# Invitation to Comment

## Call for comments on the Exposure Draft *Contracts for Renewable Electricity: Proposed Amendments to IFRS 9 and IFRS 7*

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| Deadline for completion of this Invitation to Comment:Midday, Friday, 19 July 2024Please submit to:[UKEndorsementBoard@endorsement-board.uk](mailto:UKEndorsementBoard@endorsement-board.uk) |

### Introduction

The objective of this Invitation to Comment is to obtain input from stakeholders on the Exposure Draft (ED) *Contracts for Renewable Electricity: Proposed Amendments to IFRS 9 and IFRS 7*, published by the International Accounting Standards Board (IASB) on 8 May 2024. The IASB’s comment period ends on 7 August 2024.

### UK endorsement and adoption process

The UK Endorsement Board (UKEB) is responsible for endorsement and adoption of IFRS for use in the UK and therefore is the UK’s National Standard Setter for IFRS. The UKEB also leads the UK’s engagement with the IFRS Foundation (Foundation) on the development of new standards, amendments and interpretations. This letter is intended to contribute to the IASB’s due process. The views expressed by the UKEB in this letter are separate from, and will not necessarily affect the conclusions in, any endorsement and adoption assessment on new or amended International Accounting Standards undertaken by the UKEB.

### Who should respond to this Invitation to Comment?

Stakeholders with an interest in the quality of accounts prepared in accordance with international accounting standards.

### How to respond to this Invitation to Comment

Please download this document, answer any questions on which you would like to provide views, and return it together with the ‘Your Details’ form to [UKEndorsementBoard@endorsement-board.uk](mailto:UKEndorsementBoard@endorsement-board.uk) by midday on [Thursday, 4 July 2024].

**Brief responses providing views on individual questions are welcome, as well as comprehensive responses to all questions.**

### Privacy and other policies

The data collected through responses to this document will be stored and processed by the UKEB. By submitting this document, you consent to the UKEB processing your data for the purposes of influencing the development of and adopting IFRS for use in the UK. For further information, please see our Privacy Statements and Notices and other Policies (e.g. Consultation Responses Policy and Data Protection Policy)[[1]](#footnote-2).

The UKEB’s policy is to publish on its website all responses to formal consultations issued by the UKEB unless the respondent explicitly requests otherwise. A standard confidentiality statement in an e-mail message will not be regarded as a request for non-disclosure. If you do not wish your signature to be published, please provide the UKEB with an unsigned version of your submission. The UKEB prefers to publish responses that do not include a personal signature. Other than the name of the organisation/individual responding, information contained in the “Your Details” document will not be published. The UKEB does not edit personal information (such as telephone numbers, postal or e-mail addresses) from any other response document submitted; therefore, only information that you wish to be published should be submitted in such responses.

## Questions

### ‘Own-use’ requirements

1. The UKEB’s draft comment letter (DCL) does not support the proposed amendments to ‘own use’ requirements and recommends the IASB leaves the IFRS 9 ‘own use’ requirements unchanged. Do you agree with this recommendation? Please explain why or why not.
2. If you support the IASB’s position what changes would you make to the ‘own use’ proposals?

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| **Yes** |  | **No** |  |
| **Click or tap here to enter text.** | | | |

### Hedge accounting requirements

1. The UKEB’s DCL supports the proposed amendments to the hedge accounting requirements for contracts within the scope of the amendments, but recommends the IASB develop illustrative examples to show users how the proposals are intended to apply. Do you agree with this position? Please explain why or why not.

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| **Yes** |  | **No** |  |
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### Disclosures

1. The UKEB’s DCL supports the proposed amendments in relation to disclosures, irrespective of whether the UKEB’s recommendation not to change the own use requirements is adopted by the IASB. Do you agree with this position? Please explain why or why not.

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| **Yes** |  | **No** |  |
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1. Do you have any concerns about the details of the proposed disclosure requirements set out in the proposals? Please explain the nature of these concerns.

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| **Yes** |  | **No** |  |
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1. The UKEB’s DCL supports the proposal not to grant any relief from disclosure requirements for subsidiaries without public accountability. Do you agree with this position?

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| **Yes** |  | **No** |  |
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### Other

1. The UKEB’s DCL notes that an effective date of 1 January 2025 may present difficulties for some preparers, and recommends that the IASB consider an effective date of 1 January 2026, with early adoption permitted. Do you agree with this recommendation? Please explain why or why not.

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| **Yes** |  | **No** |  |
| **Click or tap here to enter text.** | | | |

1. What benefits would these proposals provide you with?

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1. What costs would be associated with these proposals? Please share any qualitative or quantitative information on the cost of implementing the proposals you may be aware of.

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| **Click or tap here to enter text.** |

## Thank you for completing this Invitation to Comment

### Please submit this document by

### midday on Friday, 19 July 2024 to [UKEndorsementBoard@endorsement-board.uk](mailto:UKEndorsementBoard@endorsement-board.uk)

1. These policies can be accessed from the footer in the UKEB website here: <https://www.endorsement-board.uk> [↑](#footnote-ref-2)