



International Organization of Securities Commissions  
Organisation internationale des commissions de valeurs  
Organizaç o Internacional das Comiss es de Valores  
Organizaci n Internacional de Comisiones de Valores  
المنظمة الدولية لهيئات الأوراق المالية

17 June 2019

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

Ref: 2019/MS/C1/IASB/29

**RE: ED/2019/1 - Interest Rate Benchmark Reform – Proposed amendments to IFRS 9 and IAS 39**

Dear International Accounting Standards Board Members:

The International Organization of Securities Commissions (IOSCO) Committee on Issuer Accounting, Auditing and Disclosure (Committee 1) thanks you for the opportunity to provide our comments regarding the International Accounting Standards Board (IASB or the Board) Exposure Draft: *Interest Rate Benchmark Reform – Proposed amendments to IFRS 9 and IAS 39* (the Exposure Draft).

IOSCO is committed to promoting the integrity of the international markets through promotion of high quality accounting standards, including rigorous application and enforcement. Members of Committee 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 the general consensus among the members of Committee 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.

### **General Observations**

We fully support the IASB’s initiative to provide a timely response to the potential impacts of the reform of interest rate benchmarks.

Particularly, we agree with the proposals set out in the Exposure Draft to amend IFRS 9 and IAS 39 and set out specified exceptions to the requirements in IFRS 9 and IAS 39 for hedge accounting for the period before the replacement of an existing interest rate benchmark with an alternative interest rate.

Calle Oquendo 12  
28006 Madrid  
ESPAÑA  
Tel.: + 34 91 417.55.49 Fax: + 34 91  
555.93.68  
[mail@iosco.org](mailto:mail@iosco.org) - [www.iosco.org](http://www.iosco.org)



International Organization of Securities Commissions  
Organisation internationale des commissions de valeurs  
Organizaç o Internacional das Comiss es de Valores  
Organizaci n Internacional de Comisiones de Valores  
المنظمة الدولية لهيئات الأوراق المالية

We agree with the IASB that it is the most urgent to address. We highlight the importance of finalizing the proposed amendment shortly, so that they can be applicable for the 2019 annual financial statements.

Moreover, we are also aware that there are other issues that might affect financial reporting when an existing interest rate benchmark will be replaced with another benchmark. Hence, we fully support the work of the IASB to address this second aspect in a second ED as soon as possible, taking into account the progress of the current Exposure Draft on benchmark reforms.

\*\*\*\*

We appreciate your thoughtful consideration of the responses provided in this letter. If you have any questions or need additional information, please do not hesitate to contact Cameron McInnis, Chair of the Accounting Subcommittee of Committee 1 at +1 416-593-3675 or myself. In case of any written communication, please mark a copy to me.

Sincerely

Makoto Sonoda

Chair, Committee on Issuer Accounting, Audit and Disclosure  
International Organization of Securities Commissions