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## **IFRS 17 *Insurance Contracts* Project Plan**

### **Objective**

- 1 The objective of this session is to seek the views of EFRAG TEG on the proposed activities in the first half of 2019, in preparation for responding to the anticipated Exposure Draft to amend IFRS 17 *Insurance Contracts*.

### **IASB forthcoming Exposure Draft**

- 2 The IASB work plan as issued after the December 2018 meeting shows that the IASB expects to issue an Exposure Draft amending IFRS 17 in Q2 2019.
- 3 The IASB has already tentatively decided to propose amendments to IFRS 17 to:
  - (a) require the presentation of insurance contract assets and liabilities in the statement of financial position using portfolios of insurance contracts rather than groups of insurance contracts;
  - (b) defer the mandatory effective date of IFRS 17 by one year, so that entities would be required to apply IFRS 17 for annual periods beginning on or after 1 January 2022 and that the fixed expiry date for the temporary exemption in IFRS 4 from applying IFRS 9 should be amended to require application of IFRS 9 no later than the same date;
  - (c) clarify that the coverage period for insurance contracts with direct participation features includes periods in which the entity provides investment-related services; and
  - (d) make other minor improvements.
- 4 The IASB will be considering additional topics in future meetings which may add further proposals to the forthcoming Exposure Draft.

### **Next steps**

- 5 During the next few months, the work on the IFRS 17 project will focus on:
  - (a) preparation for the forthcoming IASB Exposure Draft; and
  - (b) continuing to analyse IFRS 17 from a technical perspective with a particular focus on the six matters EFRAG identified as meriting further consideration.
- 6 To achieve this, the EFRAG Secretariat will be asking the EFRAG IAWG to consider:
  - (a) issues identified by the IASB, which includes the matters EFRAG identified as meriting further consideration, to reflect the views of the IAWG on the impact

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of the IASB tentative decisions on the technical and other endorsement criteria; and

- (b) their views on the solutions that have been proposed by other parties, including the CFO Forum and the ANC.
- 7 The insights provided by the EFRAG IAWG will be reported to EFRAG TEG to identify whether EFRAG TEG considers that additional views from the EFRAG IAWG would provide information that would be useful in preparing a draft comment letter and draft endorsement advice. Subsequently, the outcome of these discussions will be reported to the EFRAG Board.
- 8 The EFRAG Secretariat proposed work plan, which follows the preferred process of consideration by the EFRAG IAWG, and then EFRAG TEG before being reported to the EFRAG Board is summarised in the following table.

<b>Cycle</b>	<b>EFRAG IAWG</b>	<b>EFRAG TEG</b>	<b>EFRAG Board</b>
Jan		Project plan	Project update
Jan-Feb	Issues discussed at the IASB December 2018 meeting	Project update	Project update
Feb-Mar	Issues discussed at the IASB January and February 2019 meetings	Project update Presentation from EIOPA	No meeting
Mar-Apr	Issues to be discussed at the IASB April 2019 TRG meeting	No meeting	Project update Presentation from EIOPA
Apr-May	No meeting	Project update	Project update
May-Jun	Detailed analysis of EFRAG matters	Analysis of EFRAG matters	Project update
Jun-July	Consider IASB ED draft comment letter	Recommend IASB ED draft comment letter	Approve IASB ED draft comment letter

**Questions for EFRAG TEG**

- 9 Does EFRAG TEG agree with the proposed work plan outlined above?
- 10 Does EFRAG TEG have specific questions at this time that they would like the EFRAG IAWG to address?