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**Comments on EFRAG’s Assessments on Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts: Amendments to IFRS 4 (“Draft Endorsement Advice”)**

Dear Mr Gauzes

This letter is from the European Insurance CFO Forum (“CFO Forum”), a body representing the views of 21 of Europe’s largest insurance companies and Insurance Europe, which is the European (re)insurance federation whose members are the national insurance associations in 34 countries, representing 95% of the premium income of the European insurance market.

We welcome the proposed amendments to IFRS 4 to enable insurers a temporary exemption from the application of IFRS 9 Financial Instruments until the new insurance accounting standard, IFRS 17 (previously IFRS 4 Phase 2) is implemented. As such, we support your letter to the European Commission regarding the endorsement of Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts: Amendments to IFRS 4.


Furthermore, we agree with your observation that the IASB’s proposed amendments still “do not address the cost concerns of entities undertaking insurance activities that are not predominant insurers” and do not maintain a level playing field. As we have indicated in the past, a specific solution ensures that insurers that are part of a conglomerate (e.g. bancassurers) are able to elect to defer IFRS 9 at the consolidated group level until IFRS 17 is implemented, would be welcomed.

Please feel free to contact us should you require any further information.

Yours sincerely,



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Chair  
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