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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 conference call of the EFRAG Board on 20 March 2018.

Meetings

- 2 There was no EFRAG IAWG meeting in March as EFRAG IAWG members did not present a sufficient number of issues for discussion. The EFRAG IAWG meeting scheduled on 26 April will include:
- (a) papers developed for the May 2018 meeting of the IFRS 17 Transition Resource Group;
 - (b) Financial reinsurance – Eligibility of reinsurance for the Variable Fee Approach;
 - (c) Acquisition costs; and
 - (d) the preliminary analysis of similarities and differences between Solvency II and IFRS 17.
- 3 IFRS 17 was not discussed at the April EFRAG TEG meeting and will not be discussed at the May EFRAG TEG webcast.

Activities

- 4 Conference and video calls with participants in the case study are continuing.
- 5 We have been advised informally that some insurers will participate in the simplified case study. However, we are unable to estimate the likely level of responses as participants in the simplified case study are not required to formally register their participation.
- 6 The appointed economic consultant has delivered a draft inception report (a detailed project plan and report template) on which the EFRAG Secretariat has provided comments.
- 7 In terms of the user outreach:
- (a) we have issued the public call for participation;
 - (b) sent over 300 emails to organisations and individuals who are known to have an interest in the insurance industry to draw their attention to the public call;
 - (c) already have 18 expressions of interest in participating; and
 - (d) are working to incorporate comments and suggestions from EFRAG Board members in the outreach materials.

Question for the EFRAG Board

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

B. PROJECT PLAN

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

Week Starting	Apr 2018					May 2018					
	2	9	16	23	30	7	14	21	28		
Case study	TEG					BRD IAWG		TEG		IAWG	BRD
Insurers prepare	[Blue bar]										
Review of results	[Grey bar]										
Simplified case study	[Blue bar]										
Studies	[Grey bar]										
Economic study	[Green bar]										
IFRS 17/ Solvency II	[Green bar]										
User outreach	[Grey bar]										
	Draft					Interview					
DEA	[Grey bar]										
Draft DEA	[Grey bar]										
Consult	[Grey bar]										
FEA	[Grey bar]										

Week Starting	Jun 2018				July 2018					
	4	11	18	25	2	9	16	23	30	
Case study	IAWG	TEG			BRD TEG	IAWG			BRD CC	
Insurers prepare	[Blue bar]									
Review of results	[Grey bar]					Review results				
Simplified case study	Review results		[Grey bar]							
Studies	[Grey bar]									
Economic study	[Green bar]									
IFRS 17/ Solvency II	[Green bar]									
User outreach	[Grey bar]									
	[Yellow bar]	[Grey bar]								
DEA	[Grey bar]									
Draft DEA	[Orange bar]									
Consult	[Grey bar]									
FEA	[Grey bar]									

IFRS 17 Insurance Contracts – Project Update

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

Question for the EFRAG Board

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