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info@drsc.de

Berlin, 17 January 2014

EFRAG Françoise Flores 35 Square de Meeûs B-1000 Brussels Belgique

Dear Françoise,

DRAFT ENDORSEMENT ADVICE AND EFFECTS STUDY REPORT ON AMEND-MENTS TO IAS 19 DEFINED BENEFIT PLANS: EMPLOYEE CONTRIBUTIONS

On behalf of the German IFRS Committee I am writing to comment on EFRAG's Assessment of the Amendments to IAS 19 Defined Benefit Plans: Employee Contributions.

We agree with the views set out in the assessment. As a national standard-setter we are not in a position to answer the questions regarding the costs that will arise for preparers and for users to implement the amendment. We therefore sent your assessment-form to the DAX30 entities and got feedback from four companies, which indicated that they agree to the assessment made by EFRAG.

As attachments to this letter you will find our comments to the above mentioned assessment as well as those received from the DAX30 entities.

If you have any further questions, please do not hesitate to contact me.

Yours sincerely,

Liesel Knorr

President



INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS

Comments should be sent to commentletters@efrag.org by 17 January 2014

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the limited scope amendments to IAS 19 *Employee Benefits* entitled *Defined Benefit Plans: Employee Contributions* ('the Amendment'). In order to do that, EFRAG has been carrying out an assessment of the Amendment against the technical criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from its implementation in the European Union (the EU) and European Economic Area.

A summary of the Amendment is set out in Appendix 1.

1

Germany

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record, unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

Plea	se provide the following details about yourself:
(a)	Your name or, if you are responding on behalf of an organisation or company, its name:
	Liesel Knorr, ASCG (Accounting Standards Committee
	of Germany)
(b)	Are you a:
	☐ Preparer ☐ User ☐ Other (please specify)
	National Standard Setter
(c)	Please provide a short description of your activity:
	see above (b)
(d)	Country where you are located:

Liesel Knorr - c/o DRSC e.V. Zimmerstr. 30; 10969 Berlin knorr@drsc.de 2 EFRAG's initial assessment of the Amendment is that it meets the technical for endorsement. In other words, it is not contrary to the principle of true view and it meets the criteria of understandability, relevance, reliable comparability. EFRAG's reasoning is set out in Appendix 2. (a) Do you agree with this assessment?	
EFRAG's initial assessment of the Amendment is that it meets the technical for endorsement. In other words, it is not contrary to the principle of true view and it meets the criteria of understandability, relevance, reliable comparability. EFRAG's reasoning is set out in Appendix 2.	
2 EFRAG's initial assessment of the Amendment is that it meets the technical for endorsement. In other words, it is not contrary to the principle of true view and it meets the criteria of understandability, relevance, reliable comparability. EFRAG's reasoning is set out in Appendix 2.	
for endorsement. In other words, it is not contrary to the principle of true view and it meets the criteria of understandability, relevance, reliable comparability. EFRAG's reasoning is set out in Appendix 2.	
(a) Do you agree with this assessment?	and fair
If you do not, please explain why you do not agree and what you be implications of this should be for EFRAG's endorsement advice.	lieve the
(b) Are there any issues that are not mentioned in Appendix 2 that you EFRAG should take into account in its technical evaluation Amendment? If there are, what are those issues and why do you beliare relevant to the evaluation?	of the
none	
3 EFRAG is also assessing the costs that are likely to arise for preparers users on implementation of the Amendment in the EU, both in year on subsequent years. Some initial work has been carried out, and the resp this Invitation to Comment will be used to complete the assessment. The results of the initial assessment of costs are set out in paragraphs 6	e and in onses to
Appendix 3. To summarise, EFRAG's initial assessment is that the Amen likely to result for preparers in ongoing cost savings and insignificant one-of implementing the Amendment, and only in insignificant costs for users information into a comparable format.	dment is off costs
Do you agree with this assessment?	
☐ Yes ☐ No	
If you do not, please explain why you do not and (if possible) explain broayou believe the costs involved will be?	idly what
We as a national standard setter are not in a posit comment on this issue.	ion to
All four constituents responding to this survey agre	e with

Amendments to IAS 19 - Invitation to comment on EFRAG's initial assessment

Amendments to IAS 19 – Invitation to comment on EFRAG's initial assessment

4

In addition, EFRAG is assessing the benefits that are likely to be derived from the

	Amendment. The results of the initial assessment of benefits are set out in paragraph 12 of Appendix 3. To summarise, EFRAG's initial assessment is that users and preparers are likely to benefit from the Amendment. The Amendment is likely to reduce the costs for preparers in preparing. The Amendment is likely to reduce the costs for users in analysing the required disclosures and in clarifying paragraph 93 of IAS 19 (2011) as the information does not need to be adjusted to a comparable format.
	Do you agree with this assessment?
	☐ Yes ☐ No
	If you do not agree with this assessment, please provide your arguments and indicate how this should affect EFRAG's endorsement advice?
	We as a national standard setter are not in a position to comment on this issue.
	All four constituents responding to this survey agree with EFRAG's assessment.
5	EFRAG's initial assessment is that the benefits to be derived from implementing the Amendment in the EU and the European Economic Area as described in paragraph 4 above are likely to outweigh the costs involved as described in paragraph 3 above.
	Do you agree with this assessment?
	☐ Yes ☐ No
	If you do not agree with this assessment, please provide your arguments and indicate how this should affect EFRAG's endorsement advice?
	We as a national standard setter are not in a position to comment on this issue.
	All four constituents responding to this survey agree with EFRAG's assessment.
6	EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendment.
	Do you agree that there are no other factors?
	⊠ Yes □ No
	If you do not agree, please provide your arguments and indicate how this should affect EFRAG's endorsement advice?



www.allianz.com

Allianz, 80790 Munich, Germany

European Financial Reporting Advisory Group Françoise Flores, Chairman 35 Square de Meeûs 1000 Brussels Belgium Koeniginstrasse 28 80802 Munich, Germany Phone +49 89.38 00-0

Direct dial

Our ref., Date

Tel. +49 89 3800 14429

Dr. Roman Sauer

10.01.2014

Mail roman.sauer@allianz.com

Effects Study on Amendments to IAS 19, Employee Benefits entitled Defined Benefit Plans: Employee Contributions

Dear Ms. Flores,

We appreciate the purpose of the effects study and the invitation to comment on EFRAG's assessment on the limited scope amendments to IAS 19, *Employee Benefits* entitled *Defined Benefit Plans: Employee Contributions*.

We agree with EFRAG's initial assessment that

- introduction of the amendment is likely to reduce complexity and ongoing costs for users and preparers; and
- users and preparers will likely benefit as the amendment clarifies the requirements of paragraph 93 of IAS 19 (2011) and reduces the use of judgement.

Thus, we fully support EFRAG's initial assessment that the amendment satisfies the technical criteria for EU endorsement. EFRAG should therefore recommend its endorsement.

If you have questions or would like to discuss our response in more detail, please contact us.

Yours sincerely,

Dr. Roman Sauer

Head of Group Accounting Policy



INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS

Comments should be sent to **commentletters@efrag.org** by 17 January 2014

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the limited scope amendments to IAS 19 *Employee Benefits* entitled *Defined Benefit Plans: Employee Contributions* ('the Amendment'). In order to do that, EFRAG has been carrying out an assessment of the Amendment against the technical criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from its implementation in the European Union (the EU) and European Economic Area.

A summary of the Amendment is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record, unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

EFRAG's initial assessments summarised in this questionnaire will be amended to reflect EFRAG's decisions on Appendix 2 and 3.

Please provide the following details about yourself:

Your	name or, if you are name:	responding on beha	If of an organisation or company, its
	Allianz SE		
Are	you a:		
	X Preparer	User	Other (please specify)
Plea	se provide a short de	escription of your activ	rity:
	casualty insur	ance, life/healtions in over 70	iaries maintain property- th insurance and asset man- countries, with the largest
Cour	ntry where you are lo	cated:	
	Germany		

Amendments to IAS 19 - Invitation to comment on EFRAG's initial assessment Contact details including e-mail address:

		9	
	Dr. Roman Sa	uer	
	Head of Grou	p Accounting	g Policy
	Königinstr.	28	
	80802 Munich	, Germany	
	Phone: +49.8	9.3800 14429)
	Email: roman	.sauer@allia	anz.com
for e	endorsement. In d	other words, it is criteria of unde	nendment is that it meets the technical criteria is not contrary to the principle of true and fair rstandability, relevance, reliability and compa- in Appendix 2.
(a)	Do you agree wi	th this assessme	ent?
	X Yes	☐ No	
(b)	Are there any is EFRAG should	his should be for ssues that are n take into accou	ny you do not agree and what you believe the EFRAG's endorsement advice. not mentioned in Appendix 2 that you believe ant in its technical evaluation of the Amendse issues and why do you believe they are rel-
		re not ment	should take into account any isioned in Appendix 2 in its techamendment.
ers que	on implementatior nt years. Some in	n of the Amendn itial work has be	nat are likely to arise for preparers and for us- nent in the EU, both in year one and in subse- een carried out, and the responses to this Invi- nplete the assessment.
App likely of in	endix 3. To sumn y to result for pre	narise, EFRAG's parers in ongoir .mendment, and	of costs are set out in paragraphs 6 and 9 of s initial assessment is that the Amendment is g cost savings and insignificant one-off costs only in insignificant costs for users to bring in-
Do y	you agree with this	s assessment?	
ХҮ	'es	□ No	
	ou do not, please believe the costs		do not and (if possible) explain broadly what

(a)

(b)

Amendments to IAS 19 - Invitation to comment on EFRAG's initial assessment

In addition, EFRAG is assessing the benefits that are likely to be derived from the Amendment. The results of the initial assessment of benefits are set out in paragraph 12 of Appendix 3. To summarise, EFRAG's initial assessment is that users and preparers are likely to benefit from the Amendment. The Amendment is likely to reduce the costs for preparers in preparing. The Amendment is likely to reduce the costs for users in analysing the required disclosures and in clarifying paragraph 93 of IAS 19 (2011) as the information does not need to be adjusted to a comparable format.

Do you agree with this	assessment?
X Yes	□ No
	th this assessment, please provide your arguments and indifect EFRAG's endorsement advice?
Amendment in the El	sment is that the benefits to be derived from implementing the J and the European Economic Area as described in para- ly to outweigh the costs involved as described in paragraph 3
Do you agree with this	assessment?
X Yes	□ No
	th this assessment, please provide your arguments and indifect EFRAG's endorsement advice?
	f any other factors that should be taken into account in reach- nat endorsement advice it should give the European Commis- nt.
Do you agree that ther	e are no other factors?
X Yes	□ No
If you do not agree, ple fect EFRAG's endorse	ease provide your arguments and indicate how this should afment advice?



INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS

Comments should be sent to **commentletters@efrag.org** by 17 January 2014

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the limited scope amendments to IAS 19 *Employee Benefits* entitled *Defined Benefit Plans: Employee Contributions* ('the Amendment'). In order to do that, EFRAG has been carrying out an assessment of the Amendment against the technical criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from its implementation in the European Union (the EU) and European Economic Area.

A summary of the Amendment is set out in Appendix 1.

1

Germany

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record, unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

Plea	se provide the following details about yourself:
(a)	Your name or, if you are responding on behalf of an organisation or company, its name:
	Dr. Martin Schloemer, Bayer AG
(b)	Are you a:
(c)	Please provide a short description of your activity:
	Healthcare, Cropscience, Materialscience
(d)	Country where you are located:

Contact details including e-mail address: martin.schloemer@bayer.com 2 EFRAG's initial assessment of the Amendment is that it meets the technical criteria for endorsement. In other words, it is not contrary to the principle of true and fair view and it meets the criteria of understandability, relevance, reliability and comparability. EFRAG's reasoning is set out in Appendix 2. Do you agree with this assessment? X Yes □No If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG's endorsement advice. Are there any issues that are not mentioned in Appendix 2 that you believe (b) EFRAG should take into account in its technical evaluation of the Amendment? If there are, what are those issues and why do you believe they are relevant to the evaluation? 3 EFRAG is also assessing the costs that are likely to arise for preparers and for users on implementation of the Amendment in the EU, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment. The results of the initial assessment of costs are set out in paragraphs 6 and 9 of Appendix 3. To summarise, EFRAG's initial assessment is that the Amendment is likely to result for preparers in ongoing cost savings and insignificant one-off costs of implementing the Amendment, and only in insignificant costs for users to bring information into a comparable format. Do you agree with this assessment? X Yes □ No If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

Amendments to IAS 19 – Invitation to comment on EFRAG's initial assessment

Amendments to IAS 19 – Invitation to comment on EFRAG's initial assessment

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Amendment. paragraph 12 users and pre- likely to reduce reduce the co	RAG is assessing the benefits that are likely to be derived from the The results of the initial assessment of benefits are set out in of Appendix 3. To summarise, EFRAG's initial assessment is that parers are likely to benefit from the Amendment. The Amendment is the the costs for preparers in preparing. The Amendment is likely to sets for users in analysing the required disclosures and in clarifying of IAS 19 (2011) as the information does not need to be adjusted to a smat.
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	agree with this assessment, please provide your arguments and is should affect EFRAG's endorsement advice?
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	agree with this assessment, please provide your arguments and is should affect EFRAG's endorsement advice?
EEDAC is no	aware of any other factors that should be taken into account in
reaching a de	aware of any other factors that should be taken into account in cision as to what endorsement advice it should give the European the Amendment.
Do you agree	hat there are no other factors?
⊠ Yes	□ No
	agree, please provide your arguments and indicate how this should sendorsement advice?



European Financial Reporting Advisory Group

DRAFT ENDORSEMENT ADVICE AND EFFECTS STUDY REPORT ON AMENDMENTS TO IAS 19 DEFINED BENEFIT PLANS: EMPLOYEE CONTRIBUTIONS

INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS

Comments should be sent to commentletters@efrag.org by 17 January 2014

EFRAG has been asked by the European Commission to provide it with advice and supporting material on the limited scope amendments to IAS 19 *Employee Benefits* entitled *Defined Benefit Plans: Employee Contributions* ('the Amendment'). In order to do that, EFRAG has been carrying out an assessment of the Amendment against the technical criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from its implementation in the European Union (the EU) and European Economic Area.

A summary of the Amendment is set out in Appendix 1.

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record, unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

1	Plea	ase provide the following details about yourself:
	(a)	Your name or, if you are responding on behalf of an organisation or company, its name:
		INFINEON TECHNOLOGIES AG
		MUNICH, GERMANY
	(b)	Are you a:
		Preparer User Other (please specify)
	(c)	Please provide a short description of your activity: Head of Concelodatain and External Reporting

Amendments to IAS 19 - Invitation to comment on EFRAG's initial assessment (d) Country where you are located: Alexander Foltin, CFA Infineon GERMANY Vice President Consolidation & External Reporting Contact details including e-mail addres (e) Infineon Technologies AG Dept. IFAG ACT CER Address 81726 Munich, Germany Office Am Campeon 1-12, 85579 Neubiberg, Germany Phone +49(0) 89 234-2 37 66 E - Fax +49(0) 89 234-955 98 47 Cell +49(o) 160 96 31 56 98 www.infineon.com E-Mail alexander.foltin@infineon.com 2 EFRAG's initial assessment of the Amendment is that it meets the technical criteria for endorsement. In other words, it is not contrary to the principle of true and fair view and it meets the criteria of understandability, relevance, reliability and comparability. EFRAG's reasoning is set out in Appendix 2. Do you agree with this assessment? X Yes ☐ No If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG's endorsement advice. Are there any issues that are not mentioned in Appendix 2 that you believe EFRAG should take into account in its technical evaluation of the Amendment? If there are, what are those issues and why do you believe they are relevant to the evaluation? 3 EFRAG is also assessing the costs that are likely to arise for preparers and for users on implementation of the Amendment in the EU, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment. The results of the initial assessment of costs are set out in paragraphs 6 and 9 of Appendix 3. To summarise, EFRAG's initial assessment is that the Amendment is likely to result for preparers in ongoing cost savings and insignificant one-off costs of implementing the Amendment, and only in insignificant costs for users to bring information into a comparable format.

Do you agree with this assessment?

No

X Yes

Amendment paragraph users and paragraph likely to reduce the	EFRAG is assessing the benefits that are likely to be derived from The results of the initial assessment of benefits are set or 2 of Appendix 3. To summarise, EFRAG's initial assessment is reparers are likely to benefit from the Amendment. The Amendment is like costs for preparers in preparing. The Amendment is like costs for users in analysing the required disclosures and in clarits of IAS 19 (2011) as the information does not need to be adjusted format.
Do you agre	e with this assessment?
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If you do r	ot agree with this assessment, please provide your arguments
If you do r indicate how EFRAG's in Amendmen	this should affect EFRAG's endorsement advice? ial assessment is that the benefits to be derived from implementing in the EU and the European Economic Area as describe above are likely to outweigh the costs involved as describe
If you do rindicate how EFRAG's in Amendmen paragraph 2 paragraph 3	this should affect EFRAG's endorsement advice? ial assessment is that the benefits to be derived from implementing in the EU and the European Economic Area as describe above are likely to outweigh the costs involved as describe
If you do rindicate how EFRAG's in Amendmen paragraph 2 paragraph 3	this should affect EFRAG's endorsement advice? tial assessment is that the benefits to be derived from implementing in the EU and the European Economic Area as describe above are likely to outweigh the costs involved as describe above.

Amendments to IAS 19 – Invitation to comment on EFRAG's initial assessment

EFRAG is not aware of any other factors that should be taken into account in reaching a decision as to what endorsement advice it should give the European Commission on the Amendment.

Do you agree that there are no other factors?

Yes No

If you do not agree, please provide your arguments and indicate how this should affect EFRAG's endorsement advice?



INVITATION TO COMMENT ON EFRAG'S ASSESSMENTS

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EFRAG has been asked by the European Commission to provide it with advice and supporting material on the limited scope amendments to IAS 19 *Employee Benefits* entitled *Defined Benefit Plans: Employee Contributions* ('the Amendment'). In order to do that, EFRAG has been carrying out an assessment of the Amendment against the technical criteria for endorsement set out in Regulation (EC) No 1606/2002 and has also been assessing the costs and benefits that would arise from its implementation in the European Union (the EU) and European Economic Area.

A summary of the Amendment is set out in Appendix 1.

worldwide

1

Before finalising its two assessments, EFRAG would welcome your views on the issues set out below. Please note that all responses received will be placed on the public record, unless the respondent requests confidentiality. In the interest of transparency EFRAG will wish to discuss the responses it receives in a public meeting, so we would prefer to be able to publish all the responses received.

Plea	se provide the following details about yourself:
(a)	Your name or, if you are responding on behalf of an organisation or company, its name:
	The Linde Group
(b)	Are you a:
	X Preparer User Other (please specify)
(-)	Diagon provide a chart description of vous estivity.
(c)	Please provide a short description of your activity:
	Gases & Engineering Company
(d)	Country where you are located:

Contact details including e-mail address: christina.moderegger@linde.com 2 EFRAG's initial assessment of the Amendment is that it meets the technical criteria for endorsement. In other words, it is not contrary to the principle of true and fair view and it meets the criteria of understandability, relevance, reliability and comparability. EFRAG's reasoning is set out in Appendix 2. Do you agree with this assessment? X Yes ☐ No If you do not, please explain why you do not agree and what you believe the implications of this should be for EFRAG's endorsement advice. Are there any issues that are not mentioned in Appendix 2 that you believe (b) EFRAG should take into account in its technical evaluation of the Amendment? If there are, what are those issues and why do you believe they are relevant to the evaluation? none 3 EFRAG is also assessing the costs that are likely to arise for preparers and for users on implementation of the Amendment in the EU, both in year one and in subsequent years. Some initial work has been carried out, and the responses to this Invitation to Comment will be used to complete the assessment. The results of the initial assessment of costs are set out in paragraphs 6 and 9 of Appendix 3. To summarise, EFRAG's initial assessment is that the Amendment is likely to result for preparers in ongoing cost savings and insignificant one-off costs of implementing the Amendment, and only in insignificant costs for users to bring information into a comparable format. Do you agree with this assessment? X Yes □ No If you do not, please explain why you do not and (if possible) explain broadly what you believe the costs involved will be?

Amendments to IAS 19 – Invitation to comment on EFRAG's initial assessment

Amendments to IAS 19 – Invitation to comment on EFRAG's initial assessment

4

In addition, EFRAG is assessing the benefits that are likely to be derived from the Amendment. The results of the initial assessment of benefits are set out in

Do you agre	e with this assessment?	
X Yes	□ No	
	t agree with this assessment, please prothis should affect EFRAG's endorsement ac	
Amendment	ial assessment is that the benefits to be der in the EU and the European Econom above are likely to outweigh the costs above.	nic Area as described
Do you agre	e with this assessment?	
, ,		
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If you do n	□ No t agree with this assessment, please proteins should affect EFRAG's endorsement ac	
If you do n indicate how EFRAG is r reaching a	t agree with this assessment, please pro	dvice?
If you do n indicate how EFRAG is reaching a Commission	t agree with this assessment, please prothis should affect EFRAG's endorsement act	dvice?
If you do n indicate how EFRAG is reaching a Commission	t agree with this assessment, please prothis should affect EFRAG's endorsement action as to what endorsement advice it on the Amendment.	dvice?