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IFRS 17 Insurance Contracts Cover Note

Objective

- 1 The objective of this session is for EFRAG TEG:
 - (a) to receive views from the EFRAG IAWG meeting held on 28 March 2019 and to consider whether, as a result, EFRAG TEG has questions for EFRAG IAWG; and
 - (b) to provide preliminary views as input into the draft comment letter on the forthcoming Exposure Draft on IFRS 17 *Insurance Contracts* relating to the six topics that were identified in the EFRAG letter to the IASB of 3 September 2018.
- 2 Paper 08-03 is a high level summary of IFRS 17 EFRAG Secretariat papers, i. e. input/evidence from EFRAG TEG/EFRAG IAWG discussions to date relating to the EFRAG letter topics, EFRAG case studies and other inputs from the users and the industry. It has to be considered as a “living document” that will be updated as and when additional information is received. It does not replace the relevant EFRAG Secretariat papers and has to be read in conjunction with those papers, where the details of the technical discussion can be found.
- 3 Questions to EFRAG TEG are in the respective agenda papers. In paper 08-03, EFRAG TEG is asked for their preliminary views and supporting reasons regarding the six EFRAG letter topics, specifically on:
 - (a) whether the IASB’s tentative decisions are moving in the right direction or not; and
 - (b) whether there are limits in the IASB’s tentative decisions.
- 4 The questions to EFRAG TEG at this stage relate to the issues that have been already discussed by EFRAG IAWG, that is:
 - (a) CSM amortisation - contracts that include investment services;
 - (b) Reinsurance - onerous underlying contracts profitable after reinsurance;
 - (c) Transition – modified retrospective approach – extent of relief; and
 - (d) Transition – fair value approach – challenges.

Agenda Papers

- 5 In addition to this cover note, agenda papers for this session are:
 - (a) Agenda paper 08-02 – EFRAG IAWG Report to EFRAG TEG – March 2019; and
 - (b) Agenda paper 08-03 – IFRS 17 Summarised technical discussion on EFRAG letter topics.