BUSINESSEUROPE

International Accounting Standards
Board (IASB)
30 Columbus Building
7 Westferry Circus
Canary Wharf
London E14 4HD
United Kingdom

16 November 2026

Dear Member of the Board,

Re: ED Risk Mitigation Accounting

BusinessEurope welcomes the opportunity to comment on IASB's Exposure Draft Risk Mitigation Accounting.

As Business Europe represents companies operating across a broad range of industries, the majority of which are outside the financial sector, we do not comment on the proposed Risk Mitigation Accounting (RMA) model itself. Our comments instead focus on the proposed disclosure requirement relating to the exposure to repricing risks.

The IASB proposes to introduce a new paragraph 33A in IFRS 7, applying to entities whose business and risk management activities have the characteristics specified in proposed paragraph 7.1.4 of IFRS 9.

We understand that the IASB's intention is to require disclosures only from entities that could apply the RMA model but have chosen not to do so. However, as currently drafted, paragraph 33A would effectively require all IFRS-reporting entities to assess whether their activities meet the criteria in paragraph 7.1.4 of IFRS 9.

For many entities, particularly those operating outside the financial sector, such an assessment may be complex and burdensome. In these circumstances, entities would incur costs in analysing requirements that are unlikely to be relevant to their activities and that may not result in decision-useful information for users of financial statements.

We therefore recommend that the scope of the disclosure requirement in IFRS 7 paragraph 33A be clarified and more narrowly defined. The drafting should make it clear that the requirement applies only to entities for which the RMA model is relevant in practice. It should not create an expectation that entities undertake detailed assessments solely to determine whether a disclosure requirement applies.

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Such a clarification would be consistent with the IASB's objective of ensuring that disclosure requirements provide useful information to investors while avoiding unnecessary cost and complexity for preparers.

Should you have any questions, please do not hesitate to contact us.

Yours sincerely,



Erik Berggren
Senior Adviser