November 04, 2026

Submitted Electronically

Mr. Erkki Liikanen
Chair, IFRS Foundation Trustees
IFRS Foundation
Columbus Building
7 Westferry Circus
Canary Wharf
London, E14 4HD, UK

Re: IFRS Foundation consultation on Exposure Draft of Proposed Targeted Amendments to the IFRS Foundation *Constitution*: Canadian Securities Administrators' Response

Dear Mr. Liikanen:

The Canadian Securities Administrators (the **CSA** or **we**) welcomes the opportunity to comment on the proposed targeted amendments to the IFRS Foundation Constitution recently published by the IFRS Foundation (the **Proposed Amendments**).

The CSA is an organization of Canada's provincial and territorial securities regulators whose objective is to improve, coordinate and harmonize regulation of the Canadian capital markets.

General Comments

We recognize the IFRS Foundation's objective of maintaining its long-term financial sustainability and the importance of ensuring that it has sufficient resources to carry out its standard-setting activities. We acknowledge that reducing the size of the International Accounting Standards Board (**IASB** or the **Board**) and International Sustainability Standards Board (**ISSB**) could contribute to that objective. However, financial sustainability must be balanced against the need to maintain effective and internationally representative standard-setting boards.

Broad international participation is key to the development and acceptance of international standards. In our view, the proposed size and geographic composition of the boards risk narrowing the range of economic, legal and capital market perspectives reflected in the standard-setting process. Over time, this could affect the perceived legitimacy and global acceptance of the resulting standards.

Reduced international participation could weaken confidence that relevant jurisdictional perspectives are adequately considered. This could, in turn, reduce support for adopting and applying the standards without jurisdiction-specific modifications and undermine their consistent application.

Our comments focus on two aspects of the Proposed Amendments:

1. the proposed size and geographic allocation of the IASB; and
2. the proposal to consider jurisdictional participation collectively across the IASB, ISSB and other parts of the boards' activities.

The Canadian Securities Administrators Secretariat
800, rue du Square Victoria, bureau 2010
Montreal (Quebec), H3C 0B4
Tel.: 514 864-9510
Fax: 514-864-9512
csa-acvm-secretariat@acvm-csa.ca

Securities laws in Canada require most issuers, investment funds and registrants to prepare their financial statements using IFRS Accounting Standards[1]. As a jurisdiction that relies directly on IFRS Accounting Standards as issued by the IASB, we have a significant interest in ensuring that the IASB maintains the expertise, capacity and international credibility needed to support effective standard setting.

Board size and geographic allocation

The IFRS Foundation Trustees (the **Trustees**) expect the Board to comprise 10 members beginning in 2028, although the Proposed Amendments would permit the Board to operate with as few as 8. We are concerned that a Board of 8 to 10 members will not have the capacity to carry out its standard-setting responsibilities and maintain the expertise, experience and jurisdictional perspectives needed in its deliberations and decisions.

We recognize that technical staff and advisory and consultative bodies provide important support. However, they perform a different role from Board members, who deliberate and vote on IFRS Accounting Standards. The IFRS Foundation has not explained how these mechanisms would adequately mitigate the effects of having fewer members directly involved in deliberations and decisions.

We are particularly concerned about reducing the Americas allocation from four members to two. In our view, this reduction will limit the range of jurisdictional and capital market experience from across the Americas available to inform the Board's deliberations and decisions. Canadian securities requirements rely on compliance with IFRS Accounting Standards as issued by the IASB. Accordingly, the CSA is concerned that significantly reducing opportunities for Canadian experience to directly inform the Board's decisions could affect stakeholder confidence that IFRS Accounting Standards are developed with appropriate consideration of the Canadian capital market and regulatory environment.

We therefore recommend a Board size of 11 to 12 members, comprising three members from each of Asia-Oceania, Europe and the Americas, one member from Africa and one to two at-large members, inclusive of the Chair. This would preserve greater geographic diversity while still achieving a reduction in Board size and retaining flexibility through the at-large positions.

Consideration of jurisdictional participation

The Trustees acknowledge that smaller boards are likely to reflect fewer jurisdictions. They propose addressing this, in part, by considering jurisdictional participation across the IASB and ISSB and through participation in other areas of the boards' activities, including advisory, consultative and other groups. We do not agree that jurisdictional participation should be considered collectively across the two boards, or that involvement in other areas of the boards' activities should factor into decisions about board composition.

[1] Canadian securities laws require compliance with Canadian GAAP applicable to publicly accountable enterprises and the inclusion of an unreserved statement of compliance with IFRS Accounting Standards as issued by the IASB. Canadian GAAP applicable to publicly accountable enterprises is IFRS Accounting Standards incorporated into Part I of the CPA Canada Handbook. The Canadian Accounting Standards Board is responsible for approving accounting standards contained within the CPA Canada Handbook.

The IASB and ISSB have different mandates and develop standards addressing distinct subject matter. Each board therefore requires technical expertise, practical experience and jurisdictional perspectives relevant to its own work. Similarly, advisory, consultative and other groups can provide important input at certain stages of the standard-setting process, but their ability to influence outcomes is more limited than that of board members. Members of these groups do not have responsibility for deliberating and voting on standards and should not be treated as a factor in determining board membership for the IASB or ISSB.

Each board should have sufficient geographic diversity within its own membership, having regard to the jurisdictions and capital markets affected by its standards. Such diversity is important to maintaining confidence that standards are developed through an internationally representative process. Participation elsewhere in the IFRS Foundation should complement, rather than be a substitute for, that diversity.

***

Broad international representation is important to maintaining confidence in global standard setting and the continued acceptance of IFRS standards across jurisdictions. An internationally representative standard-setting process strengthens the legitimacy of the boards' decisions and supports the consistent adoption and application of those standards around the world. As a jurisdiction that relies directly on IFRS Accounting Standards, Canada has a strong interest in preserving confidence in that process.

We encourage the Trustees to ensure that the final amendments preserve sufficient capacity and geographic diversity for each board to carry out its mandate effectively.

If you have any questions about this letter, please do not hesitate to contact us.

Yours truly,



Stan Magidson
Chair, Canadian Securities Administrators

The Canadian Securities Administrators Secretariat
800, rue du Square Victoria, bureau 2010
Montreal (Quebec), H3C 0B4

Tel.: 514 864-9510
Fax: 514-864-9512
csa-acvm-secretariat@acvm-csa.ca