

Mr. Jean-Paul Gauzes
EFRAG Board President
EFRAG
35 Square de Meeûs
B-1000 Brussels
Belgium

Mr. Hans Hoogervorst
IASB Chair
International Accounting Standards Board
IFRS Foundation
30 Cannon Street
London
EC4M 6XH

16 July 2018

Dear Mr. Gauzes and Mr. Hoogervorst,

IFRS 17 testing results presented to the EFRAG Board

The CFO Forum met on 12 July and discussed our members' EFRAG testing results submissions. The CFO Forum endorsed the presentation and the conclusions that I shared with the EFRAG Board on 3 July, which is also attached to this letter for reference. This testing has shown with factual evidence that material issues are outstanding.

It is clear from the type of issues and facts presented from the testing that these need to be resolved prior to endorsement and will require reopening IFRS 17. The CFO Forum is committed to developing solutions to these issues with the IASB and all relevant stakeholders.

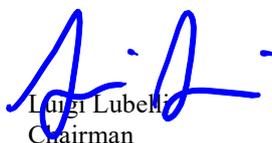
IFRS 17 has significant interactions with IFRS 9, which will also need to be reconsidered in order to reflect the asset liability management of insurance in the final frameworks.

We believe that the reopening of the standard in order to resolve its outstanding issues and thus reduce its complexities, will make it more reflective of the true underlying performance of the insurance business, facilitating its comprehension by investors and other users, whilst at the same time reducing the costs of implementation.

Notwithstanding the fact that our implementation projects are well underway, we are willing to invest more time to find solutions to address material issues. With all parties working in a positive and collaborative way towards this outcome, we believe the effective date of the standard will not be delayed by more than 2 years.

We remain committed to the development of high quality financial reporting standards and look forward to positive engagement with EFRAG and the IASB.

Yours sincerely,



Luigi Lubelli
Chairman
European Insurance CFO Forum

Copy:

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