

Ms Françoise Flores
EFRAG
35 Square de Meeûs
B-1000 Brussels
Belgium

9 March 2012

Dear Ms Flores,

Comments on draft endorsement advice of IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28

We are writing to you as the European Insurance CFO Forum, which is a body representing the views of 20 of Europe's largest insurance companies and Insurance Europe, representing 95% of the premium income of the European insurance market. Accordingly, we represent the consensus view of a significant element of the European insurance industry.

We welcome the opportunity to comment on EFRAG's draft endorsement advice of IFRS 10, IFRS 11, IFRS 12, IAS 27 and IAS 28 ('the Standards').

When we commented to the IASB on Exposure Draft 10 "Consolidated Financial Statements" we indicated that some of the issues addressed were highly complex and needed proper guidance. Considering the lack of applicable guidance, especially where insurance specific issues are concerned, we share your concerns that a 1 January 2013 effective date is operationally challenging for our industry, particularly for insurers that may be affected by the current ongoing Investment Entities Project.

Ahead of the January 2012 IASB meeting we issued a letter to the IASB supporting your request for deferral of the effective date. We share your view that the effective date should be deferred at least one year. However, we question whether a delayed endorsement of the Standards in the EU is the best solution as this will lead to different application dates between IFRS in the EU and IFRS as issued by the IASB.

As such, we believe that the best solution for all would be to continue to jointly work with the IASB to have them defer the IASB 1 January 2013 effective date.

As some of our members have a listing on stock exchanges located outside the EU, where only IFRS as issued by the IASB is accepted, these members are not aided by a delayed EU endorsement. These members would be forced to implement the Standards despite these many challenges. Therefore, if an IASB deferral is not possible, then we would recommend that the EU defer the mandatory effective date for the Standards to at least 1 January 2014 but permit early adoption. This is important for those companies, for example, who must file financial statements in accordance with IFRS as issued by IASB as well. If not, our dual listed members would have to prepare two sets of financial statements: under IFRS as issued by the IASB and under IFRS as endorsed in the EU. This would lead to incoherent international financial reporting, as well as significant operational issues. We recommend that early adoption should be possible for all EU companies, both listed companies and un-listed companies in national jurisdictions that require the use of EU adopted IFRS, who wish to do so on a voluntary basis.



Yours sincerely

A handwritten signature in blue ink, reading "Oliver Bäte".

Oliver Bäte
Chair, European Insurance CFO Forum

A handwritten signature in black ink, reading "Olav Jones".

Olav Jones
Deputy Director General
Director Economics & Finance