

Limited Amendments to IFRS 9

Questions to EFRAG's constituents

42 Do you believe that the proposed clarification in the contractual cash flow characteristics assessment would decrease the number of financial assets to be measured at FV-PL in their entirety so that the request for reintroducing bifurcation in IFRS 9 is no longer justified? Please explain why.

43 Are you aware of any circumstances in which, from your point of view, bifurcation might still be needed? If so, please provide a description of the financial assets concerned.

44 Do you believe that EFRAG should still urge the IASB to reintroduce bifurcation for financial assets on the basis of a principal-and-interest' approach as described in paragraph 33, having in mind that finalising the appropriate requirements might delay the completion of IFRS 9, however not require re-exposure?

We believe that the proposed clarification in the contractual cash flow characteristics assessment would decrease the number of financial assets to be measured at FV-PL. We also believe that there is no need to reintroduce bifurcation for financial assets because that would only add complexity to the standard and would probably unnecessarily delay its completion.

Questions to EFRAG's constituents

80 Do you support View 1 or View 2 above? Please explain why.

81 The basis for conclusions in the ED (paragraph BC30) indicate that interested parties have raised concerns that the introduction of the FV-OCI measurement category would increase the use of fair value relative to IFRS 9 (2010) and that the IASB did not seek however to increase or reduce the use of fair value measurement. In addition, the IASB notes that in some cases financial assets that would have been measured at FV-PL could be measured at FV-OCI as a result of the proposals.

Do you believe that the introduction of the FV-OCI measurement category would increase the use of fair value relative to IFRS 9 (2010)? Please explain why.

82 Are there any additional arguments that have not been identified above?

In general we agree with View 2 mainly because the introduction of the new category FV-OCI would increase complexity and the level of judgment needed to apply in the accounting for financial assets without adding substantial benefits to the users of the financial statements.

Lisbon, 20th March 2013