAG’s participation in the ASAF and our regular communication with the ASBJ are very valuable to serve this purpose. The meeting that we have just concluded in Tokyo has enhanced our understanding of the views of Japan on the major financial reporting issues which are open for discussion at present.”

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### **About the Accounting Standards Board of Japan**

The Accounting Standards Board of Japan (ASBJ) was established in July 2001 as a private-sector organisation. Accounting standards developed by the ASBJ are to be authorised by the Financial Services Agency as part of generally accepted accounting principles. The ASBJ develops accounting standards and implementation guidance that appropriately reflect the environment in which business enterprises operate. The ASBJ also communicates with corresponding organisations abroad and contributes to the development of global accounting standards.

### **About the European Financial Reporting Advisory Group**

The European Financial Reporting Advisory Group (EFRAG) was set up principally for the purpose of:

- Providing pro-active advice to IASB (the International Accounting Standards Board);
- Advising the European Commission on the acceptability of International Financial Reporting Standards (IFRS) for endorsement for use in Europe in the consolidated accounts of all listed companies;
- Stimulating, coordinating, and carrying out pro-active accounting activities; and
- Advising the European Commission on any resulting changes to be made to the accounting directives and related topics.