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## **[Draft] Comment Letter**

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**Comments should be submitted by [date].**

International Accounting Standards Board  
7 Westferry Circus, Canary Wharf  
London E14 4HD  
United Kingdom

[XX Month 2022]

[To the Chair of the Trustees of the IFRS Foundation  
c/c the Chair of the IFRS IC]

Dear Mr Liikanen (cc Mr Mackenzie),

**Re: *IFRS IC Tentative Agenda Decisions on IFRS Standards before their effective date***

On behalf of the European Financial Reporting Advisory Group (EFRAG), I am writing to comment on the process of IFRS Interpretations Committee's (IFRS IC's) tentative agenda decisions.

EFRAG is of the view that, before the effective date of big standards, any IFRS IC tentative agenda decision should avoid unduly disrupting the implementation of these standards. This is in order to provide preparers with a period of calm and stability for implementation before the effective date and also to avoid unforeseen costs.

EFRAG is following the current IFRS IC tentative agenda decision on the IFRS IC issue regarding Transfer of Insurance Coverage under a Group of Annuity Contracts (IFRS 17 *Insurance Contracts*) that was issued in March 2022. EFRAG questions the timing of bringing a tentative agenda decision (even rejecting the issue raised) less than one year before the date of first application. Preparers are in need for a period of calm exactly at this stage. EFRAG notes that the IFRS 17 Transition Resource Group has not addressed issues since April 2019 which has allowed preparers much needed stability in preparing for implementation. EFRAG further recalls that at the occasion of the 2020 Amendments to IFRS 17, the IASB rejected further changes to the standard in order not to unduly disrupt implementation or risking undue delays in the effective date.

EFRAG considers that due to the complexity of the implementation projects of IFRS Standards such as IFRS 17, other interpretation issues may arise before the effective date. EFRAG questions whether the IFRS IC issuing a tentative agenda decision before the effective date is a practicable way forward to address the issues.

*IFRS IC Tentative Agenda Decisions on IFRS Standards before their effective date*

EFRAG, therefore, suggests that no tentative agenda decisions nor rejection decisions should be taken twelve months before the effective date of any big standard. Interpretation issues of big standards are better addressed after first application of those standards. EFRAG considers that, at the very minimum, in cases where a Transition Resource Group was created, they should be involved with issues arising prior to the effective date.

If you would like to discuss our comments further, please do not hesitate to contact Sapna Heeralall or me.

Yours sincerely,

Jean-Paul Gauzès