



FEDERATION
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*Banking supervision
And Accounting issues Unit*

The Director

Paris, October 18th 2011

FBF Comments on the EFRAG draft Comment Letter on IASB Request for views on Effective Dates and Transition Methods.

Dear Mrs Flores,

The FBF is pleased to have the opportunity to comment on the EFRAG draft comment letter related to the IASB Request for views on Effective Dates and Transition Methods.

We share the view of EFRAG that defining a three years period of time to implement IFRS 9 and the insurance contracts standard would be more appropriate rather than setting a fixed effective date. Given the significant burden to move to the new standards as it covers the core of accounting principles applied to the financial instruments a three years implementation period is needed. Time is required in order to fully assess the impact of the new standards, to make changes to systems, to train staff and to develop communication with investors and analysts.

We disagree with the draft EFRAG position to require restatement of comparative information as EFRAG considers it is important for users (paragraph 12).

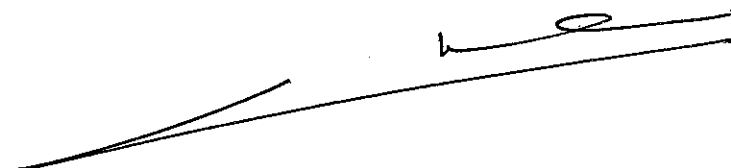
We strongly disagree with an unrealistic full retrospective application due to the scale of changes and due to the lack of meaningful information that would be provided. Transition IFRS 9 requirements imply that comparative figures include both IAS 39 and IFRS 9 information without being distinguishable for users of financial statements and without being representative of the entity's performance under either IFRS 9 or IAS 39. Moreover, it would prove difficult to produce the required data. We do not believe it would result in any additional useful information to users.


Mrs Françoise Flores
Chairman
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Due to the scope of the new standards, we face the same situation as the one occurred in 2005. Accordingly, we suggest applying a mechanism similar to the one applied for the transition to IAS 39 for first time adopters in 2005. No requirement should be made to restate comparatives. The opening balance sheet should be restated with a reconciliation schedule between closing and opening balance sheets.

We hope you find our comments useful and would be pleased to provide any further information you might require.

Yours sincerely,

A handwritten signature in black ink, consisting of a series of connected strokes that form a stylized name, likely 'Jean-Paul Caudal'. The signature is written in a cursive style and is positioned above the printed name.

Jean-Paul Caudal