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Sir David Tweedie  
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**D R A F T**

Reference: IASB Exposure Draft "Discount Rate for Employee Benefits (proposed amendments to IAS 19)"

Dear Sir David,

CEIOPS welcomes the opportunity to comment on IASB's Exposure Draft on Discount Rate for Employee Benefits (proposed amendments to IAS 19).

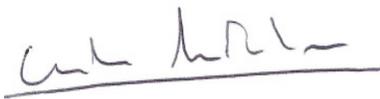
CEIOPS accepts the principle in the ED as a temporary solution to a problem posed by the existing standard in jurisdictions that do not have a market for high quality corporate bonds. It must be noted that the guidance in IAS 39 appears to refer to an individual security while in CEIOPS view the discount rate should reflect a market yield

A decisive premise for CEIOPS support is that the Board allegedly still foresees a more fundamental review of IAS 19 and that the temporary solution chosen for this amendment does not anticipate the solution the Board considers regarding the discount rate in the longer term.

In relation to this future review of IAS 19 CEIOPS takes the opportunity to point to the need for having consistent measurement principles for liabilities related to post-employment benefits and insurance contracts owing to many similarities between post-employment benefit schemes and life insurance. Also CEIOPS considers it important to prevent different accounting practices in these areas in the future being a distorting factor in the competitive relationship between almost similar products of post-employment benefit schemes and life insurance contracts.

If you have any questions or wish to discuss all this further with us, please feel free to contact [jarl.kure@ceiops.eu](mailto:jarl.kure@ceiops.eu).

Best regards,

A handwritten signature in black ink, appearing to read 'Carlos Montalvo', is written over a horizontal line.

Carlos Montalvo  
Secretary General