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Date : Amsterdam, 21 June 2019

Re : Comment letter on Exposure draft ED/2019/1 Interest Rate Benchmark Reform: Proposed amendments to IFRS 9 and IAS 39

Dear members of the IASB,

The Dutch Accounting Standard Board ('DASB') appreciates the opportunity to respond to the IASB regarding the Exposure Draft ED/2019/1 Interest Rate Benchmark Reform: Proposed amendments to IFRS 9 and IAS 39 (the 'ED').

We agree with the responses to the questions listed in the ED made by EFRAG in its draft comment letter, as included in appendix 1.

In addition to the responses as set out in the draft comment letter of EFRAG, we would like to emphasise that we see a possible issue with regard to the endorsement timelines in our jurisdiction. We urge the IASB to finalise the necessary amendments for the Interest Rate Benchmark Reform timely to avoid issues with regards to possible application.

For the retrospective hedge effectiveness test under IAS 39 it would be beneficial to provide relief from the 80%-125% test. This is because new benchmark rates may be implemented for hedged items at a different point in time than for the hedging instruments. We agree that any actual hedge ineffectiveness should continue to be recognised in profit or loss, including ineffectiveness that is due to the benchmark reform, but that it should be possible to continue the hedge relationship even if, solely due to the benchmark reform, effectiveness falls outside the 80%-125%.

While we support the amendments being made, we believe in general that accounting standards should be sufficiently robust to avoid amendments for changes in regulations such as the benchmark reform. As we are aware that the development of such principles require more time, we do support a quick fix to this benchmark reform issue. The possible further accounting issues from this reform may however be numerous and therefore we would support a more principle based approach in phase two.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Sampers', with a long horizontal flourish extending to the right.

Prof. dr. P.A.M. Sampers
Chairman DASB

Appendix 1: Draft comment letter EFRAG