



**COUNCIL OF  
THE EUROPEAN UNION**

**Brussels, 3 March 2014  
(OR. en)**

**7177/14**

**DRS 32  
ECOFIN 212  
EF 64**

**COVER NOTE**

---

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	13 February 2014
To:	Mr Uwe CORSEPIUS, Secretary-General of the Council of the European Union
No. Cion doc.:	D032024/01
Subject:	COMMISSION REGULATION (EU) No .../.. of XXX 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 Interpretation 21 of the International Financial Reporting Interpretations Committee

---

Delegations will find attached document D032024/01.

---

Encl.: D032024/01



Brussels, **XXX**  
[...](2014) **XXX** draft

**D032024/01**

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

**of **XXX****

**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 Interpretation 21 of the International Financial Reporting Interpretations Committee**

(Text with EEA relevance)

COMMISSION REGULATION (EU) No .../..

of **XXX**

**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 Interpretation 21 of the International Financial Reporting Interpretations Committee**

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

Whereas:

- (1) By Commission Regulation (EC) No 1126/2008<sup>2</sup> certain international standards and interpretations that were in existence at 15 October 2008 were adopted.
- (2) On 20 May 2013 the International Accounting Standards Board issued Interpretation 21 of the International Financial Reporting Interpretations Committee (IFRIC) *Levies*.
- (3) In the application of International Accounting Standard 37 *Provisions, contingent liabilities and contingent assets* different practices have evolved regarding the timing of when an entity recognises a liability to pay a levy.
- (4) The objective of the IFRIC Interpretation 21 is to provide guidance on the appropriate accounting treatment of levies that are within the scope of International Accounting Standard 37, in order to increase the comparability of financial statements for users.
- (5) The consultation with the Technical Expert Group of the European Financial Reporting Advisory Group confirms that IFRIC Interpretation 21 meets the technical criteria for adoption set out in Article 3(2) of Regulation (EC) No 1606/2002.
- (6) Regulation (EC) No 1126/2008 should therefore be amended accordingly.

---

<sup>1</sup> OJ L 243, 11.9.2002, p. 1

<sup>2</sup> Commission Regulation (EC) No 1126/2008 of 3 November 2008 adopting certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council (OJ L 320, 29.11.2008, p. 1).

- (7) 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, IFRIC Interpretation 21 *Levies* is inserted as set out in the Annex to this Regulation.

*Article 2*

Each company shall apply IFRIC Interpretation 21 *Levies*, at the latest, as from the commencement date of its first financial year starting on or after [the date of entry into force of this Regulation].

*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*  
*José Manuel BARROSO*