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Dear Jean-Paul,

EFRAG's Draft Letter regarding Endorsement of the Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)

On behalf of the Accounting Standards Committee of Germany (ASCG) I am writing to comment on EFRAG's Draft Letter to the European Commission Regarding Endorsement of the *Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)*.

We support EFRAG's assessment to recommend *Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)* for endorsement.

Like EFRAG, we consider that the Amendments meet the qualitative characteristics of relevance, reliability, comparability and understandability required to support economic decisions and the assessment of stewardship, lead to prudent accounting, and that they are not contrary to the true and fair view principle. We also agree that the Amendments are conducive to the European public good.

Additionally, we strongly support EFRAG's suggestion to the European Commission regarding the timing of the endorsement process, as the ability to apply the Amendments already during 2020 is crucial given the demand from preparers to progress with their transition to the new benchmark interest rates by amending their contractual arrangements.

If you would like to discuss our comments further, please do not hesitate to contact Sven Morich or me.

Yours sincerely,

Andreas Barckow

President

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