

EN

EN

EN



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels,  
COM(2008)

Draft

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

**of [...]**

**amending Regulation (EC) No 1725/2003 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 Interpretation Committee's (IFRIC) Interpretation 14**

(Text with EEA relevance)

Draft

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

**of [...]**

**on amending Regulation (EC) No 1725/2003 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 Interpretation Committee's (IFRIC) Interpretation 14**

**(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 standards<sup>1</sup>, and in particular Article 3(1) thereof,

Whereas:

- (1) By Commission Regulation (EC) No 1725/2003<sup>2</sup> certain international standards and interpretations that were extant at 14 September 2002 were adopted.
- (2) On 5 July 2007, the International Financial Reporting Interpretations Committee (IFRIC) published IFRIC Interpretation 14 IAS 19 – The Limit on a defined benefit Asset, Minimum Funding Requirements and their Interaction, hereinafter "IFRIC 14". IFRIC 14 clarifies provisions of International Accounting Standard (IAS) 19 regarding the measurement of a defined benefit asset within the context of post-retirement defined benefit plans, when a minimum funding requirement exists. A defined benefit asset is a surplus of the fair value of the plan assets over the present value of the defined benefit obligation. IAS 19 limits its measurement to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan, which can be affected by minimum funding requirements.
- (3) The consultation with the Technical Expert Group (TEG) of the European Financial Reporting Advisory Group (EFRAG) confirms that IFRIC 14 meets the technical criteria for adoption set out in Article 3(2) of Regulation (EC) No 1606/2002.

---

<sup>1</sup> OJ L 243, 11.9.2002, p. 1. Regulation as last amended by Regulation (EC) No 297/2008 (OJ L 97, 9.4.2008, p. 62)

<sup>2</sup> OJ L 261, 13.10.2003, p. 1. Regulation as last amended by Regulation (EC) No 1358/2007 (OJ L 304, 22.11.2007, p. 9)

- (4) Regulation (EC) No 1725/2003 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 1725/2003, International Financial Reporting Interpretations Committee's (IFRIC) Interpretation 14 IAS 19 – The Limit on a defined benefit Asset, Minimum Funding Requirements and their Interaction is inserted as set out in the Annex to this Regulation.

*Article 2*

Each company shall apply IFRIC 14, 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*

**ANNEX**

<b>INTERNATIONAL FINANCIAL REPORTING STANDARDS</b>	
IFRIC 14	IFRIC Interpretation 14 <i>IAS 19</i> – The Limit on a defined benefit Asset, Minimum Funding Requirements and their Interaction

**"Reproduction allowed within the European Economic Area. All existing rights reserved outside the EEA, with the exception of the right to reproduce for the purposes of personal use or other fair dealing. Further information can be obtained from the IASB at [www.iasb.org](http://www.iasb.org)"**