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IFRS 17 *Insurance Contracts* Project Update

Objective

- 1 The objective of this session is to consider:
 - (a) An update on the progress in developing a draft endorsement advice for IFRS 17 *Insurance Contracts*; and
 - (b) The current project plan.

A. PROJECT UPDATE

- 2 The following is a summary of progress since the conference call of the EFRAG Board on 19 February 2018.

Meetings

EFRAG TEG meeting 7 – 8 March 2018

- 3 Topics discussed included:
- (a) Proposed background papers on *Release of CSM and Transition*; and
 - (b) Papers submitted to the February 2018 meeting of the IFRS 17 Transition Resource Group.
- 4 There was no EFRAG IAWG meeting in March as EFRAG IAWG members did not present new issues for discussion. The EFRAG IAWG meeting in April will focus on the papers developed for the May 2018 meeting of the IFRS 17 Transition Resource Group

Activities

- 5 The tender for the economic study has now been let and the kick-off meeting with the consultants was held on 13 March. The draft report is due by 16 July. The final report is due by 3 September and will be followed by a presentation to the EFRAG Board.
- 6 The IFRS 17/Solvency II comparative study has been contracted and the draft technical comparison will be discussed with the consultant later in March.
- 7 Initial meetings with participants of the full case study have now been completed. Follow-up meetings will increase in regularity given that the year-end reporting season is almost completed.
- 8 Other meetings with outside parties included:
- (a) Presentation of the simplified case study to Insurance Europe; and
 - (b) Meeting with Insurance and Pension Denmark.
- 9 For the user outreach, a draft structured questionnaire has been developed with the assistance of a couple of users. The internal review is expected to be completed this week and will be followed by pilot testing before the call for participants is released.
- 10 The background briefing papers for *Release of CSM and Transition* were approved by EFRAG TEG for issue after a final fatal flaw review by EFRAG IAWG. The background briefing paper on *Level of Aggregation* was issued on 23 February, following a fatal flaw review by EFRAG TEG and EFRAG IAWG.

Upcoming meetings:

- 11 EFRAG upcoming meetings are:
- (a) EFRAG TEG/CFSS and EFRAG TEG meetings – 5-6 April 2018; and
 - (b) EFRAG IAWG – 12 April 2018.

Question for the EFRAG Board

- 12 Does the EFRAG Board have any comments on this update?

B. PROJECT PLAN

13 The following charts provide a summary of the anticipated progress of the project.

Week Starting	Mar 2018				Apr 2018				
	5	12	19	26	2	9	16	23	30
Case study	TEG		BRD		TEG			BRD	
Insurers prepare								IAWG	
Review of results									
Simplified case study									
Studies									
Economic study									
IFRS 17/ Solvency II									
Level of aggregation									
CSM run-off									
Transition									
User outreach	Prepare				Conduct				
DEA									
Draft DEA									
Consult									
FEA									

IFRS 17 Insurance Contracts – Project Update

Week Starting	May 2018				Jun 2018			
	7	14	21	28	4	11	18	25
Case study		TEG	IAWG	BRD	IAWG	TEG		
Insurers prepare								
Review of results								
Simplified case study								
Studies								
Economic study								
IFRS 17/ Solvency II								
Level of aggregation								
CSM run-off								
Transition								
User outreach								
DEA								
Draft DEA								
Consult								
FEA								

IFRS 17 Insurance Contracts – Project Update

Week starting	Jul 2018					Aug 2018				Sep 2018			
	2	9	16	23	30	6	13	20	27	3	10	17	24
	BRD TEG	IAWG			BRD CC		TEG	BRD CC		BRD TEG		BRD IAWG	TEG
Studies													
Economic study	Draft									Final			
DEA													
Draft DEA	[Orange bar]												
Consult											[Light orange bar]		
FEA													

Week Starting	Oct 2018					Nov 2018				Dec 2018				
	1	8	15	22	29	5	12	19	26	3	10	17	24	31
		IAWG	BRD			IAWG	IAWG	BRD	TEG	BRD IAWG		BRD TEG		
DEA														
Draft DEA														
Consult	[Light orange bar]													
FEA										[Red bar]				

Question for the EFRAG Board

14 Does the EFRAG Board have any comments on the project plan?