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Sir David Tweedie
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Dear Sir David,

Request for Views on Effective Dates and Transition Methods

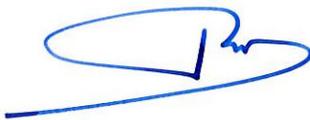
1. EIOPA welcomes the opportunity to provide our views to the IASB on when the new IFRS standards should become effective.
2. Our response provides our views on standards that impact the insurance industry directly but does not explicitly address the questions raised in your "*Request for Views*" document.
3. EIOPA supports the IASB's position that retrospective application is the default approach required by IFRSs but notes that exceptions are made in some circumstances. With regards to the Insurance Contracts project, EIOPA's preference (as detailed in our Comment Letter to the Insurance Contracts Exposure Draft) would be for the standard to require preparers to apply full retrospective application or, where this is not possible or would result in undue cost, apply a proxy calculation to the residual margin for existing contracts.
4. EIOPA believes that where full retrospective application of the residual margin for existing contracts is not possible or practical, a solution consisting of retaining the difference between carrying amounts under previous accounting

standards and the first three building blocks as a residual margin provides a preferable option.

5. EIOPA believes that the application dates of the Insurance Contracts and Financial Instruments (IFRS 9) projects should be aligned as this would:
 - (a) Facilitate a consistent approach be taken for the valuation of assets and liabilities reflecting their relationship in the business model of insurers.
 - (b) Avoid the need for successive reclassification or redesignation of financial assets (at the effective date of IFRS 9 and subsequently at the effective date of the insurance contract standard) as this would ease the burden for preparers while also reducing some complexity for users.
6. In general, EIOPA's position is that the transition date should be set to allow a balance be reached between: the need to implement the new standards, providing sufficient time for preparers to ensure that they implement the new standards correctly (as these new standards will require substantial resources/I.T. changes) and providing sufficient time for preparers to have a proper dialogue with stakeholders about the impact of adoption.
7. As regards the possibility for preparers to adopt new standards earlier, EIOPA believes that allowing early adoption is generally preferable as new standards represent an improvement over existing standards, assuming that there is sufficient time to implement the new standards appropriately.

If you have any questions regarding our comments, please do not hesitate to contact Jarl Kure at EIOPA jarl.kure@eiopa.europa.eu.

Kind regards



Victor Rod
Alternate Chairperson