

# MEDIA RELEASE

Singapore, June 11, 2024

## **The IFRS Foundation Monitoring Board welcomes the progress of standard-setting activities and underscores the importance of the oversight by the IFRS Foundation Trustees**

During last week’s meeting of the IFRS Foundation Monitoring Board in Singapore, the Monitoring Board discussed the activities of the Trustees of the IFRS Foundation, including their oversight responsibilities in respect of the International Accounting Standards Board (IASB) and the International Sustainability Standards Board (ISSB). The meeting was joined by the members of the Trustees of the IFRS Foundation under the leadership of Erkki Liikanen, Chair of the Trustees, as well as Andreas Barckow, Chair of the IASB, and Emmanuel Faber, Chair of the ISSB.

Among other activities, the Monitoring Board welcomed the finalization of the *Inaugural Jurisdictional Guide for the adoption or other use of ISSB Standards* in May 2024. The Monitoring Board members shared their views on different ways to adopt, apply or make use of sustainability-related disclosures. They also acknowledged the usefulness of consistency, comparability and interoperability of sustainability-related information for the benefit of investors and the ISSB’s capacity-building efforts as jurisdictions consider incorporation of climate-related and other disclosures in their corporate reporting regimes. In this context, effective functioning of a multi-location model<sup>1</sup> would be essential for close engagement with stakeholders in various regions in the ISSB’s effort to promote the implementation of IFRS S1 and S2 around the globe.

The Monitoring Board noted the importance of rigorous due process in the development of high-quality IFRS Accounting Standards and the IFRS Sustainability Disclosure Standards and that the Monitoring Board will continue to collaborate with the Trustees to ensure both sets of Standards are developed under robust governance, due process and oversight while ensuring independence in their individual standard setting activities. In this context, the Monitoring Board took particular note of the finalization of the two new IFRS Accounting Standards, IFRS 18 *Presentation and Disclosure in Financial Statements* and IFRS 19 *Subsidiaries without Public Accountability: Disclosures* by the IASB and the recent decision by the ISSB to commence research projects related to biodiversity, ecosystems and ecosystem services as well as human capital.

As for the broad strategies of the IFRS Foundation, the Monitoring Board reaffirmed that stable and diversified funding should be achieved in a transparent manner in support of both Standard Setting Boards’ activities. The Monitoring Board also noted the importance of connectivity between the two Boards under the “Two Boards under One Foundation” model.

Takashi Nagaoka, Chairman of the IFRS Monitoring Board and Deputy Commissioner for International Affairs of Japan Financial Services Agency said:

*“I am pleased to co-host a discussion between the IFRS Foundation Trustees and the Monitoring Board members at an important juncture where the ISSB finalized its “Inaugural Jurisdictional Guide for the*

---

<sup>1</sup> The ISSB operates a multi-location model to ensure proximity and market relevance across the world. The IFRS Foundation has a multi-location footprint with offices in London, Beijing, Frankfurt, Montreal, San Francisco and Tokyo.

*adoption or other use of ISSB Standards,” providing much-awaited support to jurisdictional approaches, and the IASB released two new accounting standards, IFRS 18 and 19, which is the first such output of new accounting standards in over six years. The IFRS Foundation Trustees and the Monitoring Board members are aligned in support of good governance of the Foundation to promote sustainability-related disclosures and continuing development of high-quality financial reporting standards to serve the capital markets globally.”*

### **About the IFRS Foundation Monitoring Board**

The Monitoring Board was created in 2009 with the aim of overseeing the IFRS Foundation, whose Trustees in turn exercise oversight over the IASB (International Accounting Standards Board) and the ISSB (International Sustainability Standards Board).

The members of the Monitoring Board are the Board of the International Organization of Securities Commissions (IOSCO), the IOSCO Growth and Emerging Markets Committee, the Financial Services Agency of Japan (JFSA), the European Commission, the US Securities and Exchange Commission (SEC), the Comissão de Valores Mobiliários (CVM) of Brazil, the Financial Services Commission (FSC) of Korea, the Ministry of Finance of the People’s Republic of China and the Financial Conduct Authority (FCA) of the United Kingdom.

The Basel Committee on Banking Supervision (BCBS) is an observer.

Through the Monitoring Board, capital markets authorities responsible for setting the form and content of financial reporting in their respective jurisdictions are able to carry out more effectively their mandates regarding investor protection, market integrity and capital formation.

### **Press Enquiries**

Mr. Makoto Sonoda

Director of Japanese Delegation for International Forum of Independent Audit Regulators

Japan Financial Services Agency

Email: [makoto.sonoda@fsa.go.jp](mailto:makoto.sonoda@fsa.go.jp)

Ms. Moe Kadowaki

Section Chief, Corporate Accounting and Disclosure Division

Japan Financial Services Agency

Email: [moe.kadowaki@fsa.go.jp](mailto:moe.kadowaki@fsa.go.jp)