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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels,
D005691/01

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Draft

COMMISSION REGULATION (EC) No .../..

of [...]

amending Regulation (EC) No 1126/2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards International Financial Reporting Interpretations Committee's (IFRIC) Interpretation 18

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(Text with EEA relevance)

THE COMMISSION OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards¹, and in particular Article 3(1) thereof,

Whereas:

- (1) By Commission Regulation (EC) No 1126/2008² certain international standards and interpretations that were in existence at 15 October 2008 were adopted.
- (2) On 29 January 2009, the International Financial Reporting Interpretations Committee (IFRIC) published IFRIC Interpretation 18 *Transfers of Assets from Customers*, hereinafter 'IFRIC 18'. IFRIC 18 is an interpretation that provides clarification and guidance on the accounting for transfers of items of property, plant and equipment from customers, or cash to acquire or construct an item of property, plant and equipment.
- (3) The consultation with the Technical Expert Group (TEG) of the European Financial Reporting Advisory Group (EFRAG) confirms that IFRIC 18 meets the technical criteria for adoption set out in Article 3(2) of Regulation (EC) No 1606/2002. In accordance with Commission Decision 2006/505/EC of 14 July 2006 setting up a Standards Advice Review Group to advise the Commission on the objectivity and neutrality of the European Financial Reporting Advisory Group's (EFRAG's) opinions³, the Standards Advice Review Group considered EFRAG's opinion on endorsement and advised the Commission that it is well-balanced and objective.

¹ OJ L 243, 11.9.2002, p. 1.

² OJ L 320, 29.11.2008, p. 1.

³ OJ L 199, 21.7.2006, p. 33.

- (4) The adoption of IFRIC 18 implies, by way of consequence, amendments to International Financial Reporting Standard (IFRS) 1 in order to facilitate the first time adoption of IFRS.
- (5) Regulation (EC) No 1126/2008 should therefore be amended accordingly.
- (6) The measures provided for in this Regulation are in accordance with the opinion of the Accounting Regulatory Committee,

HAS ADOPTED THIS REGULATION:

Article 1

The Annex to Regulation (EC) No 1126/2008 is amended as follows:

- (1) International Financial Reporting Interpretations Committee's (IFRIC) Interpretation 18 *Transfers of Assets from Customers* is inserted as set out in the Annex to this Regulation;
- (2) International Financial Reporting Standard (IFRS) 1 is amended as set out in the Annex to this Regulation.

Article 2

Each company shall apply IFRIC 18 and the amendments to IFRS 1, as set out in the Annex to this Regulation, at the latest, as from the commencement date of its first financial year starting after 31 October 2009.

Article 3

This Regulation shall enter into force on the third day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, [...]

For the Commission
Charlie McCreevy
Member of the Commission

ANNEX

INTERNATIONAL ACCOUNTING STANDARDS	
IFRIC 18	IFRIC Interpretation 18 <i>Transfers of Assets from Customers</i>

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