
Project	Financial instruments: Replacement of IAS 39
Topic	Comment period for an exposure draft for the effective date of IFRS 9

Background

1. At this meeting, the staff has brought a paper to the Board about the mandatory effective date of IFRS 9 recommending an extension of that date to 1 January 2015 in the light of developments since its publication. The factors relevant to that proposal are addressed in more detail in Agenda Paper 2 from this meeting.
2. If the Board tentatively decides at this meeting to change the mandatory effective date of IFRS 9 to annual periods beginning on or after 1 January 2015, an exposure document would need to be published to reflect this tentative decision. The staff would aim to publish this document in early August. The scope of the document would be limited to changing the mandatory effective date of IFRS 9 (2009)¹ and IFRS 9 (2010)² and would not make any other changes or ask any other questions – eg, in relation to transition issues or other comments from constituents. If the Board decides to make the change, the purpose of this paper is to ask the Board for permission to draft an exposure document and to discuss the comment period for the exposure document.

¹ Paragraph 8.1.1

² Paragraphs 7.1.1 and 7.3.2

This paper has been prepared by the technical staff of the IFRS Foundation for discussion at a public meeting of the IASB.

The views expressed in this paper are those of the staff preparing the paper. They do not purport to represent the views of any individual members of the IASB.

Comments made in relation to the application of an IFRS do not purport to be acceptable or unacceptable application of that IFRS—only the IFRS Interpretations Committee or the IASB can make such a determination.

The tentative decisions made by the IASB at its public meetings are reported in IASB *Update*. Official pronouncements of the IASB, including Discussion Papers, Exposure Drafts, IFRSs and Interpretations are published only after it has completed its full due process, including appropriate public consultation and formal voting procedures.

IASB Staff paper

Analysis

3. Paragraphs 99-100 of the *Due Process Handbook for the International Accounting Standards Board (IASB)* state that the IASB normally allows a period of 120 days for comment on its consultation documents. For exposure drafts, if the matter is exceptionally urgent, the document is short, and the IASB believes that there is likely to be broad consensus on the topic, the IASB may consider a comment period of no less than 30 days.
4. Because entities would need to prepare comparatives as of 1 January 2012 if the mandatory effective date of IFRS 9 remained for annual periods beginning on or after 1 January 2013, the staff believes this matter is exceptionally urgent. The staff also notes that this document would be very short, because the only change would be to change the mandatory effective date in IFRS 9 (2009) and IFRS 9 (2010) and to add the rationale to the Basis for Conclusions. The staff also expects that there is likely to be broad consensus on the topic, in particular because early application of IFRS 9 would continue to be permitted.

Staff recommendation

5. Although the staff believes that an exposure period as short as 45 days could be justified, the staff recommend a comment period of 60 days because the comment period would be partially during the month of August.

Question 1 – Comment period

Does the Board agree with the staff recommendation in paragraph 5 that the Board adopt a comment period of 60 days?

If not, why and what would the Board like to do and why?