



International Accounting Standards  
Committee Foundation

# Press Release

11 March 2008

## Three Trustees appointed

The International Accounting Standards Committee (IASC) Foundation announced today the appointment of three Trustees:

- **Robert Glauber**, retired chairman and chief executive officer, NASD (the private sector regulator of the US securities market), and former Under Secretary of the Treasury for Finance, United States
- **Pedro Malan**, former Finance Minister and former president of the Central Bank of Brazil, and currently chairman of the board of Unibanco
- **Luigi Spaventa**, former chairman of the Commissione nazionale per le società e la borsa (Consob) and former Minister of the Budget, Italy.

The appointments mark the completion of an international search and carry the support of the Trustee Appointments Advisory Group. The search focused on identifying candidates with experience, at the highest levels in the public and private sectors, with issues associated with international capital markets. The appointments fill vacancies created by the retirement of William McDonough of the United States, Roberto Teixeira da Costa of Brazil and Kees Storm of the Netherlands, respectively. (Brief biographies of the three new Trustees and a description of the appointment process are included in the Note to Editors.)

In announcing the appointments, Gerrit Zalm, chairman of the Trustees, said:

We are delighted that Robert Glauber, Pedro Malan and Luigi Spaventa have agreed to join the Trustees. All three bring enormous experience on issues related to the effective functioning of the world's capital markets. The Trustees are playing an important role in encouraging the adoption of International Financial Reporting Standards and ensuring the public accountability of the organisation, and I am sure that Bob, Pedro and Luigi will make a strong contribution to the organisation in fulfilling our duties.

Paul Volcker, chairman of the Trustee Appointments Advisory Group, added:

The Advisory Group believes that the Trustees have identified three particularly well-qualified individuals with relevant experience at a critical time for the organisation. We congratulate the Trustees for having conducted an open and thorough process to replace those leaving the organisation.

**END**

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**NOTE TO EDITORS**

1. The International Accounting Standards Committee (IASC) Foundation, based in London, is the oversight body of the International Accounting Standards Board (IASB). The governance of the organisation rests with 22 Trustees. Six of the Trustees must be selected from the Asia/Oceania region, six from Europe, six from North America, and four from any region.
2. The IASC Foundation, through the IASB, is committed to developing, in the public interest, a single set of high quality, global accounting standards that require transparent and comparable information in general purpose financial statements. The IASC Foundation is funded by contributions from the major accounting firms, private financial institutions and industrial companies throughout the world, central and development banks, and other international and professional organisations.

**Biographies of new Trustees**

**Robert Glauber**

**Robert R Glauber**, 68, is a member of the audit committees of the boards of directors of Moody's and Freddie Mac. He is also presently a subcommittee chairman of the US Treasury Department's Advisory Committee on the Auditing Profession. Since 2006 he has served as a visiting professor at the Harvard Law School and a lecturer at Harvard's Kennedy School of Government, as well as a senior advisor to Peter J. Solomon Company.

In 2000-6 Mr Glauber was first president and chief executive officer and then chairman and chief executive officer of NASD, the private-sector regulator of the US securities market. Previously he served as Under Secretary of the US Treasury for Finance 1989-1992. In 1987 he was executive director of the Brady Commission, appointed by President Reagan to report on the October 1987 stock market crash. He was a professor at the Harvard Business School 1964-89 and a lecturer at Harvard's Kennedy School 1992-2000.

Mr Glauber is currently also a director of XL Capital Ltd.

## **Pedro Malan**

**Pedro Sampaio Malan**, 64, has been chairman of Unibanco since 2004 (previously vice-chairman from 2003); he is also chairman of Globex-Ponto Frio; member of the board of Energias do Brasil; and member of Alcoa's Latin America Advisory Board.

Before entering the private sector, Mr Malan served as Brazil's Minister of Finance 1995–2002; president of the Brazilian Central Bank 1993–4; chief external debt negotiator—Brazilian Ministry of Finance 1991–3. He has worked for a number of international organisations, serving as World Bank executive director 1986–90 and 1992–3; Inter-American Development Bank executive director 1990–2; director of the UN Center of Transnational Corporations in New York 1983–4; and director of the UN Department of International Economic and Social Affairs in New York 1985–6.

Mr Malan graduated in 1965 from the Polytechnic School of the Catholic University of Rio de Janeiro (Pontifícia Universidade Católica - PUC) Rio de Janeiro, and gained a PhD in Economics from the University of California at Berkeley. He has published many essays and articles in economic journals and books, both in Brazil and elsewhere.

## **Luigi Spaventa**

**Luigi Spaventa**, 73, is professor emeritus, University of Rome *La Sapienza*. Previously he was professor of economics at the universities of Palermo, Perugia and Rome *La Sapienza*. In the past three years he has taught a course on the theory of corporate governance and regulation at the University of Rome *Tor Vergata*.

He obtained a law degree at the University of Rome and spent two years of postgraduate studies at King's College, Cambridge, where he passed the BA examinations. He was Visiting Fellow at All Souls College, Oxford 1968–9, Visiting Scholar at International Monetary Fund 1984, and Luigi Einaudi Professor at Cornell University 1989. He was chairman of the Ente per gli studi monetari bancari e finanziari *Luigi Einaudi* 1996–7.

He is a research fellow of the Centre for Economic Policy Research, London, and a member of the steering committee of the Euro 50 Group.

He was a member of the 'Group of Wise Men', appointed by the European Union's ECOFIN on the regulation of European securities markets (the Lamfalussy committee) 2000–1 and was co-author of its report.

He was a member of the Chamber of Deputies of the Italian Parliament 1976–83, chairman of the Treasury Advisory Committee on the management of public debt 1988–9, head of the Council of Experts, Ministry of Treasury 1992–3, and Minister of the Budget 1993–4.

He was chairman of the board of Banca Monte dei Paschi di Siena 1997–8, and chairman of the Commissione nazionale per le società e la borsa (Consob, the Italian securities commission) 1999–2003. While in Parliament and in government and as a chairman of Consob he was on leave from university.

He is currently chairman of Sator Group, chairman of the supervisory board of MTS, the company managing the trading platform of European bonds, and member of the board of ACEA s.p.a. He is a member of the International Advisory Council of the Chinese Securities Regulatory Commission.

Mr Spaventa has written books and articles in scientific journals, and was co-author of various economic policy reports.

## Criteria for selecting Trustees

The IASC Foundation has adopted the following guidelines for the selection of Trustees, as set out in its Constitution:

- 5 The Trustees shall be responsible for the selection of all subsequent Trustees to fill vacancies caused by routine retirement or other reason. In making such selection, the Trustees shall be bound by the criteria set forth in Sections 6 and 7 and in particular shall undertake mutual consultation with international organisations as set out in Section 7, for the purpose of selecting an individual with a similar background to that of the retiring Trustee, where the retiring Trustee was selected through a process of mutual consultation with one or more international organisations.
- 6 All Trustees shall be required to show a firm commitment to the IASC Foundation and the IASB as a high quality global standard-setter, to be financially knowledgeable, and to have an ability to meet the time commitment. Each Trustee shall have an understanding of, and be sensitive to the challenges associated with the adoption and application of high quality global accounting standards developed for use in the world's capital markets and by other users. The mix of Trustees shall broadly reflect the world's capital markets and a diversity of geographical and professional backgrounds. The Trustees shall be required to commit themselves formally to acting in the public interest in all matters. In order to ensure a broad international basis, there shall be
  - (a) six Trustees appointed from North America;
  - (b) six Trustees appointed from Europe;
  - (c) six Trustees appointed from the Asia/Oceania region; and
  - (d) four Trustees appointed from any area, subject to establishing overall geographical balance.
- 7 The Trustees shall comprise individuals that as a group provide an appropriate balance of professional backgrounds, including auditors, preparers, users, academics, and other officials serving the public interest. Two of the Trustees shall normally be senior partners of prominent international accounting firms. To achieve such a balance, Trustees should be selected after consultation with national and international organisations of auditors (including the International Federation of Accountants), preparers, users and academics. The Trustees shall establish procedures for inviting suggestions for appointments from these relevant organisations and for allowing individuals to put forward their own names, including advertising vacant positions.
- 8 Trustees shall normally be appointed for a term of three years, renewable once: in order to provide continuity, some of the initial Trustees will serve staggered terms so as to retire after four or five years.

## **The IASC Foundation's Nominating Committee**

The Nominating Committee makes recommendations to the Trustees on nomination procedures and recommendations on candidates for the Trustees, the International Accounting Standards Board (IASB), the Standards Advisory Council (SAC) and the International Financial Reporting Interpretations Committee (IFRIC). Members of the Nominating Committee exclude themselves when the Committee is considering issues related to their own appointment. The Nominating Committee also reviews the performance of IASB members annually.

The members of the Nominating Committee are:

Bertrand Collomb, *Chairman*

Samuel DiPiazza

Oscar Fanjul

Aki Fujinuma

Sir Bryan Nicholson

Mohandas Pai

David Sidwell

## **The Trustee Appointments Advisory Group**

This is a high level and broadly representative advisory group to help the Trustees in discharging their responsibility for nominating and appointing highly qualified and interested people as Trustees.

The use of the Advisory Group is aimed at increasing consultation between the Trustees and official international and regional organisations with an interest in accounting standard-setting. The Advisory Group's terms of reference are set out below.

The members of the Trustee Appointments Advisory Group are:

- Jane Diplock, Chairman of the Executive Committee, International Organization of Securities Commissions
- Mario Draghi, Chairman, Financial Stability Forum
- Donald Kaberuka, President, African Development Bank
- Haruhiko Kuroda, President, Asian Development Bank
- Luis Alberto Moreno, President, Inter-American Development Bank
- Dominique Strauss-Kahn, Managing Director, International Monetary Fund
- Jean-Claude Trichet, President, European Central Bank
- Paul Volcker, Chairman of the Advisory Group and former Chairman of the Trustees
- Robert Zoellick, World Bank

## **Terms of reference and operating procedures of the Trustee Appointments Advisory Group**

### **Mandate**

1. The Trustees of the IASC Foundation shall consult the Trustee Appointments Advisory Group on nominations to the IASC Foundation Trustees before a final decision is made regarding appointments.
2. Members of the Advisory Group are free to suggest candidates who they believe would be well-qualified Trustees.
3. The ultimate decision on appointments will remain with the Trustees, consistently with the need to maintain organisational independence. However, the Trustees will explain to the members of the Advisory Group the rationale for any decision contrary to reservations expressed by members of the Advisory Group.

### **Membership**

4. The Advisory Group shall comprise five to eight leaders of official international and regional organisations that have an interest in the development of a single set of rigorous, internally consistent, and enforceable international accounting standards, faithfully and consistently applied throughout the world's capital markets.
5. The organisations selected for representation should reflect a geographical balance.
6. The membership of the advisory group shall also reflect the different perspectives of the official community with an interest in accounting standard-setting, including, but not limited to, securities regulators, banking supervisors, and development organisations.

### **Operations**

7. The Advisory Group shall meet at least once annually, either in person or by conference call. Additional meetings may be necessary in the event of extraordinary appointments.
8. The Chairman of the Trustees of the IASC Foundation shall chair the meetings of the Advisory Group. The Chairman of the Trustees shall determine whether other Trustees and the secretariat shall attend meetings of the Advisory Group.
9. The secretariat of the IASC Foundation shall be responsible for handling administrative arrangements for meetings of the Advisory Group, including the preparation of meeting materials. Such materials shall be sent to members of the Advisory Group at least seven days in advance of the meetings.