



IFRS® Foundation

IFRS 9 and IFRS 17 update

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Agenda

Post-implementation Review of IFRS 9—Classification and Measurement

IFRS 17 *Insurance Contracts* update and narrow-scope amendment

A grayscale world map is centered in the background. Overlaid on the map are several thick, curved, light-gray lines that sweep across the frame from the bottom left towards the top right. A network of thin, dotted lines is also visible, suggesting a global grid or data flow.

Post-implementation Review of IFRS 9—Classification and Measurement

Post-implementation review of IFRS 9— Classification and Measurement

Objective



Opportunity to assess the effects of the new requirements on companies, investors, auditors and regulators

Scope



Classification and measurement requirements only (PIRs of impairment and hedge accounting will follow later)

Request for information



Published
30 September 2021

Comments due
28 January 2022

Timeline

2021
Identify matters
to examine



2022
Consider
feedback



What is the IASB assessing in the PIR?

A Are the C&M requirements working as intended?

B Are there any significant unexpected effects?

C Can the C&M requirements be applied consistently?

What topics are being examined in the PIR?

1

Business model

2

Cash flow
characteristics

3

Equity
instruments &
OCI

4

Financial
liabilities & own
credit

5

Modifications

6

Amortised cost &
EIR

7

Transition

8

Other matters
relevant to PIR

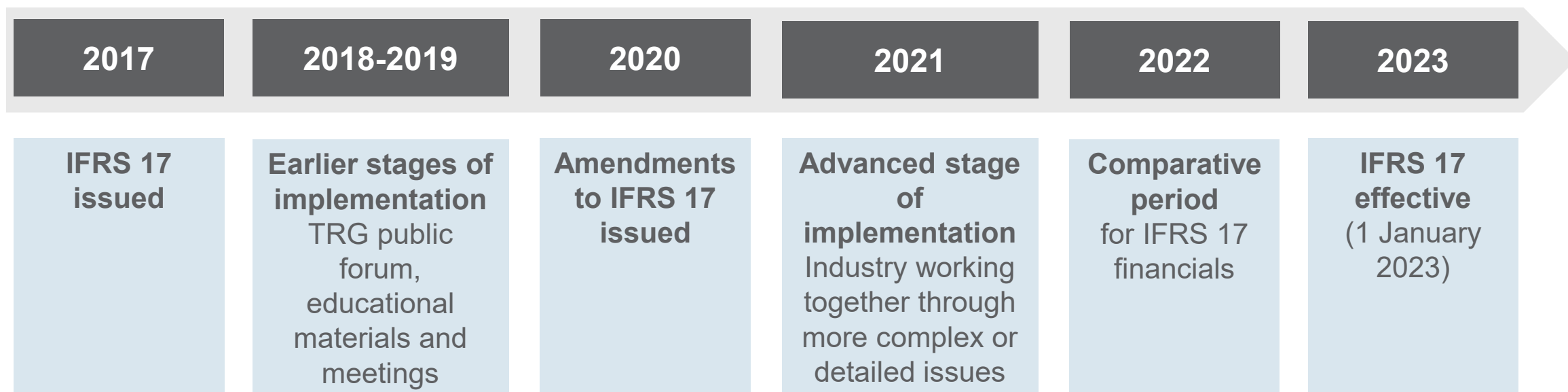
A grayscale world map is centered in the background. Overlaid on the map are several concentric, semi-transparent curved bands that sweep across the frame from the bottom left towards the top right. A network of dotted lines is also visible, connecting various points across the map, suggesting a global or interconnected theme.

Questions?



IFRS 17 *Insurance Contracts*

IFRS 17 timeline



IASB support for IFRS 17 implementation

Narrow-scope amendment to IFRS 17 transition

● IFRS 17 transition date

Beginning of period immediately preceding date of initial application
eg 1 January 2022

IFRS 17 applied from transition date
Comparatives restated

Option to restate prior periods for IFRS 9
(only for assets not derecognised before the date of initial application of IFRS 9)

NEW

Optional 'classification overlay' for presenting comparative information about financial assets not restated for IFRS 9

● Date of initial application of IFRS 9 and IFRS 17

Beginning of period Standards first applied
eg 1 January 2023

IFRS 17

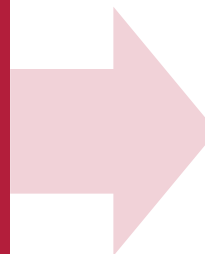
IFRS 9 applied from date of initial application

Classification overlay

Applying the **classification overlay**, an insurer will:

1

Use reasonable and supportable information at transition date to determine expected classification on initial application of IFRS 9



2

Present comparative information consistent with IFRS 9 requirements for that classification category*

Optional on instrument-by-instrument basis

*Not required to apply IFRS 9 impairment

Qualitative disclosures:

1. whether overlay has been applied
2. whether IFRS 9 impairment has been applied

Scope extended in response to ED feedback:

1. Insurers financial assets (even if not connected to insurance activities)
2. Derecognised assets for insurers that already applied IFRS 9 and will apply C29 of IFRS 17 to redesignate

A grayscale world map is the background, overlaid with a grid of dotted lines. Three thick, curved, light-gray bands sweep across the map from the bottom left towards the top right. The word "Questions?" is written in a large, white, sans-serif font on the right side of the map.

Questions?

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