

Ms Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, NE Washington, DC 20549 -1090
USA

22 May 2008

Dear Ms Morris

File Number S7-05-08
FOREIGN ISSUER REPORTING ENHANCEMENTS

The Confederation of British Industry (CBI) is pleased to have the opportunity to respond to your consultation.

We limit our comments to some of the key proposals.

Annual Test for Foreign Private Issuer Status (Questions 1-8)

We support the Commission's initiative to simplify the assessment of foreign private issuer status by moving away from continuous assessment to an assessment on the last business day of the second fiscal quarter (the same date used to determine accelerated filer status under Exchange Act Rule 12b-2 and smaller reporting company status in Item 10(f)(2)(i) of Regulation S-K).

We also support the Commission's proposal that if a foreign issuer no longer qualifies as a foreign private issuer it would be required to comply with the reporting requirements for domestic companies beginning on the first day of the fiscal year following the determination date on the understanding that that the issuer would have six months' advance notice that it will need to transition to the domestic reporting requirements).

We understand the Commission's concern that companies may attempt to manipulate their compliance with the conditions. We believe that such manipulation is unlikely to occur in practice but suggest that it could be avoided if the Commission were to adopt a form of rolling assessment of foreign private issuer status.

For example, a foreign issuer could be required to assess its status on the last business day of each fiscal quarter and that its status should change only if it fails to meet the conditions to be a foreign private issuer on, say, four consecutive assessment dates. In this way, the issuer's ability to manipulate the assessment would be reduced and the issuer's status would change only if there was consistency over a reasonable period in its compliance or non-compliance with the conditions for foreign private issuer status. We believe that this would avoid confusion among investors where under the current rules there is the potential for frequent changes in the status of companies that are "borderline" foreign private issuers.



However, we are concerned that foreign private issuers may be required to disclose more information concerning outgoing auditors in their annual reports on Form 20-F than is required to be disclosed in their home countries.

It might therefore be appropriate for the Commission to review with foreign regulators how the proposed disclosures would interact with the requirements in their own jurisdictions.

Financial Information for Significant Completed Acquisitions (Questions 38-42)

We understand that the Commission proposes that financial statements for three fiscal years should be provided in respect of a single business acquisition that exceeds the 50% level in the significance tests prescribed by Exchange Act Rule 1-02(w).

In most jurisdictions, a business acquisition of this significance would be subject to prior shareholder approval and that historical financial information on the acquired business would be required to be provided to shareholders to enable them to take an informed decision as to the merits of the acquisition.

We therefore question whether investors would find it helpful or necessary to repeat such historical information in the annual report on Form 20-F.

We suggest that, if the required information has been previously published, it should be permissible to incorporate it in Form 20-F by reference to the document in which it is contained (perhaps with a requirement to file the document as an exhibit to Form 20-F).

Other Matters - EU Endorsement of IFRS

The Commission asked for comments on any other matters that might have an impact on the proposed amendments.

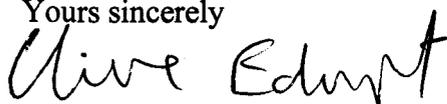
We very much welcome the Commission allowing foreign private issuers to file financial statements prepared in accordance with IFRS as issued by the IASB without reconciliation to US GAAP.

However as you are aware foreign private issuers whose primary listing is in the EU are required under EU law to prepare their financial statements in accordance with IFRS as endorsed the EU. EU endorsed IFRS may differ from IFRS as issued by the IASB.

This could result in EU-based registrants having to prepare two sets of financial statements: one prepared in accordance with IFRS endorsed for use in the EU to satisfy EU law and one prepared in accordance with IFRS as issued by the IASB to satisfy the Commission's requirements (or, alternatively, reverting to a reconciliation to US GAAP or filing financial statements prepared in accordance with US GAAP).

We therefore request that, when deliberating the Form 20-F filing deadline, the Commission considers how it might accommodate EU-based registrants in the event that there is future divergence between IFRS endorsed for use in the EU and IFRS as issued by the IASB.

Yours sincerely



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