

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS ON PLAN AMMENDMENT, CURTAILMENT OR SETTLEMENT (AMENDMENTS TO IAS 19)

1. Introduction

EFRAG has been asked by the European Commission to provide it with advice and supporting material on Plan Amendment, Curtailment or Settlement (Amendments to IAS 19) ('the Amendments'). In order to do so, EFRAG has been carrying out an assessment of the Amendments against the technical criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from their implementation in the European Union (the EU) and European Economic Area.

A summary of the Amendments is set out in Appendix 1 of the accompanying *Draft Letter to the European Commission* regarding endorsement of the Amendments.

Before finalising its assessment, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record, unless the respondent requests confidentiality. In the interests of transparency, EFRAG will wish to discuss the responses it receives in a public meeting, so it is preferable that all responses can be published.

Comments should be submitted by 21 April 2018.

EFRAG's initial assessments, summarised in this questionnaire, will be updated for comments received from constituents when EFRAG is in the process of finalising its *Letter to the European Commission* regarding endorsement of the Amendments.

2. Your details

	Name (if you are responding on behalf of an organisation or company, its name):	Please provide a short description of your activity:
*	ICAC	Spanish National Standard Setter

Email

presidencia@icac.mineco.es

You are a:

Other - Write In (Required): Standard setter

Country:

Spain

3. EFRAG's initial assessment with respect to the technical criteria for endorsement

EFRAG's initial assessment of the Amendments is that they meet the technical criteria for endorsement. In other words, the Amendments are not contrary to the principle of true and fair view and meet the criteria of understandability, relevance, reliability, comparability and lead to prudent accounting. EFRAG's reasoning is set out in Appendix 2 of the accompanying *Draft Letter to the European Commission* regarding endorsement of the Amendments.

Do you agree with this assessment?

Yes

If you do not agree, please provide your arguments and what you believe the implications of these could be for EFRAG's endorsement advice.

Are there any issues that are not mentioned in Appendix 2 of the accompanying *Draft Letter to the European Commission* regarding endorsement of the Amendments that you believe EFRAG should take into account in its technical evaluation of the Amendments? If there are, what are those issues and why do you believe they are relevant to the evaluation?

4. The European public good

In its assessment of the impact of the Amendments on the European public good, EFRAG has considered a number of issues that are addressed in Appendix 3 of the accompanying *Draft Letter to the European Commission* regarding endorsement of the Amendments.

4.1 Improvement in financial reporting

EFRAG has identified that in assessing whether the endorsement of the Amendments is conducive to the European public good it should consider whether the Amendments are an improvement over current requirements across the areas which have been subject to changes (see paragraphs 3 to 4 of Appendix 3 of the accompanying *Draft Letter to the European Commission*). To summarise, EFRAG's initial assessment is that the Amendments are likely to improve the quality of financial reporting.

Do you agree with this assessment?

Yes

If you do not agree, please provide your arguments and indicate how these could affect EFRAG's endorsement advice.

4.2 Cost and benefits

EFRAG is also assessing the costs that are likely to arise for preparers and for users on implementation of the Amendments in the EU, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this invitation to comment will be used to complete the assessment.

The results of the initial assessment of costs are set out in paragraphs 6 to 10 of Appendix 3 of the accompanying *Draft Letter to the European Commission* regarding endorsement of the Amendments. To summarise, EFRAG's initial assessment is that the Amendments are likely to result in insignificant one-off and ongoing costs for preparers and users.

Do you agree with this assessment?

Yes

If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

In addition, EFRAG is assessing the benefits that are likely to be derived from the Amendments. The results of the initial assessment of benefits are set out in paragraph 11 to 13 of Appendix 3 of the accompanying *Draft Letter to the European Commission* regarding endorsement of the Amendments. To summarise, EFRAG's initial assessment is that users and preparers are likely to benefit from the Amendments.

Do you agree with this assessment?

Yes

If you do not agree with this assessment, please provide your arguments and indicate how these could affect EFRAG's endorsement advice.

EFRAG's initial assessment is that the benefits to be derived from implementing the Amendments in the EU, as described in paragraph 7 above, are likely to outweigh the costs involved, as described in paragraph 6 above.

Do you agree with this assessment?

Yes

If you do not agree with this assessment, please provide your arguments and indicate how these could affect EFRAG's endorsement advice.

4.3 Other factors

Do you agree that there are no other factors to consider in assessing whether the endorsement of the Amendments is conducive to the European public good?

Yes

If you do not agree, please identify the factors, provide your views on these factors and indicate how these could affect EFRAG's endorsement advice.

4.4 Overall assessment with respect to the European public good

EFRAG has initially concluded that endorsement of the Amendments would be conducive to the European public good (see paragraphs 15 to 18 of Appendix 3 of the accompanying *Draft Letter to the European Commission*).

Do you agree with this conclusion?

Yes

If you do not agree, please explain your reasons.

5. Review your response

Do you want to review your response before submitting?

No

Thank you for your comments. Your response is very important to us.