



Organisation for erhvervslivet

Françoise Flores  
European Financial Reporting Advisory Group  
35 Square de Meeûs  
B-1000 Brussels  
E-mail: [commentletter@efrag.org](mailto:commentletter@efrag.org)

Dear Françoise

**Re: EFRAG draft comment letter on the IASB ED Financial Instruments: Amortised Cost and Impairment**

The Confederation of Danish Industries (DI) appreciates the opportunity to comment on EFRAG's draft comment letter on the above exposure draft.

DI is the voice of Danish industry, representing more than 10.000 companies within manufacturing, trade and services. DI represents 25 percent of the companies listed on the Nasdaq OMX Copenhagen Exchange, including more than 50 percent of the large cap index.

DI finds the draft to be well written and in our opinion, the draft addresses all the major and relevant topics.

However, DI finds that the opening remarks of EFRAG are too positive. We acknowledge that the ED primarily will impact financial institutions like banks, insurance companies, etc., however, we are concerned that the suggested approach to accounting for credit risks might be transferred to other areas/standards, e.g. the new revenue standard.

Further, DI do not believe that the expected credit risk should be deducted directly in revenue when recognised but rather recognised as a cost when a risk has been identified, i.e. when a receivable is overdue, and we suggest this approach to be prevailing also for the areas dealt with in the ED.

We hope that EFRAG will take our comments and suggestions into consideration and urge you to contact us if you wish to further discuss these.

Yours sincerely

Kristian Kocktvedgaard  
Senior Advisor, Tax and Accounting  
The confederation of Danish Industries