

## II

(Non-legislative acts)

## REGULATIONS

## COMMISSION REGULATION (EU) 2018/182

of 7 February 2018

**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 International Accounting Standard 28 and International Financial Reporting Standards 1 and 12**

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

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 8 December 2016, the International Accounting Standards Board (IASB) published Annual Improvements to International Financial Reporting Standards 2014-2016 Cycle (the annual improvements), in the framework of its regular improvement process which aims at streamlining and clarifying the standards. The objective of the annual improvements is to address non-urgent, but necessary, issues discussed by the IASB during the project cycle on areas of inconsistency in International Financial Reporting Standards or where clarification of wording is required.
- (3) Following the consultations with the European Financial Reporting Advisory Group, the Commission concludes that the amendments to International Accounting Standard (IAS) 28 and International Financial Reporting Standard (IFRS) 1 and IFRS 12 meet the criteria for adoption set out in Article 3(2) of Regulation (EC) No 1606/2002.
- (4) Regulation (EC) No 1126/2008 should therefore be amended accordingly.
- (5) The IASB set the effective date of the amendments to IFRS 12 as from 1 January 2017. Therefore, the provisions of this Regulation should apply retroactively to ensure legal certainty for the issuers concerned and consistency with other accounting standards laid down in Regulation (EC) No 1126/2008.
- (6) The measures provided for in this Regulation are in accordance with the opinion of the Accounting Regulatory Committee,

<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).

HAS ADOPTED THIS REGULATION:

*Article 1*

The Annex to Regulation (EC) No 1126/2008 is amended as follows:

- (a) IAS 28 *Investments in Associates and Joint Ventures* is amended as set out in the Annex to this Regulation;
- (b) IFRS 1 *First-time Adoption of International Financial Reporting Standards* is amended as set out in the Annex to this Regulation;
- (c) IFRS 12 *Disclosure of Interests in Other Entities* is amended as set out in the Annex to this Regulation.

*Article 2*

Each company shall apply the amendments referred to in point (a) of Article 1, at the latest, as from the commencement date of its first financial year starting on or after 1 January 2018.

Each company shall apply the amendments referred to in point (b) of Article 1 as from the commencement date of its first financial year starting on or after 1 January 2018.

Each company shall apply the amendments referred to in point (c) of Article 1, as from the commencement date of its first financial year starting on or after 1 January 2017.

*Article 3*

This Regulation shall enter into force on the twentieth 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, 7 February 2018.

*For the Commission*  
*The President*  
Jean-Claude JUNCKER

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## ANNEX

**Annual Improvements to IFRS Standards  
2014–2016 Cycle**

**Amendments to IFRS 1****IFRS 1 *First-time Adoption of International Financial Reporting Standards***

Paragraphs 39L and 39T are amended, paragraphs 39D, 39F and 39AA are deleted and paragraph 39AD is added.

## EFFECTIVE DATE

- ...
- 39D [Deleted]
- ...
- 39F [Deleted]
- ...
- 39L IAS 19 *Employee Benefits* (as amended in June 2011) amended paragraph D1 and deleted paragraphs D10 and D11. An entity shall apply those amendments when it applies IAS 19 (as amended in June 2011).
- ...
- 39T *Investment Entities* (Amendments to IFRS 10, IFRS 12 and IAS 27), issued in October 2012, amended paragraphs D16, D17 and Appendix C. An entity shall apply those amendments for annual periods beginning on or after 1 January 2014. Earlier application of *Investment Entities* is permitted. If an entity applies those amendments earlier it shall also apply all amendments included in *Investment Entities* at the same time.
- ...
- 39AA [Deleted]
- ...
- 39AD *Annual Improvements to IFRS Standards 2014–2016 Cycle*, issued in December 2016, amended paragraphs 39L and 39T and deleted paragraphs 39D, 39F, 39AA and E3–E7. An entity shall apply those amendments for annual periods beginning on or after 1 January 2018.

In Appendix E, paragraphs E3–E7 and related headings are deleted.

## APPENDIX E

**Short-term exemptions from IFRSs**

*This appendix is an integral part of the IFRS.*

- ...
- E3 [Deleted]
- E4 [Deleted]
- E4A [Deleted]
- E5 [Deleted]
- E6 [Deleted]
- E7 [Deleted]

**Amendments to IFRS 12****IFRS 12 *Disclosure of Interests in Other Entities***

Paragraph 5A is added.

**SCOPE**

...

- 5A Except as described in paragraph B17, the requirements in this IFRS apply to an entity's interests listed in paragraph 5 that are classified (or included in a disposal group that is classified) as held for sale or discontinued operations in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

...

In Appendix B, paragraph B17 is amended.

**SUMMARISED FINANCIAL INFORMATION FOR SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES (PARAGRAPHS 12 AND 21)**

...

- B17 When an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) is classified (or included in a disposal group that is classified) as held for sale in accordance with IFRS 5, the entity is not required to disclose summarised financial information for that subsidiary, joint venture or associate in accordance with paragraphs B10–B16.

In Appendix C, paragraph C1D is added.

**EFFECTIVE DATE AND TRANSITION**

...

- C1D *Annual Improvements to IFRS Standards 2014–2016 Cycle*, issued in December 2016, added paragraph 5A and amended paragraph B17. An entity shall apply those amendments retrospectively in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* for annual periods beginning on or after 1 January 2017.

...

**Amendments to IAS 28****IAS 28 *Investments in Associates and Joint Ventures***

Paragraphs 18 and 36A are amended and paragraph 45E is added.

**Exemptions from applying the equity method**

...

18. When an investment in an associate or a joint venture is held by, or is held indirectly through, an entity that is a venture capital organisation, or a mutual fund, unit trust and similar entities including investment-linked insurance funds, the entity may elect to measure that investments at fair value through profit or loss in accordance with IFRS 9. An entity shall make this election separately for each associate or joint venture, at initial recognition of the associate or joint venture.

...

**Equity method procedures**

...

- 36A Notwithstanding the requirement in paragraph 36, if an entity that is not itself an investment entity has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

...

**EFFECTIVE DATE AND TRANSITION**

...

- 45E *Annual Improvements to IFRS Standards 2014–2016 Cycle*, issued in December 2016, amended paragraphs 18 and 36A. An entity shall apply those amendments retrospectively in accordance with IAS 8 for annual periods beginning on or after 1 January 2018. Earlier application is permitted. If an entity applies those amendments for an earlier period, it shall disclose that fact.
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