ACCOUNTANCY EUROPE.

Erkki Liikanen
Chair of the Trustees
IFRS Foundation

Submitted online
Brussels, 13 November 2026

Subject: Accountancy Europe's comments to the Proposed Targeted Amendments to the IFRS Foundation Constitution

Dear Mr Liikanen,

Accountancy Europe is pleased to provide comments to the IFRS Foundation's Exposure Draft (ED): Proposed Targeted Amendments to the IFRS Foundation Constitution.

We welcome the IFRS Foundation's initiative to strategically review its operations and identify areas of improvements to support its long-term financial sustainability, increase operational efficiency and provide more flexibility in its governance arrangements.

Whilst we understand the need to address funding considerations, we strongly encourage the IFRS Foundation to ensure the amendments preserve and do not compromise the high-quality, robust and effective standard-setting. Indeed, the key purpose of the IFRS Foundation is *to develop, in the public interest, high-quality, understandable, enforceable and globally accepted standards* via the International Accounting Standards Board (IASB) for accounting standards and the International Sustainability Standards Board (ISSB) for sustainability disclosure standards.

Before reducing the number of board members, we invite the IFRS Foundation to explore alternative governance models for cost-savings which could include reviewing board's roles and responsibilities, the scope of work and links with remunerations.

Under this overarching consideration, we provide our comments to the proposals categorised as per the questions in the ED.

QUESTION 1 - BOARD SIZE AND GEOGRAPHICAL ALLOCATION OF BOARD MEMBERS

The IFRS Foundation proposes the following key changes under this category:

- reducing the size of the IASB and ISSB from 14 members to 8-12, with an expectation of 10-member per board from 2028
- changing the geographical representation, guaranteeing 2 members each for Europe (currently 4 for the IASB and 3 for the ISSB), Asia-Oceania, the Americas, and one for Africa, with the remaining being at-large members.

Accountancy Europe has significant concerns with the board size reduction proposals (particularly to 8 members) as we believe that this could negatively affect the standard-setting quality and activities. Specifically, we are concerned that a smaller board will affect the standard-setting workload and lead to longer project timelines. Stakeholders need quicker responses to their needs in the current dynamic

environment. Excessively long timelines to finalise a project are not fit-for-purpose, particularly if caused by lack of resources at the board level.

In addition, we question whether a smaller board, particularly with 8 members, would maintain the necessary balance of technical expertise and professional backgrounds, including adequate representation of groups (preparers, regulators, auditors, investors and academics).

Lastly, we believe that excessive reductions negatively impact the board's capacity to conduct and maintain the required level of stakeholders' engagement, therefore impairing the quality and the timeliness of these outreach activities (see our comments on "geographic representation" below).

Geographic representation

Accountancy Europe acknowledges that board members are appointed in their individual capacity. They often have strong connections with stakeholders and provide valuable insights on their respective regions. Therefore, we believe that a smaller board would reduce geographical reach and effectiveness of outreach activities, impairing the continued uptake of the IASB and ISSB standards.

In addition, we are concerned that the proposed geographical allocation in light of the board membership reduction, may not preserve an adequate geographical representation or diversity. We believe that the geographical representation should prioritise regions applying the IASB and ISSB standards, as well as those contributing most resources.

On another note, we disagree with the argument that a wide variety of feedback from stakeholders will compensate for the reduced board size.

Asymmetry between the IASB and the ISSB

On a separate note, we question whether the IASB and ISSB should be subject to identical reductions and compositions, given their different roles, objectives and technical requirements as well as the fact that they are in different phases of standard-setting.

We believe that the size of each board should be guided by and commensurate with the workplan and operational needs.

QUESTION 2 — PART-TIME MEMBERS

The IFRS Foundation proposes retaining the current provisions of part-time members for the IASB and ISSB, i.e., up to three for the IASB and a minority for the ISSB.

Accountancy Europe suggests the maximum number of part-time members should be reconsidered to remain proportionate to the actual number of board members, and remain a minority. This would help to not compromise the effectiveness of the board or standard-setting activities and ensure that board members have sufficient time and availability to fulfil their responsibilities, including providing technical guidance to staff.

QUESTION 3 – VOTING ARRANGEMENTS

The IFRS Foundation proposes requiring a simple majority plus one affirmative vote for a total of at least five affirmative votes for the approval of standards and exposure drafts. For all other decisions, a simple majority is proposed, with a minimum of four affirmative votes.

Accountancy Europe supports the existing voting thresholds and transparency requirements. We believe that voting thresholds should be applied consistently to preserve the integrity of the standard-

setting process. For example, if a board has 8 members, the minimum affirmative votes should be six instead of five.

We suggest maintaining a sufficient number of Board members to ensure effective decision-making (as noted above), but also the work and technical discussions. With a reduced board size, there will be restrictions on small group meetings to be able to preserve transparency and ensure that technical discussions are held in public meetings. The current requirements related to private meetings as laid out in the Due Process Handbook seem to work well in practice, however, applying them for smaller boards will be more challenging. This would include the number of board members meeting in private, as well as the number of board members meeting with staff in private in supporting research and developing proposals that are discussed in public meetings.

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Please do not hesitate to contact Jona Basha (jona@accountancyeurope.eu) or Nael Braham (nael@accountancyeurope.eu) in case of any questions or remarks.

Sincerely,



Eelco van der Enden

Chief Executive

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Accountancy Europe unites 49 professional organisations from 35 countries that represent close to **1 million** professional accountants, auditors and advisors. Accountancy Europe translates their daily experience to inform the public policy debate in Europe and beyond.

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