

## Report to Due Process Oversight Committee August 2019

Dear DPOC Members,

The Board will hold an additional meeting on 28 August to discuss the IBOR Reform and its Effects on Financial Reporting project. The reason for the additional meeting is to enable the Board to finalise as quickly as possible phase one of the project, which entails amending the financial instruments Standards, IAS 39 and IFRS 9. We draw your attention to Agenda Paper 14B — IBOR Reform - Due process steps and permission for balloting.

### **IBOR Reform: agenda paper 14B — due process steps and permission for balloting**

The Exposure Draft Interest Rate Benchmark Reform (proposed amendments to IFRS 9 and IAS 39) was published in May 2019 with a 45-day comment period which ended on 17 June 2019. In its July 2019 meeting, the Board discussed a summary of the feedback of the comment letters received on the ED. At its August meeting the Board will consider the remaining matters in its deliberations and decide whether to finalise the amendments. If the Board does decide to finalise the amendments then they will also grant the staff permission to begin the balloting process.

Agenda paper 14B sets out the due process steps that the Board has taken in developing the amendments to IFRS 9 and IAS 39 and asks the Board to confirm that it is satisfied that it has complied with the due process requirements. The staff are also seeking the Board's permission to begin the balloting process for the amendments and ask whether any Board member intends to dissent from the publication of the final amendments. Agenda paper 14B also outlines the staff the view that, on the basis of the re-exposure criteria in paragraphs 6.25–6.29 of the *Due Process Handbook*, the proposed amendments to IFRS 9 and IAS 39 should be finalised without re-exposure.

If the Board agree to finalise the amendments the balloting process of *Interest Rate Benchmark Reform (Amendments to IFRS 9 and IAS 39)* will commence in August 2019, with the final amendments planned to be issued in September 2019.

The agenda paper discussed above is attached for your information