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Chairman

JH

n°153

Paris, the 14th October 2011

IASB
30 Cannon Street
LONDON EC4M 6XH
UNITED KINGDOM

Re : ED/011/3 Mandatory effective date of IFRS 9

Dear Sir,

I am writing on behalf of the Autorité des Normes Comptables (ANC) to express our views on the above-mentioned exposure draft (ED).

The IASB has decided to defer the mandatory application of IFRS 9 after taking into account the delay in the completion of all remaining phases of IFRS 9. The ANC has expressed its opposition to some of the proposed phases and the need for improvement on others. Besides, we still consider that the IASB must re-open IFRS 9 phase I related to classification and measurement of financial instruments in order to better take into account the lessons learnt from the crisis and appropriately address the G20 requests. It should therefore be noted that the views expressed hereafter may evolve depending on the way the individual projects on the different phases are carried forward.

We welcome the Board's decision to postpone the effective date of IFRS 9 but, due to the additional time needed by the IASB to finalise all the phases of IFRS 9, we believe that the new effective date only partially addresses our request expressed in our comment letter on the IASB's Request for Views "*Effective date and transition methods*". We still consider that in view of the changes needed, a three to four year implementation time period is necessary for implementation purposes.

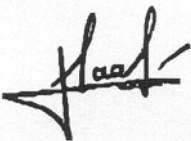
Therefore, we propose to state that entities will dispose of at least three years to implement IFRS 9 after the completion of all phases of IFRS 9 and IFRS 4 phase II on insurance contracts.

Moreover, the ANC disagrees with the Board's decision not to change the requirement in IFRS 9 for comparatives. In our view, specific transitional relief should be granted similarly to the first time adoption of IAS 39 in 2005.

Our detailed comments on the ED are set out in the Appendix I to this letter.

If you have any questions concerning our comments, we would be pleased to discuss them.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Haas', with a stylized flourish extending to the left.

Jérôme Haas

Appendix I

Detailed comments

Question 1

The Board proposes to amend IFRS 9 (2009) and IFRS 9 (2010) so that entities would be required to apply them for annual periods beginning on or after 1 January 2015. Do you agree? Why or why not? If not, what alternative do you propose?

As already mentioned in the ANC's responses to the Rfv *Effective dates and Transition methods*, the ANC considers that IFRS 9 should be implemented at a single date with the effective date being no earlier than annual periods beginning on or after 1st January 2015 (in other words allowing three to four years for implementation) to allow preparers to carry out the necessary decisions and system changes in the most optimal way, in view of the significant changes the proposed standards are likely to bring to current practice".

This answer was made "under the assumption that the proposed standards are actually issued by 30th June 2011". The IASB has extended its timeline for completion of the remaining impairment and hedging phase of the IAS 39 replacement project.

As of today, it clearly appears that the IASB will not be able to finalise all the phases of IFRS 9 before 2012, including performing thorough field testing prior to issuance of the standards, which was a constant message expressed by the ANC. We also note that IFRS 4 phase II *insurance contracts*, which may interact with IFRS 9, is also delayed.

Therefore, while we welcome the IASB's proposal to defer the mandatory effective date of IFRS 9 to 1st January 2015, we believe that this new effective date only partially addresses our request expressed on the above-mentioned comment letter. We propose to state that entities will dispose of at least three years to implement IFRS 9 after the completion of all phases of IFRS 9 and IFRS 4 phase II on insurance contracts.

Question 2

The Board proposes not to change the requirement in IFRS 9 for comparatives to be presented for entities that initially apply IFRS 9 for reporting periods beginning on or after 1 January 2012. Do you agree? Why or why not? If not, what alternative do you propose?

As already expressed in our comment letter to the Rfv *Effective dates and transition methods*, "the replacement of IAS 39 would potentially imply a significant scale of changes for financial institutions and in our view, specific transitional relief should be provided for accordingly (e.g. : similarly to the first time adoption of IAS 39 in 2005, restatement of comparatives should not be made mandatory for IFRS 9)".

Hence, the ANC disagrees with the Board decision not to change the requirement in IFRS 9 for comparative and considers that the Board should reconsider this issue, notably regarding the significant accounting standards (other than IFRS 9, notably insurance contracts) that should probably be mandatory applicable on the same date.