Are we there yet?
Charting the world’s progress towards global accounting standards

Hans Hoogervorst
Chairman of the IASB
Support for global accounting standards

“We reaffirm our objective to achieve a single set of high quality global accounting standards”

G20 Leaders, 2011

“The World Bank has an enduring commitment to a single set of high-quality, harmonized international financial reporting standards”

World Bank, 2011

“IOSCO has long supported the work of the IASB in its efforts to develop high-quality set of standards that can be applied globally”

IOSCO, 2004
## First batch of jurisdictional profiles

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First batch: Commitment to IFRSs as global standards

Public commitment in support of global accounting standards

- 63 jurisdictions have publicly committed to IFRSs
- 3 = Albania, Macao & Switzerland

IFRSs as those standards

- 65 jurisdictions consider IFRSs as global accounting standards
- 1 = Switzerland

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First batch: Adoption of IFRSs

Completion of IFRS adoption

- **55**: Completed adoption
- **11**: Not adopted or in process
Modifications to IFRS are rare

- **European Union**: IAS 39 ‘temporary carve-out’
  99.5%+ of all EU companies report using full IFRS

- **Effective dates**: A few jurisdictions deferred dates of several standards, notably IFRSs 9, 10, 11, 12

- **Pending completion of IASB projects**: A few modifications pending completion of IASB projects
Why jurisdictions resist the temptation to tinker

1. IASB’s due process provides ample opportunity for all views to be considered

2. Strong governance and public accountability

3. Endorsement mechanisms encourage solutions to be found

4. Accounting standards aim to achieve neutral description of economic reality, rather than shape it
Remaining challenges

- Support the transition of remaining major economies
- Further enhance even application of standards
Conclusions

- Almost universal support for IFRSs as the single set of global accounting standards
- Profiles indicate substantial progress towards that goal
- Deviation from full IFRS is rare, and transitional
- Hard-fought gains must be protected
Thank you