

9 January 2008

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

Dear Sirs:

Consejo Mexicano para la Investigación y Desarrollo de Normas de Información Financiera (CINIF) the accounting standards setter body in Mexico, welcomes the opportunity to submit our comments on the **Exposure Draft ED 9 Joint Arrangements** Set forth below you will find our comments to the specific questions that are included in the Exposure Draft.

Question 1

We agree with the proposal to change the way joint arrangements are described. The use of joint operations, joint assets and joint ventures defines better the joint arrangements and sets a better basis to recognize effects of each type of arrangement.

Question 2

We agree that a party to a joint arrangement should recognize its contractual rights and obligations relating to the arrangement. We also believe that the proposals in the exposure draft are consistent with and meet the objective of recognizing the rights and obligations. However we believe that regarding joint ventures it should be emphasized that these should be recognized as an investment in an associate.

Question 3

We fully support the elimination of proportional consolidation. In the case of joint operations and joint assets a party will recognize assets, liabilities, income and expenses on the contractual rights and obligations relating to the individual assets and liabilities of such joint arrangements. In the case of a joint venture a party will recognize its investment using the equity method of accounting as if it were an investment in an associate.

We believe that it should be emphasized that for all purposes joint ventures should be treated in the same way as investments in associates.

We do not agree with paragraph 35, that states that in separate financial statements of the venturer, the investment in a joint venture should be carried at cost. We believe that in all cases the equity method should be applied.

In the comments we are submitting on the ED of proposed improvements to IFRS, we are indicating that we do not agree with the similar standards set forth in paragraphs 37 of IAS 27 and 13 of IAS 28.

Question 4

We agree with the disclosures proposed in the ED 9.

Question 5

We agree with the disclosure required by paragraph 39(a) and with the proposal to restore to IAS 27 and IAS 28 the requirements to disclose a list and description of significant subsidiaries and associates.

Question 6

We do not agree that it is more useful to users if an entity discloses current and non-current assets and liabilities of associates than it is if the entity discloses only total assets and liabilities. We do not perceive the benefit of disclosing for each material joint venture the amount of current and non current assets and liabilities and how that would enhance the interpretation of the financial statements of the venturer, unless the joint venture would be the only activity of the venturer.

Likewise we do not believe that paragraph 37(b) of IAS 28 should be modified to require that the disclosure of current and non current assets and liabilities for the same reason stated above.

IASB has been criticized for requiring too many disclosures that in most cases are useless and we believe we should not add more.

Should you require additional information on our comments listed above, please contact me at 00-52-55-5596 5633/26/34 or by e-mail at fperezcervantes@cinif.org.mx

Sincerely,

C.P.C. Felipe Perez Cervantes
President of the Mexican Accounting Standards Board
Consejo Mexicano para la Investigacion y Desarrollo
de Normas de Informacion Financiera (CINIF)