



European Securities and  
Markets Authority

The Chair

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**Ms Françoise Flores**  
**European Financial Reporting**  
**Advisory Group (EFRAG)**  
**35 Square de Meeûs**  
**1000 Brussels**  
**Belgium**

**Ref: The IASB's Exposure Draft Effective Date of IFRS 15: Proposed amendments to IFRS 15**

Dear Ms Flores,

*DEAR FRANÇOISE,*

The European Securities and Markets Authority (ESMA) thanks you for the opportunity to contribute to the EFRAG's due process. ESMA has considered EFRAG's draft comment letter to the IASB's Exposure Draft (ED) *Effective date of IFRS 15: Proposed amendments to IFRS 15 Revenue from Contracts with Customers*. We are pleased to provide you with the following comments with the aim of improving the enforceability of IFRSs and the transparency and decision usefulness of financial statements.

Like EFRAG, ESMA agrees with the proposal to defer the mandatory effective date of IFRS 15 by one year to annual reporting periods beginning on or after 1 January 2018, even though changing the effective date of a Standard shortly after its issuance creates uncertainty for stakeholders and has the potential to set a bad precedent and thus should be considered by the IASB only in exceptional circumstances.

ESMA is persuaded that the combination of factors considered by the IASB, such as the importance and pervasiveness of revenue in the financial statements, the ability that issuers apply the envisaged amendments at the time of first application of IFRS 15, as well as the desire to maintain convergence in the effective dates with Topic 606 (the US standard on revenue recognition) make these circumstances exceptional.

Furthermore, ESMA is of the view that deferral of the mandatory effective date by one year should provide sufficient time to facilitate high-quality implementation of IFRS 15.

Please do not hesitate to contact us should you wish to discuss any of the issues we have raised.

Yours sincerely,

  
Steven Maijor