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IFRS 17 *Insurance Contracts* Project Update

Objective

- 1 The objective of this paper is to provide:
 - (a) An update on the progress in developing a draft endorsement advice for IFRS 17 *Insurance Contracts*; and
 - (b) The current project plan.

A. PROJECT UPDATE

- 1 The following is a summary of progress since the meeting of the EFRAG Board on 23 April 2018.

Meetings

EFRAG IAWG

- 2 At the EFRAG IAWG meeting on 26 April, members shared views on:
 - (a) Issues submitted to the May 2018 meeting of the IASB IFRS 17 Transition Resource Group (TRG);
 - (b) Financial reinsurance – Eligibility of reinsurance for the variable fee approach;
 - (c) Acquisition costs; and
 - (d) A comparison between IFRS 17 and Solvency II.
- 3 The agenda for the EFRAG IAWG meeting on 24 May includes:
 - (a) Feedback on the May 2018 meeting of the IASB IFRS 17 TRG from EFRAG IAWG members who are also members of the TRG;
 - (b) A comparison between IFRS 17 and US GAAP;
 - (c) A draft of Appendix I of the draft endorsement advice on IFRS 17; and
 - (d) Quantitative research on the use of reinsurance.

EFRAG TEG

- 4 IFRS 17 was not discussed at the May EFRAG TEG webcast.

Activities

- 5 The EFRAG Secretariat is meeting regularly with participants in the full case study through conference calls. The completed case studies are due by 15 June.
- 6 One submission has already been received for the simplified case study. Completed case studies are due by 31 May.

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- 7 EFRAG Secretariat has assisted the appointed economic consultant by distributing their questionnaire. Feedback from the economic consultant identifies that the project is on track.
- 8 In terms of the user outreach, 35 qualified expressions of interest in participating in the outreach were received. This resulted in 27 interviews being scheduled, of which 22 have already been conducted. We are still trying to arrange times for the remaining 8 who expressed an interest. Views have also been sought from the EFRAG User Panel.

Question for the EFRAG Board

- 9 Does the EFRAG Board have any comments on this update?

B. PROJECT PLAN

- 10 The following charts provide a summary of the anticipated progress of the project.

Week Starting	Jun 2018				July 2018				
	4	11	18	25	2	9	16	23	30
Case study	IAWG	TEG			BRD TEG	IAWG		TEG	
Insurers prepare									
Review of results			Review results						
Simplified case study	Review results								
Studies									
Economic study									
IFRS 17/ Solvency II									
User outreach	Collate results								
DEA									
Draft DEA									
Consult									
FEA									

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Week starting	Aug 2018				Sep 2018			
	6	13	20	27	3	10	17	24
Studies	TEG				BRD		BRD	
	IAWG		BRD		TEG		IAWG	TEG
Economic study					Final	Present		
DEA								
Draft DEA								
Consult								
FEA								

Week Starting	Oct 2018					Nov 2018				Dec 2018				
	1	8	15	22	29	5	12	19	26	3	10	17	24	31
DEA		IAWG	BRD			IAWG		BRD	TEG	BRD		BRD		
										CC		TEG		
Draft DEA														
Consult														
FEA														

Question for the EFRAG Board

11 Does the EFRAG Board have any comments on the project plan?