



EFRAG – European Financial Reporting

Advisory Group

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Re: *Endorsements of the Interest Rates
Benchmark Reform. Amendments to IFRS 9,
IAS 9 and IFRS 7. (The Amendments)*

Contact: Ms. Raquel Zaragoza

October 10 - 2019

Dear Sir/Madam:

EFFAS would like to share with you the views of its Commission on Financial Reporting (“CFR”, “Commission”, “we”) regarding EFRAG’s Draft letter to the European Commission regarding the Endorsement of the Interest Rate Benchmark Reform.

EFFAS welcomes EFRAG’s comprehensive review of the Amendments to assess their potential impact on accounting. The EFFAS Commission considers it encouraging, as stated in the letter, that the Amendments would improve financial reporting, would provide a balanced cost-benefit trade-off and would not have any adverse effect on the financial stability and economic growth of the European Community. Moreover, we deem reassuring EFRAG’s conclusion that *the Amendments meet the qualitative characteristics of relevance, reliability, comparability and understandability required to support economic decisions and lead to prudent accounting.*

The Commission agrees with EFRAG’s views expressed in the letter and supports its Endorsement regarding the Interest Rates Benchmark Reform.

If you would like to discuss further, please do not hesitate to contact me.

Javier de Frutos, Chairman

On behalf of EFFAS Commission on Financial Reporting

EFFAS was established in 1962 as an association for nationally based investment professionals in Europe. Headquartered in Frankfurt am Main, EFFAS comprises 22-member organizations representing more than 16,000 investment professionals. The Commission on Financial Reporting is a standing commission of EFFAS aiming at proposing and commenting on financial issues from an analyst standpoint. CFR members are Javier de Frutos (Chairman, IEAF-Spain), Jacques de Greling (Vice-Chairman- SFAF, France), Friedrich Spandl (ÖVFA, Austria), Henning Strom (NFF, Norway), Serge Pattyn (BVFA/ABAF, Belgium) Luca D’Onofrio (AIAF, Italy) and Dr. Carsten Zielke (DVFA, Germany)