



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL  
MARKETS UNION

Financial Markets

Corporate reporting, audit and credit rating agencies

Brussels

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Wolf Klinz

EFRAG FRB Chair

EFRAG

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**Subject: Request for endorsement advice on the amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures: Supplier Finance Arrangements***

Dear Mr Klinz,

Following the publication by the International Accounting Standards Board (IASB) of the amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures: Supplier Finance Arrangements* on 25 May 2023, the European Commission would like to request the European financial reporting advisory group EFRAG to deliver its opinion on these amendments to IAS 7 and IFRS 7.

The opinion of the EFRAG should be based upon the following conditions, against which endorsement is assessed in Regulation (EC) No 1606/2002 of the European Parliament and of the Council on the application of International Accounting Standards, i.e. that the amendments to IAS 7 and IFRS 7:

- meet the criteria of understandability, relevance, reliability and comparability required of financial information needed for making economic decisions and assessing the stewardship of management, and
- are not contrary to the principle set out in Article 4(3) of Directive 2013/34/EU and are conducive to the European public good.

I would be grateful if EFRAG would provide its opinion as soon as possible following receipt of this letter.

We thank you in advance for your cooperation.

Should you have any questions, please contact Mr Erik Van Der Plaats (Telephone: +32 2 29 55 565) or Mr Mirosław Tadajewski (+32 2 29 98 599).

Yours faithfully,

[Electronically signed]

Sven GENTNER  
Head of Unit

c.c.: Jens Berger (EFRAG FR TEG Acting Chair)