

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

15 April 2026

Dear Sir

Exposure Draft: Amendments to the Fair Value Option for Investments in Associates and Joint Ventures - Proposed amendments to IAS 28

We are pleased to comment on the above noted Exposure Draft. Following consultation with the BDO network¹, this letter summarises views of member firms that provided comments on the Exposure Draft.

In light of the time sensitive need to align the effective date of the amendments to IAS 28 *Investments in Associates and Joint Ventures* with the effective date of IFRS 18 *Presentation and Disclosure in Financial Statements*, we support the proposed amendments to clarify the scope of the fair value option as described in IAS 28.18 as well as the proposed effective date and transition.

However, we strongly encourage the IASB to consider amending IAS 28 to expand the scope of the fair value option to all entities as separate standard setting after concluding the next agenda consultation.

Our concerns align with the alternative views expressed in the ED and are set out below:

- The scope of proposed amendments to the measurement requirements of IAS 28 are based on presentation requirements in IFRS 18 and we do not see a conceptual basis for this link;
- It is unclear why an entity that invests in particular assets as set out in IFRS 18.53(a) - (c) as a main business activity may elect to use the fair value option (even when that entity might not invest in associates and joint ventures as main business activity) while other entities may not;
- In our view, an unrestricted fair value option would provide better information to users of financial statements as fair value is generally a superior measurement basis; and

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- US GAAP has long had an unrestricted fair value option with limited concerns expressed by preparers, users and auditors, therefore, expanding the scope of the option in IFRS Accounting Standards is unlikely to result in unintended consequences and would reduce differences between US GAAP and IFRS Accounting Standards.

We hope that you will find our comments and observations helpful. If you would like to discuss any of them, please contact me at +44 (0)7875 311782 or by email at abuchanan@bdoifra.com.

Yours faithfully

Andrew Buchanan

Global Head of IFRS and Corporate Reporting