



**ASSOCIATION ACTUARIELLE INTERNATIONALE  
INTERNATIONAL ACTUARIAL ASSOCIATION**

September 30, 2009

International Accounting Standards Board  
30 Cannon Street  
London EC4M 6XH  
United Kingdom

Dear Sir

**Re: IAA comments on the Exposure Draft on Discount Rate for Employee Benefits  
Proposed Amendments to IAS 19**

In response to the request for comments on the August 2009 Exposure Draft on Discount Rate for Employee Benefits (Proposed Amendments to IAS 19), I am pleased to transmit on behalf of the International Actuarial Association (IAA) our comments and recommendations.

These comments have been prepared by the Pensions and Employee Benefits Committee of the IAA. If, upon reading these comments, you identify any points that you would wish to pursue, please do not hesitate to contact the chairperson of the committee, Esko Kivisaari, or any other members of the committee. The IAA will be pleased to develop these ideas further with you.

Yours sincerely

Yves Guérard  
Secretary General

[Attachment](#): IAA comments

**A Commentary on the  
EXPOSURE DRAFT ON DISCOUNT RATE FOR EMPLOYEE BENEFITS  
PROPOSED AMENDMENTS TO IAS 19  
RELEASED BY THE INTERNATIONAL ACCOUNTING STANDARDS BOARD: AUGUST 2009**

**International Actuarial Association**

The International Actuarial Association (the “IAA”) represents the international actuarial profession. Our sixty-two Full Member actuarial associations represent more than 95% of all actuaries practicing around the world. The Full Member associations of the IAA are listed in an Appendix to this statement. The IAA promotes high standards of actuarial professionalism across the globe and serves as the voice of the actuarial profession when dealing with other international bodies on matters falling within or likely to have an impact on the areas of expertise of actuaries.

**Due Process**

These comments have been prepared by the Pensions and Employee Benefits Committee, the members of which are listed in an Appendix to this statement. It has also been subject to the due process required for it to constitute a formal view of the IAA, and will be posted to the IAA’s official web site.

**IAA Comments and General Remarks**

We thank the Board for the opportunity to comment on the proposals presented in ED/2009/10 on the urgent matter of amending the definition of the discount rate under IAS 19 to be used in countries where the market in high quality corporate bonds is not deemed to be deep.

Our comments are as follows:

- We support the recommendations put forward by the Board. In particular, we agree with the first two questions and have nothing to add to our earlier discussions with the IASB-Staff in discussing the various aspects of this amendment. Question 3 is an accounting matter on which the IAA would not comment.
- Our only suggestion would be that the Board should consider whether the amendment be extended to IFRS for SMEs too. This could be brought into effect by deleting the third sentence in section 28.17: “In countries with no deep market in such bonds, the entity shall use the market yields (at the reporting date) on government bonds.”

We would be pleased to provide further information or answer any questions the Board may have.

## *Appendix A*

### **Members of the IAA Pensions and Employee Benefits Committee**

Esko Kivisaari	Chairperson
Gary Ryan Hibbard	Vice-Chairperson
Yoshihiro Oyama	Vice-Chairperson
Valery Baskakov	Russian Guild of Actuaries
Philippe Demol	Association Royale des Actuaire Belges
Yasuyuki Fujii	Japanese Society of Certified Pension Actuaries
Alfred E. Gohdes	Deutsche Aktuarvereinigung e.V.
Bozenna Hinton	Institute of Actuaries of Australia
Curtis E. Huntington	American Society of Pension Professionals & Actuaries
Martin Janecek	Ceská Spolecnost Aktuárù
James Richard Kehoe	Society of Actuaries in Ireland
Sylvestre Konin	Institut des Actuaire de Côte d'Ivoire
Martin Kosztolanyi	Slovenska Spolocnost Aktuarov
Åsa Larson	Svenska Aktuarieföreningen
José Roberto Montello	Instituto Brasileiro de Atuária (IBA)
José Muriel Del Sordo	Colegio Nacional de Actuarios A.C.
Konrad Niklewicz	Association Suisse des Actuaire
Ieva Ose	Latvijas Aktuaru Asociacija
John Parks	American Academy of Actuaries
Hannu Parviainen	Suomen Aktuaariyhdistys
Irene Paterson	Faculty of Actuaries
Manuel Peraita Huerta	Instituto de Actuarios Españoles
Eduard Ponds	Het Actuarieel Genootschap
Gediminas Rackauskas	Lietuvos aktuariju draugija
Ksenija Sanjkovic	Hrvatsko Aktuarsko Društvo
David Serr	Israel Association of Actuaries
Colin Southey	Actuarial Society of South Africa
Anne Grete Steinkjer	Den Norske Aktuarforening
K Subrahmanyam	Institute of Actuaries of India
Thomas S Terry	Conference of Consulting Actuaries
Joan Angel Vergés Guerra	Col.legi d'Actuaris de Catalunya
Jill M Wagman	Canadian Institute of Actuaries

**Full Member Associations of the IAA**

Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires (Argentina)  
Institute of Actuaries of Australia (Australia)  
Aktuarvereinigung Österreichs (AVÖ) (Austria)  
Association Royale des Actuaire Belges (Belgique)  
Instituto Brasileiro de Atuária (IBA) (Brazil)  
Bulgarian Actuarial Society (Bulgaria)  
Canadian Institute of Actuaries/Institut Canadien des Actuaire (Canada)  
Caribbean Actuarial Association  
Actuarial Institute of Chinese Taipei (Chinese Taipei)  
Institut des Actuaire de Côte d'Ivoire (Côte D'Ivoire)  
Hrvatsko Aktuarsko Društvo (Croatia)  
Cyprus Association of Actuaries (Cyprus)  
Česká Společnost Aktuárů (Czech Republic)  
Den Danske Aktuarforening (Denmark)  
Egyptian Society of Actuaries (Egypt)  
Eesti Aktuaaride Liit (Estonia)  
Suomen Aktuaariyhdistys (Finland)  
Institut des Actuaire (France)  
Deutsche Aktuarvereinigung e.V. (DAV) (Germany)  
Hellenic Actuarial Society (Greece)  
Actuarial Society of Hong Kong (Hong Kong)  
Magyar Aktuárius Társaság (Hungary)  
Félag Íslenskra Tryggingastærðfræðinga (Iceland)  
Institute of Actuaries of India (India)  
Persatuan Aktuaris Indonesia (Indonesia)  
Society of Actuaries in Ireland (Ireland)  
Israel Association of Actuaries (Israel)  
Istituto Italiano degli Attuari (Italy)  
Institute of Actuaries of Japan (Japan)  
Japanese Society of Certified Pension Actuaries (Japan)  
Latvijas Aktuaru Asociācija (Latvia)  
Lebanese Association of Actuaries (Lebanon)  
Lietuvos Aktuariju Draugija (Lithuania)  
Persatuan Aktuari Malaysia (Malaysia)  
Colegio Nacional de Actuarios A.C. (Mexico)  
Association Marocaine des Actuaire (Morocco)  
Het Actuarieel Genootschap (Netherlands)  
New Zealand Society of Actuaries (New Zealand)  
Den Norske Aktuarforening (Norway)  
Pakistan Society of Actuaries (Pakistan)  
Actuarial Society of the Philippines (Philippines)  
Polskie Stowarzyszenie Aktuaruszy (Poland)

Instituto dos Actuários Portugueses (Portugal)  
Academia de Actuarios de Puerto Rico (Puerto Rico)  
Russian Guild of Actuaries (Russia)  
Udruženje Aktuara Srbije (Serbia)  
Singapore Actuarial Society (Singapore)  
Slovenska Spolocnost Aktuarov (Slovakia)  
Slovensko Aktuarsko Drustvo (Slovenia)  
Actuarial Society of South Africa (South Africa)  
Col.legi d'Actuaris de Catalunya (Spain)  
Instituto de Actuarios Españoles (Spain)  
Svenska Aktuarieföreningen (Sweden)  
Association Suisse des Actuaires (Switzerland)  
Society of Actuaries of Thailand (Thailand)  
Faculty of Actuaries (United Kingdom)  
Institute of Actuaries (United Kingdom)  
American Academy of Actuaries (United States)  
American Society of Pension Professionals & Actuaries (United States)  
Casualty Actuarial Society (United States)  
Conference of Consulting Actuaries (United States)  
Society of Actuaries (United States)