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Subject: PAAinE Discussion Paper *“The Conceptual Framework Starting from the Right Place?”*.

Dear Jerome,

This letter sets out the OIC’s comments on the PAAinE Discussion Paper *“The Conceptual Framework Starting from the Right Place?”*.

As a preliminary general comment we welcome the initiatives related to the PAAinE as a way to create and improve the debate in Europe on financial reporting issues in order to influence the IASB Standards Setting.

With reference to the specific PAAinE Discussion Paper on the Conceptual Framework we express our appreciation for the content of the document, even though we regret that The Discussion Paper was not prepared in advance of the presentation of the IASB/FASB joint project Discussion Paper on the improved Conceptual Framework for Financial Reporting. For the future, we would strongly encourage that any documents be prepared on a timely basis, in order to exercise a legitimate influence on the deliberations of IASB/FASB Boards on the various phases of the Conceptual Framework.

Regarding the specific issues raised PAAinE Discussion Paper we concur with the views expressed in that document. The Discussion Paper raised one specific question “Do the users of financial reporting of small, large, listed and unlisted companies have similar needs?”, for which the

respondents were invited to provide their input. Ideally, the Conceptual Framework should be applicable to all entities of varying size and public accountability; however, we do recognize the need to identify specific users' needs and cost/benefit for each typology of entities in order to identify the related reporting requirements.

We hope these comments are helpful.

Yours sincerely

Angelo Provasoli