

Mr Olivier Guersent
Director General
Directorate-General for Financial Stability,
Financial services and Capital Markets Union,
European Commission,
1049 Bruxelles
Belgium

14 July 2017

Dear Mr Guersent

IFRS 17 Insurance Contracts accounting standard

We wrote to you on 30 May to advise you of the CFO Forum's press release on IFRS17, the IASB's replacement standard on accounting for insurance contracts. For convenience the release is attached.


We understand the Commission's formal request for endorsement advice to the EFRAG is in development for issuance at around the end of the third quarter this year. As noted in our press release, the CFO Forum believes comprehensive testing is important.

With the complexity of the standard and the need for stakeholders to familiarise themselves with the impact of its requirements we envisage that all of 2018 will be needed for the necessary testing to be completed. This time period will be necessary to enable the testing to be developed, iterated, systems built, results prepared, and findings properly understood. We therefore request that the Commission ask for the EFRAG advice to be provided to a timescale that will enable the testing to be completed over 2018 and the conclusions from it appropriately assimilated.

The CFO Forum and its members look forward to supporting EFRAG as it considers the standard.

We of course stand ready to discuss this issue and the standard more generally with you and your accounting team.

Yours faithfully



Nic Nicandrou
Chairman
European Insurance CFO Forum

Copy:

Jean Paul Gauzes – Board president EFRAG
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