

National Association of German Cooperative Banks | Schellingstraße 4 |
10785 Berlin | Germany

EFRAG

Mr Jean-Paul Gauzes
Ms Saskia Slomp
5 Square de Meeûs
1000 Brussels

Contact: Stefanie Morfeld-Wahle
Telephone: +49 30 2021- 2420
E-mail: s.morfeld-wahle@bvr.de
Our ref:

GBIC ref: IFRS
BVR ref: IFRS

Draft Endorsement Advice on IFRS 17 Insurance Contracts

20-12-17

Dear Mr Gauzes,

We appreciate the opportunity to comment on EFRAG's Draft Endorsement Advice (DEA) on IFRS 17. Whilst the DEA is very detailed, complex, and differentiated, in our view, an overall vote concerning the adoption of IFRS 17 into European law is lacking. It is not apparent whether EFRAG recommends the adoption of IFRS 17 as a whole – or whether, in EFRAG's view, IFRS 17 fails to meet the adoption criteria. In fact, we would have appreciated a clear vote on the adoption of IFRS 17 at this point.

At the same time, we want to draw your attention to the key importance for all stakeholders in the international financial markets of being able to take decisions on the basis of comparable financial information – especially in the persistent global COVID-19 pandemic. Any fragmentation of international capital markets, which the creation of diverging EU accounting standards would bring about, would not be conducive to the smooth functioning of market mechanisms for the optimal allocation of financial resources. What is more, in the long run this would weaken the position of European capital markets players at a global commercial level.

In our view, a partial adoption (or non-adoption) of IFRS 17, or the adoption of an amended ("EU-specific") version, bears the risk of damaging the status of IFRS as globally accepted accounting standards. We strictly advocate against any specifically European approach to accounting; for this reason, we consider it essential that IFRS 17 be endorsed as a whole.

Yours sincerely,
on behalf of the German Banking Industry Committee
National Association of German Cooperative Banks

Gerhard Hofmann

Stefanie Morfeld-Wahle

Coordinator:
National Association of German
Cooperative Banks
Schellingstrasse 4 | 10785 Berlin | Ger-
many
Telephone: +49 30 2021-0
Fax: +49 30 2021-1900
www.die-dk.de