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**You can submit your comments on EFRAG's draft comment letter by using the '[Express your views](#)' page on EFRAG's website, then open the relevant news item and click on the 'Comment publication' link at the end of the news item.**

**Comments should be submitted by [9 March 2022](#).**

International Accounting Standards Board  
7 Westferry Circus, Canary Wharf  
London E14 4HD  
United Kingdom

[XX March 2022]

Dear Mr Barckow,

**Re: Non-current Liabilities with Covenants Proposed amendments to IAS 1**

On behalf of the European Financial Reporting Advisory Group (EFRAG), I am writing to comment on the exposure draft proposed amendments to IAS 1, *Non-current Liabilities with Covenants*, issued by the IASB on 19 November 2021 (the 'ED').

This letter is intended to contribute to the IASB's due process and does not necessarily indicate the conclusions that would be reached by EFRAG in its capacity as advisor to the European Commission on endorsement of definitive IFRS Standards in the European Union and European Economic Area.

EFRAG supports the IASB's efforts to address the concerns of constituents that have emerged in the context of the IFRS Interpretations Committee's agenda decision of December 2020 and accepts that liabilities should be classified as current or non-current based on the situation as at the end of the reporting period.

EFRAG disagrees with the proposal to require a separate presentation on the face of the statements of financial position of the liabilities classified as non-current for which the entity's right to defer settlement for at least twelve months after the reporting period is subject to compliance with specified conditions within twelve months after the reporting period, as this proposal contradicts the principles-based nature of IFRSs.

EFRAG encourages the IASB not to use the notion of "*unaffected by the entity's future actions*", as there is a substantial risk that the proposed wording will not preclude a divergent interpretation based on facts and circumstances by different entities. Instead, EFRAG suggests to clarify that:

- (a) post-balance sheet payments as a consequence of a discrete event occurring after the balance sheet do not affect the classification at reporting year; and
- and

- (b) that items such as financial guarantees or insurance liabilities would be classified as current, as the underlying contractual agreements do not provide a fixed payment schedule after 12 months.

EFRAG is concerned that the targeted scope of the disclosure requirements may be in practice too broad and suggests to the IASB to elaborate on the application of materiality for such disclosures, especially with regard to the significance of the impact on the entity's liquidity. Furthermore, EFRAG suggests to add in paragraph 76ZA(B) that disclosures should be made in case of significant uncertainties on whether conditions are met.

EFRAG is sympathetic with the concerns about providing forward-looking information with respect to future compliance with covenants and is proposing an alternative wording for paragraph 76ZA(b)(iii).

EFRAG's detailed comments and responses to the questions in the ED are set out in the Appendix.

If you would like to discuss our comments further, please do not hesitate to contact Almudena Alcalá, Sebastian Weller or me.

Yours sincerely,

Jean-Paul Gauzès  
**President of the EFRAG Board**

## Appendix - EFRAG's responses to the questions raised in the ED

### Notes to constituents – Summary of proposals in the ED

#### Question 1 - Classification and disclosure

- 1 The current paragraph 69(d) of IAS 1 requires an entity to classify a liability as current when it does not have the right at the end of the reporting period to defer settlement of the liability for at least twelve months after the reporting period.
- 2 In January 2020, the IASB issued amendments to IAS 1 that clarified aspects of how entities classify liabilities as current or non-current; in particular, how an entity assesses whether it has the right to defer settlement of a liability when that right is subject to compliance with specified conditions (often referred to as 'covenants') within twelve months after the reporting period.
- 3 In response to questions from stakeholders, the IFRS Interpretations Committee published a tentative agenda decision explaining how to apply the 2020 amendments to particular fact patterns. The tentative agenda decision explained that an entity does not have the right to defer settlement of a liability—and thus classifies the liability as current—when the entity would not have complied with specified conditions based on its circumstances at the end of the reporting period, even if compliance with such conditions were required only within twelve months after the reporting period. Respondents to the tentative agenda decision raised concerns about the outcomes and potential consequences of the 2020 amendments in some situations. The Committee reported this feedback to the Board, highlighting new information that the Board had not considered when developing the amendments. The IASB decided to open a project and issue (with this ED) a new amendment to IAS 1.
- 4 The ED propose to amend IAS 1 and require that, for the purposes of applying paragraph 69(d) of IAS 1, specified conditions with which an entity must comply within twelve months after the reporting period have no effect on whether an entity has, at the end of the reporting period, a right to defer settlement of a liability for at least twelve months after the reporting period. Such conditions would therefore have no effect on the classification of a liability as current or non-current.
- 5 In particular, paragraph 72B of the ED describes that in some situations an entity's right to defer settlement of a liability for at least twelve months after the reporting period may be subject to the entity complying with specified conditions. The ED states that, considering the requirement in paragraph 69(d) of IAS 1, a specified condition:
  - (a) affects the existence of the right to defer the settlement at the end of the reporting period, if the entity is required to comply with the condition on or before the end of the reporting period, also in cases where the assessment of compliance is made after the reporting period (paragraph 72B(a) of the ED).
  - (b) does not affect the existence of the right to defer the settlement at the end of the reporting period if the entity is required to comply with the condition only within twelve months after the reporting period (paragraph 72B(b) of the ED).
- 6 The ED paragraph 76ZA(b) states that when an entity classifies liabilities subject to the conditions described in paragraph 72B(b) as non-current, the entity shall disclose information in the notes that enables users of financial statements to assess the risk that the liability could become repayable within twelve months.
- 7 As per paragraph 76ZA(b) of the ED the disclosure requirements include:
  - (a) the conditions with which the entity is required to comply (including, for example, their nature and the date on which the entity must comply with them);

- (b) whether the entity would have complied with the conditions based on its circumstances at the end of the reporting period; and
  - (c) whether and how the entity expects to comply with the conditions after the end of the reporting period.
- 8 IAS 1 is applicable to all liabilities. Thus, in addition to financial liabilities within the scope of IFRS 9 the classification as current or non-current will also apply to liabilities within the scope of other standards such as IFRS 2, IFRS 15, IFRS 16, IFRS 17, IAS 12, IAS 19, IAS 26, and IAS 37.

**Question 1—Classification and disclosure (paragraphs 72B and 76ZA(b))**

The Board proposes to require that, for the purposes of applying paragraph 69(d) of IAS 1, specified conditions with which an entity must comply within twelve months after the reporting period have no effect on whether an entity has, at the end of the reporting period, a right to defer settlement of a liability for at least twelve months after the reporting period. Such conditions would therefore have no effect on the classification of a liability as current or non-current. Instead, when an entity classifies a liability subject to such conditions as non-current, it would be required to disclose information in the notes that enables users of financial statements to assess the risk that the liability could become repayable within twelve months, including:

- (a) the conditions (including, for example, their nature and the date on which the entity must comply with them);
- (b) whether the entity would have complied with the conditions based on its circumstances at the end of the reporting period; and
- (c) whether and how the entity expects to comply with the conditions after the end of the reporting period.

Paragraphs BC15–BC17 and BC23–BC26 of the Basis for Conclusions explain the Board’s rationale for this proposal.

Do you agree with this proposal? Why or why not? If you disagree with the proposal, please explain what you suggest instead and why.

*EFRAG’s response*

**EFRAG supports this ED as it address the concerns of constituents.**

**EFRAG suggests that the IASB clarifies that liabilities with covenants which have not been tested as subject to a period of grace would trigger reclassification as current under paragraph 72B(a).**

**EFRAG suggests to not base the main explanation for differentiation in paragraph 72C(b) on the words “unaffected”, but instead to clarify that (a) post-balance sheet payments as a consequence of a discrete event occurred after the balance sheet date do not affect the classification; and (b) items such as financial guarantees or insurance liabilities would be classified as current.**

**EFRAG proposes that the interaction of Paragraph 61 and Paragraph 69(d) of IAS 1 is considered further by the IASB. EFRAG proposes that the IASB should clarify that the guidance in paragraph 72B and 72C does not impact the order of liquidity if presentation by order of liquidity in paragraph 60 and 64 is applied.**

**EFRAG has a concern that the rather broad target population for the disclosure requirements contains a risk of the disclosures being boilerplate and proposes to the IASB to elaborate on the application of materiality for such disclosures, especially with regard to the significance of the impact on the entity’s liquidity.**

**EFRAG suggests to add in paragraph 76ZA(B) that disclosures should be made in case of significant uncertainties on whether conditions are met.**

**EFRAG also proposes to redraft paragraph 76ZA(b)(iii).**

- 9 EFRAG supports the IASB's efforts to address the concerns of constituents that have emerged in the context of the IFRS Interpretations Committee's December 2020 tentative agenda decision.
- 10 The proposals in this ED will improve the clarity of the classification of liabilities that have to comply with specified conditions (commonly referred to as covenants) within twelve months after the end of the reporting period.
- 11 EFRAG accepts that such liabilities should be classified based on the situation as at the end of the reporting period and is sympathetic with the reasons supporting the classification approach proposed in this ED presented in BC 16.
- 12 EFRAG agrees with the spirit in paragraph 72B and the subparagraphs (a) and (b) of the ED, which provide a clear dividing line for specified condition the entity must comply with on the one hand before or on the reporting period end and on the other hand after the reporting period end. We suggest that the IASB clarifies that liabilities with covenants which have not been tested as subject to a period of grace would trigger reclassification as current under paragraph 72B(a).
- 13 However, EFRAG notes that the relationship between paragraph 72B(b) and 72C(b) of the ED is not clear: a liability with a specified condition will not be classified as current if compliance is only required within the next 12 months after the reporting period end (paragraph 72B(b)), whereas per paragraph 72C(b) the liability must be classified as current if it could become payable as a result of an "*uncertain future event*" (that may arise with the next 12 months after the reporting period end) that is unaffected by the entity's future actions.
- 14 In addition, EFRAG has reservations on the wording '*unaffected by the entity's future actions*', as it does not seem to be unambiguous. EFRAG considers that in a number of relevant fact-patterns it will be difficult to differentiate between future events or outcomes that are, or are not, affected by the entity's future actions. For examples EFRAG Secretariat refers to the Annex to this letter. It may not always be as simple as in the case of payments related to disasters or weather conditions. EFRAG further considers it difficult to differentiate between those events or outcomes that are affected by the entity's past or present actions as opposed to future actions.
- 15 Paragraph 72C(b) is supported by additional information given in paragraph 19 of Basis for Conclusion of the ED. The paragraph, which is not part of the main body of the standard, explains that in paragraph 72C:
- "there are no conditions with which the entity must or could comply in order to avoid settlement of a liability within twelve months after the reporting period."*
- EFRAG considers that the clarification does not fully solve the interpretation issue. Therefore, EFRAG suggests to not base the main explanation for differentiation in paragraph 72C(b) on the words "affected" or "unaffected", but instead to clarify that
- (a) post-balance sheet events repayable as a consequence of a discrete event occurring after the balance sheet date do not affect the classification at reporting year end and
  - (b) that items such as financial guarantees or insurance liabilities would be classified as current, as the underlying contractual agreement do not provide a fixed payment schedule after 12 months.

- 16 Furthermore, EFRAG proposes to relocate paragraph 72C(b) to paragraph 72B, consequently 72C would concentrate on the statement made in subparagraph (a).
- 17 Paragraph 69(d) of IAS 1 and paragraph 72B and 72C of the ED focuses on the right of the entity to defer settlement. Paragraph 61 focuses on the expected timing of settlement. EFRAG proposes that the interaction of Paragraph 61 and Paragraph 69(d) is considered further by the IASB. EFRAG proposes that the IASB should clarify that the guidance in paragraph 72B and 72C does not impact the order of liquidity if presentation by order of liquidity in paragraph 60 and 64 is applied.

**Question to Constituents**

- 18 Do Constituents agree with issues identified by EFRAG?
  - 19 Do Constituents have alternative wording proposals that the IASB should consider instead of '*unaffected by the entity's future actions*' in paragraph 72C(b) that would work well together with paragraph 72B(b)?
- 20 EFRAG acknowledges that information about conditions which may affect the payment terms of outstanding liabilities is of great importance to users of financial reporting. EFRAG agrees with the direction of the proposed disclosure requirements, but has some concerns related to the targeted scope of the disclosure requirements. EFRAG expects that the proportion of liabilities subject to specified conditions will be significant, if compared with liabilities not subject to such conditions. Thus, the proportion of non-current liabilities that will be subject to the disclosure requirements in paragraph 76ZA(b) will be significant. Nevertheless, EFRAG agrees to the scope, but has a concern that a rather broad target population for the disclosure requirements contains a risk of the disclosures being boilerplate.
  - 21 Therefore, EFRAG proposes to the IASB to elaborate on the application of materiality for such disclosures, especially with regard to the significance of the impact on the entity's liquidity. Furthermore, EFRAG suggests to add in paragraph 76ZA(B) that disclosures should be made in case of significant uncertainties on whether conditions are met.
  - 22 EFRAG is sympathetic with the concerns about providing forward-looking information with respect to future compliance with covenants. For this reason, EFRAG proposes to redraft paragraph 76ZA(b)(iii) as follows:  
*"whether the entity expects to comply with the conditions after the end of the reporting period based on facts and circumstances known at the reporting date."*  
EFRAG considers it not to be useful, especially in the light of the large scope, to explain the reasons why the specified conditions would be met or the means to achieve compliance in the following period.
  - 23 EFRAG recommends the IASB to clarify whether disclosures would be required in situations where the entity presents the balance sheet in the order of liquidity.
  - 24 Finally, EFRAG would like to point out that the disclosure requirements could leverage information about covenants that may add to liquidity risk as disclosed under paragraph 31 et seq. of IFRS 7 (nature and extent of risks). The IASB should consider how to effectively leverage on those requirements.

**Question to Constituents**

- 25 Do Constituents agree with the change to the disclosure requirement proposed by EFRAG?
- 26 What are the Constituent's views on additional disclosure requirements in IAS 1 with regard to specified conditions? Do you think that IFRS 7 already requires the preparer to make such disclosures? If yes, do you think that there is a problem to

enforce possible disclosures under IFRS 7? If not, do you consider that those disclosures would be better off as part of IFRS 7?

- 27 Two IASB Board members voted against the publication of the ED. Paragraph AV 5 of the ED illustrates that they (in addition to being contrary to the separate presentation proposal) disagree with the requirement proposed in paragraph 76ZA(b)(iii) to disclose whether and how an entity expects to comply with conditions after the reporting date. They disagree because, in their view, entities should not be required to provide forward-looking information with respect to future compliance with covenants. Do Constituents have particular concerns related to the provision on such forward-looking information? Please explain.

### **Notes to constituents – Summary of proposals in the ED**

#### *Question 2 - Presentation*

- 28 The ED paragraph 76ZA(a) requires that when an entity classifies liabilities subject to the conditions described in paragraph 72B(b) as non-current, the entity shall present such liabilities separately in its statement of financial position. It is also required that the entity shall use a description that indicates that the non-current classification is subject to compliance with conditions within twelve months after the reporting period.
- 29 Two IASB Board members disagreed with this proposal, as they consider specific presentation requirements as contrary to the principle-based nature of IFRS Standards.

#### **Question 2 —Presentation (paragraph 76ZA(a))**

The Board proposes to require an entity to present separately, in its statement of financial position, liabilities classified as non-current for which the entity's right to defer settlement for at least twelve months after the reporting period is subject to compliance with specified conditions within twelve months after the reporting period.

Paragraphs BC21–BC22 of the Basis for Conclusions explain the Board's rationale for this proposal.

Do you agree with this proposal? Why or why not? If you disagree with the proposal, do you agree with either alternative considered by the Board (see paragraph BC22)? Please explain what you suggest instead and why.

#### *EFRAG's response*

**EFRAG disagrees with the separate presentation on the face of the balance sheet of the liabilities classified as non-current for which the entity's right to defer settlement is subject to compliance with specified conditions within twelve months after the reporting period.**

- 30 EFRAG disagrees with the requirement to separately present on the face of the balance sheet the liabilities classified as non-current for which the entity's right to defer settlement for at least twelve months after the reporting period is subject to compliance with specified conditions within twelve months after the reporting period. EFRAG instead recommends to require to disclose this information in the notes.
- 31 The disagreement is based on the proposal's contradiction with the principle-based nature of IFRS Standards. Because of the principle-based nature rules should only be set out in rare cases. We concur with the statement under paragraph AV3 of the ED that the proposed presentation does not represent such a compelling case. Moreover, to present information entities should prioritize that most relevant

information to users will be presented in the financial statements and that other information will be presented in the notes. Given this principle of information grading as explained in paragraph AV3 of the ED EFRAG suggests, also referring to the large population of liabilities concerned, to not contradict the principle by introducing a new category that probably includes almost all liabilities.

- 32 As stated before, EFRAG has reservations about the scope of liabilities with right to defer settlement subject to compliance with specified conditions. EFRAG considers that in practice, also having in mind the potential wider scope of the proposals (e.g., for provisions and other liabilities with specified conditions), will not result in more useful information, as too many liabilities will be captured. There is no definition of what constitutes a specified condition, so consequently there is a risk that the entire population of liabilities arising from arrangements might only be presented under a different heading (relabelled). A separate presentation of a small group of non-current liabilities that would not be subject to specific conditions would not be useful for investors, lead to a higher workload by preparers, and furthermore create a risk of obscuring relevant information.
- 33 Finally, EFRAG concludes that the implementation of a third category of classification on the liability side as a consequence of the ED's proposals would undermine the differentiation between non-current and current liabilities as required by paragraph 60 of IAS 1 and conflict with the alternative presentation using the "order of liquidity".

#### **Question to Constituents**

- 34 Do Constituents agree with the position of not recommending a separate presentation, irrespective of the scope of the separate presentation?
- 35 If they disagree with the separate presentation because of the scope, do Constituents agree with the alternative position of aligning the presentation with the suggestions made under paragraph 20 of this agenda paper, meaning to reduce the scope of the presentation to specified conditions that are in hypothetical non-compliance at the reporting period end or that have an elevated risk of not non-compliance within 12 months after the reporting period end?

#### **Notes to constituents – Summary of proposals in the ED**

##### *Question 3 – Other aspects of the proposal*

- 36 The ED refers in paragraph 72A to an entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and, as illustrated in paragraphs 72B–75, must exist at the end of the reporting period.
- 37 Under the ED's paragraph 72B(a) a right to defer settlement of a liability for at least twelve months after the reporting period may be subject to specified conditions, which could affect whether the right exists at the end of the reporting period if the compliance would be required on or before the end of the reporting period, even in case the compliance is tested shortly after the reporting period end.
- 38 According to the ED and paragraph 72C a right to defer settlement of a liability for at least twelve months after the reporting end would also not exist, if the liability could become repayable within twelve months after the reporting period:
- (a) at the discretion of the counterparty or a third party (loan is callable by the lender at any time without cause); or
  - (b) if an uncertain future event or outcome occurs (or does not occur) and its occurrence (or non-occurrence) is unaffected by the entity's future actions—for example, when the liability is a financial guarantee or insurance contract



liability. In such situations, the right to defer settlement is not subject to a condition with which the entity must comply as described in paragraph 72B.

- 39 Furthermore, the ED's paragraph 139V requires a retrospective application (IAS 8) of the amendments. The annual reporting periods where the amendments will first be applied is still to be decided on, but the ED indicates that the earliest date would be the 1 January 2024. An earlier application would be permitted.

### **Question 3—Other aspects of the proposals**

The Board proposes to:

- (a) clarify circumstances in which an entity does not have a right to defer settlement of a liability for at least twelve months after the reporting period for the purposes of applying paragraph 69(d) of IAS 1 (paragraph 72C);
- (b) require an entity to apply the amendments retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with earlier application permitted (paragraph 139V); and
- (c) defer the effective date of the amendments to IAS 1, Classification of Liabilities as Current or Non-current, to annual reporting periods beginning on or after a date to be decided after exposure, but no earlier than 1 January 2024 (paragraph 139U).

Paragraphs BC18–BC20 and BC30–BC32 of the Basis for Conclusions explain the Board's rationale for these proposals.

Do you agree with these proposals? Why or why not? If you disagree with any of the proposals, please explain what you suggest instead and why.

### *EFRAG's response*

#### **EFRAG supports the other aspects of the ED.**

- 40 EFRAG supports the IASB efforts to improve the guidance with regard to the current and non-current classification of liabilities with specified conditions. Nevertheless, EFRAG – as expressed in paragraphs 13-15 of this Draft Comment Letter – finds it challenging to differentiate between specified conditions in the scope of paragraph 72B(b) and 72C(b).
- 41 EFRAG supports the proposed retrospective application as suggested in the amendment of IAS 1 with earlier application permitted. EFRAG considers classifying a liability as current or non-current should happen on a same basis for the current and the prior year, supports comparability, and usefulness of information. EFRAG agrees with the IASB conclusion in BC30(b) of the ED that this requirement will not lead to significant disadvantages for entities.
- 42 EFRAG supports the proposed effective date of the amendment to IAS 1 to be for annual reporting periods beginning on or after the 1 January 2024.

### **Question to Constituents**

- 43 Do Constituents agree with the EFRAG's comments on the other topics?
- 44 Do Constituents would like to raise additional questions or issues that should be highlighted by EFRAG?

**Question to EFRAG TEG**

- 45 Does EFRAG Board agree with the drafting of the appendix of the [Initial] Draft Comment Letter?
- 46 Does EFRAG Board agree with the drafting of the cover letter of the [Initial] Draft Comment Letter?
- 47 Does EFRAG Board agree with the drafting and inclusion of an appendix with examples of conditions/covenants?
- 48 Does EFRAG Board agree to issue this Draft Comment Letter?

**Annex - Notes to constituents**

49 This appendix has been prepared by EFRAG Secretariat to support constituents to get an understanding of how the definition of 'specified conditions' in the ED would work in practice when applied to some frequently used covenants. The list of examples is not exhaustive.

**Examples of conditions/covenants**

	72B(b)	72A	72C(b)	
Condition	Is the condition verifiable at the end of the reporting period?	Can it have substance?	Is its occurrence or non-occurrence unaffected by the entity's future actions?	
Change of control	Yes	Yes	Yes / debatable	Some may claim that the owners are free to sell / dispose of their ownership independent of the actions of the entity. Other may claim that the actions of the entity may influence the decision of the owners to sell or dispose their ownership.
Change of management	Yes	Yes	No / debatable	Some may say that management is hired by the board as part of the normal operation of an entity. Other may say that controlling owners may impose change of management independent of the actions of the entity.
IPO (the liability may become subject to repayment on an IPO or if an IPO does not occur before a specified date)	Yes	Yes	No	It is generally agreed that an IPO cannot take place without the action (cooperation) of the entity, while at the same time an entity cannot control a successful IPO.
De-listing event	Yes	Yes	No / debatable	Some may say that delisting is an action

				that needs the cooperation of the entity, other say that this is an event that may occur independent of the actions of the entity.
Accounting key ratios / financial covenants	Yes	Yes	No	It is generally accepted that an entity may conduct actions as to influence its accounting key ratios.
Default / cross default	Yes	Yes	No / debatable	It is generally accepted that an entity may conduct actions as to influence the occurrence of default. However, defaults may occur independent of the actions of the entity.
Cross default in subsidiaries	Yes	Yes	No / debatable	It is generally accepted that an entity may conduct actions as to influence the occurrence of default in its subsidiaries. However, defaults may occur independent of the actions of the entity.
Cross default in group entity not controlled by the entity	Yes	Yes	Yes / debatable	It may be claimed that an entity cannot affect the occurrence of defaults in entities that it does not control. However, an entity may offer financing as to reduce the possibility of a default.
Expected default	Only if it has been claimed	Yes	Debatable	Expected default is a very subjective covenant as such it is very subjective what actions can be conducted as to influence the probability of it being claimed.

Loss of control over pledged asset	Yes	Yes	No / debatable	An entity is normally able to control the sale or disposal of an asset. However, loss may occur due to circumstances not controlled by the entity.
Subject of sanctions	Yes	Yes / debatable	Yes / debatable	Sanctions are often the results of political decisions not influenced by the actions of an individual entity; however, an entity may organise its activities as to reduce the risk of being subjects to sanctions.
Change of law	Yes	Yes	Debatable	Most small entities cannot influence the process of law making. However larger companies and active companies may engage with politicians as to actually influence the process of law making.
Dividend control	Yes	Yes	No	It is generally accepted that an entity may influence dividend payments.
ESG condition	Yes	Yes	No / debatable	The purpose of ESG conditions is that it shall influence the actions of the entity. However, the breath of ESG conditions is so wide that some ESG conditions may be unaffected by the actions of the entity
Weather condition	Yes	Yes	Yes / debatable	It is generally accepted that weather is random and unaffected by actions of an entity. However, entities contribute with actions that effects the

				environment and thus the future weather.
Commodity conditions	Yes	Yes	Yes / debatable	It is generally accepted that commodity market conditions not set by an individual entity. However, every market participant effects the market.

Paragraph 69(d) including paragraph 72B and 72C applies to all liabilities (which among others include liabilities in IFRS 2, IFRS 9, IFRS 15, IFRS 16, IFRS 17, IAS 12, IAS 19 IAS 26, and IAS 37)