Capital market, financial services: application of international accounting standards

2001/0044(COD) - 29/09/2003 - Implementing legislative act

LEGISLATIVE ACT : Commission Regulation 1725/2003/EC adopting certain international accounting standards in accordance with Regulation 1606/2002/EC of the European Parliament and of the Council. CONTENT : the Commission, having considered the advice provided by the Accounting Technical Committee, has concluded that the international accounting standards in existence on 14 September 2002 meet the criteria for adoption set out in Article 3 of Regulation 1606/2002/EC. It has also considered the current improvements projects that propose to amend many existing standards. International accounting standards resulting from the finalisation of these proposals will be considered for adoption once those standards are final. The existence of these proposed amendments to existing standards does not impact upon the Commission's decision to endorse the existing standards, except in the cases of IAS 32 Financial instruments: disclosure and presentation, IAS 39 Financial instruments: recognition and measurement and a small number of interpretations related to these standards, SIC 5 Classification of financial instruments - Contingent settlement provisions, SIC 16 Share capital - reacquired own equity instruments (treasury shares) and SIC 17 Equity - Costs of an equity transaction. The existence of high quality standards dealing with financial instruments, including derivatives, is important to the Community capital market. However, in the cases of IAS 32 and IAS 39, amendments currently being considered may be so considerable that it is appropriate not to adopt these standards at this time. As soon as the current improvement project is complete and revised standards issued, the Commission will consider, as a matter of priority, the adoption of the revised standards further to Regulation 1606/2002/EC. Accordingly, all international accounting standards in existence on 14 September 2002 except IAS 32, IAS 39 and the related interpretations should be adopted. ENTRY INTO FORCE : 16/10/03.