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EFRAG
35 Square de Meeûs
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Re: *EFRAG draft comment letter on IASB ED Improvements to IFRSs*

Dear Françoise,

I am writing on behalf of the Italian Standards Setter (OIC) to respond to the EFRAG draft comment letter (DCL) on IASB Exposure Draft Improvements to IFRSs ('the ED').

We are pleased to provide EFRAG with our comments in order to contribute to the finalization of the EFRAG comment letter on the IASB ED.

We agree with the EFRAG's views on each proposed improvement.

However, there is just a minor concern regarding the comment on para 7 of the EFRAG DCL, where it is stated that "the reference to the 'borrowing cost component' in paragraph D23(a) is ambiguous in the sense that it is not clear whether it refers to borrowing cost as defined by IFRSs or those defined under an entity's previous GAAP." Our understanding is that paragraph D23(a) of the proposed amendment to IFRS 1 clearly refers to borrowing costs capitalised *under previous GAAP*.

If you have any queries concerning our comments, please do not hesitate to contact us.

Yours faithfully,
Angelo Casò
(Chairman)