



8 January 2021

International Accounting Standards Board
Email: commentletters@ifrs.org

Cc: EFRAG

Dear Sir/Madam

Exposure Draft ED/2020/4: Lease Liability in a Sale and Leaseback - Proposed amendment to IFRS 16

Norsk RegnskapsStiftelse (the Norwegian Accounting Standards Board, NASB) welcomes the opportunity to submit its views on ED/2020/4 Lease Liability in a Sale and Leaseback - Proposed amendment to IFRS 16.

NASB agrees with the proposed amendment and supports providing greater clarity on the accounting for sale and leaseback transactions, both at the date of transaction and subsequently.

NASB observes that the amendment establishes different measurement requirements for lease liabilities arising in a sale and leaseback transaction than for general lease liabilities. This difference has limited conceptual basis. However, NASB is of the view that this alternative measurement rules is necessary to support the overall objective of accounting for sale and leaseback transactions in a way that more truly reflect the economics of the transaction.

NASB further supports adding an illustrative example on the application of the requirements for sale and leaseback transactions with variable lease payments, both related to volume adjustments as well as index changes among other.

NASB also agrees to the proposed retrospective application method for implementation, including the specific requirements included to avoid the use of hindsight.

Yours faithfully,

Bjørn Einar Strandberg

Chair of the Technical Committee on IFRS of Norsk RegnskapsStiftelse