

**Report by the ASCG on the
76th meeting of its IFRS Technical Committee
15th and 16th July 2019 in Berlin**

At the beginning of the meeting, the IFRS Technical Committee deliberated the proposed amendments to **IASB ED/2019/3 *References to the Conceptual Framework – proposed amendments to IFRS 3***. The IFRS Technical Committee considered the pragmatic approach chosen by the IASB as a good solution and agreed with the proposed amendments.

The IFRS Technical Committee initially discussed the amendments proposed by the **IASB ED/2019/4 *Proposed Amendments to IFRS 17***. The Committee supports the IASB's procedure and intention of addressing the most crucial implementation challenges by selective amendments to IFRS 17. The Committee tentatively agrees with most of the proposals. However, reservations have been expressed in respect of the proposals as regards the CSM allocation in case of investment return services, reinsurance contracts (in particular, the meaning of "proportionate"), and the few proposed amendments to transition requirements. In addition, the Committee has deliberated some issues for which the IASB does not propose amendments. The IFRS Technical Committee will continue the discussion in its next meeting, during which it will also conclude on content and wording of its comment letter.

Subsequently, the IFRS Technical Committee deliberated its comment letter to the **IASB ED/2019/2 *Annual Improvements to IFRS Standards 2018-2020***. The Technical Committee fully agrees with the proposed amendment to IFRS 1 and IAS 41. In respect of the two other proposals, the Committee has comments and sees room for improvement. Therefore, a comment letter will be submitted to the IASB.

In addition, the Technical Committee debated on the proposed amendments to the **IFRS Foundation *Due Process Handbook***. The Committee is generally supportive of the proposals in respect of role and status of agenda decisions and of providing the Board with the tool of agenda decisions, but suggests clarifications as the degree of authority for agenda decisions and explanatory material appears unclear. As regards the remainder proposals, the Committee is supportive. The IFRS Technical Committee concludes on providing its findings by a comment letter to the IFRS Foundation.

Finally, the IFRS Technical Committee deliberated all tentative and all final decisions taken by the **IFRS Interpretations Committee** at its **June 2019 meeting**. The IFRS Technical Committee agrees with all final agenda decisions, while having concerns with the tentative agenda decisions on IFRS 9 (Fair value hedge of foreign currency risk of non-financial assets), IFRS 15 (Compensation for delays and cancellations) and IFRS 16 (Lessee's incremental borrowing rate) and, therefore, intends to submit these views by a comment letter to the IFRS IC.

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