



THE INSTITUTE
OF CHARTERED
ACCOUNTANTS
IN ENGLAND AND WALES

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Your ref: CEIOPS-IGSRR-24/08

CEIOPS
Westhafenplatz 1
60327 Frankfurt am Main
Germany

By email: Secretariat@ceiops.eu

Dear Sirs

IMPLEMENTING MEASURES ON SYSTEM OF GOVERNANCE

The Institute of Chartered Accountants in England and Wales (the Institute) welcomes the opportunity to comment on the *Issues Paper Implementing Measures on System of Governance* published by CEIOPS in November 2008.

The Institute operates under a Royal Charter, working in the public interest. Its regulation of its members, in particular its responsibilities in respect of auditors, is overseen by the Financial Reporting Council. As a world leading professional accountancy body, the Institute provides leadership and practical support to over 130,000 members in more than 140 countries, working with governments, regulators and industry in order to ensure the highest standards are maintained. The Institute is a founding member of the Global Accounting Alliance with over 700,000 members worldwide.

We welcome CEIOPS' initiative in producing the *Issues Paper Implementing Measures on System of Governance*. We agree with CEIOPS that the Framework Directive Proposal already comprises a considerably high level of detail on the system of governance. Whilst we support CEIOPS' initial views on level 2 implementing measures we also believe that these measures should not become a set of prescriptive rules.

We also note that the issues paper refers to the principle of proportionality in Article 41(2) of the Framework Directive Proposal and paragraph 4.3. We support the principle of proportionality. However, we strongly encourage CEIOPS to make clear that the principle of proportionality as described is applicable to all the Level 2 implementing measures contained in the issues paper and future Level 3 guidance.

Please contact me should you wish to discuss any of the points raised in this response.

Yours sincerely

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