

Mr. Hans Hoogervorst
IASB Board Chair
IASB
7 Westferry Circus, Canary Wharf
London, UK, E14 4HD

5 December 2018

Re: **Amendments to IFRS 17**

Dear Mr. Hoogervorst,

We would like to take this opportunity to thank you again for the call that you and other IASB board members recently had with a number of CFO's of member companies of the CFO Forum and Insurance Europe. In this call, the IASB's recent decisions and on-going work relating to IFRS 17 were discussed.

We appreciate the Board's recent decision to explore potential amendments to IFRS 17 and to maintain the alignment in effective date between IFRS 9 and IFRS 17. As we have consistently stated, we believe that it is very important to assess the outstanding issues identified by members of the CFO Forum in the EFRAG testing exercise. This exercise, by a significant number of major insurers, along with the ongoing implementation projects, has provided substantial new evidence for the significant issues, their impact and the associated cost and complexity. These issues need to be resolved through amendments to IFRS 17 in order to ensure that the new standard will fairly reflect performance and that the results are comprehensible to investors and other users.

The CFO Forum has provided possible solutions to all identified issues and the industry remains committed to maintaining the momentum to finalise an improved IFRS 17. As we have indicated in the aforementioned call, we consider it important for the IASB to take notice of the extensive testing evidence that members of the CFO Forum have submitted to EFRAG.

We have offered the IASB that our relevant members present the issues, the detailed evidence, and the proposed solutions. Individual member companies that participated in the EFRAG testing have and will continue to reach out to the (staff of the) IASB to explain the issues, the new evidence as a result of the testing and the proposed CFO Forum solutions. We reiterate that the Forum as a whole stands ready to provide whatever support is necessary to ensure that the proposals to resolve the identified issues are understood and supported by evidence.

Based on the staff papers issued for the December meeting we are very concerned that the strong evidence from the EFRAG testing and the solutions proposed by the CFO Forum are not being considered seriously and that the issues may be prematurely dismissed. We would be pleased to understand how you will address the issues presented by the Forum, assess the substantive EFRAG testing results from our individual members and engage with the industry in making the necessary amendments to IFRS 17.



Yours sincerely,

Matthew Rider

Chairman European Insurance CFO Forum

Copy CC:

- Mr. Jean Paul Gauzes – EFRAG Board president
- Mr. Olivier Guersent – Director-General, Financial Stability, Financial Services and Capital Markets Union, European Commission
- Mr. Alain Deckers – Head of Unit, Accounting and Financial Reporting at DG Financial Stability, Financial Services and Capital Markets Union, European Commission
- Mr. Theodor Stolojan MEP – Chair of the IFRS Permanent Team, ECON Committee, European Parliament
- Mr. Gabriel Bernardino - Chairman of the European Insurance and Occupational Pensions Authority
- Mr. Olav Jones – Deputy Director General, Insurance Europe
- Mr. Patrick Raaflaub – Chairman, CRO Forum
- Mr. Thomas Buberl – Chairman, Pan-European Insurance Forum
- Mr. Steven Maijoor - Chair, European Securities and Markets authority