

BELGIAN ACCOUNTING STANDARDS BOARD



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Our reference

C-088

Your reference

Date

September 23rd 2009

Dear Stig,

Please find below the Belgian Accounting Standards Board's (BASB) comments on the EFRAG's Draft Comment Letter on the IASB Exposure Draft "Fair Value Measurements".

The BASB is pleased and agrees with the IASB's decision to redefine fair value and to improve fair value measurement guidance. We recognize the importance of a decent fair value measurement framework.

Overall, we agree with the Draft Comment Letter of the EFRAG.

We want to emphasize, nevertheless, that it is not possible to decide how to measure fair value without considering the relevant context.

We do have some concerns however:

- For *financial instruments* that are presented at amortized cost, the entry price might better suite than the exit price.
- For *non financial assets*, the highest and best use should suite with the business model of the reporting entity, in order not to unnecessary complicate.
- For *liabilities*, non-performance risk should not be taken into account.

Should you wish to expand on any aspect of these points of concern, please do not hesitate to contact us.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'Jan Verhoeye', written over a circular stamp or seal.

Jan Verhoeye

President Belgian Accounting Standards Board