



Koninklijk Nederlands Instituut
van Registeraccountants

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Public Company Accounting Oversight Board
Office of the Secretary
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Our ref : JZ/uh/PCAOB
Direct dial nr : +3120-3010301 / Faxnumber: +3120-3010302
Date : March 27, 2003
Re : PCAOB Rulemaking Docket Matter No. 001

Dear members of the Board,

NIVRA is one of the two statutory professional bodies of accountants in the Netherlands. One of NIVRA's statutory tasks is to promote the proper exercise of the accounting profession by register-accountants and defending their common interests. The proposal of the PCAOB concerning a registration system for public accounting firms (indirectly) affects registeraccountants. Regarding this proposal we would therefore like to bring the following to your attention.

We regret that due to the short time to comment on the proposal we were unable to comprehensively investigate the consequences the proposed rules may have for our members. An elaborated comment on the contents of the proposed rules will therefore not be possible for us. We regret this situation all the more because after a superficial consideration of the proposal we think the proposal may potentially be in conflict with our national rules.

We support the establishment of global rules for auditors but feel these rules have to be agreed upon in an international context. This will lead to rules which are uniform, not conflicting with national or supranational rules and are directly applicable to our members. We also welcome any (foreign) rulemaking proposals which will help governing bodies in other nations to reach their goals. We feel that such proposals should have sufficient provisions in case of conflicting rules. We trust this will be the case with the present proposal.

NIVRA, being a self-regulatory body, has recently issued an elaborated set of rules regarding the auditors independence and has also issued new rules regarding the quality review of accountantsfirms by NIVRA. Momentarily we are examining the options to put the quality review under supervision of an independent national governmental organization. In our newest rules regarding quality reviews we have made a provision for cooperation with other reviewing (foreign) bodies.

We hope the board will consider our concerns and views.

Yours sincerely,

A handwritten signature in black ink, appearing to read "G.A. Smit", is written over a horizontal line.

G.A. Smit RA
Chief Executive

