

Effects of using International Financial Reporting Standards (IFRS) in the EU: public consultation

Fields marked with * are mandatory.

Impact of International Financial Reporting Standards (IFRS) in the EU: public consultation

Purpose of the consultation

The European Commission is holding a public consultation to seek views from all interested parties on their experience of Regulation 1606/2002 ("[the IAS Regulation](#)"). The results of this public consultation will feed into the European Commission's evaluation of the IAS Regulation.

Background

Applying internationally accepted standards - the International Financial Reporting Standards (IFRS) – means standardising companies' financial reporting to make financial statements more transparent and comparable. The ultimate aim is for the EU capital market and the single market to operate efficiently.

Scope of the IAS Regulation

The IAS Regulation states that the IFRS must be applied to the consolidated financial statements of EU companies whose securities are traded on a regulated EU market. EU countries may extend the application of IFRS to annual financial statements and non-listed companies ([view an update on the use of options in the EU](#)). The Transparency Directive ([2004/109/EC](#)), as subsequently amended, also stipulates that all issuers (including non-EU ones) whose securities are listed on a regulated market located or operating in an EU country must use IFRS.

Impact of the IAS Regulation

The implementation of IFRS in the EU has had an impact on cross-border transactions, trade, the cost of capital, investor protection, confidence in financial markets and stewardship by management. However, it is difficult to differentiate their impact from that of other significant factors, including other regulatory changes in the EU and internationally.

Developments since adoption

Over 100 countries now use IFRS. These accounting standards have been increasingly discussed at international level (e.g. G20, Basel Committee) and with various interested parties in the EU, especially in the wake of the financial crisis.

Several initiatives concerning technical issues and governance are under way at both international and EU level. In the EU, [the Maystadt report's recommendations](#) are being implemented. These are designed to strengthen the EU's contribution to achieving global and high quality accounting standards by beefing up the role of the European Financial Reporting Advisory Group (EFRAG), which advises the Commission on IFRS matters.

Current Commission evaluation

The Commission is evaluating the IAS Regulation to assess:

- IFRS's actual effects
- how far they have met the IAS Regulation's initial objectives
- whether these goals are still relevant
- any areas for improvement.

This consultation is part of the evaluation process. The questionnaire was drafted with the help of an informal expert group which is to assist the Commission throughout the [process](#).

Target group(s)

Any interested party – commercial, public, academic or non-governmental, including private individuals.

Especially: capital market participants and companies preparing financial statements or using them for investment or lending purposes (whether or not they use IFRS).

Consultation period

7 August — 31 October 2014 (12 weeks).

How to submit your contribution

If possible, to reduce translation and processing time, please reply in one of the Commission's working languages (preferably English, otherwise French or German).

Contributions will be published on this website with your name (unless – in your response – you ask us not to).

N.B.: Please read the specific privacy statement to see how your personal data and contribution will be dealt with.

Reference documents and other, related consultations

- [IAS/IFRS standards & interpretations](#)
- [IFRS Foundation](#)
- [European Financial Reporting Advisory Group \(EFRAG\)](#)
- [Commission reports on the operation of IFRS](#)

Results of public consultation & next steps

The results will be summarised in a technical report and will feed into the evaluation report to be presented by the Commission in line with Article 9.2 of Regulation [258/2014](#).

Questions

Please note that some questions do not apply to all groups of respondents.

Who are you?

1. In what capacity are you completing this questionnaire?

If it's *not* on behalf of an organisation, please indicate that you are a "private individual".*

- Company preparing financial statements *[some specific questions for preparers marked with 'P']*
- Company using financial statements for investment or lending purposes *[some specific questions for users marked with 'U']*
- A company that both prepares financial statements and uses them for investment or lending purposes *[some specific questions for preparers and users marked with 'P' and 'U']*
- Association
- Accounting / audit firm
- Trade union / employee organisation
- Civil society organisation / non-governmental organisation
- Research institution / academic organisation
- Private individual
- Public authority *[one specific question for public authorities marked with 'PA']*
- Other

1.4.1. How many organisations do you represent?*

The European Association of Co-operative Banks (EACB) is the voice of the co-operative banks in Europe. It represents, promotes and defends the common interests of its 28 member institutions and of co-operative banks in general. Co-operative banks form decentralised networks which are subject to banking as well as co-operative legislation. Democracy, transparency and proximity are the three key characteristics of the co-operative banks' business model. With 3.700 locally operating banks and 71.000 outlets co-operative banks are widely represented throughout the enlarged European Union, playing a major role in the financial and economic system. They have a long tradition in serving 215 million customers, mainly consumers, retailers and communities. The co-operative banks in Europe represent 56 million members and 850.000 employees and have a total average market share of about 20%.

1.4.2. What type of business do you represent?*

- Industry
- Banking
- Insurance
- Other

2. Where is your organisation/company registered, or where are you are located if you do not represent an organisation/company? Select a single option only. *

- EU-wide organisation
- Global organisation
- Austria
- Belgium
- Bulgaria
- Croatia
- Cyprus
- Czech Republic
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Ireland
- Italy
- Latvia
- Lithuania
- Luxembourg
- Malta
- The Netherlands
- Poland
- Portugal
- Romania
- Slovakia
- Slovenia
- Spain
- Sweden
- United Kingdom
- Norway
- Iceland
- Liechtenstein
- Other European country
- Other

3. What is the name of the organisation or authority you represent? If you are part of a group, give the name of the holding company as well.*

European Association of Co-operative Banks

4. In the interests of transparency, we ask organisations to supply relevant information about themselves by registering in the Transparency Register (<http://ec.europa.eu/transparencyregister>). If your organisation is not registered, your submission will be published separately from those of registered organisations. Is your organisation registered in the European Parliament/Commission Transparency Register?*

- Yes
 No

4.1. Please give your registration number.*

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5. In the interests of transparency, your contribution will be published on the Commission's website. How do you want it to appear?*

- Under the name supplied? (*I consent to the publication of all the information in my contribution, and I declare that none of it is subject to copyright restrictions that would prevent publication.*)
 Anonymously? (*I consent to the publication of all the information in my contribution except my name/the name of my organisation, and I declare that none of it is subject to copyright restrictions that would prevent publication.*)

Relevance of the IAS Regulation

Objective

6. The rationale for the IAS Regulation, imposing internationally accepted standards - the International Financial Reporting Standards (IFRS) - was to make companies use the same set of accounting standards, thus ensuring a high level of transparency and comparability of financial statements. The ultimate aim was to make the EU capital market and the single market operate efficiently.

In your view, are the Regulation's objectives still valid today?*

- Yes
- No
- No opinion

6.1. Comments.

We believe that the IAS Regulation objectives of transparency and comparability are still valid today. Regarding the goal of making the EU capital markets more efficient, the decision of the EU to require listed companies to use IFRS has facilitated the access to international capital markets for these listed companies. However, we would need a quantitative analysis to assess the impact of IFRS on market efficiency.

In general, we believe that the intended goals of the IAS Regulation have been fulfilled and need not be changed.

7. The IAS Regulation refers to IFRS as a set of global accounting standards. Over 100 countries use or permit the use of these standards. The US, for instance, allows EU companies listed in the US to report under IFRS. However, it continues to rely on its "generally accepted accounting principles" (GAAPs) for its domestic companies' financial statements, while the EU requires IFRS to be used for the consolidated accounts of EU listed companies.

Has the IAS Regulation furthered the move towards establishing a set of globally accepted high-quality standards?*

- Yes
- No
- No opinion

7.1. Please explain.

The IAS Regulation requirement for EU companies with listed securities to prepare their consolidated financial statements in IFRS has contributed towards major global acceptance of these standards. As an example, some EU listed companies are allowed to access the US markets using IFRS (instead of US GAAP), which relieves entities of burdensome reconciliations.

Scope

8. The obligation to use IFRS as set out in the IAS Regulation applies to the consolidated financial statements of EU companies whose securities are traded on a regulated market in the EU. There are about 7,000 such firms.

In your view, is the current scope of the IAS Regulation right (i.e. consolidated accounts of EU companies listed on regulated markets)?*

- Yes
- No
- No opinion

8.2. Comments.

The scope of the IAS Regulation, covering EU companies whose securities are traded on a European regulated market, is appropriate since the central aim of a financial statement elaborated according to IFRS is to provide information for capital market participants. At the current stage, rather than changing the scope, it is more important to guarantee that there is consistency between IFRS and other tax, legal and prudential requirements.

9. National governments can decide to extend the application of IFRS to:
- individual annual financial statements of companies listed on regulated markets
 - consolidated financial statements of companies that are not listed on regulated markets
 - individual annual financial statements of companies that are not listed on regulated markets.

In your view, are the options open to national governments:*

- Appropriate
- Too wide
- Too narrow
- No opinion

Cost-benefit analysis of the IAS Regulation

10. Do you have pre-IFRS experience/ experience of the transition process to IFRS?*

- Yes
- No

11. In your experience, has applying IFRS in the EU made companies' financial statements more transparent (e.g. in terms of quantity, quality and the usefulness of accounts and disclosures) than they were before mandatory adoption?*

- Significantly more transparent
- Slightly more transparent
- No change
- Slightly less transparent
- Significantly less transparent
- No opinion

11.1. Please elaborate.

12. In your experience, has applying IFRS in the EU altered the comparability of companies' financial statements, compared with the situation before mandatory adoption?

	Significantly increased	Slightly increased	No change	Slightly reduced	Significantly reduced	No opinion
In your country	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
EU-wide	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Compared with non-EU countries	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

12.1. Please elaborate.

Since IFRS represents a single accounting language, the comparability of consolidated statements of companies with listed securities has increased across the EU and other countries.

13. Have financial statements become easier to understand

since the introduction of IFRS, compared with the situation before mandatory adoption?*

- Yes, in general
- Yes, but only in certain areas
- No, in general
- No, except in certain areas
- No opinion

14. Has the application of IFRS in the EU helped create a level playing field for European

companies using IFRS, compared with the situation before mandatory adoption? *

- Yes
- Yes, to some extent
- No
- No opinion

14.1. Please elaborate.

15. Based on your experience, to what extent has the application of IFRS in the EU affected access to capital (listed debt or equity) for issuers in domestic and non-domestic markets that are IFRS reporters?

	Made it a lot easier	Made it easier	No effect	Made it more difficult	Made it a lot more difficult	No opinion
Domestic capital	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
EU capital other than domestic	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Non-EU capital	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

16. In your experience, has the application of IFRS in the EU had a direct effect on the overall cost of capital for your company or the companies you are concerned with? (Please distinguish - as far as possible – the impact of IFRS from other influences, e.g. other regulatory changes in the EU and the international credit crunch and crisis.)*

- Cost has fallen significantly
- Cost has fallen slightly
- No effect
- Cost has risen slightly
- Cost has risen significantly
- No opinion

16.1. Please provide data/ examples if available.

The impact on cost is difficult to assess. On the one hand, some of our Member co-operative banks do not refinance their business activities in international financial markets. On the other hand, some of those of our Members with listed shares believe that costs may have been reduced due to less reconciliation needs, but also think that this reduction is offset by those costs directly linked to the preparation in IFRS (notably notes and audit costs).

17. In your view, has the application of IFRS in the EU improved protection for investors (compared with the situation before mandatory adoption), through better information and stewardship by management?*

- Yes, to a great extent
- Yes, to a small extent
- It had no impact
- No, protection for investors has worsened
- No opinion

18. In your view, has the application of IFRS in the EU helped maintain confidence in financial markets, compared with the likely situation if it had not been introduced?

(N.B.: the “enforcement” section of this questionnaire deals with how IFRS are/ were applied.)*

- Yes, to a great extent
- Yes, to a small extent
- It had no impact
- No, confidence in financial markets has decreased
- No opinion

19. Do you see other benefits from applying IFRS as required under the IAS Regulation?*

- Yes
- No
- No opinion

20. In your experience, on balance and at global level, how do the benefits of applying IFRS compare to any additional costs incurred – compared with the situation before mandatory adoption, bearing in mind the increasing complexity of businesses that accounting needs to portray?*

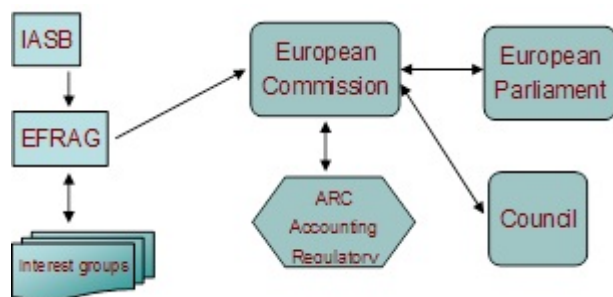
- Benefits significantly exceed the costs
- Benefits slightly exceed the costs
- Benefits and costs are broadly equal
- Costs slightly exceed the benefits
- Costs significantly exceed the benefits
- No opinion

20.1. Please provide any additional comments you think might be helpful.

The cost/benefits vary according to the type of entity. Larger entities would benefit from integrated processes and economy of scale whereas smaller or domestic entities would find that their costs exceed their benefits. In this regard, for several of our Member banks (which have to prepare statements in national GAAP, e.g. for tax purposes) the application of IFRS has led to a greater amount of work, therefore rendering more expensive the preparation of financial statements.

Endorsement mechanism & criteria

The EU's IFRS endorsement process



In the EU, IFRS are adopted on a standard-by-standard basis. The procedure is as follows:

- The International Accounting Standards Board (IASB) issues a standard.
- The European Financial Reporting Advisory Group (EFRAG) holds consultations, advises on endorsement and examines the potential impact.
- The Commission drafts an endorsement regulation.
- The Accounting Regulatory Committee (ARC) votes and gives an opinion.
- The European Parliament and Council examine the standard.
- The Commission adopts the standard and publishes it in the Official Journal.

This process typically takes 8 months.

Endorsement criteria

Under Article 3.2 of the IAS Regulation, any IFRS to be adopted in the EU must:

- be consistent with the "true and fair" view set out in the EU's [Accounting Directive](#)
- be favourable to the public good in Europe
- meet basic criteria on the quality of information required for financial statements to serve users (i.e. statements must be understandable, relevant, reliable and comparable, they must provide the financial information needed to make economic decisions and assess stewardship by management).

In his October 2013 [report](#), Mr Maystadt discussed the possibility of clarifying the "public good" criterion or adding 2 other criteria as components of the public good, namely that:

- any accounting standards adopted should not jeopardise financial stability
- they must not hinder the EU's economic development.

He also suggested that more thorough analysis of compliance with the criteria of prudence and respect for the public good was needed.

21. In the EU, IFRS are adopted on a standard-by-standard basis. The process, which typically takes 8 months, is as follows:

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- The Commission drafts an endorsement regulation.
- The Accounting Regulatory Committee (ARC) votes and gives an opinion.
- The European Parliament and Council examine the standard.
- The Commission adopts the standard and publishes it in the Official Journal.

Do you have any comments on the way the endorsement process has been or is being conducted (e.g. in terms of the interaction of players, consistency, length, link with effective dates of standards, outcome, etc.)?*

Whereas some may perceive the current procedure to be complex and long-lasting, we understand the need to carefully analyze a newly developed IFRS before endorsement. In this vein, the current EFRAG reform would strengthen the European endorsement process.

22. Under Article 3.2 of the IAS Regulation, any IFRS to be adopted in the EU must:

- be consistent with the "true and fair" view set out in the EU's [Accounting Directive](#)
- be favourable to the public good in Europe
- meet basic criteria on the quality of information required for financial statements to serve users (i.e. statements must be understandable, relevant, reliable and comparable, they must provide the financial information needed to make economic decisions and assess stewardship by management).

Are the endorsement criteria appropriate (sufficient, relevant and robust)?*

- Yes
- Yes, to some extent
- No
- No opinion

22.1. In his October 2013 [report](#), Mr Maystadt discussed the possibility of clarifying the "public good" criterion or adding 2 other criteria as components of the public good:

- *that any accounting standards adopted should not jeopardise financial stability*
- *that they must not hinder the EU's economic development.*

Please give any suggestion(s) you may have for additional criteria.

- Not jeopardising the EU's financial stability
- Not hindering economic development in the EU
- Not impeding the provision of long-term finance
- More explicit reference to the concept of prudence
- Consistency with other adopted IFRS
- Criterion concerning simplicity/proportionality
- Other

22.1.1 Other - please specify.*

Consistency with prudential regulation applicable in the banking sector.

23. There is a necessary trade-off between the aim of promoting a set of globally accepted accounting standards and the need to ensure these standards respond to EU needs. This is why the IAS regulation limits the Commission's freedom to modify the content of the standards adopted by the IASB.

Does the IAS Regulation reflect this trade-off appropriately, in your view? *

- Yes
- No
- No opinion

24. Have you experienced any significant problems due to differences between the IFRS as adopted by the EU and the IFRS as published by the IASB ("carve-out" for IAS 39 concerning macro-hedging allowing banks to reflect their risk-management practices in their financial statements)? *

- Yes
- No
- No opinion

Quality of IFRS financial statements

25. What is your overall opinion of the quality (transparency, understandability, relevance, reliability and comparability) of financial statements prepared by EU companies using IFRS?*

- Very good
- Good
- Moderate
- Low
- Very low
- No opinion

25.1. Please provide any additional comments you think might be helpful.

The quality of individual and consolidated financial statements prepared by listed EU companies using IFRS depends not only on the quality of accounting standards but also on the preparation of the financial statements, audit and enforcement. We believe that all EU concerned stakeholders contribute to the quality of financial statements. However, the quality of the IFRS standards can improve in some areas such as the volume and appropriateness of disclosures and some on-going key projects.

26. Given that firms have complex business models and transactions, how would you rate financial statements prepared in accordance with IFRS in terms of complexity and understandability?*

- Very complex & difficult to understand
- Fairly complex & difficult to understand
- Reasonable
- Not complex or difficult
- No opinion

26.1. Please provide any further comments you think might be helpful, specifying any particular areas of accounting concerned, if appropriate.

Whereas complexity in financial reporting is not only due to accounting standards (e.g. it is also inherent to the complexity of transactions undertaken by entities), we believe that overloaded disclosures and an approach disconnected from the business model specificities are elements that would increase the complexity.

27. How would you rate financial statements prepared using IFRS in terms of complexity and understandability – compared with other sets of standards you use?

	IFRS information is easier to understand than...	IFRS information is neither easier nor more difficult to understand than ...	IFRS information is more difficult to understand than ...	No opinion
Information under your local GAAPs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Information under any other GAAPs	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

27.1. What are your local GAAPs?

We are a European Association representing several banks across the EU. Therefore, a wide range of local GAAP apply. Members in Germany (HGB - German Commercial Code) and Austria (UGB - Austrian Commercial Code) apply national GAAP, while some other members, like in Italy, apply IFRS also on individual level and for non-listed companies.

27.2. Please identify other GAAPs you are using as a basis for comparison.

US GAAP: the level of complexity and understandability seems comparable with IFRS.

28. How do IFRS compare with other GAAPs in terms of providing a true and fair view of a company's (group's) performance and financial position?

	IFRS are better than...	IFRS are equivalent to...	IFRS are worse than...	No opinion
Your local GAAPs (as identified under question 27)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
Any other GAAPs (as identified under question 27)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

29. How often is it necessary to depart from IFRS under “extremely rare circumstances” (as allowed by IFRS), to reflect the reality of a company’s financial performance and position in a fairer way?*

- Often
- Sometimes
- Hardly ever
- Never
- No opinion

29.1. Please provide additional comments and examples of departures from IFRS that you have seen.

30. How would you rate the extent to which IFRS allows you to reflect your company's business model in your financial statements?*

- This is not an issue
- IFRS are flexible enough
- IFRS should be more flexible, so different business models can be reflected
- No opinion

30.1. Please explain.*

More flexibility should be allowed to better reflect the business model of the entities. It would improve the accuracy of financial information and reduce presentation of non GAAP measures to explain the performance of the group.

Enforcement

Since 2011, the European Securities and Markets Authority (ESMA) has been coordinating national enforcers' operational activities concerning compliance with IFRS in the EU. ESMA has taken over where the Committee of European Securities Regulators (CESR) left off.

Enforcement activities regarding companies listed on regulated markets are defined in the Transparency Directive (2004/109/EC , as subsequently amended).

31. Are the IFRS adequately enforced in your country?*

- Yes
- Yes, to some extent
- No
- Not applicable
- No opinion

31.1. Please provide any additional comments you think might be helpful.

32. Does ESMA coordinate enforcers at EU level satisfactorily? *

- Yes
- Yes, to some extent
- No
- Not applicable
- No opinion

32.1. Please provide any additional comments you think might be helpful.

33. Has enforcement of accounting standards in your country changed with the introduction of IFRS?*

- Enforcement is now more difficult
- Enforcement has not changed
- Enforcement is now easier
- Not applicable
- No opinion

33.1. Please provide any specific relevant examples.

Standard setting and enforcement should be clearly separated. We believe that responsibility of enforcement should lay with ESMA which should have no role in the standard setting process or its interpretation. Any issue with standards that the authorities have identified within their enforcement work should be reported to the IASB and IFRIC for consideration or interpretation. No markets regulator or consortium of markets regulators has a role to play in providing interpretations.

Moreover, we believe that regulators should not provide additional guidance or interpretation as it would be detrimental to global standards.

IFRIC should remain the only IFRS interpretation body.

34. In your experience, have national law requirements influenced the application of IFRS in the EU country or countries in which you are active? *

- Yes, significant influence
- Yes, slight influence
- No
- No opinion
- Not applicable

35. If you are aware of any significant differences in enforcement between EU countries or with other jurisdictions, do they affect your practice in applying IFRS or analysing financial statements? *

- Yes, significantly
- Yes, but the impact is limited
- No
- No opinion
- Not applicable

36. The recitals of the IAS Regulation stress that a system of rigorous enforcement is key to investor confidence in financial markets. However, the Regulation contains no specific rules on penalties or enforcement activities, or their coordination by the EU.

Should the IAS Regulation be clarified as regards penalties and enforcement activities? *

- Yes
- No
- No opinion

37. Should more guidance be provided on how to apply the IFRS? *

- Yes
- No
- No opinion

Consistency of EU law

There are different types of reporting requirements in the EU (e.g. prudential requirements, company law, tax, etc.)

38. How would you assess the combined effects of, and interaction between, different reporting requirements, including prudential ones? *

Different reporting requirements have increased the reporting burdens for banks and to a certain extent have created an overlap between some EU regulations and financial reporting, for example the country-by-country reporting requirements in CRD IV and operating segments disclosures in the financial statements.

While prudential requirements, company law or tax have their own objectives, interactions with accounting requirements must be carefully considered to avoid double accounting and mitigate the burden on reporting.

39. Do you see any tensions in interaction between the IAS Regulation and EU law, in particular:

	No	Yes	To some extent	No opinion
Prudential regulations (banks, insurance companies)	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company law	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
Other	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

39.1. Other - please specify.*

Tax law and data protection requirements.

39.2. If you answered "yes" or "to some extent", please give details and state what the main effects of these tensions are.*

Interactions with other requirements, for example prudential regulations for banks, are not adequately considered, which leads to tensions, notably where valuations are required. Areas where such tensions are observed are the interactions between the accounting expected losses (EL), the prudential EL and risk-weighted assets (RWA) requirements, the buffers, including the counter-cyclical buffer and the add-on for G-SIFIs, the filter on the financial instruments measured at fair value through Other Comprehensive Income and hedge accounting and prudential requirements for interest rate risk for banking book. Notwithstanding that the objectives of prudential information and accounting information may not be the same, the interactions should be considered to avoid any double accounting.

User-friendliness of legislation

All standards are translated into the official EU languages before they are adopted. The Commission also regularly draws up a consolidated version of the current standards enacted by the EU (

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:02008R1126-20130331:EN:NOT>). The consolidated version does not include any standards that are not yet in force, but can be applied before the date of entry into force.

40. Are you satisfied with the **consolidated version** of *IFRS standards adopted by the EU*, which is not legally binding, or would you like to see improvements?

- Satisfied
- Need for improvements
- I wasn't aware of it
- I don't use it
- No opinion

40.1. Need for improvements - please specify.*

We believe that a better structure of this version is needed, allowing for a more interactive lay-out featuring clear heading and links. Original texts are more comprehensive as they include basis for conclusions and illustrative guidance.

41. Are you satisfied with the quality of **translation** of IFRS into your language *provided by the EU*

?*

- Yes
- Yes, to some extent
- No
- No opinion
- Not applicable

41.1. Please give details.

In some cases, translations may not be always satisfactory.

General

42. Do you have any other comments on or suggestions about the IAS Regulation?

In our view, the IAS Regulation established a sound basis to develop harmonized accounting standards within the European Union, which has also contributed to more harmonization worldwide. In this regard, we do not see a need to fundamentally review this Regulation.

However, we see an urgent need to take the prudential requirements into account when developing new IFRS. This is why we believe that a broader discussion should take place in the near future where it is discussed whether industry standards should be developed.

Thank you for your valuable contribution.

Contact

✉ MARKT-F3@ec.europa.eu
