



February 22, 2008

**EABC Response to the Committee of European Securities Regulator's advice on the equivalence of Chinese, Japanese & US GAAPs**

(Ref.: CESR/07-761)

The European American Business Council (EABC) is a leading business association representing 69 EU and US-based companies on Trans-Atlantic trade and investment policies. EABC works to foster the continued integration and growth of the European and American economies, as well as the reduction of trade and investment barriers by speaking out on issues that fortify or threaten the Trans-Atlantic commercial relationship.

EABC appreciates the opportunity to respond to the Consultation Paper "CESR's advice on the equivalence of Chinese, Japanese and US GAAPs". Our members commend CESR for finding US GAAP equivalent to IFRS. We believe this is a significant step forward from the 2005 Technical Advice which would have imposed reconciliation to IFRS on companies reporting under US GAAP. Our members welcome CESR's thoughtful adaptations in light of the recent developments in international financial reporting - especially those by the United States Securities and Exchange Commission (SEC).

We thank and applaud regulators and standard setters on both sides of the Atlantic for their goodwill and great cooperation on this issue. EABC will continue to be a strong supporter of this well-working Trans-Atlantic dialogue for the efficiency of the capital markets on both sides of the Atlantic and the benefit of European and American companies. Nevertheless, the end goal must be one set of high-quality global accounting standards. For that reason it is vitally important that convergence of accounting standards continues.

EABC member companies call on CESR, the European Commission, EU Member States and the European Parliament to decide as soon as possible this year on the

equivalence between US GAAP and IFRS in order to avoid the duplication of financial statements.

We are looking forward to CESR's final advice to the European Commission that US GAAP is deemed equivalent to IFRS. Please do not hesitate to call on us if we can be of any assistance.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Michael C. Maibach", followed by a horizontal line.

Michael C. Maibach  
President & CEO  
European-American Business Council