

# **Stellungnahmen Stellungnahme ZKA zu "ED/ 2011/1 - Financial Instruments: Amortised Cost and Impairment"**

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30. März 2011

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We welcome the fact that the IASB has taken some of our key concerns to the original 2009 proposals on board. This applies, for instance, to the use of an impairment model for open portfolios and to the separate (decoupled) approach to the consideration of expected loss and the determination of the effective interest rate. Owing to the very limited scope of the supplement, however, and to the open issues which the Board still has to discuss (e.g. disclosures), we have no clear picture as yet of the final composition of the impairment requirements. We would like to stress in this context that we would prefer a single impairment model both for all financial instruments at amortised cost (including financial guarantees and loan commitments) and for all portfolios (open and closed) and individual instruments.

We likewise welcome the efforts by the IASB and FASB to find a more convergent approach. The focus of convergence discussions should always be on developing standards of high quality. We have very serious reservations about the "foreseeable future" concept and its implications (floor). This merely represents a political compromise. It is not consistent with a time-proportional approach to expected losses (IASB-only approach) since it will be unable to achieve a matching of interest revenue and losses as proposed by the IASB in its 2009 exposure draft. What is more, the floor will generate further complexity because both the floor and time-proportional credit loss allowances will always have to be calculated. For these reasons, we are strongly in favour of the IASB-only approach, i.e. a time-proportional approach to expected losses without a floor. [...]