

European Financial Reporting Advisory Group
35 Square de Meeûs
B-1000 Brussels
Belgium

11 November 2011

Dear EFRAG member

Adoption of IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

The global organisation of Ernst & Young is pleased to submit its comments on the European Financial Reporting Advisory Group's (EFRAG) draft endorsement advice on the use of IFRIC 20 *Stripping Costs in the Production Phase of a Surface Mine* (the Interpretation) in the European Union (the Invitation to Comment).

We have read EFRAG's assessment of the application of the above interpretation to companies in Europe and considered only the conclusions contained therein. In this letter we are not commenting on any specific questions raised in the Invitation to Comment.

We provided comments to the International Financial Reporting Standards Interpretations Committee (IFRIC) on the exposure draft in a letter dated 30 November 2010. We believe IFRIC followed the due process as established by the IFRS Foundation (IFRSF).

Ernst & Young supports consistent application of International Financial Reporting Standards (IFRS) globally. As such, we support EFRAG's recommendation that the interpretation be adopted for use in Europe.

Should you wish to discuss the contents of this letter with us, please contact Leo van der Tas at the above address or on +44 (0)20 7951 3152 or James Luke on +44 (0)20 7951 4773.

Yours faithfully

