



SAS Quadra 05. Bloco J. CFC
Brasília, Distrito Federal – Brazil
www.cpc.org.br

February 11, 2011
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

RE: Effective Dates and Transition Methods

Dear Sir/Madam,

The Comitê de Pronunciamentos Contábeis – CPC (Brazilian Accounting Pronouncements Committee) ¹ welcomes the opportunity to comment on the *Request for Views on Effective Dates and Transition Methods*.

We are a standard-setting body engaged in the study, development and issuance of accounting standards, interpretations and guidances for Brazilian companies.

As a general comment we would first like to explain that, in line with the convergence process conducted in Brazil, almost all IFRSs currently effective are to be incorporated by Brazilian companies in the elaboration of their 2010 financial statements, when IFRS-equivalent standards issued by the CPC become effective. Brazilian Listed Companies and major Financial Institutions and Insurance Companies is going to present consolidated financial statements for the year ended 31 December 2010 in IFRS. Taking that into account and considering that other countries have plans of adopting IFRS on 2011 or 2012, we would like to recommend the Board to postpone the effective dates of new major standards to 2015 and to establish a stable platform during such period.

Regarding other transition issues, we would like to state that:

- a) we support the establishment of a unique effective date for all new standards, since entities could deal with them under one single adoption project;

¹ The Brazilian Accounting Pronouncements Committee (CPC) is a standard-setting body engaged in the study, development and issuance of accounting standards, interpretations and guidances for Brazilian companies. Our members are nominated by the following entities: ABRASCA (Brazilian Listed Companies Association), APIMEC (National Association of Capital Market Investment Professionals and Analysts), BMFBOVESPA (Brazilian Stock Exchange and Mercantile & Future Exchange), CFC (Brazilian Federal Accounting Council), FIPECAFI (Financial and Accounting Research Institute Foundation) and IBRACON (Brazilian Institute of Independent Auditors).



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- b) we believe it would be appropriate to give entities the option of adopting all of the new IFRSs before their mandatory effective date;
- c) we noticed that the table listing the projects that are the subject of the Request for Views did not include the project on rate-regulated activities. In this sense, we would like to inform that the proposals contained in the Exposure Draft *Rate-regulated Activities* may also have considerable effects on several Brazilian entities.

This response summarizes the views of our members, which may be supported by the opinions of external parties, sent to us for analysis and to enhance the discussion on the subject matter. We have also made efforts to encourage other external parties to send comments directly to the IASB.

If you have any questions about our comments, please contact us.

Yours sincerely

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Comitê de Pronunciamentos Contábeis (CPC)