

17 June 2019

Transmitted electronically

Mr. Hans Hoogervorst
Chairman
International Accounting Standards Board
7 Westferry Circus
Canary Wharf
London E14 4HD
United Kingdom

RE: IFRS Standards Exposure Draft: *Interest Rate Benchmark Reform, Proposed amendments to IFRS 9 and IAS 39*

Dear Mr. Hoogervorst:

The International Association of Insurance Supervisors ("IAIS") welcomes the opportunity to comment on the International Accounting Standard Board ("IASB")'s Exposure Draft *Interest Rate Benchmark Reform, Proposed amendments to IFRS 9 and IAS 39*.

The IAIS mission is to promote effective and globally consistent supervision of the insurance industry in order to develop and maintain fair, safe and stable insurance markets for the benefit and protection of policyholders and to contribute to global financial stability.

The global insurance sector is a significant participant in the derivative market, and as such, the IAIS has a keen interest in the IASB's work on interest rate benchmark reform. The IAIS is concerned with the potential implications of the replacement of existing interest rate benchmarks on financial reporting and is very supportive of the IASB's proposal on the pre-replacement hedge accounting issues. IAIS envisages that some significant pre-replacement issues could arise before the end of 2019 for some benchmark rates, and therefore encourages the IASB to finalise this first phase as quickly as possible. The IAIS also suggests that the IASB fast tracks the work on the significant replacement issues with the objective to provide appropriate reliefs on a timely basis for a possible early application.

If you have further questions regarding this letter, please contact Jay Muska at the IAIS Secretariat (tel: +41 61 280 8953; email: jay.muska@bis.org) or Markus Grund, Chair of the IAIS Accounting and Auditing Working Group (tel: +49 228 4108 3671; email: markus.grund@bafin.de).

Yours sincerely,



Victoria Saporta
Chair, Executive Committee



Elise Liebers
Chair, Policy Development
Committee