



January 12, 2022

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

Dear Board Members:

Consejo Mexicano de Normas de Información Financiera (CINIF), the accounting standard setting body in Mexico, welcomes the opportunity to submit its comments on the Exposure Draft ED/2021/3 *Disclosure Requirements in IFRS Standards—A Pilot Approach* (the ED), issued for comments in March 2021. Set forth below you will find our comments on the topics included in the ED.

Overall comments

We agree with the stated overall objective of the project to improve how the Board develops and drafts disclosure requirements in IFRS Standards, so that entities applying those requirements provide more useful information to users of financial statements.

Additionally, we agree that the specific objectives of the disclosures to be provided in the financial information enhance the relevance of the information to be provided by eliminating what is not relevant and promoting effective and efficient communication. We believe that the application of professional judgment is essential for entities to disclose information that is truly relevant and that provides a sufficient basis for auditors and regulators to determine whether the entity applied professional judgment effectively in the preparation of its financial information.

We believe that the proposed pilot approach meets the expectations of disclosing what is truly relevant and not excessively disclosing immaterial items that do not impact decision making.

In our opinion, we believe the stated objective of the project is fulfilled by identifying the bases of disclosures that are precise regarding in which cases judgment should be used by an entity to disclose what is relevant and not use the disclosure criteria as if it were a checklist of mandatory items to disclose.

Responses to specific questions in the ED

We reviewed each of the specific questions included in the ED and confirm that we agree with the Board's proposals for:

- the development of overall and specific disclosure objectives.

- the increased application of judgment and the description of the items of information to promote the use of judgment.

We believe that the two standards selected are ideal for analyzing disclosures that are very extensive and complex and require considerable judgment to identify what is important in different types of entities. We have reviewed in detail the proposed amendments to both IFRS 13, *Fair Value Measurement*, and IAS 19, *Employee Benefits*, and confirm that we agree with the proposals.

We have no additional comments.

Should you require additional information on our comments listed above, please contact me at (52) 55-5403-8309 or by e-mail at egarcia@cinif.org.mx.

Sincerely,



C.P.C. Elsa Beatriz García Bojorges
President of the Mexican Financial Reporting Standards Board
Consejo Mexicano de Normas de Información Financiera (CINIF)

Cc: Mr. Tadeu Cendon