

10 January 2018

Our Ref: INS/TEC/13/11 (Pt. XIX)

By email

To: Chief Executives of all authorized insurers

Dear Sirs,

**Implementation of Hong Kong Financial Reporting Standard 17**  
**Insurance Contracts**

The Hong Kong Institute of Certified Public Accountants (“HKICPA”) has recently issued Hong Kong Financial Reporting Standard 17 *Insurance Contracts* (“HKFRS 17”), which is a word-for-word adoption of International Financial Reporting Standard 17 issued by the International Accounting Standards Board. The adoption of HKFRS 17 will have significant implications on the financial statements of insurers prepared in accordance with Hong Kong Financial Reporting Standards.

HKFRS 17 is available on the HKICPA website at [http://appl.hkicpa.org.hk/hksaebk/HKSA\\_Members\\_Handbook\\_Master/updates/updat e211.pdf](http://appl.hkicpa.org.hk/hksaebk/HKSA_Members_Handbook_Master/updates/updat e211.pdf). The effective date of HKFRS 17 is 1 January 2021.

To support stakeholders such as insurers in the implementation of HKFRS 17, HKICPA is establishing a Hong Kong Insurance Implementation Support Group (“HKIISG”) and accepting applications for membership of the HKIISG. The HKIISG can provide a forum for stakeholders to raise and discuss questions on and challenges in implementing HKFRS 17. The Insurance Authority strongly encourages you to nominate representatives to participate in the HKIISG to contribute to the solicitation and discussion of issues, especially technical issues, during your preparation for implementation of HKFRS 17.

You are also advised to liaise with your accountants and auditors to assess how HKFRS 17 may impact your organization and start to make necessary preparations and arrangements for its implementation.

The letter of HKICPA to the industry on HKFRS 17 is also attached for your reference.

Should you have any enquiries on the above, please feel free to contact our Mr Erwin Chak at 3899 9977 or Mr Tony Chan at 3899 9988.

Yours faithfully,

Raymond Tam  
Executive Director  
Policy and Development Division  
Insurance Authority

c.c. Chairman, The Hong Kong Federation of Insurers  
The Hong Kong Institute of Certified Public Accountants

Encl.: HKICPA letter on HKFRS 17