



International Organization of Securities Commissions
Organisation internationale des commissions de valeurs
Organização Internacional das Comissões de Valores
Organización Internacional de Comisiones de Valores

12 October 2011

International Accounting Standards Board
30 Cannon Street
London
EC4M 6XH
United Kingdom

Our Reference: 2011/JE/TCSC1/IASB/127

RE: Mandatory Effective Date of IFRS 9

Dear IASB Members:

The International Organization of Securities Commissions (IOSCO) Standing Committee No. 1 on Multinational Disclosure and Accounting (Standing Committee No. 1) thanks you for the opportunity to provide our comments regarding the International Accounting Standards Board (IASB or the Board) Exposure Draft on *Mandatory Effective Date of IFRS 9* (the Exposure Draft).

IOSCO is committed to promoting the integrity of international markets through promotion of high quality accounting standards, including rigorous application and enforcement. Members of Standing Committee No. 1 seek to further IOSCO's mission through thoughtful consideration of accounting and disclosure concerns and pursuit of improved transparency of global financial reporting. The comments we have provided herein reflect a general consensus among the members of Standing Committee No. 1 and are not intended to include all of the comments that might be provided by individual securities regulator members on behalf of their respective jurisdictions.

Responses to the Board's Questions

Question 1

The Board proposes to amend IFRS 9 (2009) and IFRS 9 (2010) so that entities would be required to apply them for annual periods beginning on or after January 2015. Do you agree? Why or why not? If not, what alternative do you propose?

We agree that the required adoption date of IFRS 9 should be amended to reflect the extended time line for completion of the remaining phases of the IAS 39 replacement project. While we support delaying the mandatory effective date beyond January 2013, we continue to believe that it is important that improvements to IAS 39 be finalized and effective in a timely fashion. We note that in some jurisdictions

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early adoption of IFRS 9 by some companies has created a lack of comparability and increased complexity for users.

Keeping in mind that timely completion of the financial instrument improvement project is a priority, we continue to support the IASB working together with the FASB towards the objective of convergence.

Question 2

The Board proposes not to change the requirement in IFRS 9 for comparatives to be presented for entities that initially apply IFRS 9 for reporting periods beginning on or after 1 January 2012. Do you agree? Why or why not? If not, what alternative do you propose?

We agree that companies that adopt IFRS 9 for reporting periods beginning on or after 1 January 2012 should be required to present comparative information for prior reporting periods. We believe that the Board's reasons for providing relief to companies that adopt prior to January 2012 are not applicable to companies that adopt later on, because the practicability considerations are not the same for companies that adopt outside of a short time frame.

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We appreciate your thoughtful consideration of the comments raised in this letter. If you have any questions or need additional information on the recommendations and comments that we have provided, please do not hesitate to contact me at 202-551-5300.

Sincerely,



Julie A. Erhardt

Chairman

IOSCO Standing Committee No. 1

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