

Mr. Hans Hoogervorst, Chairman
International Accounting Standards Board
Columbus Building
7 Westferry Circus
Canary Wharf
London E14 4HD
United Kingdom

Brussels, 10 March 2020

Re: Global insurance industry letter on IFRS 17 ahead of IASB March 2020 Board Meeting

Dear Chairman Hoogervorst,

As associations representing many markets in which insurers are required to apply IFRS 17, we are writing to you with our views ahead of the March IASB Board meeting, as the IASB finalises the IFRS 17 amendments redeliberation process.

We welcome the staff recommendation in agenda paper 2A of the upcoming Board meeting to postpone the effective date of IFRS 17 and IFRS 9 to 2023 and hope the Board will follow the staff recommendations. This date is considered appropriate and realistic by the vast majority of our member companies for a number of reasons, including:

- IFRS 17 introduces many and fundamental changes to balance sheet measurement and P&L presentation, requiring significant thought and development relating to modelling, data, actuarial resources, IT systems, staff training and investor communications.
- In some jurisdictions, it also results in the need to adapt prudential measures.
- The implications and impact of some of the ED amendment implications need to be carefully assessed.
- There are serious concerns in the industry globally over the readiness of tested software solutions for 2022 implementation.
- The need for final interpretations from audit firms.
- There is a very strong desire to achieve a common global effective date and that — given the time needed for the endorsement process in Europe — changing the effective date to 2023 would allow this to be achieved. For foreign insurers listed in the US and elsewhere, different effective dates would create significant implementation and market concerns.

As stated before, there is no expectation that a two-year delay would stop or slow down implementation projects. Rather it would allow companies to cope with real operational constraints and, where relevant, regulatory impacts.

While we appreciate that progress that has also been made on a number of the industry's issues, we are disappointed that the IASB has decided to maintain certain important requirements unchanged- the changes sought by the industry are aimed at improving the standard, performance reporting and reduce the implementation burden.

The industry remains committed to the development of high-quality financial reporting standards and looks forward to positive engagement with the IASB to ensure a successful global adoption.

Yours sincerely,



Stephen Frank, President & CEO
Canadian Life & Health Insurance Association



Richard Klipin, Chief Executive Officer
Financial Service Council of New Zealand



Yong Duk Kim, Chairman & CEO
General Insurance Association of Korea



Don Forgeron, ICD.D, President & CEO
Insurance Bureau of Canada



Tim Grafton, CEO
Insurance Council of New Zealand



Robert Whelan, Executive Director & CEO
Insurance Council of Australia



Olav Jones, Deputy Director General
Insurance Europe



Shin Yong-Kil, Chairman & CEO
Korea Life Insurance Association



Jonathan Rodgers, Financial Regulatory Manager
National Association of Mutual Insurance Companies

