EFRAG
European Financial Reporting Advisory Group

FEEDBACK STATEMENT

DISCUSSION PAPER

ACCOUNTING FOR PENSION PLANS WITH AN ASSET-RETURN PROMISE

02/2020

This report has been prepared for the convenience of European constituents by the EFRAG Secretariat and has not been subject to review by either the EFRAG Board or the EFRAG Technical Expert Group.

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Introduction

On 15 May 2019, EFRAG issued Discussion Paper *Accounting for Pension Plans with an Asset-Return Promise* ('the DP'). EFRAG requested comments by 15 November 2019.

This feedback statement summarises the comments received in the form of comment letters and comments made at the July 2019 meeting of the Accounting Standards Advisory Forum (ASAF).

The reason for the DP

The DP explored alternative accounting treatments for post-retirement employee benefits (pension plans) promising the higher of the return on an identified item or group of items and a minimum guaranteed return (referred to as an 'asset-return promise').

One of the main perceived issues with accounting for these plans in accordance with the requirements in IAS 19 *Employee Benefits* is that measurements of the pension obligation and the plan assets do not reflect the economic covariances between the two following from the terms of the plans. One of the reasons is that the final entitlement benefits are projected with the expected returns on plan assets, while the pension obligation needs to be discounted using a high-quality corporate bond rate. Accordingly, when the expected return on the plan assets is higher than the discount rate, a net pension liability needs to be recognised, even if it is expected that the plan assets will be sufficient to fully settle the pension obligation at retirement. Another reason is that if an employee's service in later years will lead to a materially higher level of benefit than in earlier years, IAS 19 requires an entity to attribute benefit on a straight-line basis (backload correction).

The DP considered the following three alternatives for accounting for the plans within the scope:

a) a capped asset return approach ('the Capped Asset Return Approach');
b) a fair-value based approach ('the Fair Value Based Approach'); and
c) a fulfilment value approach ('the Fulfilment Value Approach').

The purpose of the DP was not to consider the distinction in IAS 19 between defined benefit plans and defined contribution plans, which would involve a comprehensive overhaul of the requirements for accounting for pension plans. Nevertheless, the DP included a short description of some of the other concerns that have been raised in relation to the existing requirements, including the backload correction.

Responses from constituents

In addition to the comments received at the July 2019 meeting of ASAF, EFRAG received and considered 13 comment letters. The list of the respondents is provided in the Appendix. These comment letters are available on the EFRAG website.

The comment letters received came from national standard-setters, preparers, professional and other organisations.

Purpose and use of this feedback statement

This feedback statement has been prepared as a formal record of the responses received. It summarises the messages received from constituents and notes any key themes identified.

This feedback statement should be read in conjunction with Discussion Paper *Accounting for Pension Plans with an Asset-Return Promise*, which is available on EFRAG's website.

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Public discussion at the July 2019 ASAF meeting

EFRAG presented the DP at the ASAF meeting in July 2019. The meeting participant expressed mixed views on the explored approaches and provided the following comments:

a) Two ASAF members expressed support for the Capped Asset Return Approach. The main reasons were that this approach was the least costly of the alternatives and would be easy to apply.

b) One ASAF member suggested an alternative approach to the Capped Asset Return Approach, which the member did not think would result in a faithful representation. Under the alternative approach, instead of capping the estimated asset returns used in estimating the pension cash flows to the discount rate used for the pension obligation, the discount rated used for measuring the pension obligation should be adjusted.

c) Another ASAF member agreed that the Capped Asset Return Approach would not result in a faithful representation. That ASAF member thought that the Fair Value Based Approach would result in a faithful representation.

d) An IASB Staff member noted that one of the differences between the approaches suggested in the DP was the unit of account. Under IAS 19 and the Capped Asset Return Approach the focus was mainly on the obligation for service already received from employees. Under the Fulfilment Value Approach also future services to be received by employees were taken into account. Furthermore, the largest difference between the outcome of the approaches arose from the backload correction applied in IAS 19 and in the Capped Asset Return Approach but not under the Fair Value Based Approach and the Fulfilment Value Approach.

Summary of the comments received by comment letters

Overview of the feedback received

Respondents generally welcomed the DP published by EFRAG as an input to the debate on accounting for hybrid plans.

The DP addressed only those pension plans that have an asset-return based promise and hold the assets upon which the benefits are dependent. However, six of the thirteen respondents thought that the three approaches suggested in the DP could also be applied when the underlying assets are not held by the plan.

Of the three approaches included in the DP, most respondents (nine out of thirteen) supported the Capped Asset Return Approach. This model was assessed to be the least complex and the approach is also closer to the current requirements in IAS 19 than the other approaches. It was thought that the Capped Asset Return Approach would thus be the only approach that could be considered unless the aim would be to rethink IAS 19 fundamentally.

The DP included an assessment of the various approaches. Respondents generally agreed with most of the assessments, however, on some aspects some respondents thought the Fair Value Based Approach and the Fulfilment Value Approach had been assessed too favourable and the Capped Asset Return Approach too unfavourable.

The DP assumed that remeasurements under the Fair Value Based Approach and the Fulfilment Value Approach would be presented in profit or loss. Eight of the thirteen respondents thought that these remeasurements should be presented in other comprehensive income (OCI).

The DP proposed that a risk adjustment for non-financial risks should be made when discounting the pension obligation under the Fulfilment Value Approach. Respondents were generally not in favour of this risk adjustment (only two supported it).

Analysis of responses

Question 1 – Scope

The DP explored alternative accounting treatment for post-retirement employee benefits (pension plans) promising the higher of the return on an identified item or group of items and a minimum guaranteed return (referred to as an 'asset-return promise'). The scope of the DP was further restricted to plans holding the identified item or group of items upon which benefits are dependent.

The DP asked whether respondents thought that the approaches considered in the DP could also be applied to those plans with an asset-return promise, where the plan does not hold the reference assets.

Two respondents noted that it was unclear whether the plans included in the scope would only include those under which a minimum guaranteed return is a fixed percentage, or also plans under which the minimum guaranteed return would be based on an index, for example a consumer price index or a salary index.

A preparer thought that the description of the types of plans that would be covered by the DP would not include a plan in which the interest credited to members' account balances would be linked to the actual asset return but granted at the discretion of the board of the pension fund each year. The respondent asked whether this was EFRAG's intention. The respondent also asked whether plans which would allow the beneficiary to convert their account balances into an annuity on off-market terms would be included in the scope.

Six respondents thought that the three approaches suggested in the DP are equally appropriate independent of whether the underlying assets are held or not held by the plan. One respondent though that the different risk exposure resulting from holding the assets versus not holding the assets is not a reason for excluding plans that do not hold the reference assets as:

a) The separate valuation of (plan) assets and the defined benefit obligation within the pension liability is an integral part of the fundamental concept of IAS 19 (this point was also made by another respondent);
b) The measurement of an asset-based pension promise should be based on the measurement of the defined benefit obligation, rather than the measurement of the covering assets;
c) The performance risk of assets other than the reference assets is reflected adequately by the overall IFRS-measurement objectives.

A German respondent noted that in Germany, the referenced assets are regularly not held as plan assets.

A preparer noted that it was important to ensure that new forms of accounting for certain plans that are only marginally different from plans that would fall outside the scope should be avoided in order not to create new anomalies.

Other respondents presented mixed views:

a) Four respondents thought that the approaches were not relevant for the plans that do not hold the reference assets, because of differences in the nature and risks inherent in these plans compared to other plans, which should be reflected in the measurement, or because the link between the pension obligation and the performance of the plan assets is vital.
b) Two standard setters thought that the Capped Asset Return Approach is not appropriate if the underlying assets are not held by the plan and the plan therefore is/could be (partly) unfunded. One of the respondents elaborated on its initial thoughts stating that when a plan does not hold

the underlying assets, it is difficult to see why the fact that the promised return would depend on, for example, a stock return should result it being accounted for differently than a plan under which the return would depend on changes in salaries.

c) One standard setter agreed with EFRAG that more work is needed to assess whether the approaches explored could be applied to the plans where the plan does not hold the reference assets. However, the respondent noted that hedging can be relevant to take into account also outside the scope of IFRS 9 *Financial Instruments* and a different accounting treatment could therefore be warranted depending on whether the underlying assets are held or not.

Question 2 – Assessments of approaches – Aspects to consider

The DP included an assessment of the three alternatives explored in the DP for accounting for the plans within the scope. The assessments are summarised in the table below.

Qualitative characteristics	***IAS 19***	***Capped Asset Return Approach***	***Fair Value Based Approach***	***Fulfilment Value Approach***
Is the information relevant?				
• *Does the approach reflect how the pension obligation will be settled?*	★☆☆	★☆☆	★☆☆	★★☆
• *Is the economic covariance between plan assets and pension obligation reflected?*	☆☆☆	★☆☆	★★★	★★★
• *Is a net pension liability recognised when the plan assets are expected to be insufficient to cover the portion of the final benefit entitlement for the service provided to date?*	★★☆	★★☆	★★★	★★★
• *Does the calculation of current service cost result in a useful reflection of pension cost related to a particular period?*	★★☆	★★☆	★★★	★★★
• *Is information about the value of the minimum return guarantee provided?*	☆☆☆	☆☆☆	★★★	★★★
Is the employee's right to receive the higher of the return on plan assets and the minimum guaranteed return reflected in a complete manner?	★☆☆	★☆☆	★★★	★★★
Can requirements be applied retrospectively?	N/A	★★★	★★☆	★★☆
Is the obligation element related to the minimum guaranteed return accounted for similarly to plans under IAS 19?	N/A	★★★	★☆☆	★☆☆

Is the obligation related to the return on plan assets accounted for similarly to plans under IAS 19?	N/A	★☆☆	★★★	★★★
Is the information understandable?	★☆☆	★☆☆	★★☆	★★☆
Will the implementation of the approach be uncostly?	N/A	★★☆	★☆☆	★☆☆

In the table, one 'star' reflects a low fulfilment of the qualitative characteristic, two 'stars' reflect medium fulfilment of the qualitative characteristic and three 'stars' reflect a high fulfilment of the qualitative characteristic.

The DP asked whether respondents agreed with the aspects of qualitative characteristics considered in the assessment of the various approach and if not, which aspects should/should not have been considered.

In relation to whether additional aspects should have been considered, a standard setter thought that verifiability and reliability should also have been considered in the assessment and that the assessment criteria should have been weighted. A Dutch respondent believed that due to the specific legal situation in its jurisdiction where the employer has the obligation towards pension fund or insurer (and the pension fund or insurer then bears the obligation towards the employee), a key qualitative characteristics is whether the net pension liability recognised, appropriately reflects future cash out flows for the employer related to services that have been performed to date. An estimate of the resources needed to fulfil the obligation to the employee was not a relevant criterion in the respondent's jurisdiction.

Respondents generally agreed with most of the assessments, however:

a) Four respondents assessed the following qualitative characteristics differently from EFRAG:
   a. For the assessment of whether the economic covariance between plan assets and pension obligation is reflected, the respondents thought that the Capped Asset Return Approach would reflect the economic covariance in a manner significantly better than the IAS 19. Three of the respondents accordingly thought that the approach should have two 'stars' instead of only one.
   b. For the assessment of whether the calculation of current service cost would result in a useful reflection of pension cost related to a particular period, the respondents thought that the assessment should reflect that the Fair Value Based Approach and the Fulfilment Value Approach would not take a backload correction properly into account. Three of the respondents accordingly thought that the Fair Value Based Approach and the Fulfilment Value Approach should only have two 'stars' (instead of three). The assessment should, according to three of the respondents, also reflect that the Capped Asset Return Approach would be better than IAS 19. Two of the respondents accordingly thought this should mean that the Capped Asset Return Approach should have three 'stars'.
   c. For the assessment of whether information about the value of the minimum return guarantee is provided, the respondents thought that the Capped Asset Return Approach implicitly takes the guarantee element into account when measuring the defined benefit obligation. Three of the respondents accordingly thought that the approach should receive one 'star' instead of zero.

d. For the assessment of whether the employee's right to receive the higher of the return on plan assets and the minimum guaranteed return is reflected in a complete manner, three of the four respondents thought that the Capped Asset Return Approach would take appropriately (or at least better than IAS 19) into account the employee's right to receive the higher of the return on (plan) assets and the minimum guaranteed return. Two respondents accordingly assessed that the Capped Asset Return Approach should have two 'stars'.
e. For the assessment of whether the requirements could be applied retrospectively, three of the four respondents thought it would be more difficult to apply the Fair Value Based Approach and the Fulfilment Value Approach retrospectively than assessed by EFRAG. The models would, according to the respondent, require extensive research on, for example, volatility and markets. They should therefore only have one 'star' on this characteristic.
f. For the assessment of whether the obligation element related to the minimum guaranteed return would be accounted for similarly to under IAS 19, the respondents assessed that the Fair Value Based Approach and the Fulfilment Value Approach differ so fundamentally from the existing IAS 19 requirements that they should have no 'stars'.
g. For the assessment of whether the obligation related to the return on plan assets is accounted for similarly to plans under IAS 19, the DP assessed that the Fair Value Based Approach and the Fulfilment Value Approach would result in similar outcomes as IAS 19. The reason provided in the DP is that it could be argued that the pension plans considered in the DP are very similar to a defined contribution plan when the minimum guaranteed return is very low and the pension obligation accordingly would be determined based on the expected return on plan assets. For the part of the pension obligation related to the return on plan assets, it could be argued that when the entity has made its contribution, it will have no legal or constructive obligation to pay further contributions as the fund cannot be in a position under which it would not hold sufficient assets to pay all employee benefits. The Fair Value Based Approach and the Fulfilment Value Approach would result in an outcome similar to the requirements for defined contribution plans in IAS 19. The respondents, however, considered that the Fair Value Based Approach and the Fulfilment Value Approach differ fundamentally from the existing IAS 19 requirements, so they should have no 'stars'. Instead, three of the four respondents assessed that the Capped Asset Return Approach should have two 'stars'.
h. For the assessment of whether the information is understandable, the respondents assessed that the Fulfilment Value Approach would be the least understandable approach (three respondents thought that it should have one 'star' only). The Capped Asset Return Approach should, however, have three 'stars' according to three of the respondents, as it is in line with the current and well-established IAS 19 principles and valuation methods. The assessments that the Capped Asset Return Approach is at least as understandable as the other methods was also supported by two respondents from Austria and Belgium respectively. In the DP it was argued that the figures resulting from the Capped Asset Return Approach were difficult to explain in other manners than how the amounts were calculated.
i. For the assessment of whether the implementation of the approaches will be uncostly, the respondents assessed that the Capped Asset Return Approach could be implemented without any additional costs. One of the respondents thought that the

Fulfilment Value Approach would result in higher implementation costs than the Fair Value Based Approach.

b) A standard setter thought that the Fair Value Based Approach could be implemented in a straightforward way by a valuation expert or an actuary and also thought the approach would be more understandable than indicated in EFRAG's assessment.
c) Four respondents thought that the Fulfilment Value Approach and the Fair Value Based Approach, due to the differences compared to IAS 19 model, will add to complexity and reduce understandability of the results, for example it will be difficult to explain the volatility of the pension obligation.
d) Three respondents noted that the valuation model used in the Fair Value Based Approach and the Fulfilment Value Approach, in contrast to the valuation of stock option plans, may be very complex for pension plans because the periods considered are very long and there is no single fixed due date. This is in particular important because the reporting entities could have limited knowledge regarding obligation with 25-year long life. Moreover, they noted that the Black-Scholes valuation formula, used in the DP, is not compatible with negative interest rates, which are observable on the market.
e) In the view of one of the respondents, the Capped Asset Return Approach generally received a too negative assessment, compared to the other two approaches which were assessed too positively. The respondent noted that the two approaches require a very complex fair value determination by option pricing models with many unknown parameters and data input which threatens the understandability, comparability and implementation. The respondent, however, also noted that the Capped Asset Return Approach could be more likely to result in a net pension liability not being recognised when the plan assets are expected to be insufficient to cover the portion of the final benefit entitlement for the service provided to date than the current requirements in IAS 19.

Question 3 – Assessment of approaches – Assessment of complexity

The assessment in the DP of the costs related to the various approaches presented in the DP, only considered implementation costs.

Respondents were asked whether they thought that the complexity related to preparing financial information in accordance with the approaches would differ significantly. If, they did, they were asked which approaches would be the most complex and least complex to apply.

Generally, respondents assessed that the Capped Asset Return Approach would bring the least complexity and in particular:

a) Ten respondents thought that the Capped Asset Return Approach would be the least complex to apply.
b) Two preparer organisations believed that the Fair Value Based Approach would be the most complex to apply and the Fulfilment Value Approach would increase the risk of different interpretations which may impair comparability.
c) Seven respondents thought that the Fair Value Based Approach and the Fulfilment Value Approach would lead to significantly higher valuation expenses, for instance because the valuation differs from IAS 19 requirements.

However, one standard setter thought that the Capped Asset Return approach and the Fair Value Based approach were of similar complexity and comparable to the complexity of application of IAS 19 after the first-time application. The respondent assessed the Fulfilment Value Approach to be more complex.

Another standard setter assessed that after the implementation, the various approaches may not differ significantly, however, the Capped Asset Return Approach would be the least costly approach to implement.

Question 4 – Choice of approach

The DP asked which of the three alternative approaches the respondents would support and how the approach should be further developed.

Nine respondents supported only the Capped Asset Return Approach. An argument provided was that this model most appropriately reflects future cash outflows that the employer will incur, together with appropriate disclosure on the specific risks that result from the minimum guaranteed return. Among the respondents supporting the Capped Asset Return Approach:

a) Four respondents noted that this approach should be further developed into a fixed asset return approach. This would mean that the expected return included in the measurement of the obligation should be replaced by the actuarial interest rate of IAS 19. An advantage of this further development would, according to the respondents, be that even in cases where the expected return is below the discount rate, the obligation would be valued appropriately without the complex asset ceiling application.
b) An association of actuaries believed that this approach was a pragmatic and an easy to implement solution that addresses inconsistency between the estimated cash flows and the discount rate required by IAS 19.
c) An association of Belgian insurers explained that in its view the capped asset return approach considers the covariance between assets and liabilities and that some undertakings in its jurisdiction already apply such an approach. Another respondent, similarly noted that in Germany, where a growing number of plans would be within the scope of the DP, the prevalent consensus by preparers, actuaries, auditors and enforcers on the valuation of such pension commitments is effectively very similar to the Capped Asset Return Approach.
d) A standard setter, however, noted that the approach seems less appropriate in situation where the discount rate is higher than the minimum guaranteed return rate, and this is higher than the expected actual return rate.
e) A standard setter did not support the Fair Value Based Approach and the Fulfilment Value Approach because they were not suitable for a narrow-scope amendment of IAS 19 and did not take into consideration the backload correction requirement from IAS 19 (although the respondent did not support the backload correction in all the cases in which it is currently applied).
f) Two Belgian respondents thought that the Capped Asset Return Approach could also be refined by measuring the pension obligation at the highest amount of the discounted value of the possible cash flow patterns resulting from the minimum guaranteed return and the fair value of plan assets (or guaranteed reserve). Another respondent noted that this amendment is applied by the actuarial consultants in Belgium.

One of the respondents (a preparer) supporting the Capped Asset Return Approach, noted that neither of the three approaches adequately captures the underlying question nor gives a convincing solution to it. On the other hand, a standard setter considered that all three concepts presented in the DP were supportable and would be preferable compared to the existing guidance in IAS 19. That standard setter noted that the Fulfilment Value Approach seemed most consistent with the related guidance (IFRS 17). However, for accounting purposes, the differences to the insurance business model were significant. The standard setter considered that the Fair Value Based Approach would require complex modelling.

Another standard setter questioned whether it was, appropriate to introduce a specific approach for the plans in the scope of the DP. However, that respondent found merits in the Fair Value Based Approach which seemed to reflect the economic substance of the employer's promise. The Fair Value Based Approach could thus be considered in a fundamental review of IAS 19. The respondent did not support the Fulfilment Value Approach due to the differences between a pension obligation and insurance contract (an insurance contract generates revenue). These differences made it inappropriate to apply the same accounting model. The respondent did not assess the capped asset return approach appropriate, as it did not properly reflect the obligation arising from the minimum guarantee.

A preparer organisation explained that none of the approaches should be further developed before other weaknesses of IAS 19 would be addressed (e.g. how to set the discount rate). Similarly, another preparer organisation explained that none of the approaches is likely to solve the main issue for middle market countries on what discount rate to use.

Question 5 – Presentation of remeasurements under the Fair Value Based Approach and the Fulfilment Value Approach

The DP assumed that remeasurements under the Fair Value Based Approach and the Fulfilment Value Approach would be presented in profit or loss. Respondents were asked whether they agreed with this approach. If they did not, they were asked how they would present components of defined benefit costs other than service costs.

Eight respondents believed that remeasurements under the Fair Value Based Approach and the Fulfilment Value Approach should be presented in OCI, in line with the current IAS 19 requirements.

However, two Belgian respondents supported presentation of remeasurements in profit or loss for the Fair Value Based Approach and the Fulfilment Value Approach.

One standard setter understood that especially under the Fair Value Based Approach remeasurements would be presented in profit or loss. In the view of the standard setter this illustrated that the Fair Value Based Approach and the Fulfilment Value Approach are fundamental different from the approach in IAS 19 (and therefore less suitable for a narrow-scope amendment).

Another standard setter had no comments on this question.

Question 6 – Risk adjustment for Fulfilment Value approach

The DP proposed that the risk adjustment for non-financial risks is made when discounting the pension obligation under the Fulfilment Value Approach. Respondents were asked whether they agreed with this and what risks such an adjustment should cover.

Respondents were generally not in favour of adjusting the discount rate for non-financial risks. In particular:

a) Two organisations of preparers believed that introducing risk adjustments would add to complexity of accounting for pensions plans and may result in changing the companies' pension strategy further towards defined contribution plans.
b) Three respondents thought that such risk adjustment would not be appropriate as it would invite a discretionary choice of adjustments by the reporting entity.
c) A standard setter thought that the introduction of risk adjustments for non-financial risks as well as for financial risks within the discount rate should not be considered unless the valuation

approach in IAS 19 should be reconsidered fundamentally. The respondent thought that sensitivity analyses would fit better the existing IAS 19 concepts.

d) One respondent could not see any need for adjustment for non-financial risks as it, contrary to insurance contracts, would not be necessary to calibrate the profit and to define revenue appropriately.

However, two respondents thought that the risk adjustment for non-financial risks should be integrated in the calculations. It should reflect the uncertainty of the used estimations.

Two standard setters did not evaluate the potential risk adjustments because the risk adjustments were not sufficiently illustrated in the DP, or because the respondent did not support the fulfilment value approach.

Question 7 – Disclosure

The DP asked what additional disclosure requirements about pension plans included in the scope of the DP should be added to the requirements of IAS 19.

Six respondents thought that the existing disclosure requirements are appropriate for the plans in scope of the DP. One standard setter, however, noted that additional disclosures would be needed if IAS 19 would be amended in accordance with one of the approaches included in the DP.

Two respondents did not see a need for any further requirements than those included in the DP. However, the respondents noted that disclosures might not be able to make up for the complexities resulting from the Fair Value Based Approach and the Fulfilment Value Approach using different valuation methods than those used for other plans. A standard setter similarly noted that the greater the conceptual differences between the accounting approaches used, the more complex the disclosure requirements would be, requiring more disaggregated and differentiated data to be disclosed.

Three respondents thought that additional disclosures should be required for the Fair Value Based Approach and the Fulfilment Value Approach. For these approaches, the used techniques and variables of the option prices used to express the minimum guarantee should be provided according to two of the respondents. The third respondent also thought that the Capped Asset Return Approach would require additional disclosures, but less than the Fair Value Based Approach and the Fulfilment Value Approach.

Question 8 – Alternative approaches

The DP asked respondents whether there were other approaches to account for the pension plans within the scope of the DP.

Seven respondents did not identify any other approaches.

Two preparer organisations thought that a stable model to account for pension obligation in a comparable way would be beneficial. One of these also explained that a simplified approach would be welcomed because the discounting calculations are becoming less relevant because of low or nil interest rates.

A standard setter thought that a new model should reflect future cash outflows that the employer will incur and that can be attributed to services to date.

Two respondents thought that the practical solutions that had been developed in different jurisdictions to deal with the issues could be preferable to maintain instead of amending IAS 19.

Four respondents thought that the capped asset return approach should be further developed into a Fixed Asset Return Approach where the expected return included in the measurement of the obligation should be replaced by the actuarial interest rate of IAS 19. This would be in line with the amendment to IAS 19 in 2011, which eliminated the expected return from the expense calculation and replaced it with the discount rate.

A professional organisation proposed an alternative approach based on the Capped Asset Return Approach. The Capped Asset Return Approach could be refined by measuring the pension obligation at the highest amount of the discounted value of the possible cash flow patterns resulting from the minimum guaranteed return and the fair value of plan assets (or guaranteed reserve).

APPENDIX – List of Respondents

Respondent	*Country*	*Type*
Norwegian Accounting Standards Board (NASB)	Norway	National Standard Setter
BusinessEurope	Europe	Preparer Organisation
Dutch Accounting Standards Board (DASB)	Netherlands	National Standard Setter
Arbeitsgemeinschaft für betriebliche Altersversorgung e.V (aba)	Germany	Preparer Organisation
The German Institute of Pension Actuaries (IVS)	Germany	Professional Organisation
ASCG	Germany	National Standard Setter
Swedish Enterprise Accounting Group (SEAG)	Sweden	Professional Organisation
Association of Consulting Actuaries (ACA)	UK	Professional Organisation
Assuralia	Belgium	Preparer Organisation
Febelfin	Belgium	Preparer Organisation
AON	UK	Preparer / Risk Advisor
Siemens AG	Germany	Preparer
Austrian Financial Reporting and Auditing Committee (AFRAC)	Austria	National Standard Setter