



International Chamber of Commerce

The world business organization

The Secretary General

Mr Charlie McCreevy
European Commissioner for Internal Market
and Services
European Commission
B - 1049 Brussels
Belgium

22 November 2004

MLC/JA/FBL/ad

Subject ICC Comments on the amending Regulation (EC) No 1725/2003 on the adoption of certain international accounting standards in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council as regards the insertion of IAS 39

Dear Commissioner McCreevy,

ICC greatly appreciates the opportunity to comment on the European Commission proposal for a regulation adopting IAS 39 and certain other accounting standards (24 September 2004) and on the Accounting Regulatory Committee Opinion on IAS 39 (5 October 2004).

The globalization of business investment and capital markets has increased the need for high-quality financial information. It is widely agreed, for example, that doubts about the reliability of corporate financial statements in some nations contributed to the breadth and depth of the financial incidents in recent years across the world. At the same time, business enterprises would benefit from a common approach to financial reporting that is characterized by consistency, coherence, and ease of implementation and understanding.

ICC applauds the efforts of the European Commission to ensure that the European implementation of international accounting standards is in place from 1 January 2005. However, ICC is concerned that a lack of international uniformity would jeopardize the important benefits of the exercise.

Thus, ICC urges the European Commission to fully endorse IFRS (including IAS 39) to avoid fragmenting the application and thereby losing the useful benefits of a truly international standard.

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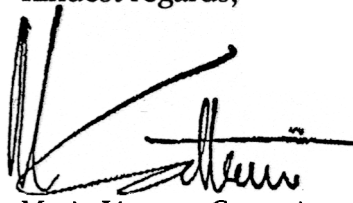
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A full and rapid endorsement by the European Commission would contribute to a common world-wide framework for financial reporting that would not disadvantage those willing to fully apply IFRS.

As the world business organization, and the only representative body that speaks with authority on behalf of enterprises from all sectors in every part of the world, ICC has been actively involved for many years in constructive dialogue on these issues with intergovernmental organizations and governments. ICC stands ready to provide further input as necessary on this critical issue for global business.

Kindest regards,

A handwritten signature in black ink, appearing to read 'Maria Livanos Cattai', is written over a horizontal line. The signature is fluid and cursive, with a large initial 'M' and 'L'.

Maria Livanos Cattai