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EUROPEAN COMMISSION

Brussels,
COM(2010) XXX final

Draft

COMMISSION REGULATION (EU) 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 Standard (IFRS) 1 and IFRS 7

(Text with EEA relevance)

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(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

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 28 January 2010, the International Accounting Standards Board (IASB) published an amendment to International Financial Reporting Standard (IFRS) 1 *Limited Exemption from Comparative IFRS 7 Disclosures for First-time adopters*, hereinafter "amendment to IFRS 1". Realising that the relief regarding restatement of comparative disclosures in IFRS 7 concerning fair value measurements and liquidity risk if those comparative periods end before 31 December 2009 is not available to entities that apply IFRS for the first time, the aim of the amendment to IFRS 1 is to provide for an optional relief for those entities.
- (3) The consultation with the Technical Expert Group (TEG) of the European Financial Reporting Advisory Group (EFRAG) confirms that the amendment to IFRS 1 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

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.

opinion on endorsement and advised the Commission that it is well-balanced and objective.

- (4) The adoption of the revised IFRS 1 implies, by way of consequence, amendments to International Financial Reporting Standard (IFRS) 7 in order to ensure consistency between international accounting standards.
- (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 Standard (IFRS) 1 is amended as set out in the Annex to this Regulation;
- (2) IFRS 7 is amended as set out in the Annex to this Regulation.

Article 2

Each company shall apply the amendments to IFRS 1 and IFRS 7, as set out in the Annex to this Regulation, at the latest, as from the commencement date of its first financial year starting after 30 June 2010.

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
The President

ANNEX

INTERNATIONAL ACCOUNTING STANDARDS	
IFRS 1	<i>Amendment to IFRS 1 Limited Exemption from Comparative IFRS 7 Disclosures for First-time adopters</i>
IFRS 7	<i>Amendment to IFRS 7 Financial Instruments: Disclosures</i>

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