Basic information

2002/0112(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Directive	Procedure completed
Insurance undertakings: annual and consolidated accounts and standards IAS (amend. Directives 78/660, 83/349, 91/674/EEC) **Subject** 2.50.05 Insurance, pension funds 3.45.03 Financial management of undertakings, business loans, accounting	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
JURI Legal Affairs and Internal Market	THYSSEN Marianne (PPE-DE)	20/06/2002

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	PÉREZ ROYO Fernando (PSE)	26/08/2002

Council of the European Union

Council configuration	Meetings	Date
Competitiveness (Internal Market, Industry, Research and Space)	2451	2002-09-30
Education, Youth, Culture and Sport	2503	2003-05-05

European Commission

Commission DG	Commissioner
Financial Stability, Financial Services and Capital Markets Union	

Key events

Date	Event	Reference	Summary
29/05/2002	Committee referral announced in Parliament, 1st reading		
09/07/2002	Legislative proposal published	COM(2002)0259	Summary
30/09/2002	Debate in Council		
03/12/2002	Vote in committee, 1st reading		Summary
03/12/2002	Committee report tabled for plenary, 1st reading	A5-0432/2002	

14/01/2003	Decision by Parliament, 1st reading	T5-0001/2003	Summary
05/05/2003	Act adopted by Council after Parliament's 1st reading		
18/06/2003	Final act signed		
18/06/2003	End of procedure in Parliament		
17/07/2003	Final act published in Official Journal		

Technical information

Procedure reference	2002/0112(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Legal basis	EC Treaty (after Amsterdam) EC 044
Stage reached in procedure	Procedure completed

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee report tabled for plenary, 1st reading/single reading		A5-0432/2002	03/12/2002	
Text adopted by Parliament, 1st reading/single reading		T5-0001/2003 OJ C 038 12.02.2004, p. 0015-0065 E	14/01/2003	Summary

European Commission

Document type	Reference	Date	Summary
Legislative proposal	COM(2002)0259 OJ C 227 24.09.2002, p. 0336 E	09/07/2002	Summary

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0091/2003 OJ C 085 08.04.2003, p. 0140-0144	22/01/2003	

Additional information

Source	Document	Date
European Commission	EUR-Lex	

Final act

Directive 2003/0051
OJ L 178 17.07.2003, p. 0016-0022

Summary

Insurance undertakings: annual and consolidated accounts and standards IAS (amend. Directives 78/660, 83/349, 91/674/EEC)

2002/0112(COD) - 09/07/2002 - Legislative proposal

PURPOSE: To remove inconsistencies between EU Accounting legislation and the International Accounting Standard (IAS). CONTENT: A deadline of 2005 was set for the implementation of the Commission's Financial Services Action Plan following the Lisbon European Council. Within this context, the European Commission has sought to ensure that EU listed companies should be required to prepare their consolidated accounts in accordance with a single set of accounting standards, namely the International Accounting Standard (IAS) as from 2005. An EU Regulation on the implementation of the IAS is currently under negotiation. A majority of EU listed companies favour the introduction of the IAS on the grounds that it will improve marketability, cross-border mergers and acquisitions, shareholder dialogue and finance raining. Current EU legislation relies on four Accounting Directives - some dating back 23 years. They will continue to be the basis of accounting legislation for entities which do not prepare their annual or consolidated accounts in accordance with IAS provisions. Numerous studies have been prepared which indicate that, in many respects, the Accounting Directives remain consistent with current accounting theory and practice. However, in certain limited areas, their requirements are incompatible with IAS. This situation is unacceptable for two reasons. Firstly, if the Accounting Directives are to play an important role in the mechanism for adopting IAS under the proposed IAS Regulation, they must reflect current accounting developments. In this respect, the Directives should be structured so as to accommodate and to be consistent with future incremental developments within IAS. Thus, for example, it should not be necessary to consider amendment of the Directives each time a new IAS is proposed. Secondly, there must be a level playing field between companies which apply IAS and those which do not. Such a position is necessary to enable a smooth transition when companies seek a public listing. The objective of this proposal are threefold: - To remove all existing conflicts between the Accounting Directives and IAS. - To ensure that optional accounting treatments currently available under IAS are available to EU companies which continue to have the Accounting Directives as the basis of their accounting legislation. - To update the fundamental structure of the Accounting Directives so that they provide a framework for financial reporting this is both consistent with modern practice and flexible enough to allow for future developments in IAS. The proposed changes will remove all inconsistencies between the existing Accounting Directives. Since the legislation is to be in place by 2005, the Commission considers it extremely important the proposed legislation be adopted as soon as possible.

Insurance undertakings: annual and consolidated accounts and standards IAS (amend. Directives 78/660, 83/349, 91/674/EEC)

2002/0112(COD) - 18/06/2003 - Final act

PURPOSE : To remove inconsistencies between EU Accounting legislation and the International Accounting Standard (IAS). COMMUNITY MEASURE : Directive 2003/51/EC of the European Parliament and of the Council amending Directives 78/660/EEC, 83/349/EEC, 86/635/EEC and 91/674/EEC on the annual and consolidated accounts of certain types of companies, banks and other financial institutions and insurance undertakings. CONTENT : This Directive seeks to remove all existing conflicts between the Accounting Directives listed above and IAS. It also seeks to ensure that optional accounting treatments currently available under IAS are available to EU companies which continue to have the Accounting Directives as the basis of their accounting legislation. The IAS Regulation introduced the requirement that, from 2005 onwards, all listed companies prepare their consolidated accounts in accordance with IAS adopted for application within the Community. It also provided an option for Member States to permit or require the application of adopted IAS in the preparation of annual accounts and to permit or require the application of adopted IAS by unlisted companies. The annual and consolidated accounts of undertakings covered by Directives 78/660/EEC and 83/349/EEC which are not prepared in accordance with the IAS Regulation will continue to have those Directives as the primary source of their Community accounting requirements. This directive ensures that there is a level playing field exists between Community companies which apply IAS and those which do not. In addition: - Member States will be able to modify the presentation of the profit and loss account and balance sheet in accordance with international developments, as expressed through standards issued by the International Accounting Standards Board (IASB); - Member States will be able to permit or require the application of revaluations and of fair value in accordance with international developments, as expressed through standards issued by the IASB; - the annual report must include at least a fair review of the development and performance of the company's business and of its position, together with a description of the principal risks and uncertainties that it faces. The review must be a balanced and comprehensive analysis of the development and performance of the company's business and of its position, consistent with the size and complexity of the business. The analysis must include both financial and, where appropriate, non-financial key performance indicators relevant to the particular business, including information relating to environmental and employee matters; - Member States may choose to exempt certain companies from the obligation above in so far as it relates to non-financial information; - there are specific requirements relating to the obligations of statutory auditors; - insurance undertakings may also be allowed to use fair-value accounting as expressed through appropriate standards issued by the IASB. DATE OF TRANSPOSITION : 01/01/05. ENTRY INTO FORCE : 17/07/03.

Insurance undertakings: annual and consolidated accounts and standards IAS (amend. Directives 78/660, 83/349, 91/674/EEC)

2002/0112(COD) - 14/01/2003 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted certain amendments to the draft directive, based on the report drafted by Marianne THYSSEN (EPP-ED, Belgium). (Please refer to the summary dated 03/12/02.)