

# AGENDA PAPER

IFRS Foundation Trustees meeting – Due Process Oversight Committee

LONDON      26 JANUARY 2016

**Agenda ref    3C(iii)**

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PRESENTER    Henry Rees

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## **Insurance Contracts Project: Draft Paper for February meeting – permission to ballot and due process summary**

1.    The attached paper is a draft for the February 2016 meeting of the International Accounting Standards (‘the Board’). The paper refers to other papers that the staff expects to present for that meeting that will be available on the Board’s website in due course.

## STAFF PAPER

January 2016

## IASB Meeting

Project	Insurance Contracts		
Paper topic	Permission to ballot a Standard on insurance contracts and Due Process Summary		
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This paper has been prepared for discussion at a public meeting of the International Accounting Standards Board (the "Board") and does not represent the views of the Board or any individual member of the Board. Comments on the application of IFRS Standards do not purport to set out acceptable or unacceptable application of IFRS Standards. Technical decisions are made in public and reported in IASB *Update*.

## Introduction

1. This paper:
  - (a) summarises the due process steps undertaken throughout the project and asks the International Accounting Standards Board (the Board) if it is satisfied that all the mandatory due process steps have been met in developing the new insurance contracts Standard (discussed in paragraphs 2-24);
  - (b) requests permission for the staff to begin the balloting process for a new IFRS on accounting for insurance contracts (discussed in paragraphs 25-27); and
  - (c) ask whether any Board member intends to dissent from the publication of the revised Exposure Draft.

## Summary of due process steps

2. The following section presents the due process steps undertaken during the entire insurance contracts project. This section should be considered in conjunction with Appendix A, which provides a more detailed account of the due process steps undertaken since the publication of the 2013 Exposure Draft *Insurance Contracts* (2013 ED). The staff note that the Board has considered and confirmed that it was

satisfied with the due process steps undertaken prior to the publication of each of the earlier due process documents.

***Due process steps***

3. The Board’s *Due Process Handbook* (issued in January 2013) highlights the following mandatory and non-mandatory steps prior to issuing a new Standard:

**Minimum safeguards**

3.42 There are some steps that the Board and its Interpretations Committee must follow before they can issue a Standard or an Interpretation. These steps are designed to be the minimum safeguards to protect the integrity of the standard-setting process.

- 3.43 The due process steps that are mandatory include:
- (a) debating any proposals in one or more public meetings;
  - (b) exposing for public comment a draft of any proposed new Standard, proposed amendment to a Standard or proposed Interpretation—with minimum comment periods;
  - (c) considering in a timely manner those comment letters received on the proposals;
  - (d) considering whether the proposals should be exposed again;
  - (e) reporting to the Advisory Council on the technical programme, major projects, project proposals and work priorities; and
  - (f) ratification of an Interpretation by the Board.

**‘Comply or explain’ steps**

3.44 Other steps are specified in the Constitution that are not mandatory. They include:

- (a) publishing a discussion document (for example, a Discussion Paper) before an Exposure Draft is developed;
- (b) establishing consultative groups or other types of specialist advisory groups;
- (c) holding public hearings; and
- (d) undertaking fieldwork.

4. The following paragraphs indicate how the Board has, for the insurance contracts project, met the requirements of all the mandatory and non-mandatory due process steps set out in the *Due Process Handbook*.

**Public meetings (mandatory)**

5. Throughout the life of the project, all of the proposals have been debated by the Board in public meetings. All staff papers are posted, meetings recorded and the decisions documented in the relevant section of the project’s website<sup>1</sup>.

**Due process documents published and comment letters considered in a timely manner (mandatory and optional)**

6. The following table summarises the documents exposed for public comment, the comment periods and the date on which the Board considered those comment letters received on the proposals.

Date Issued	Name of Document	End of Comment Period	Comment Letters	Board Votes and Dissents	Comment letter summary considered by Board
May 2007	Discussion paper <i>Preliminary Views on Insurance Contracts</i> (2007 DP).	16 November 2007  Comment period: 197 days	162	Not applicable	February 2008
July 2010	Exposure Draft <i>Insurance Contracts</i> (2010 ED).	30 November 2010  Comment period: 123 days	250	Approved: 11 Against: 2 Abstained: 1	January 2011
June 2013	Exposure Draft <i>Insurance Contracts</i> (2013 ED).	25 October 2013  Comment period: 127 days	194	Approved: 13 Against: 1 Abstained: 2	January 2014

**Whether the proposals should be exposed again (mandatory)**

7. Agenda Paper 2E *Assessing the changes since the 2013 ED* for this meeting assesses the changes the Board has made to its proposals in the 2013 ED against the Board’s criteria for re-exposure.

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<sup>1</sup> <http://www.ifrs.org/Current-Projects/IASB-Projects/Insurance-Contracts/Pages/Discussion-and-papers-stage-7.aspx>

***Public hearings, consultative groups and reporting to IFRS Foundation bodies (mandatory and optional)****Roundtables and discussion forums*

8. The Board decided not to hold public round-table meetings following the publication of the 2007 DP, noting that the members of its Insurance Working Group would supply input from a wide range of perspectives.
9. In December 2010, the Board held six round-table meetings in Tokyo, London and Norwalk to listen to the views of, and obtain information from, interested parties about the proposed requirements in the 2010 ED. The Board received broad input from 94 participants from 81 organisations in 9 countries, representing a wide variety of constituents (including users, preparers, auditors and others).
10. Following the publication of the 2013 ED, the Board held a series of outreach events. Some took the form of discussion forums and were organised in conjunction with national standard setters and others. The Board met with constituents in 186 individual and group meetings, including a series of discussion forums in 18 countries, concluding the outreach in November 2013. In addition, Board members and staff attended the FASB's round tables on the proposals in the FASB's Exposure Draft.

*Advisory Council*

11. Board members discussed the project specifically with the Advisory Council in November 2007 and October 2011. Education sessions were also held for Advisory Council members in February 2010 and October 2010. In June 2013 the Advisory Council were provided with an update on the publication of the 2013 ED and this was discussed further in June 2014. In addition, the project was regularly mentioned at the general session on the work plan at each meeting of the Advisory Council.

*DPOC*

12. The Due Process Oversight Committee (DPOC) was informed of progress on the project in March 2011, June 2011, July 2011, October 2011 and April 2012. In

addition, in January 2012, the DPOC was informed about correspondence with the HUB Global Insurance Group regarding the accounting for short-duration insurance contracts. Following the publication of the 2013 ED, the DPOC have been updated on and considered progress on the project at all of its meetings.

*Insurance working group*

13. In September 2004, the Board created a working group to advise it on its project. The Insurance Working Group initially comprised 19 senior executives, analysts, actuaries, auditors and regulators, from 9 countries plus 3 official observers. The Insurance Working Group had six two-day meetings between September 2004 and June 2007.
  
14. The Board consulted the Insurance Working Group again in April 2008, November 2008 and June 2009, to provide input on a number of issues that followed from the responses to the 2007 DP.
  
15. In addition, the Board consulted further with the Insurance Working Group in November 2010, March 2011, May 2011, October 2011 and June 2012 meeting for a total of 6.5 days. At these meetings, the Insurance Working Group considered a total of 58 papers covering all aspects of the proposed Standard, including: scope, unbundling, recognition, contract boundary, cash flows, discount rate, risk adjustment, residual margin, participating contracts, reinsurance assets, premium allocation approach, disaggregation and volume information, OCI, disclosures and transition.
  
16. As is the case with other projects, the bulk of the Insurance Working Group meetings were held at the beginning of a project's life, as the initial ED is being contemplated. As the project advances towards its final stages, the role of the working group has evolved to that of a group of experts that the Board can call on to get specific advice on specific elements of the proposals standard.

*ASAF*

17. Following the establishment of the Accounting Standards Advisory Forum (ASAF) in 2013, the ASAF was updated on the progress on the project at each of its meetings (except its inaugural meeting). In addition, part of the ASAF's

agenda was specifically set aside to discuss the project in seven out of their eleven meetings.

***Fieldwork (optional)***

18. In 2009, the Board conducted fieldwork to better understand some aspects of the practical application of the proposed insurance model. Sixteen insurers, based in Asian, Australian, European and North American markets and with life, non-life and reinsurance businesses, participated.
  
19. Between September 2010 and January 2011, the Board conducted a second round of fieldwork, involving 15 insurers, based in Asian, Australian, European and North American markets and with life, non-life and reinsurance businesses. This round was intended to gather information on how the proposed approach in the 2010 ED would operate in practice, identify where more detailed implementation guidance may be required, evaluate the costs and benefits of the proposed approach and assess how the proposed approach will help insurers to communicate with users of their financial statements. The Board and the FASB discussed a preliminary fieldwork report at their joint meeting on 1-2 March 2011. The detailed findings of the field test were used by the staff:
  - (a) to better understand the arguments presented to us in our outreach, as well as in the comment letters; and
  - (b) in the development of Board papers on the specific issues addressed in the testing (eg unbundling, acquisition costs, definition of a portfolio).
  
20. The Board conducted a third round of field tests during the comment period of the 2013 ED to:
  - (a) understand how the revised proposals would operate in practice;
  - (b) the cost and operational challenges associated with the revised proposals compared to the original proposals in the 2010 ED; and
  - (c) assess how the revised proposals would help entities that issue insurance contracts to communicate with users of their financial statements.

21. The participants in the third round of fieldwork were:
- (a) 17 entities from jurisdictions other than the European Union. This population was assembled by inviting entities that participated in previous rounds of fieldwork, by inviting national standard-setters to assist in identifying possible fieldwork participants and by posting a notice on our public website.
  - (b) 13 entities from countries within the European Union. For these entities, the Board co-ordinated fieldwork with EFRAG and the French, German, United Kingdom and Italian National Standard-Setters (ANC, ASCG, FRC and OIC) to avoid undue costs to preparers. The participants were asked questions relating to the 2013 ED's five targeted proposals, which were the same as the questions that had been asked of the entities that were not in the European Union. In addition, they were asked further questions on other areas of the 2013 ED.

***Other outreach activities (optional)***

22. The Board and its staff have, throughout the process, held a large number of meetings with individuals and groups of preparers, users, actuaries, auditors, regulators and others in order to test proposals and to understand concerns raised by affected parties. In addition, Board members and staff have:
- (a) participated at many public events to exchange views with constituents;
  - (b) maintained a regular and active dialogue with regulators, standard-setters and industry representative groups; and
  - (c) obtained the views of users of financial statements through targeted meetings and attendance at user forums in the US, Europe and Asia.
23. At the same time, the staff have used the Board's website to inform the public about the status of the Board's deliberations. In addition to the normal posting of papers, decision summaries and Board meeting webcasts, the 'Current Stage' section of the website has included regularly updated material as follows:

- (a) *Project Update*: a high level summary of progress on the project, describing the main Board proposals;
  - (b) *Feedback Statement*: an overview summarising the feedback received from respondents and the Board's responses, including tentative decisions to date;
  - (c) *Effect of redeliberations on the 2013 ED*: a staff paper indicating where and how the proposals in the Revised Exposure Draft would change as a result of the Board's tentative decisions to date;
  - (d) a 10-15 minute *podcast* that summarises the key points of meetings where there were substantial or important discussions on insurance contracts, and places those discussions in context; and
  - (e) *project news* about updated materials and upcoming meetings.
24. Interested parties have also been notified when these items have been updated, using subscriber email alerts. In January 2016 there were approximately 17,000 subscribers to the insurance contracts email alert.

### **Permission to begin the balloting process**

25. At this meeting, the Board will complete the planned technical decisions needed to finalise an IFRS Standard on the accounting for Insurance Contracts. The staff believe that:
- (a) all of the required steps in the Board's *Due Process Handbook* have been complied with. Also, the Board has complied with all the optional due process steps set out in the *Due Process Handbook*; and
  - (b) the proposals for accounting for insurance contracts are sufficiently developed and therefore, the staff can proceed to ballot the new insurance contracts Standard.
26. Accordingly, the staff are asking for permission to begin the balloting process. The staff expect to ask the Board to determine the effective date of the new Standard when the balloting process has sufficiently progressed. As usual, the

staff will consider the need for future Board discussion of issues that may arise during the balloting process.

27. To assist the Board in this decision, the staff have prepared a package consisting of the following materials:
- (a) Agenda Paper 2A *Background to the insurance contracts project*, summarises the background and context of the IASB's project on insurance contracts,
  - (b) Agenda Paper 2B *Overview of the new insurance contracts Standard*, provides an high-level overview of the Board's model for insurance contracts based on the decisions to date;
  - (c) Agenda Paper 2C *Comparison of the IASB's tentative decisions with the comment letter summary*, provides an overview of the ways in which the Board has addressed the comments received on the 2013 Exposure Draft *Insurance Contracts* (the 2013 ED);
  - (d) Agenda Paper 2D *The development of the requirements for the accounting for insurance contracts*, summarises the changes to the accounting treatment for the insurance contracts over the Board's previous three due process documents and including the tentative decisions to date. It also summarises at a high level the response to each of those due process documents.
  - (e) Agenda Paper 2E *Assessing the changes since the 2013 ED*, sets out staff's view, relative to the requirements of the *Due Process Handbook*, on why the Board need not re-expose the new insurance contracts Standard.

## Questions for the Board

### Question on the mandatory due process steps

Is the Board satisfied that all the mandatory due process steps have been met in this project?

### Permission to ballot

Does the Board grant the staff permission to begin the balloting process for an IFRS Standard on accounting for insurance contracts?

### Possible dissents

Do any Board members intend to dissent from the new IFRS Standard on insurance contracts at this time?  
If so, on what grounds?

## Appendix A: due process summary

A1. This table shows how the Board has complied to date with the due process steps required to finalise a Standard on insurance contracts in accordance with the *Due Process Handbook*. This table relates to the period after publishing the 2013 ED.

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
<b>Due Process Handbook</b>	<b>Consideration of information gathered during consultation</b>				
<b>3.65</b>	The Board posts all of the comment letters that are received in relation to the ED on the project pages.	Required if request issued	Letters posted on the project pages.	The Board has reported on progress as part of its quarterly report at Trustee meetings, including summary statistics of respondents.	The revised Exposure Draft attracted 194 comment letters.  All comment letters received and relevant statistics were posted in the <a href="#">website</a> <sup>2</sup> .  The staff's <a href="#">outreach and comment letter summary</a> <sup>3</sup> is also available on the relevant section of the project's website.
<b>3.2-3.11</b>	Board meetings are held in public, with papers being available for observers. All decisions are made in public sessions.	Required	Meetings held.  Project website contains a full description with up-to-date information.	The Board and the DPOC have discussed progress on major projects, in relation to the due process being conducted.  The Board and the	<b>Board meetings</b> The Board discussed 82 staff papers on the project at 19 board meetings between January 2014 and December 2015. All staff papers are posted, meetings recorded and the decisions documented in the relevant section of the project's <a href="#">website</a> <sup>4</sup> .  <b>Project website</b>

<sup>2</sup> <http://www.ifrs.org/Current-Projects/IASB-Projects/Insurance-Contracts/Pages/Revised-Exposure-Draft-Comment-letters-February-2014.aspx>

<sup>3</sup> <http://www.ifrs.org/Meetings/MeetingDocs/IASB/2014/January/AP02A-Insurance%20Contracts.pdf>

<sup>4</sup> <http://www.ifrs.org/Current-Projects/IASB-Projects/Insurance-Contracts/Pages/Discussion-and-papers-stage-7.aspx>

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
			<p>Meeting papers posted in a timely fashion.</p>	<p>DPOC have reviewed the due process over the project life cycle, and how any issues about the due process have been/are being addressed.</p> <p>The DPOC has reviewed and responded to comments on due process as appropriate.</p>	<p>The project website contains a full description with up-to-date information on the project.</p> <p>In addition to the normal posting of papers, decision summaries and Board meeting webcasts, the '<a href="#">Current stage</a><sup>5</sup>' section of the website has included regularly updated material as follows:</p> <ul style="list-style-type: none"> <li>• <i>Project Update</i>: A high level summary of progress on the project, describing the main Board proposals</li> <li>• <i>Feedback Statement</i>: An overview summarising the feedback received from respondents and the Board's responses, including tentative decisions to date.</li> <li>• <i>Effect of redeliberations on the 2013 Exposure Draft</i>: A staff paper indicating where and how the proposals in the Revised Exposure Draft would change as a result of the Board's tentative decisions to date.</li> <li>• A 10-15 minute podcast that summarises the key points of meetings where there were substantial or important discussions on insurance contracts, and places those discussions in context.</li> <li>• Project news about updated materials and upcoming meetings.</li> </ul> <p><b>DPOC</b> The DPOC was informed of progress on the project at each of its meetings ie in: <a href="#">July</a> and <a href="#">October 2013</a>,</p>

<sup>5</sup> <http://www.ifrs.org/Current-Projects/IASB-Projects/Insurance-Contracts/Pages/Insurance-Contracts.aspx>

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
					<p><a href="#">January, April, July, October 2014, February, April, June, October 2015</a><sup>6</sup>.</p> <p>Papers that had been posted late were reported to the DPOC together with the reasons for the late posting.</p>
<b>3.43</b>	Consultation with the Trustees and the Advisory Council.	Required	Discussions with the Advisory Council.	<p>The DPOC has met with the Advisory Council to understand stakeholders' perspectives.</p> <p>The Advisory Council Chair is invited to Trustees' meetings and meetings of the DPOC.</p>	<p>Board members discussed the project with the IFRS Advisory Council in <a href="#">June 2014</a><sup>7</sup>.</p> <p>In addition, the Trustees and the IFRS Advisory Council have been informed of the project's progress as part of the regular reporting process to them.</p>
<b>3.61-3.62</b>	Consultative groups used, if formed.	Optional	<p>Extent of consultative group meetings, and evidence of substantive involvement in issues.</p> <p>Consultative group review of the draft ED.</p>	The DPOC has received from the Board a report of the activity of the consultative group.	<p>The Accounting Standards Advisory Forum was updated on the progress on the project at each of its meetings, ie in <a href="#">March, June, September, December 2014</a> and <a href="#">March, July, October and December 2015</a><sup>8</sup>. In addition, part of their agenda was specifically set aside to discuss the project in six out of the eight meetings.</p> <p>The staff has sought the expertise of Insurance Working Group members on an individual basis during this stage of the project.</p>
<b>3.73-3.76</b>	Analysis of likely effects of	Required	Publication of the	The Board and the	To be completed closer to the finalisation of the

<sup>6</sup> <http://www.ifrs.org/DPOC/meetings/Pages/meetings.aspx>

<sup>7</sup> <http://www.ifrs.org/Meetings/MeetingDocs/Advisory%20Council/2014/June/2014%206%20APIA%20Technical%20Update.pdf>

<sup>8</sup> <http://www.ifrs.org/About-us/IASB/Advisory-bodies/ASAF/Pages/ASAF-meetings.aspx>

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
	the forthcoming Standard or major amendment, for example, costs or on-going associated costs.		Effect Analysis.	<p>DPOC have reviewed the results of the Effect Analysis and how it has considered such findings in the proposed Standard.</p> <p>The Board has provided a copy of the Effect Analysis to the DPOC at the point of the Standard’s publication.</p>	<p>project.</p> <p>An analysis of the effects of the 2013 ED was included in its Basis for Conclusions. After publication of the 2013 ED, the IASB and staff have met with a number of stakeholders, including users, industry groups and advisory bodies. to understand the effect of the proposals, including the cost of implementing the proposals, as well as the benefits from improved financial reporting.</p> <p>The IASB will publish the Effect Analysis when the new Standard is issued. The IASB will review this Effect Analysis as part of the balloting process.</p>
	Email alerts are issued to registered recipients.	Optional	Evidence that alerts have occurred.	The DPOC has received a report of outreach activities.	The alert is sent out before every board meeting or representative group meeting. As of January 2016 there were approximately 17, 000 subscribers to the insurance contracts alert.
<b>3.46-3.48</b> <b>3.72</b>	Outreach meetings to promote debate and hear views on proposals that are published for public comment.	Optional	Extent of meetings held, including efforts aimed at investors.	The DPOC has received a report of outreach activities.	<p>As of January 2016, the Board members and staff:</p> <ul style="list-style-type: none"> <li>• held approximately 400 meetings with individuals and groups of preparers, users, actuaries, auditors, regulators and others in order to test proposals, hear views, explore implications and understand concerns raised by affected parties since the Revised Exposure Draft was published.</li> <li>• appeared at many public events to exchange views with constituents.</li> <li>• maintained a regular and active dialogue with regulators, standard-setters and industry representative groups</li> </ul>

<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
				<ul style="list-style-type: none"> <li>• obtained the views of users of financial statements through targeted <a href="#">meetings</a><sup>9</sup> with users of financial statements in the US, Europe and Asia.</li> </ul> <p>Because the purpose of these meetings was to obtain a broad coverage of views, the Board and staff also sought to balance outreach in the biggest jurisdictions with outreach in smaller markets that are expected to grow, and in markets with which we have had less interaction.</p> <p>During redeliberations, Board members and staff have held extensive discussions to understand the issues raised in the comment letters on contracts with participation features and to understand alternative proposals that had first been developed by the European Insurance CFO Forum. In November 2014 the Board held an education session in which it considered a paper prepared by the European Insurance CFO Forum setting out its proposals for the accounting for contracts with participation features. Those proposals were subsequently discussed with groups representing views from Asia-Oceania, North America and Europe, including the Accounting Standards Advisory Forum.</p>

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<sup>9</sup> <http://www.ifrs.org/Meetings/MeetingDocs/IASB/2014/January/AP02B-Insurance%20Contracts.pdf>

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
					Please find <a href="#">here</a> <sup>10</sup> more detailed information about the extensive outreach activities that took place in reference to the 2013 ED which finished in November 2013.
<b>3.72</b>	Regional discussion forums are organised with national standard-setters and the Board.	Optional	Extent of meetings held.	The DPOC has received a report of outreach activities.	The Board organised meetings in conjunction with the Accounting Standards Board of Japan and the US standard-setter, the Financial Accounting Standards Board. In addition, staff and Board members have participated in regional discussion forums in Europe, South Africa and Canada. Read about discussion forums <a href="#">here</a> <sup>11</sup> .
<b>3.72</b>	Round tables between external participants and members of the Board.	Optional	Extent of meetings held.	The DPOC has received a report of outreach activities.	The Board decided that the meetings with regional forums would be a better way of discussing different views at this stage of the process.

<sup>10</sup> <http://www.ifrs.org/Current-Projects/IASB-Projects/Insurance-Contracts/Exposure-Draft-June-2013/Pages/Outreach-activities.aspx>

<sup>11</sup> <http://www.ifrs.org/Current-Projects/IASB-Projects/Insurance-Contracts/Exposure-Draft-June-2013/Pages/Outreach-activities.aspx>

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
<b>3.67-3.71</b>	Fieldwork	Optional	Extent of field tests undertaken	The DPOC has received a report of fieldwork activities and how findings have been taken into consideration by Board.	The fieldwork took place during a four-month comment period in 2013. 17 entities from jurisdictions other than the European Union and 13 entities from the European Union participated. Read the Board Staff Paper summarising the fieldwork <a href="#">here</a> <sup>12</sup> . Within the European Union, the Board conducted fieldwork in co-operation with EFRAG and national standard-setters. The report outlining the methodology and the findings of that fieldwork is available at <a href="http://www.efrag.org">www.efrag.org</a> . Read the EFRAG report <a href="#">here</a> <sup>13</sup> .
<b>Finalisation</b>					
	Due process steps are reviewed by the Board.	Required	Summary of all due process steps have been discussed by the Board before a Standard is issued.	The DPOC has received a summary report of the due process steps that have been followed before the Standard is issued.	This table provides an overview of the due process steps followed and will be presented to the DPOC at a future meeting.
<b>6.25-6.29</b>	Need for re-exposure of a Standard is considered.	Required	An analysis of the need to re-expose is considered at a public Board meeting, using the agreed criteria.	The Board has discussed its thinking on the issue of re-exposure with the DPOC.	This step will be undertaken in Agenda Paper 2E <i>Assessing the changes since the 2013 ED</i> at this Board meeting. The staff think that the revisions to the 2013 ED respond to the feedback received and that it is unlikely that re-exposure would reveal any new concerns. The staff recommend that the IASB does not re-expose the proposed standard for a fourth round of public comment.

<sup>12</sup> <http://www.ifrs.org/Meetings/MeetingDocs/IASB/2014/January/AP02C-Insurance%20Contracts.pdf>

<sup>13</sup> [http://www.efrag.org/files/EFRAG%20Output/Insurance\\_contracts\\_field-test\\_report.pdf](http://www.efrag.org/files/EFRAG%20Output/Insurance_contracts_field-test_report.pdf)

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
<b>6.25-6.29</b>	The Board sets an effective date for the Standard, considering the need for effective implementation, generally providing at least a year.	Required	Effective date set, with full consideration of the implementation challenges.	The Board has discussed any proposed shortening of the period for effective application with the DPOC.	This step will be completed toward the end of the project. The IASB will discuss and decide upon the effective date at a future board meeting when the drafting of the new Standard is close to being ready for balloting.
<b>Drafting</b>					
<b>3.28</b>	Drafting quality assurance steps are adequate.	Required	The Translations team has been included in the review process.  The XBRL team has been included in the review process.	The DPOC has received a summary report of the due process steps that have been followed before a Standard is issued.	This step will be completed toward the end of the project.
<b>3.28</b>	Drafting quality assurance steps are adequate.	Optional	The Editorial team has been included in the review process.  In addition, external reviewers used to review drafts for editorial review and the comments collected have been considered by the Board.	The DPOC has received a summary report of the due process steps that have been followed before an ED is issued, including the extent to which external reviewers have been used in the drafting process.	This step will be completed toward the end of the project.
	Drafting quality assurance steps are adequate.	Optional	Draft for editorial review has been	The DPOC has received a summary report of the	This step will be considered toward the end of the project.

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
			made available to members of the ASAF, and other external parties, and the comments have been collected and considered by the Board.	due process steps that have been followed before a Standard is issued.	<p>In the 2013 ED the Board sought input only on the significant changes it had made to its proposals in the 2010 Exposure Draft. However, the Board provided a complete draft of the proposed Standard on insurance contracts to enable respondents to consider the new proposals in context. Furthermore, the Board sought input on the clarity of the drafting of the proposed Standard. This enabled interested parties to review the expected final drafting of much of the proposed Standard.</p> <p>The staff intend to send a draft of the standard to external parties for review before finalisation. This process allows external parties to review and report back to the staff on the clarity and understandability of the draft, mainly with editorial comments. The external review process does not grant external parties the opportunity to question the IASB's technical decisions.</p>
<b>Publication</b>					
<b>6.37</b>	Press release to announce final Standard.	Required	<p>Press release has been announced in a timely fashion.</p> <p>Media coverage of the release.</p>	The DPOC has received a copy of the press release and a summary of the media coverage.	This step will be completed toward the end of the project.

	<i>Step</i>	<i>Required/Optional</i>	<i>Metrics or evidence</i>	<i>Evidence provided to DPOC</i>	<i>Actions</i>
<b>6.38</b>	A Feedback Statement is provided, which provides high level executive summaries of the Standard and explains how the Board has responded to the comments received.	Required	Publication of the Feedback Statement.	The Board has provided a copy of the Feedback Statement to the DPOC at the point of the Standard's publication.	This step will be completed toward the end of the project.
<b>6.38</b>	Podcast to provide interested parties with high level updates or other useful information about the Standard.	Optional	Number of podcasts held.	The DPOC has received a report of outreach activities.	This step will be considered toward the end of the project. A number of podcasts have been recorded throughout the life of the project as stated under reference <b>3.2-3.11</b> .
	Standard is published.	Required	Official release.	The DPOC has been informed of the release.	This step will be completed toward the end of the project.