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COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels,
C (2009)

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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 9 and International Accounting Standard (IAS) 39

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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 on 15 October 2008 were adopted.
- (2) On 12 March 2009, the International Accounting Standard Board (IASB) published amendments to International Financial Reporting Interpretations Committee's (IFRIC) Interpretation 9 *Reassessment of Embedded Derivatives* and International Accounting Standard 39 *Financial Instruments: Recognition and Measurement* hereinafter 'amendments to IFRIC 9 and IAS 39'. The amendments to IFRIC 9 and IAS 39 clarify the treatment of derivative financial instruments embedded in other contracts when a hybrid financial asset is reclassified out of the fair value through profit or loss category.
- (3) The consultation with the Technical Expert Group (TEG) of the European Financial Reporting Advisory Group (EFRAG) confirms that the amendments to IFRIC 9 and IAS 39 meet 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

¹ OJ L 243, 11.9.2002, p. 1.

² OJ L 320, 29.11.2008, p. 1.

(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.

- (4) Regulation (EC) No 1126/2008 should therefore be amended accordingly.
- (5) The measures provided for in this Regulation are in accordance with the opinion of the Accounting Regulatory Committee,

HAS ADOPTED THIS REGULATION:

Article 1

In the Annex to Regulation (EC) No 1126/2008 International Financial Reporting Interpretations Committee's (IFRIC) Interpretation 9 *Reassessment of Embedded Derivatives* and International Accounting Standard (IAS) 39 *Financial Instruments: Recognition and Measurement* are amended as set out in the Annex to this Regulation.

Article 2

Each company shall apply the amendments to IFRIC 9 and IAS 39, 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 December 2008.

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

³ OJ L 199, 21.7.2006, p. 33.

ANNEX

INTERNATIONAL ACCOUNTING STANDARDS	
IFRIC 9	Amendments to IFRIC Interpretation 9 <i>Reassessment of Embedded Derivatives</i>
IAS 39	Amendments to International Accounting Standard 39 <i>Financial Instruments: Recognition and Measurement</i>

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