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Matthew L. Schroeder
Managing Director
Accounting Policy



September 26, 2007

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

Re: File Reference No. S7-13-07: Acceptance From Foreign Private Issuers of Financial Statements Prepared in Accordance With International Financial Reporting Standards Without Reconciliation to U.S. GAAP

Dear Ms. Morris:

Goldman Sachs appreciates the opportunity to comment on the above referenced proposal. We fully support the Commission's proposal to accept from foreign private issuers their financial statements prepared in accordance with International Financial Reporting Standards ("IFRS"¹) as published by the International Accounting Standards Board ("IASB") without reconciliation to generally accepted accounting principles ("GAAP") as used in the United States (also referred to as "the Reconciliation Requirement").

We believe IFRS is a high quality set of accounting standards. Investors and participants in EU regulated markets have used those financial statements prepared on the basis of IFRS since 2005, the year companies whose securities are listed on those markets began reporting their results using IFRS. Furthermore, the use of IFRS continues to expand rapidly through proposed adoption and local GAAP convergence. For example, the convergence plan was announced in Japan and India. Other countries, including Canada, Israel and China, have plans to adopt IFRS as their national accounting standards.

¹ Use of "IFRS" throughout this letter refers to IFRS as published by the IASB. We note that as issuers in many countries are mandated to use IFRS as adopted by the local jurisdiction, the immediate benefit of a proposal to drop the reconciliation requirement for issuers using IFRS as adopted by the IASB is likely to be quite limited.

We agree that IFRS are produced through the IASB's robust due process, overseen by the International Accounting Standards Committee (IASC) Foundation, an independent organization. The IASB's due process is similar to the Financial Accounting Standards Board's due process. The International Organization of Securities Commissions ("IOSCO") is also active in the IASB's standard setting process. As a part of their objective, IOSCO monitors the development and interpretation of IFRS and promotes consistent interpretation and enforcement of IFRS.

The role of the SEC and IOSCO is critical in achieving consistent interpretation and enforcement of IFRS and in pursuing the goal of developing a global set of high quality financial accounting standards. At the same time, we believe that the IASB's independence is the foundation of the standard setting process and the requisite to maintain the quality of the standards. We also believe that a new sustainable, broad-based funding system for the IASC Foundation² would further strengthen the independence of IASB.

Convergence and Development of a Single Set of High-quality Globally Accepted Accounting Standards

We support the development of a single set of high quality globally accepted accounting standards that provide transparent information sufficient for investors to make economic decisions. We are satisfied with the convergence progress achieved to date. Many differences between IFRS and GAAP have been eliminated for the benefit of market participants. We consider the removal of the Reconciliation Requirement as a single goal within the wider construct of producing a global set of financial accounting standards. We believe acceptance of IFRS by the Commission will bring about convergence at a more measured pace because investors and users are likely to keep the pressure on maintaining the equivalence of IFRS and U.S.GAAP. We believe that the incentives for convergence continue to exist, absent the Reconciliation Requirement, due to increasing cross-border capital flows.

Usefulness of Reconciliation

Referring to the SEC's March 6, 2007 roundtable, discussing the potential effects of eliminating the Reconciliation Requirement, a majority of users, including capital raising, investors and issuers, favored ending the reconciliation for various reasons. We agree with their views. The reconciliation may be potentially useful in identifying and quantifying differences in standards. However, given insignificant differences between IFRS and U.S. GAAP, users do not make more than limited use of the information contained. In addition, with an official adoption of IFRS by the EU regulated markets in 2005, investors and other users of financial reports have quickly learned to evaluate IFRS financial statements and do not particularly rely on the reconciliation information due to, in part, the timing of its publication.

² The long-term plan for a sustainable, broad-based funding system was approved by the Economic and Financial Affairs Council of the European Union to replace current financing commitments at the end of 2007. <http://www.iasb.org/About+Us/About+the+Foundation/Future+Funding.htm>

Conclusion

We fully support the proposal to end the Reconciliation Requirement. Please contact me if we can be of further assistance or if you have questions about our comments.

Sincerely,

A handwritten signature in black ink that reads "Matthew L. Schroeder". The signature is written in a cursive style with a large initial "M".

Matthew L. Schroeder