



**The Japanese Institute of  
Certified Public Accountants**

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International Accounting Standards Board  
30 Cannon Street  
London EC4M 6XH  
United Kingdom

**Comments on the exposure draft ED9 Joint Arrangement**

To the Board Members:

The Japanese Institute of Certified Public Accountants is pleased to comment on the exposure draft ED9 Joint Arrangement.

**QUESTION 1**

We agree with the proposal to change the way joint arrangements are described. As mentioned in BC17, the term 'joint controlled operations' and 'joint controlled assets' do not fit well to the definition of control.

**QUESTION 2**

We agree that a party to a joint arrangement should recognise its contractual rights and obligations relating to the arrangement. Accounting for a joint arrangement should be based on substance rather than form of the arrangement. We consider that the proposals in the exposure draft are consistent with and meet this objective.

**QUESTION 3**

We agree that proportionate consolidation should be eliminated. As mentioned in Basis for Conclusions, recognising a proportionate share of each asset and liability of an entity is not consistent with the Framework, unless the asset or liability belongs to a joint operation or a joint asset.

**QUESTION 4**

We agree with the disclosure proposed in the exposure draft.

**QUESTION 5**

We agree.

**QUESTION 6**

We agree.

Yours faithfully,

Kiyoshi Ichimura

Executive Board Member - Accounting Standards

The Japanese Institute of Certified Public Accountants