



**RAAD VOOR DE
JAARVERSLAGGEVING**

Dutch Accounting Standards Board

EFRAG
Attn. Mr. Benoit Jaspar
35 Square de Meeûs
B-1000 Brussels

DASB secretariat:
Mercuriusplein 3, 2132 HA Hoofddorp
Postbus 242, 2130 AE Hoofddorp

Tel: +31 (0)88 4960 391
secretariaat@rjnet.nl
www.rjnet.nl

Our ref: RJ-EFRAG 633
Date: December 30, 2024
Re: DASB reaction to the Exposure Draft Due Process Procedures for the EFRAG
Financial Reporting Activities

Dear Benoit,

The Dutch Accounting Standards Board (DASB) has discussed the EFRAG Exposure Draft (ED) Due Process Procedures for the EFRAG Financial Reporting activities (issued September 2024). Find below our reactions to the questions in the ED.

The DASB recognizes that this ED sets out the due process requirements to be followed by EFRAG in its role as technical advisor to the European Commission (EC), in its contribution to the IASB's standard-setting process by providing European views, including through proactive research activities, and providing technical advice to the EC on the endorsement of IFRS Accounting Standards. We also acknowledge that the requirements for the due process should be read in the context of the EFRAG Statutes and EFRAG Internal Rules

Reactions of the DASB to the questions in the ED.

Question 1: Objective and general principles

Does the EFRAG financial reporting due process meet your needs?

Is the EFRAG DPP sufficiently clear and contains all information you would expect?

The DASB discussed that the EFRAG financial reporting due process meets our needs. Overall, the DASB would appreciate that in due course the due process for the EFRAG financial and sustainability reporting pillar would be similar. This not only due to the EFRAG Internal rules, but also considering the importance of connectivity in corporate reporting.

The DASB noted, regarding the Financial Reporting Board (FRB), that some of the documents mentioned in paragraph 6.4, especially the 'non-mandatory' documents, are not always discussed in FRB-meetings. It is maybe understandable that some of these documents, due to the fact these are non-mandatory, will not always be immediately or timely available. However, the DASB would appreciate to describe (in paragraph 6.4) in the due process that

the FRB will at least be able to express its views on such – non-mandatory – documents, before they will be finalized and/or published by EFRAG. For instance, in the sense that the FRB will be able to express a ‘negative clearance’ or other reaction beforehand.

The DASB discussed that it is for us unclear what is meant in paragraph 3.12 of the ED. This paragraph suggests that the EFRAG Administrative Board Due Process Committee (DPC) will be informed when certain due process steps were not followed by the FRB and that yearly a non-compliance report will be received. However, the DASB would recommend to clarify (in paragraph 3.12) that the FRB cannot avoid mandatory steps, but that only other (non-mandatory) steps can be avoided by the FRB if considered unnecessary.

Question 2 Public consultation deadlines

Do you agree with EFRAG’s proposals in paragraphs 5.6 and 5.7 on public consultation deadlines, including a minimum comment period of 30 days on its consultations?

The DASB discussed that a minimum comment period of 30 days on public consultation will in general be too short. This also considering the frequency of DASB meetings as well as our agenda and preparation (by DASB staff or Working Group). However, the DASB acknowledges that sometimes such a ‘30-day-deadline’ is imposed, to EFRAG, by external parties. In such a situation, also considering the preparation and our agenda-setting, it would be useful if EFRAG to the extent practically possible could publicly inform about the dates (publication of the draft comment letter by EFRAG and the deadline for submitting the comments on EFRAG’s draft comment letter) foreseen in that specific consultation-period.

Question 3 Comment letters received

Do you agree with EFRAG’s proposals in paragraphs 6.7 to 6.11 on comment letters received after EFRAG’s comment deadline?

The DASB is aware of the fact that in some situations organisations are not able to finalize their comment-letters to an EFRAG consultation on time. The DASB understands that it may sometimes, although merely in exceptionally rare circumstances, be unavoidable that EFRAG (still) considers such comment-letters although being received after the comment deadline. However, we find it important that in such exceptional situations the organisation providing comments should early-warn and inform EFRAG about the fact that they will not be able to ‘meet the deadline’ and, moreover, will (before the deadline) provide EFRAG with their (early) draft comments. The latter might even be done in an informal way, because it is important that EFRAG will be able to review and consider all the (awaited) comments in due time.

The DASB considers it an important principle that EFRAG will have enough time and resources to review and consider all comment-letters received. We understand that, especially in the situation of a receiving a very large amount of comment-letters, EFRAG (staff) sometimes uses external parties (subcontractors) to assist to review the comments received. Nevertheless, the DASB would like to stress that the EFRAG due process rules should in a similar way be applied by such external (assisting) parties/subcontractors.

The DASB discussed the situation that sometimes organizations (or individuals) providing comment-letters object that their comments will become public and request confidentiality. The DASB would on the one hand accept the fact that in order to receive as many (relevant) comments as possible, sometimes in rare situations (to be judged and motivated by the DPC)

confidentially might be needed. On the other hand, we consider it important that if it is indeed decided not to publish the (full content of the) comment-letter, EFRAG should at least make public from which organizations (or individuals) confidential comment-letters have been received.

If you have any questions please do not hesitate to contact me.

Yours sincerely,

Gerard van Santen
Chairman Dutch Accounting Standards Board