

Date  
25 September 2008

Le Président

Fédération  
des Experts  
Comptables  
Européens  
AISBL

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Dear Mr. Enevoldsen,

**Re: EFRAG's assessments of IFRIC 15 *Agreements for the Construction of Real Estate***

1. FEE (Fédération des Experts Comptables Européens – Federation of European Accountants) appreciates the request to comment on the assessments of IFRIC 15 *Agreements for the Construction of Real Estate*.
2. We support EFRAG providing a positive endorsement advice and we broadly agree with the assessments formulated by EFRAG, without detailed examinations of the proposals and underlying assumptions.

**EFRAG's assessment of IFRIC 15 *Agreements for the Construction of Real Estate* against the endorsement criteria**

3. In our letter to IFRIC dated 29 October 2007, we detailed our concerns regarding IFRIC Draft Interpretation D21 "Real Estate Sales".
4. With the publication of IFRIC 15 *Agreements for the Construction of Real Estate*, we support EFRAG's assessment of IFRIC 15 against the endorsement criteria, recommending adoption.

**EFRAG's evaluation of the costs and benefits of IFRIC 15 *Agreements for the Construction of Real Estate***

5. We broadly agree with the evaluation of the costs and benefits of IFRIC 15 *Agreements for the Construction of Real Estate* as provided by EFRAG but have not carried out a detailed examination.

## Assessment Process

6. As set out in our letter of 24 January 2008 to the European Commission (EC) we believe that, in the current financial reporting environment, Europe needs to make every effort to prevent the creation of new deviations from IFRS. Furthermore, it needs to avoid to the extent possible any timing differences caused by delays in the endorsement mechanisms. Non-endorsement would call into question the EU commitment to the transatlantic dialogue with the US and may lead to less rather than to more EU influence in the standard setting process.
7. In our letter to the EC we underlined our understanding that the EC will only undertake effect studies for potential sensitive changes of standards, new standards and new interpretations during an interim period, until the IASB itself develops impact assessments and feedback statements. In future, we recommend such impact assessment be undertaken early in the standard setting process and not when the actual Standard is issued.
8. An enhanced due process for the IASB and IFRIC, improved governance of the IASB and timely and high quality European influence early in the standard setting process should result in international standards and interpretations that are acceptable for Europe. This European influence is expected to be exercised at, or before, exposure draft stage. EFRAG was created for that purpose and has the full support of FEE. As a due process is in place, at both IASB and EFRAG levels, these processes are expected to result in standards that are suitable for positive endorsement.

## Endorsement

9. FEE supports the endorsement of IFRIC 15 *Agreements for the Construction of Real Estate*.

We would be pleased to discuss any aspect of this letter you may wish to raise with us.

Yours sincerely,



Jacques Potdevin  
President

Ref: ACC/JP/SS/LF