



Sir David Tweedie  
Chairman  
International Accounting Standards Board  
30 Cannon Street  
London  
EC4M 6XH

28 January 2010

Dear Sir David,

**Request for Views: Effective Dates and Transition Methods**

We welcome the opportunity to comment on your Request for Views on Effective Dates and Transition Methods (the "Request for Views" or "RfV"). This letter has been drafted jointly by the European Insurance CFO Forum, which is a body representing the views of 21 of Europe's largest insurance companies, and the Comité Européen des Assurances ("CEA"), representing 94% of the European insurance market. Accordingly, it represents the consensus views of a significant element of the European insurance industry.

**Mandatory adoption of the new insurance contracts standard should be aligned with IFRS 9 and the effective date should not be earlier than 2015**

We believe that a fundamental aspect of insurers' business models is asset/liability matching and therefore the measurement basis for insurance contracts must be developed concurrently with the proposals for financial instruments. We therefore support the IASB's comments that it would reconsider the effective date of IFRS 9 as part of its finalisation of the proposed IFRS for insurance contracts.

We believe that the two years implementation period usually applied to new standards is not sufficient for the insurance contracts standard given the fundamental changes the proposals will bring to the insurance industry and the associated operational challenges. Based on our understanding of the Board's current timetable we do not believe that the final standard should be subject to mandatory adoption for periods commencing prior to 1 January 2015. Thus, this effective date should also apply to IFRS 9 given our view that mandatory adoption of both standards should be aligned. To the extent that revenue recognition also interacts with IFRS 9, we see logic for mandation of this standard on the same timescale.

**We have concerns around the transition arrangements for the insurance contracts ED**

As stated in our joint CFO Forum / CEA response letter to the insurance contracts ED in November 2010, we do not believe that the insurance contracts ED proposals for transition are fit for purpose. We would like to work with the IASB to progress this issue.

To the extent that we have comments on the transitional arrangements in other standards these have been or will be addressed within our response letters to the relevant exposure drafts.

**We support international convergence as long as it does not affect the principle based nature of the standards**

We do not see any rationale for not having the same effective date and transition arrangements for comparable IFRS and US GAAP standards.

If you have any queries or questions that you would like to raise in relation to the matters raised in this letter, please feel free to contact us.

Yours sincerely



Dieter Wemmer  
Chair, European Insurance CFO Forum



Alberto Corinti  
CEA Deputy Director General /  
Director, Economics & Finance