



**John Ramsay**  
Chief Financial Officer

**Syngenta AG**  
Finance Department  
P.O.Box  
CH-4002 Basel  
Switzerland  
www.syngenta.com

Tel: +41-61-323 53 62  
Fax: +41-61-323 65 33  
john.ramsay@syngenta.com

Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090  
USA

24 September 2007

**Acceptance from Foreign Private Issuers of Financial Statements Prepared in Accordance with International Financial Reporting Standards without Reconciliation to U.S. GAAP**

**Your ref: SEC release nos. 33-8818; 34-55998; International Series release no. 1302;  
File no. S7-13-07**

Dear Sirs,

In response to your invitation to comment, and as a Swiss domiciled foreign private issuer which has filed financial statements on Form 20-F with the SEC since 2000, prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the IASB and with reconciliation to U.S. GAAP, I am pleased to attach Syngenta's comments on the above mentioned proposing release. The U.S.A. is an important market for Syngenta and a significant proportion of Syngenta group assets and a significant number of group employees are located in its U.S. subsidiaries. Developments in SEC rules and regulations are of particular interest to Syngenta for those reasons, in addition to our compliance and investor relations considerations.

**GENERAL COMMENTS**

We fully support the Commission's proposal to accept filing by foreign private issuers of financial statements prepared in accordance with IFRS as issued by the IASB, without reconciliation to U.S. GAAP. In our opinion, the Commission would be justified in implementing the proposed amendments at the earliest opportunity. It will always be possible to put forward arguments in favour of delaying introduction of the amendments until some future point, in order to allow achievement of an even greater degree of IFRS/US GAAP convergence and of familiarization with IFRS within the USA. However, acceptance of foreign private issuer IFRS filings without reconciliation is itself an important step which will add further impetus towards those goals. Delay would risk losing momentum in the IFRS / US GAAP convergence process, as well as missing an opportunity to introduce acceptance of IFRS at a favourable time. Whenever disclosure requirements are reduced, the fear that important information will be lost is understandable. However, removing the U.S. GAAP reconciliation requirement for foreign private issuers filing under IFRS will not cause knowledge of IFRS / US GAAP differences to disappear. The considerable body of research built up as part of the IASB FASB joint convergence project will continue to exist and be updated. Issuers who file IFRS financial statements without a U.S. GAAP reconciliation will not lose their understanding of those differences overnight. In our opinion, sufficient information about those differences will therefore continue to be available to investors and other market participants, for a long enough period to enable them to acquire the level of knowledge of IFRS that they desire.



In our opinion, acceptance of IFRS financial statements without reconciliation to U.S. GAAP also advances the objective of simplifying U.S. financial reporting, regarding which the Commission has asked its recently established Committee on Improvements to Financial Reporting to advise it. Removing the reconciliation requirement, which is one of the most technically complex parts of foreign private issuer filings, will reduce the length of their financial statements – in Syngenta’s case, by approximately 20%. That is itself a simplification. Some commentators may regard the proposed co-existence of U.S. GAAP and IFRS as increasing complexity, on the grounds that understanding two different sets of accounting standards is more difficult than one. We would disagree with that viewpoint. The use of IFRS in registrant filings without reconciliation to U.S. GAAP will lead to greater knowledge of IFRS in the U.S.A.. This will allow U.S. users of financial statements to compare the different ways in which U.S. GAAP and IFRS approach accounting issues. That process may suggest ways to simplify what the Commission’s Chief Accountant recently described as an “overly complex” current system of U.S. financial reporting.

We have also observed numerous foreign private issuers have deregistered or intend to deregister from the US financial markets. While many of these issuers have various reasons for their decision to deregister, and may in any case not be eligible for the proposed exemption, we believe that removal of the reconciliation requirement may have some positive effect on this tendency.

#### **ANSWERS TO SPECIFIC QUESTIONS**

**Question 1** – *Do investors, issuers and other commenters agree that IFRS are widely used and have been issued through a robust process by a stand-alone standard setter, resulting in high-quality accounting standards?*

As the release itself notes, IFRS is now permitted or required in over 100 countries, including all the European Union (EU) member states. Whilst the EU have an ‘endorsed’ version of IFRS, which would not qualify for the exemption from reconciliation under the Commission’s proposals, EU wide adoption would not have been possible nor achieved successfully unless the standard setting process at the IASB was robust. In our experience as an IASB constituent, the technical merits of the issues it is deliberating are the IASB’s first and foremost consideration at all times.

**Question 2** – *Should convergence between U.S. GAAP and IFRS as published by the IASB be a consideration in our acceptance in foreign private issuer filings of financial statements prepared in accordance with IFRS as published by the IASB without a U.S. GAAP reconciliation? If so, has such convergence been adequate? What are commenters’ views on the processes of the IASB and the FASB for convergence? Are investors and other market participants comfortable with the convergence to date, and the ongoing process for convergence? How will this global process, and, particularly, the work of the IASB and FASB, be impacted, if at all, if we accept financial statements prepared in accordance with IFRS as published by the IASB without a U.S. GAAP reconciliation? Should our amended rules contemplate that the IASB and the FASB may in the future publish substantially different final accounting standards, principles or approaches in certain areas?*



IFRS / US GAAP convergence is certainly a consideration. If convergence is defined – as we understand the standard setters have defined it for this purpose – as achievement of broad equivalence between the two bodies of standards, with remaining differences being transparent and widely understood, together with a program of standard setting which will address the more significant of those remaining differences – convergence is, in our opinion, adequate. The imminent issuance of the two Boards' first joint accounting standard, achieving convergence in accounting for business combinations in virtually every respect, is a significant landmark. IFRS / US GAAP reconciling items arising from the different accounting treatment of business combinations have been among the most significant reconciling items for Syngenta, and the confidence that such differences will not recur should be an important factor in making IFRS acceptable. Other concrete examples include the revised IAS 23, issued in March 2007, which converges the accounting treatment of borrowing costs with U.S. GAAP, and IFRS 8, issued in 2006, which converges the disclosure requirements for segmental reporting with those in SFAS No. 131. On other issues, steady progress has been made towards the milestones in the convergence "Roadmap", as set out by Donald T. Nicolaisen in the Northwestern University Journal of International Law and Business in April 2005 and by the IASB and FASB in their joint Memorandum of Understanding dated February 27, 2006.

Some detailed IFRS / US GAAP differences will continue to exist. However, if convergence is understood as defined above, it is not necessary to eliminate every difference in order for IFRS and US GAAP to be judged equivalent. In our opinion, the view that implementation of the Commission's proposals should be delayed until greater convergence has been achieved implies a different and more mechanical understanding of what convergence means. In order for the convergence project to continue, this understanding would need to be defined, as would the list of IFRS/US GAAP differences which would need to have been eliminated, and other concrete steps which would need to have been taken, in order for adequate convergence to have been achieved in accordance with that understanding.

In our opinion, a decision by the Commission to accept foreign private issuer IFRS filings without reconciliation to U.S. GAAP will give further impetus to the ongoing process for convergence by demonstrating that the efforts of the IASB and FASB towards convergence have delivered results, so creating an incentive to maintain those achievements and to avoid taking future actions which would jeopardize them. Now that IASB and FASB have developed such close links, it is difficult to imagine that they would cease collaborating if the reconciliation requirement is removed. It is more likely that they would reduce their collaboration if the Commission decided not to finalize the proposed rule and did not spell out the concrete steps which still needed to be taken before the proposal could be implemented. That would be demotivating for IASB and FASB and could lead them to question whether the costs of their convergence program were justified by its prospects of success.

IASB and FASB are each independent bodies and may have differences of opinion in the future, leading to different final standards. Securities regulators will naturally want to keep that situation under review.

**Question 3** – *Is there sufficient comparability among companies using IFRS as published by the IASB to allow investors and others to use and understand the financial statements of foreign private issuers prepared in accordance with IFRS as published by the IASB without a U.S. GAAP reconciliation?*

We are not aware of any objective evidence which suggests that the capital markets in jurisdictions which have adopted IFRS are being impeded in their functioning by insufficient comparability in the way preparers are applying IFRS in their reporting.



We receive no questions from investors which relate specifically to our IFRS US GAAP reconciliation, our US GAAP results, or to the note to our consolidated financial statements which describes the differences, although we are always ready to answer such questions. We take this as indirect evidence that sufficient comparability already exists to allow investors and others to use and understand our IFRS financial statements without the help of a U.S. GAAP reconciliation.

Following removal of the reconciliation requirement, we would expect to continue for some years to have the necessary technical accounting knowledge to answer any questions from our investors that sought conceptually to understand the differences between IFRS as applied by ourselves and the corresponding US GAAP accounting requirements, although we would no longer be quantifying those differences.

**Question 4** – *Do you agree that the information-sharing infrastructure being built in which the Commission participates through both multilateral and bilateral platforms will lead to an improved ability to identify and address inconsistent and inaccurate applications of IFRS? Why or why not?*

We see no other way forward to address IFRS application issues.

**Question 5** – *What are commenters' views on the faithful application and consistent application of IFRS by foreign companies that are registered under the Exchange Act and those that are not so registered?*

We would not wish to comment on other preparers' application of IFRS. Generally, it seems to us fair to say that the application of IFRS by foreign SEC registrants who have been required to reconcile to U.S. GAAP is likely to have been influenced by US GAAP as interpreted by the SEC staff to a greater degree than the application of IFRS by preparers that are not so registered. However, we are not aware that capital markets in jurisdictions which have adopted IFRS are suffering problems because of inconsistent application of IFRS by preparers.

**Question 6** – *Should the timing of our acceptance of IFRS as published by the IASB without a U.S. GAAP reconciliation depend upon foreign issuers, audit firms and other constituencies having more experience with preparing IFRS financial statements?*

In our opinion, existing foreign issuers preparing IFRS financial statements, and their auditors, already have sufficient experience of IFRS. This is demonstrated by the way the financial markets in the EU and other countries adopting IFRS, with thousands of IFRS preparers, have functioned in the period since those countries adopted IFRS for financial reporting. If the view was taken that issuers and auditors should have more experience, it would seem to us difficult to define objectively what amount of additional experience could make an appreciable difference to the way IFRS is applied in practice.



**Question 7** – *Should the timing of any adoption of these proposed rules be affected by the number of foreign companies registered under the Exchange Act that use IFRS?*

In our opinion, when considering adoption timing, a qualitative judgment about the processes of IFRS standard setting and IFRS US GAAP convergence is much more important than the number of foreign registrants that use IFRS.

**Question 8** – *The IASB Framework establishes channels for the communication of regulators' and others' views in the IFRS standard-setting and interpretive processes. How should the Commission and its staff further support the IFRS standard-setting and interpretive processes?*

**Question 9** – *How should the Commission consider the implication of its role with regard to the IASB, which is different and less direct than our oversight role with the FASB?*

In our opinion, the Commission and its staff should continue to work through IOSCO to participate in the IASB due process and establish consistent practices among international securities regulators for interpreting IFRS and reviewing its application. We do not see how the Commission's relationship with FASB could be replicated exactly in its relationship with the IASB.

**Question 10** – *The Commission has gathered certain information from representatives of issuers, investors, underwriters, exchanges and other market participants at its public roundtable on IFRS. We are interested in receiving information from a broader audience. Is the development of a single set of high-quality globally accepted standards important to investors? To what degree are investors and other market participants able to understand and use financial statements prepared in accordance with IFRS as published by the IASB without a U.S. GAAP reconciliation? We also encourage commenters to discuss ways in which the Commission may be able to assist investors and other market participants in improving their ability to understand and use financial statements prepared in accordance with IFRS. How familiar are investors with financial statements prepared in accordance with IFRS as published by the IASB? Will the ability of an investor to understand and use financial statements that comply with IFRS as published by the IASB vary with the size and nature of the investor, the value of the investment, the market capitalization of the issuer, the industry to which the issuer in question belongs, the trading volume of its securities, the foreign markets on which those securities are traded and the regulation to which they may be subjected, or any other factors? If so, should any removal of the reconciliation requirement be sensitive to one or more of these matters, and, if so, how?*



**Question 11** – *Without a reconciliation, will investors be able to understand and use financial statements prepared using IFRS as published by the IASB in their evaluation of the financial condition and performance of a foreign private issuer? How useful is the reconciliation to U.S. GAAP from IFRS as published by the IASB as a basis of comparison between companies using different bases of accounting? Is there an alternative way to elicit important information without a reconciliation?*

**Question 12** – *In addition to reconciling certain specific financial statement line items, issuers presenting an Item 18 reconciliation provide additional information in accordance with U.S. GAAP. What uses do investors and other market participants make of these additional disclosures?*

As a preparer, we cannot speak directly for investors. However, as mentioned above, we receive no questions from investors or other market participants which relate specifically to our IFRS US GAAP reconciliation or our US GAAP results. As the GAAP reconciliation, explanatory notes and additional U.S. GAAP information are, by their nature, one of the most complex parts of the financial statements from a technical accounting viewpoint, we believe this indicates that investors are already able to understand and use our IFRS financial statements without the help of the reconciliation and additional disclosures.

The SEC staff reviews of registrant filings are one mechanism through which the Commission can ensure that the information it considers important to investors and market participants continues to be presented clearly in filings by IFRS registrants.

**Question 13** – *Should we put any limitations on the eligibility of a foreign private issuer that uses IFRS as published by the IASB to file financial statements without a U.S. GAAP reconciliation? If so, what type of limitations? For example, should the option of allowing IFRS financial statements without reconciliation be phased in? If so, what should be the criteria for the phase-in? Should only foreign private issuers that are well-known seasoned issuers, or large accelerated filers, or accelerated filers, and that file IFRS financial statements be permitted to omit the U.S. GAAP reconciliation?*

The Commission's decision to propose amendments removing the U.S. GAAP reconciliation requirement for foreign private issuers using IFRS, and to issue a concept release discussing allowing U.S. issuers to file under IFRS at a later time, could itself be described as a phased approach to acceptance of IFRS in the U.S.A.. We are not aware of any need to place limitations on which foreign private issuers would be eligible to file IFRS financial statements without reconciliation to U.S. GAAP.



**Question 14** – *At the March 2007 Roundtable on IFRS, some investor representatives commented that IFRS financial statements would be more useful if issuers filed their Form 20-F annual reports earlier than the existing six-month deadline. We are considering shortening the deadline for annual reports on Form 20-F. Should the filing deadline for annual reports on Form 20-F be accelerated to five, four or three months, or another date, after the end of the financial year? Should the deadline for Form 20-F be the same as the deadline for an issuer's annual report in its home market? Should we adopt the same deadlines as for annual reports on Form 10-K? Why or why not? Would the appropriateness of a shorter deadline for a Form 20-F annual report depend on whether U.S. GAAP information is included? If a shorter deadline is appropriate for foreign private issuers that would not provide a U.S. GAAP reconciliation under the proposed amendments, should other foreign private issuers also have a shorter deadline? Should it depend on the public float of the issuer?*

We cannot speak for other preparers. Syngenta has demonstrated over several years that it is able to file its 20-F within three months of the end of its financial year.

**Question 15** – *Although reconciliation to U.S. GAAP of interim periods is not ordinarily required under the Exchange Act, foreign private issuers that conduct continuous offerings on a shelf registration statement under the Securities Act may face black-out periods that prevent them from accessing the U.S. public capital market at various times during the year if their interim financial information is not reconciled. Even if commenters believe we should continue the U.S. GAAP reconciliation requirement for annual reports that include IFRS financial statements, to address this issue should we at least eliminate the need for the U.S. GAAP reconciliation requirement with respect to required interim period financial statements prepared using IFRS as published by the IASB for use in continuous offerings? Should we extend this approach to all required interim financial statements?*

If the reconciliation requirement is not to be removed for annual reports that include IFRS financial statements, it would be consistent not to remove it for interim reports. However, we believe the requirement should be removed for both interim and annual reports.

**Question 16** – *Is there any reason why an issuer should not be able to unreservedly and explicitly state its compliance with IFRS as published by the IASB? Is there any reason why an audit firm should not be able to unreservedly and explicitly opine that the financial statements comply with IFRS as published by the IASB? What factors may have resulted in issuers and, in particular, auditors refraining from expressing compliance with IFRS as published by the IASB?*

Syngenta has always unreservedly and explicitly stated its compliance with IFRS as published by the IASB, and its auditors have always unreservedly and explicitly opined that our financial statements comply with IFRS as published by the IASB. Syngenta is incorporated in Switzerland, which does not have an endorsement process for authorising the use of IFRS by Swiss companies. In our opinion, one main reason for modified IFRS compliance statements and audit opinions is the existence of IFRS



endorsement processes in certain jurisdictions. We commend the fact that no IFRS endorsement process is proposed for the U.S.A..

**Question 17** – *If the proposed amendments are adopted, should eligible issuers be able to file financial statements prepared using IFRS as published by the IASB without a U.S. GAAP reconciliation for their first filing containing audited annual financial statements? If the amendments are adopted, what factors should we consider in deciding when issuers can use them? For example, should we consider factors such as the issuer’s public float (either in the United States or world wide), whether the issuer has issued only public debt, or the nature of the filing to which the amendments would be applied? Will investors be prepared to analyze and interpret IFRS financial statements without the reconciliation by 2009? If not, what further steps, including investor education, may be necessary?*

If IFRS financial statements without reconciliation to U.S. GAAP are judged acceptable in principle, we see no reason why eligible issuers should be not allowed to file IFRS financial statements without reconciliation in their first annual filing. For the same reason, factors such as the issuer’s public float (either in the United States or world wide), whether the issuer has issued only public debt, or the nature of the filing to which the amendments would be applied should not be considered.

In our opinion, the 2009 deadline would give sufficient time to complete any further investor education which may be necessary, given that IFRS is already in everyday use in many countries, and knowledge of IFRS in those countries is widespread. Therefore, we believe the proposed revisions can be implemented to allow foreign private issuers with calendar year ends to file IFRS financial statements without reconciliation to U.S. GAAP in their 20-F for the year ended December 31, 2008.

**Question 18** – *Do we need to make any other changes to Items 17 or 18 or elsewhere to implement fully the proposed elimination of the reconciliation requirement for issuers using IFRS as published by the IASB?*

As it is proposed to exempt IFRS filers from the requirements of item 18(b), it would seem consistent to amend the wording of Item 17(b) to make it clear that financial statements which comply with IFRS as published by the IASB would be considered “substantially similar to financial statements that comply with U.S. generally accepted accounting principles and Regulation S-X” for the purposes of item 17.

**Question 19** – *Is any revision necessary to clarify that the provisions relating to issuers that use proportionate consolidation contained in Item 17(c)(2)(vii) would not apply to IFRS financial statements that are not reconciled to U.S. GAAP under the proposed amendments? If so, what changes would be appropriate?*

For maximum clarity, we would suggest:

- inserting the words “or IFRS as issued by the IASB” after “basis of accounting other than U.S. generally accepted accounting principles” at the beginning of Item 17(c)(2)(vii)



- adding the words “An issuer using IFRS as published by the IASB will satisfy the requirements of this paragraph by providing IAS 31 “Interests in Joint Ventures” disclosures.” at the end of this item.

**Question 20** – *Is the IAS 21 accommodation still useful for non-IFRS issuers? Is it clear that an issuer using IFRS would not need to provide disclosure under Item 17(c)(2)(iv)? If not, what changes would be necessary to make it clear?*

In our opinion, the IAS 21 accommodation should remain, because it would continue to be useful for a considerable number of IFRS registrants who prepare financial statements under a modified, endorsed version of IFRS and would not be eligible to omit the U.S. GAAP reconciliation under the Commission’s proposals as they stand. It may also be useful for non-IFRS issuers.

**Question 21** – *Would issuers have any difficulty in preparing interim period financial statements that are in accordance with IFRS as published by the IASB?*

**Question 22** – *Do foreign private issuers that have changed to IFRS generally prepare interim financial statements that are in accordance with IFRS, and do they make express statements to that effect?*

Many securities regulators require preparers to publish interim financial statements in accordance with IAS 34. In Switzerland, IFRS is one of the permitted sets of standards for reporting by listed companies – U.S. GAAP is another. Swiss preparers who select IFRS must publish interim financial statements prepared in accordance with IAS 34.

**Question 23** – *How significant are the differences between IAS 34 and Article 10? Is the information required by IAS 34 adequate for investors? If not, what would be the best approach to bridge any discrepancy between IAS 34 and Article 10? Should issuers be required to comply with Article 10 if their interim period financial statements comply with IAS 34? Should we consider any revision to existing rules as they apply to an issuer that would not be required to provide a U.S. GAAP reconciliation under the proposed rules?*

Syngenta has received no requests from investors for interim period information additional to that which we provide in accordance with IAS 34.

**Question 24** – *Are there accounting subject matter areas that should be addressed by the IASB before we should accept IFRS financial statements without a U.S. GAAP reconciliation?*



**Question 25** – *Can investors understand and use financial statements prepared using IFRS as published by the IASB in those specific areas or other areas that IFRS does not address? If IFRS do not require comparability between companies in these areas, how should we address those areas, if at all? Would it be appropriate for the Commission to require other disclosures in these areas not inconsistent with IFRS published by the IASB?*

In our opinion, the Commission must judge whether IFRS as a whole is acceptable for investors without reconciliation to U.S. GAAP. To link eligibility to file IFRS financial statements without reconciliation to U.S. GAAP to compliance with additional requirements introduced by the Commission to compensate for perceived defects in certain areas of IFRS, would effectively create a jurisdictional version of IFRS. In that respect, it would be similar to the EU 'carve-out' of certain parts of IAS 39. Such a step would, in our opinion, materially hinder the objective of developing a single set of high quality global accounting standards. It would be preferable by far to express any concerns about the certain areas of IFRS directly to the IASB in accordance with its due process.

**Question 26** – *Should issuers that are permitted to omit a U.S. GAAP reconciliation for their current financial year or current interim period be required to disclose in their selected financial data previously published information based on the U.S. GAAP reconciliation with respect to previous financial years or interim periods?*

As mentioned above, we believe that a judgment is required about the acceptability of IFRS as a whole. If it is acceptable for financial statement filings, IFRS issuers should no longer be required to repeat disclosure of previously published U.S. GAAP information in their selected financial data.

**Question 27** – *With regard to references to U.S. GAAP in non-financial statement disclosure requirements, should we amend the references to U.S. GAAP pronouncements that are made in Form 20-F to also reference appropriate IFRS guidance, and, if so, what should the references refer to? Would issuers be able to apply the proposed broad approach to U.S. GAAP pronouncements and would this approach elicit appropriate information for investors? Should we retain the U.S. GAAP references for definitional purposes?*

IFRS issuers should reference the equivalent IFRS pronouncements and definitions instead of the existing U.S. GAAP references. If IFRS is acceptable without reconciliation to U.S. GAAP, it follows that this approach will elicit appropriate information for investors.

**Question 28** – *This question relates to an oil and gas industry specific requirement. As Syngenta is not in that industry, we make no comment.*



**Question 29** – *Should the Commission address the implications of forward-looking disclosure contained in a footnote to the financial statements in accordance with IFRS 7? For example, would some kind of safe harbor provision or other relief or statement be appropriate?*

All requirements to disclose and comment on forward looking information, whether required to be given in or outside the financial statements, should be subject to a safe harbour provision.

**Question 30** – *Are there issues on which further guidance for IFRS users that do not reconcile to U.S. GAAP would be necessary and appropriate? Should issuers and auditors consider guidance related to materiality and quantification of financial misstatements?*

Whilst we agree that IFRS issuers may find the guidance in FRRs, ASRs, SABs and other SEC staff guidance useful, it is important not to create a U.S. jurisdictional version of IFRS, which could occur either explicitly, through mandating IFRS registrants to comply with that guidance, or implicitly, through SEC staff reviews of IFRS filings. Jurisdictional versions of IFRS will obstruct the development of a single global set of high quality accounting standards. Guidance related to materiality and quantification of financial misstatements may, however, be useful and fill a gap, because the IASB have deliberately refrained from providing such guidance.

**Questions 31 to 34** – *these deal with first time adoption of IFRS. As Syngenta has prepared financial statements in accordance with IFRS for many years, we have no recent experience of the first time adoption process and therefore make no comment.*

**Question 35** – *Are the proposed changes to Rules 3-10 and 4-01 sufficient to avoid any ambiguity about our acceptance of IFRS financial statements without reconciliation? If not, what other revisions would be necessary?*

The proposed changes are sufficient.

**Question 36** – *Are there other rules in Regulation S-X that should be specifically amended to permit the filing of financial statements prepared in accordance with IFRS as published by the IASB without a reconciliation to U.S. GAAP? If so, how would the application of those rules be unclear if there were no changes to those rules, and what changes would be suggested in order to make them clear?*

We are not aware of any other rules which should be specifically amended.



**Question 37** – *Is the application of the proposed rules to the preparation of financial statements provided under Rules 3-05, 3-09, 3-10 and 3-16 sufficiently clear? If not, what areas need to be clarified? Are any further changes needed for issuers that prepare their financial statements using IFRS as published by the IASB?*

Interaction of the proposed rules with rules 3-05, 3-09, 3-10 and 3-16 is sufficiently clear.

**Questions 38 and 39** – *these relate to small business issuers. As Syngenta is not a small business issuer, we make no comment.*

**Questions 40 and 41** – *these relate to other Securities Act and Exchange Act forms of which Syngenta has not experience. Accordingly, we do not comment.*

**Question 42** – *Without the reconciliation to U.S. GAAP, should we be concerned about member firm requirements to have persons knowledgeable in accounting, auditing and independence standards generally accepted in the United States review IFRS financial statements filed with the Commission? Are there alternative ways in which concerns may be addressed?*

We believe that on enactment of the proposed rule changes, it will no longer be necessary for auditors reviewing IFRS financial statements of foreign private issuers to be filed with the Commission to be knowledgeable in U.S. GAAP. However, we understand familiarity with auditing and independence standards, as well as SEC regulations in so far as they deal with matters other than accounting standards, would still be required.

**Question 43** – *this question relates to Canadian issuers. Therefore, as a Swiss issuer, we make no comment.*

**Question 44** – *If progress does not continue towards implementing a single set of high quality globally accepted accounting standards, will investors and issuers be served by the absence of a U.S. GAAP reconciliation for financial statements prepared using IFRS as published by the IASB?*

**Question 45** – *Where will the incentives for continued convergence lie for standard setters, issuers, investors and other users of financial statements if the reconciliation to U.S. GAAP is eliminated for issuers whose financial statements are prepared using IFRS as published by the IASB?*

We find it difficult to imagine that collaboration between IASB and FASB will not continue, given the joint working practices which the Boards have already put in place. Also, investors and market participants will



continue to exert influence in favour of harmonising the more important of the remaining IFRS / US GAAP differences.

**Question 46** – *Are there additional interim measures, beyond the proposed elimination of the U.S. GAAP reconciliation from IFRS financial statements, that would advance the adoption of a single set of high-quality globally accepted accounting standards? If so, what are they? Who should undertake them?*

We believe a bilateral agreement between US and EU securities regulators which would allow EU issuers to file financial statements in the USA without reconciliation to U.S. GAAP and U.S. issuers to continue to file in the EU without reconciliation to IFRS would be an important measure.

**Questions 47 to 49** - *Cost Benefit analysis Paperwork Reduction Act cost saving estimates*

The release estimates that exemption from reconciliation to U.S. GAAP will save 110 eligible IFRS issuers currently filing a 20-F a total of US\$ 4,341,120 annually in preparation and audit costs, or on average just under \$40,000 per issuer. In our opinion, this estimate is significantly understated and the savings to issuers will be greater.

Syngenta would avail itself of the proposed amendments as soon as it is eligible to do so. We see no circumstances under which we would elect to file a U.S.GAAP reconciliation if we were eligible not to do so.

Yours Sincerely

A handwritten signature in blue ink that reads "J. Ramsay".

John Ramsay  
Chief Financial Officer