



International Accounting Standards  
Board (IASB)  
30 Cannon Street  
London EC4M 6XH  
United Kingdom

22 June 2015

Dear Board Member,

**Re: ED/2015/2 – Effective Date of IFRS 15**

BUSINESSEUROPE is pleased to have the opportunity to respond to the Exposure Draft "Effective Date of IFRS 15: Proposed amendments to IFRS 15" (the ED).

BUSINESSEUROPE agrees with the IASB's proposal to amend the mandatory effective date of IFRS 15 so that it applies to annual periods beginning after 1 January 2018.

We agree with the reasons for this amendment laid out by the IASB in paragraph BC6 of the ED.

In addition, we think that IFRS 15 is a more complex standard to implement in practice than had first been thought, and that this became fully evident only once the complete text was published and could be understood as a whole.

BUSINESSEUROPE does not think that a reading of the two exposure drafts and the subsequent decisions made by the Boards was sufficient for preparers to obtain a full understanding of the future standard, and preparers are rightly reticent about committing themselves to potentially expensive information systems solutions before a clear understanding is achieved. An extension is therefore helpful.

BUSINESSEUROPE believes that the future Leases standard may present similar issues of complexity, particularly in the area of the definition of a lease and the distinction between a service contract and a lease contract.

We are not convinced that the "draft for editorial review" ("fatal flaw") review carried out by a selected group of reviewers will always highlight potential practical difficulties in implementing a standard, and therefore we respectfully suggest that the IASB make the "draft for editorial review" text of the new Lease standard more widely available than is the case with the current "fatal flaw" texts.

BUSINESSEUROPE believes that, providing the purpose and rules of engagement of this additional procedural step are made clear, along the lines of paragraph 3.32 of the Due Process Handbook, this would enhance rather than hinder the standard-drafting process.

Finally, we also agree with the conclusion of BC7 that it would not be helpful to delay the effective date of the standard by a total of two years, as has been suggested in a question raised by the FASB.

The extension of the period before the standard becomes effective would probably lead to a prolonged period of uncertainty and a lack of comparability as a result of the staggered implementation of the standard by entities.

If you would like to have any further information or have questions about our response, please do not hesitate to contact us.

Yours sincerely,



Jérôme P. Chauvin  
Deputy Director General