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Dear Ms Cospers

FASB US GAAP Taxonomy Development Efficiency and Effectiveness

Thank you for the opportunity to provide input on the ongoing development of the FASB's US GAAP XBRL Taxonomy. I am writing on behalf of XBRL International to provide a short comment letter regarding ways that the FASB might consider strengthening the governance surrounding the US GAAP taxonomy.

XBRL International is the global standards development organisation that has developed, maintains and improves the XBRL specifications. Our purpose is to enhance transparency and accountability in business performance globally by providing the open data exchange standard for business reporting. We are a not-for-profit that works in the public interest, supported by more than 600 organisational members worldwide. Our specifications are freely available and are an important part of the fabric of reporting in more than 70 countries around the world, in use by well over 100 regulators, and used by in excess of 10 million private and public companies globally.

We provide the specifications that allow the digital representation of business reporting requirements in taxonomies and the machine-readable preparation of business reports that conform to those taxonomies. A rough analogy is that XBRL International provides the alphabet and rules of grammar that underpin the FASB's dictionary.

We are supported by 26 national jurisdictions including XBRL US, which has written to you under separate cover through its Data Quality Committee or DQC. The DQC has written to you with a range of details about ways to improve the ongoing management of the US GAAP taxonomy, following extensive discussion with its members in the United States. We are entirely in agreement with and support the points made in that letter.

This letter covers a separate point regarding the way that the taxonomy, which is the official digital representation of US GAAP, is embedded into the governance framework of the FASB itself.

Digital Reporting Is Here To Stay

Almost every walk of life has been impacted over the last 5-10 years by rapid digitisation. Please consider the impact that digital cameras, smart phones and advances in digital technologies used in vehicles have had on the lives of literally billions of people. The impact of digital reporting, including via the SEC's XBRL mandate and expected Inline XBRL mandate is not yet comparable, and change in this field is thankfully relatively slow. However, the shift amongst users is accelerating and is irrevocable. It is not safe to assume that the analysis of financial statements will continue to be conducted in a manual fashion. Regulators and users alike want granular, trustable, connected and machine readable digital information. The FASB's US GAAP taxonomy facilitates these new demands.

We have no doubt that the sophistication, automation and affordability of software tools that take reporting information at different levels of aggregation within reporting companies and tags them in a way that facilitates digital report production will continue to rapidly improve. Ensuring that machine readable data is the responsibility of the company itself, and that this vital information is not substituted for a later approximation provided by an intermediary is a condition-precedent for better data.

Integration of taxonomy governance into the standards setting process

Given these changes to the way that information is consumed and the increasing importance of structured data within decision making, we would urge the FASB to consider enhancing the way that the US GAAP taxonomy is governed overall.

We would like to draw the FASB's attention to the IASB's revised [Due Process Handbook](#) issued in June 2016.

The key difference between the FASB and IASB governance process in relation to their taxonomies is that the IASB now:

1. Requires Board approval of taxonomy concepts that derive from disclosure obligations by the IFRSs.
2. Requires the IFRS Taxonomy Review Panel, a standing committee of not less than 3 Board members and a number of senior technical staff, approve taxonomy concepts that represent industry common practice.

It is noticeable, already, that these new governance arrangements appear to be enhancing the quality of the IFRS taxonomy. They also provide confidence that the taxonomy is not inadvertently introducing inconsistencies or misinterpretations of the accounting standards.

We also observe that gradually, these changes to the governance arrangement around the IFRS taxonomy are helping members of the IASB take into account the needs of digital users of accounting standards.

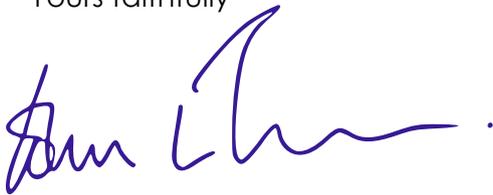
In our view the FASB should examine this process with a view to adopting a similar approach. In effect, the US should look to the global trend towards the enhanced use of fundamental data through digital financial reports and work to incorporate this change into its internal processes and procedures.

Staff Opinion

This letter is a staff opinion and may not entirely or accurately represent the views of XBRL International, the Board of XBRL International or the consensus opinions of the XBRL Standards Board or Best Practices Board

We are happy to further discuss any aspect of this submission with FASB staff or members and would like to thank you for your attention and this opportunity to provide our perspective.

Yours faithfully



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