



**2016/2006(INI)**

2.3.2016

# **AMENDMENTS**

## **1 - 101**

**Draft report**  
**Theodor Dumitru Stolojan**  
(PE575.121v01-00)

International Accounting Standards (IAS) Evaluation and on Activities of the International Financial Reporting Standards (IFRS) Foundation, European Financial Reporting Advisory Group (EFRAG) and the Public Interest Oversight Board (PIOB)  
(2016/2006(INI))



**Amendment 1**

**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**

**Citation 1 a (new)**

*Motion for a resolution*

*Amendment*

***- having regard to the Report of the High-Level Group on Financial Supervision in the EU, chaired by Jacques de Larosière, of 25 February 2009***

Or. en

**Amendment 2**

**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**

**Citation 2 a (new)**

*Motion for a resolution*

*Amendment*

***- having regard to Directive 2012/30/EU of the European Parliament and of the Council of 25 October 2012 on coordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 54 of the Treaty on the Functioning of the European Union, in respect of the formation of public limited liability companies and the maintenance and alteration of their capital, with a view to making such safeguards equivalent,***

Or. en

**Amendment 3**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Citation 11 a (new)**

*Motion for a resolution*

*Amendment*

**- having regard to IASB's Discussion Paper DP/2013/1 of July 2013 on A Review of the Conceptual Framework for Financial Reporting and to IASB's Request for Views of July 2015 on the Trustees' Review of Structure and Effectiveness,**

Or. en

**Amendment 4**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Citation 11 b (new)**

*Motion for a resolution*

*Amendment*

**- having regard to the Comment of the European Commission of 1 December 2015 on IASB's Trustees' Review of Structure and Effectiveness,**

Or. en

**Amendment 5**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Citation 11 c (new)**

*Motion for a resolution*

*Amendment*

**- having regard to International Financial**

***Reporting Standard (IFRS) 9 on Financial Instruments as issued on 24 July 2014 by the IASB, to the EFRAG endorsement advice on IFRS 9, to EFRAG's assessment on IFRS 9 against the true and fair principle, to the meeting documents of the Accounting Regulatory Committee (ARC) on IFRS 9 and to the comment letters of ECB and EBA on the endorsement of IFRS 9;***

Or. en

**Amendment 6**  
**Pervenche Berès**

**Motion for a resolution**  
**Citation 12**

*Motion for a resolution*

- having regard to the *comments* of 14 January 2014 *made by the Committee on Economic and Monetary Affairs* on the discussion paper entitled 'A Review of the Conceptual Framework for Financial Reporting',

*Amendment*

- having regard to the *letter* of 14 January 2014 *sent on behalf of the ECON Coordinators commenting* on the *IASB* discussion paper entitled 'A Review of the Conceptual Framework for Financial Reporting',

Or. en

**Amendment 7**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Citation 14 a (new)**

*Motion for a resolution*

*- having regard to the ESMA table on compliance with the ESMA guidelines on enforcement of financial information of 19 January 2016 (ESMA/2015/203 REV),*

*Amendment*

Or. en

**Amendment 8**  
**Jonás Fernández**

**Motion for a resolution**  
**Recital A**

*Motion for a resolution*

A. whereas the International Financial Reporting Standards (IFRS) and the international standards on auditing (ISA) are essential for the efficient functioning of the internal market and of the capital markets; whereas the IFRS and ISA are a public good;

*Amendment*

A. whereas the International Financial Reporting Standards (IFRS) and the international standards on auditing (ISA) are essential for the efficient functioning of the internal market and of the capital markets **and therefore for maintaining financial stability**; whereas the IFRS and ISA are a public good;

Or. es

**Amendment 9**  
**Syed Kamall**

**Motion for a resolution**  
**Recital A**

*Motion for a resolution*

A. whereas the International Financial Reporting Standards (IFRS) and the international standards on auditing (ISA) are **essential** for the efficient functioning of the internal market and of the capital markets; whereas the IFRS and ISA **are** a public good;

*Amendment*

A. whereas the International Financial Reporting Standards (IFRS) and the international standards on auditing (ISA) are **one component needed** for the efficient functioning of the internal market and of the capital markets; whereas the IFRS and ISA **can be understood as** a public good

Or. en

**Amendment 10**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Recital A**

*Motion for a resolution*

A. whereas the International Financial Reporting Standards (IFRS) and the international standards on auditing (ISA) are essential for the efficient functioning of the internal market and of the capital markets; whereas the IFRS and ISA are a public good;

*Amendment*

A. whereas the International Financial Reporting Standards (IFRS) and the international standards on auditing (ISA) are essential ***instruments*** for the efficient functioning of the internal market and of the capital markets; whereas the IFRS and ISA are a public good ***and therefore should enhance financial stability and serve the common good and not only the interest of investors, lenders and creditors;***

Or. en

**Amendment 11**

**Fabio De Masi**

**Motion for a resolution**

**Recital A**

*Motion for a resolution*

A. whereas the International Financial Reporting Standards (IFRS) and the international standards on auditing (ISA) are essential for the efficient functioning of the internal market and of the capital markets; whereas the IFRS and ISA are a public good;

*Amendment*

A. whereas the International Financial Reporting Standards (IFRS) and the international standards on auditing (ISA) are essential for the efficient functioning of the internal market and of the capital markets; whereas the IFRS and ISA are a public good; ***whereas therefore standard setting bodies should be transformed into public organizations;***

Or. en

**Amendment 12**

**Jonás Fernández**

**Motion for a resolution**

**Recital A a (new)**

*Motion for a resolution*

*Amendment*

***Aa. whereas falsification of company accounts poses a threat to economic and financial stability in addition to undermining public confidence in the social market economy model;***

Or. es

**Amendment 13**  
**Syed Kamall**

**Motion for a resolution**  
**Recital B**

*Motion for a resolution*

*Amendment*

B. whereas the IFRS strengthen accountability by reducing the information gap between investors and companies, protecting investment and bringing transparency through enhancing the international comparability and quality of financial information and enabling investors and other market participants to make informed economic decisions, and therefore influence the behaviour of actors in financial markets and impact the stability of these markets;

B. whereas the IFRS ***can*** strengthen accountability by reducing the information gap between investors and companies, protecting investment and bringing transparency through enhancing the international comparability and quality of financial information and enabling investors and other market participants to make informed economic decisions, and therefore influence the behaviour of actors in financial markets and impact the stability of these markets; ***notes, however, that this 'decision-usefulness' model of accounting is not entirely consistent with the 'capital adequacy' function of accounting as described in ECJ jurisprudence and the Accounting Directive suggesting that the conceptual basis of accounting per the IFRS Framework does not encompass the purpose of accounts in EU law for which true and fair view of the specified numbers is the standard, as set out in written answer E-016071/2015 from Lord Hill dated 25.2.2016.***

Or. en



**Amendment 14**  
**Pervenche Berès**

**Motion for a resolution**  
**Recital B**

*Motion for a resolution*

B. whereas the *IFRS* strengthen accountability by reducing the information gap between investors and companies, ***protecting*** investment ***and bringing*** transparency through enhancing the international comparability and quality of financial information and ***enabling*** investors and other market participants to make informed economic decisions, and therefore influence the behaviour of actors in financial markets and impact the stability of these markets;

*Amendment*

B. whereas the ***purpose of the IFRS is to*** strengthen accountability by reducing the information gap between investors and companies, ***to protect*** investment, ***to bring*** transparency through enhancing the international comparability and quality of financial information and ***to enable*** investors and other market participants to make informed economic decisions, and therefore influence the behaviour of actors in financial markets and impact the stability of these markets;

Or. en

**Amendment 15**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Recital B**

*Motion for a resolution*

B. whereas the IFRS strengthen accountability by reducing the information gap between investors and companies, protecting investment and bringing transparency through enhancing the international comparability and quality of financial information and enabling investors and other market participants to make informed economic decisions, and therefore influence the behaviour of actors in financial markets and impact the stability of these markets;

*Amendment*

B. whereas the IFRS ***are said to*** strengthen accountability by reducing the information gap between investors and companies, protecting investment and bringing transparency through enhancing the international comparability and quality of financial information and enabling investors and other market participants to make informed economic decisions, and therefore influence the behaviour of actors in financial markets and impact the stability of these markets;

Or. en

**Amendment 16**  
**Syed Kamall**

**Motion for a resolution**  
**Recital B a (new)**

*Motion for a resolution*

*Amendment*

*Ba. whereas the Accounting Directive states that accounts are "of special importance for the protection of shareholders, members and third parties" and that "such undertakings offer no safeguards to third parties beyond the amounts of their net assets"; whereas the Accounting Directive also states that its aim is "to protect the interests subsisting in companies with share capital" by ensuring that dividends are not paid out of share capital; whereas this general purpose of accounts can only be fulfilled if the specified numbers in the accounts give a true and fair view of the company's assets, liabilities, financial position and profit or loss;*

Or. en

**Amendment 17**  
**Syed Kamall**

**Motion for a resolution**  
**Recital C**

*Motion for a resolution*

*Amendment*

C. whereas the International Accounting Standard Board (IASB) functions under the umbrella of the IFRS Foundation – a private not-for-profit corporation – and is the standard setter whose processes *should* be transparent, independent, *democratic* and subject to public accountability;

C. whereas the International Accounting Standard Board (IASB) functions under the umbrella of the IFRS Foundation – a private not-for-profit corporation – and is the standard setter whose processes *must* be transparent, independent and subject to *direct* public accountability

Or. en

## **Amendment 18**

**Sven Giegold**

on behalf of the Verts/ALE Group

### **Motion for a resolution**

#### **Recital C**

##### *Motion for a resolution*

C. whereas the International Accounting Standard Board (IASB) functions under the umbrella of the IFRS Foundation – a private not-for-profit corporation – and is the standard setter whose processes should be transparent, independent, democratic and subject to public accountability;

##### *Amendment*

C. whereas the International Accounting Standard Board (IASB) functions under the umbrella of the IFRS Foundation – a private not-for-profit corporation ***registered in London/UK and Delaware/US*** – and is the standard setter whose processes should be transparent, independent, democratic and subject to public accountability; ***whereas the European Union contributes around 14% to the budget of the IFRS Foundation and therefore is the largest financial contributor;***

Or. en

## **Amendment 19**

**Sven Giegold**

on behalf of the Verts/ALE Group

### **Motion for a resolution**

#### **Recital D**

##### *Motion for a resolution*

D. whereas the ***free*** global movement of capital requires a global system of accounting standards; whereas the IFRS are applied in 116 jurisdictions, but not in the US for domestic issuers;

##### *Amendment*

D. whereas the global movement of capital requires a global system of accounting standards; whereas the IFRS are applied in 116 jurisdictions, but not in the US for domestic issuers;

Or. en

**Amendment 20**  
**Pervenche Berès**

**Motion for a resolution**  
**Recital D**

*Motion for a resolution*

D. whereas the free global movement of capital requires a global system of accounting standards; whereas the IFRS are applied in 116 jurisdictions, but not in the US for domestic issuers;

*Amendment*

D. whereas the free global movement of capital requires a global system of accounting standards; whereas the IFRS are applied in 116 jurisdictions ***under different modalities (full adoption, partial, option or convergence)***, but not in the US for domestic issuers;

Or. en

**Amendment 21**  
**Barbara Kappel**

**Motion for a resolution**  
**Recital D a (new)**

*Motion for a resolution*

***Da. whereas the September 2002 Norwalk Agreement between the IASB and the US Financial Accounting Standards Board (FASB) proposed that there should be convergence between the two standard setters;***

Or. de

**Amendment 22**  
**Syed Kamall**

**Motion for a resolution**  
**Recital E**

*Motion for a resolution*

E. whereas in the EU ***endorsement process the compliance of the IFRS with the***

*Amendment*

E. whereas in the EU ***an IFRS cannot be endorsed for use if it is contrary to the***

*criteria of the IAS Regulation is assessed, particularly through the requirement* that financial statements must give a 'true and fair' view of a company's assets and liabilities, financial position and profit or loss; whereas the IFRS should be conducive to the public good in Europe and should meet basic criteria related to the quality of information required for financial statements;

*true and fair view principle, which requires* that financial statements must give a 'true and fair view' of a company's assets and liabilities, financial position and profit or loss; whereas the IFRS should be conducive to the public good in Europe and should meet basic criteria related to the quality of information required for financial statements;

Or. en

### **Amendment 23**

**Sven Giegold**

on behalf of the Verts/ALE Group

#### **Motion for a resolution**

##### **Recital E**

###### *Motion for a resolution*

E. whereas in the EU endorsement process the compliance of the IFRS with the criteria of the IAS Regulation is assessed, particularly through the requirement that financial statements must give a 'true and fair' view of a company's assets and liabilities, financial position and profit or loss; whereas the IFRS should be conducive to the public good in Europe and should meet basic criteria related to the quality of information required for financial statements;

###### *Amendment*

E. whereas in the EU endorsement process the compliance of the IFRS with the criteria of the IAS Regulation is assessed, particularly through the requirement that financial statements must give a 'true and fair' view of a company's assets and liabilities, financial position and profit or loss; whereas the IFRS should be conducive to the public good in Europe and should meet basic criteria related to the quality of information required for financial statements; ***whereas the IFRS have to be compliant with the Accounting Directive and the Capital Maintenance Directive to avoid that dividends and bonuses are paid out of unrealized profits which ultimately means out of capital;***

Or. en

### **Amendment 24**

**Fabio De Masi**

## Motion for a resolution

### Recital F

#### *Motion for a resolution*

F. whereas the Commission, the Council and the European Parliament are involved in the endorsement process based on advice from the European Financial Reporting Advisory Group (EFRAG), a private technical adviser of the Commission, and on the work of the Accounting Regulatory Committee (ARC) composed of representatives from the Member States;

#### *Amendment*

F. whereas the Commission, the Council and the European Parliament are involved in the endorsement process based on advice from the European Financial Reporting Advisory Group (EFRAG), a private technical adviser of the Commission, and on the work of the Accounting Regulatory Committee (ARC) composed of representatives from the Member States; ***whereas EFRAG should be transformed into a public agency by 2020;***

Or. en

## Amendment 25

Syed Kamall

## Motion for a resolution

### Recital G

#### *Motion for a resolution*

G. whereas, within the EU, different stakeholders – particularly long-term investors — have raised the issue of the consistency of the IFRS with the principles of prudence and stewardship; whereas emphasis has also been put on strengthening Europe's voice in order to ensure ***coherence in*** the standard-setting process;

#### *Amendment*

G. whereas, within the EU, different stakeholders – particularly long-term investors — have raised the issue of the consistency of the IFRS with the ***legal requirements of the Accounting Directive, in particular the*** principles of prudence and stewardship; whereas emphasis has also been put on strengthening Europe's voice in order to ensure ***such principles are fully acknowledged and embedded throughout*** the standard-setting process;

Or. en

## Amendment 26

Sven Giegold

on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Recital G**

*Motion for a resolution*

G. whereas, within the EU, different stakeholders – particularly long-term investors — have raised the issue of the consistency of the IFRS with the principles of prudence and stewardship; whereas emphasis has also been put on strengthening Europe’s voice in order to ensure coherence in the standard-setting process;

*Amendment*

G. whereas, within the EU, different stakeholders – particularly long-term investors — have raised the issue of the consistency of the IFRS with the principles of prudence and stewardship; ***whereas the involvement of the European Parliament in the standard setting process is not sufficient and is not commensurate with the EU budget financial contribution to the IFRS Foundation***; whereas emphasis has also been put on strengthening Europe's voice in order to ensure coherence in the standard-setting process;

Or. en

**Amendment 27**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Recital H**

*Motion for a resolution*

H. whereas the recent financial crises ***brought the role played by IFRS in financial stability and growth onto the G20 and EU agendas***, in particular the rules regarding the recognition of losses incurred in the banking system;

*Amendment*

H. whereas the recent financial crises ***was – as acknowledged by the G20 and the De Larosière report and the EU – inter alia caused or aggravated by inappropriate accounting rules; whereas the mark-to-market principle and*** in particular the rules regarding the recognition of losses incurred in the banking system ***had pro-cyclical effects on the economy and together with off-balance sheet accounting, excessive bonus and dividend policies contributed to financial instability***;  
***whereas the G20 called – with respect to accounting – to:***  
***-reduce the complexity of accounting***

*standards for financial instruments, strengthen accounting recognition of loan-loss provisions by incorporating a broader range of credit information,*

*-improve accounting standards for provisioning, as well as for off-balance sheet exposures and valuating uncertainty,*

*-achieve clarity and consistency in the application of valuation standards internationally, working with supervisors, make significant progress towards a single set of high quality global accounting standards,*

*-improve the involvement of stakeholders, including prudential regulators and emerging markets, through the IASB's constitutional review within the framework of the independent accounting standard setting process;*

Or. en

**Amendment 28**

**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**

**Recital H a (new)**

*Motion for a resolution*

*Amendment*

*Ha. whereas the De Larosière report highlighted key shortcomings with respects to accounting standards ahead of the crisis including inter alia:*

*- the procyclicality created by the market-to-market principle and of profit and loss recognition,*

*- the overall trend to underestimate risk accumulation on the basis of contained volatility during cyclical upturns,*

*- the lack of a common and transparent methodology for the valuation of illiquid*



*and impaired assets;*

Or. en

**Amendment 29**  
**Pervenche Berès**

**Motion for a resolution**  
**Recital I**

*Motion for a resolution*

I. whereas the IASB delivered the IFRS 9 financial instruments as a key response to the crisis; whereas EFRAG's advice on IFRS 9 was positive;

*Amendment*

I. whereas the IASB delivered the IFRS 9 financial instruments as a key response to ***some aspects of the crisis and its impact on the banking sector***; whereas EFRAG's advice on IFRS 9 was positive;

Or. en

**Amendment 30**  
**Pervenche Berès**

**Motion for a resolution**  
**Recital I**

*Motion for a resolution*

I. whereas the IASB delivered the IFRS 9 financial instruments as a key response to the crisis; whereas EFRAG's advice on IFRS 9 was positive;

*Amendment*

I. whereas the IASB delivered the IFRS 9 financial instruments as a key response to the crisis; whereas EFRAG's advice on IFRS 9 was positive ***with a number of observations (concerning the use of 'fair value' in case of market difficulties, the lack of conceptual basis regarding the 12-month loss provisioning approach, the unsatisfying provisions pertaining to long term investment) and a reserve made on the applicability of the norm to the insurance sector, which is acknowledged by the IASB itself***;

Or. en

**Amendment 31**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Recital I**

*Motion for a resolution*

I. whereas the IASB delivered the IFRS 9 financial instruments as a key response to the crisis; whereas EFRAG's advice on IFRS 9 was positive;

*Amendment*

I. whereas the IASB delivered the IFRS 9 financial instruments as a key response to the crisis; whereas EFRAG's advice on IFRS 9 was positive; ***whereas ECB's and EBA's comment letters on IFRS 9 were positive but also mentioned specific shortcomings;***

Or. en

**Amendment 32**  
**Cora van Nieuwenhuizen**

**Motion for a resolution**  
**Recital I**

*Motion for a resolution*

I. whereas the IASB delivered the IFRS 9 financial instruments as a key response to the crisis; whereas EFRAG's advice on IFRS 9 was positive;

*Amendment*

I. whereas the IASB delivered the IFRS 9 financial instruments as a key response to the crisis; whereas EFRAG's advice on IFRS 9 was positive; ***points at the fact though, that there still are concerns that the proposed accounting treatment of equity may negatively affect long-term investments;***

Or. en

**Amendment 33**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Recital I a (new)**

*Motion for a resolution*

*Amendment*

***Ia. whereas the off-balance sheet accounting issue was addressed in the following amendments to IFRS 7 Financial Instruments: disclosure and the issuance of three new standards, IFRS 10 Consolidated financial statements, IFRS 11 Joint arrangements and IFRS 12 Disclosure of interests in other entities;***

Or. en

**Amendment 34**  
**Pervenche Berès**

**Motion for a resolution**  
**Recital K**

*Motion for a resolution*

*Amendment*

K. whereas the governance structure of the IFRS Foundation is under review, in accordance with its constitution; whereas this is therefore the right time to review the organisational set-up and the changes required for the governing and monitoring bodies of the IFRS Foundation and the IASB;

K. whereas the governance structure of the IFRS Foundation is under review, in accordance with its constitution; whereas this is therefore the right time to review the organisational set-up and the changes required for the governing and monitoring bodies of the IFRS Foundation and the IASB, ***with a view to integrate them into public international institutions;***

Or. en

**Amendment 35**  
**Fabio De Masi**

**Motion for a resolution**  
**Recital K**

*Motion for a resolution*

*Amendment*

K. whereas the governance structure of the IFRS Foundation is under review, in accordance with its constitution; whereas

K. whereas the governance structure of the IFRS Foundation is under review, in accordance with its constitution; whereas

this is therefore the right time to review the organisational set-up and the changes required for the governing and monitoring bodies of the IFRS Foundation and the IASB;

this is therefore the right time to review the organisational set-up and the changes required for the governing and monitoring bodies of the IFRS Foundation and the IASB; *whereas a broader representation of interests on IASB is needed, by including e.g. members from SMEs, unions, academia, civil society actors;*

Or. en

**Amendment 36**  
**Theodor Dumitru Stolojan**

**Motion for a resolution**  
**Recital L**

*Motion for a resolution*

L. whereas the ISA are developed by the International Federation of Accountants (IFAC); whereas the Public Interest Oversight Board (PIOB) is an international independent organisation that oversees the process leading to the adoption of the ISA and the IFAC's other public interest activities;

*Amendment*

L. whereas the ISA are developed by the International ***Auditing and Assurance Standards Board (IAASB)***, ***an independent body hosted by the International*** Federation of Accountants (IFAC); whereas the Public Interest Oversight Board (PIOB) is an international independent organisation that oversees the process leading to the adoption of the ISA and the IFAC's other public interest activities;

Or. en

**Amendment 37**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 1**

*Motion for a resolution*

1. ***Welcomes*** the Commission's IAS evaluation report on the application of the IFRS in the EU and its assessment that the objectives of the IAS Regulation have been

*Amendment*

1. ***Takes note of*** the Commission's IAS evaluation report on the application of the IFRS in the EU and its assessment that the objectives of the IAS Regulation have been

met; calls on the standard setter to ensure that the IFRS are coherent within the existing body of accounting standards; calls for a more coordinated approach in developing new standards, including coordinated timelines for application;

met; calls on the standard setter to ensure that the IFRS are coherent within the existing body of accounting standards **and promote convergence at the international level**; calls for a more coordinated approach in developing new standards, including coordinated timelines for application;

Or. en

## **Amendment 38**

**Sven Giegold**

on behalf of the Verts/ALE Group

### **Motion for a resolution**

#### **Paragraph 1**

##### *Motion for a resolution*

1. Welcomes the Commission's IAS evaluation report on the application of the IFRS in the EU and its assessment that the objectives of the IAS Regulation have been met; calls on the standard setter to ensure that the IFRS are coherent within the existing body of accounting standards; calls for a more coordinated approach in developing new standards, including coordinated timelines for application;

##### *Amendment*

1. Welcomes the Commission's IAS evaluation report on the application of the IFRS in the EU and its assessment that the objectives of the IAS Regulation have been met; **deplores that the Commission has not yet proposed the required legal changes to solve the shortcomings identified in its evaluation**; calls on the standard setter to ensure that the IFRS are coherent within the existing body of accounting standards; calls for a more coordinated approach in developing new standards, including coordinated timelines for application, **in particular with regard to the implementation of IFRS 9 (Financial Instruments) and the new IFRS 4 (Insurance Contracts)**; **urges the Commission to put forward diligently legal proposals with that respect; calls on the Commission to examine in detail whether the recommendations of the Larosière Report were fully implemented, in particular recommendation number 4 calling for a reflection on whether the mark-to-market principle is needed**;  
*(Amendment inspired by GDV)*

**Amendment 39**  
**Syed Kamall**

**Motion for a resolution**  
**Paragraph 1 a (new)**

*Motion for a resolution*

*Amendment*

***1a. Notes in particular the upcoming implementation of IFRS 4 (Phase II) and encourages the Commission to ensure that any delay does not result in misalignment or disruption of competition within the insurance industry.***

Or. en

**Amendment 40**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 2**

*Motion for a resolution*

*Amendment*

2. Calls on the Commission to ***put forward proposals on how*** the Maystadt recommendation regarding expanding the 'public good' criterion – i.e. that accounting standards should neither jeopardise financial stability in the EU nor hinder the EU's economic development – will be ***taken into account*** during the endorsement process; urges the Commission, together with EFRAG, to issue clear guidelines on the meaning of the 'public good' and the 'true and fair view' in order to arrive at a common understanding of these endorsement criteria;

2. Calls on the Commission to ***comply urgently to*** the Maystadt recommendation regarding expanding the 'public good' criterion – i.e. that accounting standards should neither jeopardise financial stability in the EU nor hinder the EU's economic development – ***and to ensure that this criterion*** will be ***fully respected*** during the endorsement process; urges the Commission, together with EFRAG, to issue clear guidelines on the meaning of the 'public good' and the 'true and fair view' in order to arrive at a common understanding of these endorsement criteria;

Or. en

## **Amendment 41**

**Sven Giegold**

on behalf of the Verts/ALE Group

### **Motion for a resolution**

#### **Paragraph 2**

##### *Motion for a resolution*

2. Calls on the Commission to put forward proposals on how the Maystadt recommendation regarding expanding the 'public good' criterion – i.e. that accounting standards should neither jeopardise financial stability in the EU nor hinder the EU's economic development – will be taken into account during the endorsement process; urges the Commission, together with EFRAG, to issue clear guidelines *on* the meaning of the 'public good' and the 'true and fair view' in order to arrive at a common understanding of these endorsement criteria;

##### *Amendment*

2. Calls on the Commission to put forward proposals on how the Maystadt recommendation regarding expanding the 'public good' criterion – i.e. that accounting standards should neither jeopardise financial stability in the EU nor hinder the EU's economic development – will be taken into account during the endorsement process; urges the Commission, together with EFRAG, to issue clear guidelines *and appropriate legally binding standards specifying* the meaning of the 'public good' and the 'true and fair view' in order to arrive at a common understanding of these endorsement criteria; *calls on the Commission to put forward a proposal to implement - as envisaged in the Maystadt report - Maystadt's definition of the 'public good' criterion into the IAS Regulation; calls on the Commission, together with EFRAG, to examine systematically whether the 'public good' criterion as defined by Maystadt requires changes to existing accounting standards and make modifications where needed;*

Or. en

## **Amendment 42**

**Syed Kamall**

### **Motion for a resolution**

#### **Paragraph 2**

*Motion for a resolution*

2. Calls on the Commission to put forward proposals on how the Maystadt recommendation regarding expanding the 'public good' criterion – i.e. that accounting standards should neither jeopardise financial stability in the EU nor hinder the EU's economic development – will be taken into account during the endorsement process; urges the Commission, together with EFRAG, to issue clear guidelines on the meaning of the 'public good' and the 'true and fair view' in order to arrive at a common understanding of these endorsement criteria;

*Amendment*

2. Calls on the Commission to put forward proposals on how the Maystadt recommendation regarding expanding the 'public good' criterion – i.e. that accounting standards should neither jeopardise financial stability in the EU nor hinder the EU's economic development – will be taken into account during the endorsement process; urges the Commission, together with EFRAG, to issue clear guidelines on the meaning of the 'public good' and the ***principle of 'true and fair view' on the basis of ECJ jurisprudence and the Accounting Directive*** in order to arrive at a common understanding of these endorsement criteria;

Or. en

**Amendment 43**  
**Syed Kamall**

**Motion for a resolution**  
**Paragraph 2 a (new)**

*Motion for a resolution*

***2a. Notes that the true and fair view test of Article 4(3) of Directive 2013/34/EU applies to the specified numbers in the accounts as the standard for the purpose of accounts prepared according to European law described in Recitals 3 and 29 of the same directive; highlights that this purpose is related to the capital adequacy function of accounts, i.e. that investors, both creditors and shareholders, use the numbers in the annual accounts as the basis to determine whether a company is "net asset" solvent and to determine dividend payments;***

Or. en



**Amendment 44**  
**Syed Kamall**

**Motion for a resolution**  
**Paragraph 2 b (new)**

*Motion for a resolution*

*Amendment*

***2b. Emphasises that a core component of achieving the true and fair view of the specified numbers in the accounts is prudent valuation, which means no understating of losses or overstating of profits, as described in Article 6.1(c)i and ii of the Accounting Directive; points out that this interpretation of the Accounting Directive has been confirmed by numerous ECJ rulings;***

Or. en

**Amendment 45**  
**Syed Kamall**

**Motion for a resolution**  
**Paragraph 2 c (new)**

*Motion for a resolution*

*Amendment*

***2c. Notes that Recital 9 of the IAS Regulation allows a degree of flexibility when making a decision to endorse an IFRS by not requiring "a strict conformity with each and every provision of those Directives"; suggests however that this does not extend to allowing IFRS to deviate so far from the general purpose of the 2013 Accounting Directive, which replaced the 4th and 7th Accounting Directives referenced in Article 3.2(i) of the IAS Regulation, that the result of doing so would result in financial statements that overstate profits or understate losses; considers, in this regard, that the endorsement of IAS 39***

*was possibly contrary to this general purpose of the 4th and 7th Accounting Directives, superseded by the 2013 Accounting Directive, due to its incurred loss model, in particular Article 31. 1 (bb) of the Fourth Council Directive 78/660/EEC, which stated "all foreseeable liabilities and potential losses arising in the course of the financial year concerned or of a previous one [should be measured and recognised], even if such liabilities or losses become apparent only between the date of the balance sheet and the date on which it is drawn up";*

Or. en

**Amendment 46**  
**Syed Kamall**

**Motion for a resolution**  
**Paragraph 3**

*Motion for a resolution*

3. Welcomes the intention of the IASB to reintroduce the principle of 'prudence' and re-inforce 'stewardship' in the new Conceptual Framework; calls on the Commission and EFRAG to cooperate with the IASB and national and third-country standard setters to obtain wider support for these principles;

*Amendment*

3. Welcomes the intention of the IASB to reintroduce the principle of 'prudence' and re-inforce 'stewardship' in the new Conceptual Framework; ***notes that the IASB's understanding of the principle of prudence and stewardship is not the same as what ECJ jurisprudence and the Accounting Directive states***; calls on the Commission and EFRAG to ***agree on the meanings of the principles of prudence and stewardship as defined in ECJ jurisprudence and the Accounting Directive and then*** cooperate with the IASB and national and third-country standard setters to obtain wider support for these principles;

Or. en

## **Amendment 47**

**Sven Giegold**

on behalf of the Verts/ALE Group

### **Motion for a resolution**

#### **Paragraph 3**

##### *Motion for a resolution*

3. Welcomes the intention of the IASB to reintroduce the principle of 'prudence' and re-inforce 'stewardship' in the new Conceptual Framework; calls on the Commission and EFRAG to cooperate with the IASB and national and third-country standard setters to obtain wider support for these principles;

##### *Amendment*

3. Welcomes the intention of the IASB to reintroduce the principle of 'prudence' and re-inforce 'stewardship' in the new Conceptual Framework; ***deplores that IASB's interpretation of 'prudence' only means 'prudent treatment of discretion'; believes that the principle of 'prudence' should be accompanied by the principle of reliability;*** calls on the Commission and EFRAG to cooperate with the IASB and national and third-country standard setters to obtain wider support for these principles; ***calls on the IASB to examine systematically whether a revised Conceptual Framework requires changes to existing accounting standards and make modifications where needed;***

*(Amendment inspired by DRGV and GV Bayern)*

Or. en

## **Amendment 48**

**Sven Giegold**

on behalf of the Verts/ALE Group

### **Motion for a resolution**

#### **Paragraph 3 a (new)**

##### *Motion for a resolution*

##### *Amendment*

***3a. Takes note of the reform regarding the recognition of losses in the IFRS framework which should allow for a more prudent build-up of loss provisions on the basis of the forward looking concept of loss expectation instead of incurred losses; is of the opinion that the EU***

*endorsement process needs to carefully and prudently frame the way the expected loss concept is to be specified so as to avoid model overreliance and make possible clear supervisory guidance on asset impairment;*

Or. en

**Amendment 49**  
**Barbara Kappel**

**Motion for a resolution**  
**Paragraph 3 a (new)**

*Motion for a resolution*

*Amendment*

*3a. Points out that the International Organisation of Securities Commissions (IOSCO) represents more than 192 securities regulators, encompassing 95% of the global securities market, some of which already use the IFRS accounting methods identified by the IASB;*

*points out that IOSCO has put it on record that, with regard to the international capital market, the IFRS are regarded as the most suitable financial reporting standards;*

Or. de

**Amendment 50**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 3 b (new)**

*Motion for a resolution*

*Amendment*

*3b. Is of the opinion that the off-balance sheet accounting issue has not yet been properly and effectively addressed as the decision on whether an asset has to be*

*reported on balance sheets or not is still subject to a mechanistic rule which can be circumvented; calls on the IASB to correct these shortcomings;*

Or. en

**Amendment 51**  
**Barbara Kappel**

**Motion for a resolution**  
**Paragraph 3 b (new)**

*Motion for a resolution*

*Amendment*

*3b. Welcomes the IFRS and IOSCO protocols on enhanced cooperation in view of the key issues, identified by the G20, concerning regulation of securities markets; regards that cooperation as necessary in order to meet the need for high-quality global accounting standards and to encourage application of consistent standards across varying national settings;*

Or. de

**Amendment 52**  
**Barbara Kappel**

**Motion for a resolution**  
**Paragraph 3 c (new)**

*Motion for a resolution*

*Amendment*

*3c. Is convinced that the exchange of information between the IASB and ISOCO on growing IFRS usage should be viewed not only as a stocktaking exercise, but, rather, also as an opportunity to identify instances of best practice; welcomes in this regard the annual 'enforcer discussion session' introduced by IOSCO in order to inform the IASB*

*about key implementation and enforcement issues;*

Or. de

**Amendment 53**

**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**

**Paragraph 4**

*Motion for a resolution*

4. Notes that the effects of an accounting standard must be fully understood; insists that it should be a priority for the IASB and EFRAG to strengthen their impact analyses and to assess the specific needs of investors and companies; calls on *the Commission to evaluate the situation and provide the resources needed in order to strengthen the capacity of EFRAG to conduct proper impact assessments;*

*Amendment*

4. Notes that the effects of an accounting standard must be fully understood; insists that it should be a priority for the IASB and EFRAG to strengthen their impact analyses and to assess the specific needs of investors and companies *as well as the general public;* calls on *EFRAG to strengthen its capacity to assess the impact of new accounting standards on financial stability with an explicit focus on European needs that should be introduced into the IASB's standardisation earlier on in the process; takes note that the European Supervisory Agencies (ESAs) ESMA, EBA and EIOPA having the expertise and capacity to assist in this task rejected full membership of the EFRAG board because of EFRAG being a private body not representing the public interest;* calls on *the Commission to explore in the framework of the revision of the IAS regulation ways to be provided with a systematic formal feedback from the ESAs;*

Or. en

**Amendment 54**

**Syed Kamall**

**Motion for a resolution**  
**Paragraph 4**

*Motion for a resolution*

4. Notes that the effects of an accounting standard must be fully understood; insists that it should be a priority for the IASB and EFRAG to strengthen their impact analyses and to assess the specific needs of investors and companies; calls on the Commission to *evaluate the situation and provide the resources needed in order to strengthen the capacity of EFRAG to conduct proper impact assessments*;

*Amendment*

4. Notes that the effects of an accounting standard must be fully understood; insists that it should be a priority for the IASB and EFRAG to strengthen their impact analyses and to assess the specific needs of investors and companies; calls on the Commission to *remind EFRAG of their obligation to conduct proper impact assessments; notes in particular the absence of an impact assessment for IFRS9*;

Or. en

**Amendment 55**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 4**

*Motion for a resolution*

4. Notes that the effects of an accounting standard must be fully understood; insists that it should be a priority for the IASB and EFRAG to strengthen their impact analyses and to assess the *specific* needs of investors and companies; calls on the Commission to evaluate the situation and provide the resources needed in order to strengthen the capacity of EFRAG to conduct proper impact assessments;

*Amendment*

4. Notes that the effects of an accounting standard must be fully understood; insists that it should be a priority for the IASB and EFRAG to strengthen their impact analyses, *notably in the field of macroeconomics* and to assess the *different* needs of *the wide variety of stakeholders, including long term* investors and companies; calls on the Commission to evaluate the situation and provide the resources needed in order to strengthen the capacity of EFRAG to conduct proper impact assessments;

Or. en

**Amendment 56**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 4 a (new)**

*Motion for a resolution*

*Amendment*

***4a. Calls on the Commission to make sure that IFRS 9 serves EU long-term investment strategy aimed at enhancing digital and ecological transition, especially by restricting provisions which could introduce excessive short term volatility in financial statements;***

Or. en

**Amendment 57**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 4 b (new)**

*Motion for a resolution*

*Amendment*

***4b. Considers that the ECB and ESAs, as observers of the EFRAG Board following the reformed governance arrangements, would contribute positively to better take into account effects on financial stability;***

Or. en

**Amendment 58**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 5**

*Motion for a resolution*

*Amendment*

5. Is concerned about the complexity of the IFRS; calls for this complexity to be reduced whenever appropriate and possible when developing new accounting standards;

***5. Is convinced that only simple rules can be effectively applied by users and controlled by supervisors; recalls that in its Statement of 2 April 2009 the G20 called for reducing the complexity of***



*accounting standards for financial instruments and for achieving clarity and consistency in the application of valuation standards internationally, working with supervisors*; is concerned about the *persisting* complexity of the IFRS; calls for this complexity to be reduced whenever appropriate and possible when developing new accounting standards;

Or. en

## **Amendment 59**

**Neena Gill**

### **Motion for a resolution**

#### **Paragraph 5**

##### *Motion for a resolution*

5. Is concerned about the complexity of the IFRS; calls for this complexity to be reduced whenever appropriate and possible when developing new accounting standards;

##### *Amendment*

5. Is concerned about the complexity of the IFRS; calls for this complexity to be reduced whenever appropriate and possible when developing new accounting standards;

*calls that accounting standards are harmonised so that company financial data is comparable across Member States to increase investor confidence;*

Or. en

## **Amendment 60**

**Fabio De Masi**

### **Motion for a resolution**

#### **Paragraph 5 a (new)**

##### *Motion for a resolution*

##### *Amendment*

*5a. Is concerned that despite its remaining complexity, the rules for loss recognition in IFRS 9 still include pro-cyclical elements which potentially aggravate*

*systemic risk during a financial crisis;*

Or. en

**Amendment 61**  
**Barbara Kappel**

**Motion for a resolution**  
**Paragraph 5 a (new)**

*Motion for a resolution*

*Amendment*

*5a. Is concerned that the current review is not taking account of possible IASB expansion into public-sector financial reporting standards; is concerned that the IASB's lack of expertise and resources with regard to the not-for-profit sector is an obstacle to expanding standards;*

Or. de

**Amendment 62**  
**Fabio De Masi**

**Motion for a resolution**  
**Paragraph 5 b (new)**

*Motion for a resolution*

*Amendment*

*5b. Calls for mandatory country-by-country reporting under IFRS; reiterates Parliament's view that public country-by-country reporting can play a decisive role in combatting tax avoidance and fraud;*

Or. en

**Amendment 63**  
**Cora van Nieuwenhuizen**

**Motion for a resolution**  
**Paragraph 6**

*Motion for a resolution*

6. Asks the Commission and EFRAG to involve the European Parliament and Council at an early stage when developing financial reporting standards in general and in the endorsement process in particular;

*Amendment*

6. Asks the **IASB, the** Commission and EFRAG to involve the European Parliament and Council at an early stage when developing financial reporting standards in general and in the endorsement process in particular;

Or. en

**Amendment 64**

**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**

**Paragraph 6**

*Motion for a resolution*

6. Asks the Commission and EFRAG to involve the European Parliament and Council at an early stage when developing financial reporting standards in general and in the endorsement process in particular;

*Amendment*

6. Asks the Commission and EFRAG to involve the European Parliament and Council at an early stage when developing financial reporting standards in general and in the endorsement process in particular; ***takes the view that such scrutiny process should be formalized and structured by analogy to the scrutiny process regarding 'level 2' measures in the field of financial services; recommends to the European authorities to invite civil society stakeholders to support their activities including at the EFRAG level; calls on the Commission to create a space for stakeholders to discuss fundamental principles of accounting in Europe; calls on the Commission to grant the European Parliament the possibility to receive a short list of EFRAG Chair candidates so as to organise informal hearings ahead of a vote on the retained candidate;***

Or. en

**Amendment 65**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 7**

*Motion for a resolution*

7. Believes that a healthy dialogue should continue between the IASB and *the US* accounting standards *setter*, despite the slow progress of the convergence process;

*Amendment*

*7. Is convinced that a globalized economy needs internationally accepted accounting standards; recalls, however, that convergence is not an objective in itself but only desirable if it results in better accounting standards reflecting an orientation on the public good, prudence and reliability; believes, therefore, that a healthy dialogue should continue between the IASB and national accounting standards setters, despite the slow progress of the convergence process;*

*(Amendment inspired by DRGV and GV Bayern)*

Or. en

**Amendment 66**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 7**

*Motion for a resolution*

7. Believes that a *healthy* dialogue should continue between the IASB and the US accounting standards *setter*, *despite the slow progress of the convergence process*;

*Amendment*

7. Believes that a *robust* dialogue should continue between the IASB and the US accounting standards *setter*, *while the convergence process has de facto been interrupted by the US*;

Or. en

**Amendment 67**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 8**

*Motion for a resolution*

8. **Welcomes** the intention of the Commission to explore with the IASB the possibility of developing common high quality and simplified accounting standards for SMEs which could be used at EU level by SMEs listed on Multilateral Trading Facilities (MTFs), and more specifically SME growth markets;

*Amendment*

8. **Notes that the majority of enterprises consists of SMEs; takes note of** the intention of the Commission to explore with the IASB the possibility of developing common high quality and simplified accounting standards for SMEs which could be used at EU level by SMEs listed on Multilateral Trading Facilities (MTFs), and more specifically SME growth markets; **believes that as a condition to continue work in this field, IFRS have to be less complex, must not promote pro-cyclicality and the IFRS Foundation has to follow the principles of any democratic organisation; is of the opinion that the majority of the IASB members should have an SME background to ensure that the accounting standards are set in the interest of SMEs; is convinced that , trade unions, consumer protection associations and finance ministries should be represented in the IASB; calls on the Commission to undertake a proper impact assessment on the effects of IFRS for SMEs before taking any further steps; stresses that if companies do not prepare consolidated accounts or are not publicly traded, they should retain the right to draw up their financial statements in accordance with national accounting rules;**

*(Amendment inspired by Deutsche Kreditwirtschaft)*

Or. en

**Amendment 68**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 8**

*Motion for a resolution*

8. **Welcomes** the intention of the Commission to explore with the IASB the possibility of developing common high quality and simplified accounting standards for SMEs which could be used at EU level by SMEs listed on Multilateral Trading Facilities (MTFs), and more specifically SME growth markets;

*Amendment*

8. **Notes** the intention of the Commission to explore with the IASB the possibility of developing common high quality and simplified accounting standards for SMEs which could be used at EU level by SMEs listed on Multilateral Trading Facilities (MTFs), and more specifically SME growth markets; **requests that such an evolution should be carefully followed and the European Parliament fully informed, taking into account the 'better regulation' process;**

Or. en

**Amendment 69**  
**Fabio De Masi**

**Motion for a resolution**  
**Paragraph 8**

*Motion for a resolution*

8. **Welcomes** the intention of the Commission to explore with the IASB the possibility of developing common high quality and simplified accounting standards for SMEs which could be used at EU level by SMEs listed on Multilateral Trading Facilities (MTFs), and more specifically SME growth markets;

*Amendment*

8. **Takes note of** the intention of the Commission to explore with the IASB the possibility of developing common high quality and simplified accounting standards for SMEs which could be used at EU level by SMEs listed on Multilateral Trading Facilities (MTFs), and more specifically SME growth markets; **insists that before such standards are developed, SME interests should be sufficiently represented on the IASB;**

Or. en

**Amendment 70**  
**Cora van Nieuwenhuizen**

**Motion for a resolution**  
**Paragraph 8**

*Motion for a resolution*

8. Welcomes the intention of the Commission to explore with the IASB the possibility of developing common high quality and simplified accounting standards for SMEs which could be used at EU level by SMEs listed on Multilateral Trading Facilities (MTFs), and more specifically SME growth markets;

*Amendment*

8. Welcomes the intention of the Commission to explore with the IASB the possibility of developing common high quality and simplified accounting standards for SMEs which could be used at EU level by SMEs listed on Multilateral Trading Facilities (MTFs), and more specifically SME growth markets; ***takes into account the possibilities of the already existing financial reporting standards for SMEs in this respect;***

Or. en

**Amendment 71**  
**Cora van Nieuwenhuizen**

**Motion for a resolution**  
**Paragraph 8 a (new)**

*Motion for a resolution*

*Amendment*

***8a. Stresses that national standard setters are now closely integrated into EFRAG; therefore, identifies the advisory role of EFRAG when it comes to accounting issues related to small listed companies as well as SMEs more generally;***

Or. en

**Amendment 72**  
**Theodor Dumitru Stolojan**

**Motion for a resolution**  
**Paragraph 9**

*Motion for a resolution*

*Amendment*

9. Welcomes the fact that the Commission

9. Welcomes the fact that the Commission

is encouraging Member States to follow the ESMA *enforcement* guidelines on **IFRS**; calls on the Commission to assess whether ESMA's powers make it possible to ensure consistent and coherent enforcement across the EU;

is encouraging Member States to follow the ESMA guidelines on ***the enforcement of financial information***; calls on the Commission to assess whether ESMA's powers make it possible to ensure consistent and coherent enforcement across the EU;

Or. en

### **Amendment 73**

**Sven Giegold**

on behalf of the Verts/ALE Group

#### **Motion for a resolution**

##### **Paragraph 9**

###### *Motion for a resolution*

9. Welcomes the fact that the Commission is encouraging Member States to follow the ESMA enforcement guidelines on IFRS; calls on the Commission to assess whether ESMA's powers make it possible to ensure consistent and coherent enforcement across the EU;

###### *Amendment*

9. Welcomes the fact that the Commission is encouraging Member States to follow the ESMA enforcement guidelines on IFRS; ***deplores that Bulgaria, Germany, Ireland, Austria, Slovenia and Sweden do not comply and do not intend to comply with the ESMA enforcement guidelines on IFRS; calls on these Member States to work towards compliance***; calls on the Commission to assess whether ESMA's powers make it possible to ensure consistent and coherent enforcement across the EU ***and if not to explore other ways to ensure proper application and enforcement***;

Or. en

### **Amendment 74**

**Cora van Nieuwenhuizen**

#### **Motion for a resolution**

##### **Paragraph 11**



*Motion for a resolution*

11. Welcomes the Commission's intention to examine the case for **strengthening** the EU rules relating to dividend distribution;

*Amendment*

11. Welcomes the Commission's intention to examine the case for **coordinating** the EU rules relating to dividend distribution;

Or. en

**Amendment 75**  
**Syed Kamall**

**Motion for a resolution**  
**Paragraph 11**

*Motion for a resolution*

11. Welcomes the Commission's intention to examine the case for strengthening the EU rules relating to dividend distribution;

*Amendment*

11. Welcomes the Commission's intention to examine the case for strengthening the EU rules relating to dividend distribution, ***in light of the fact that Article 15.1(a) Capital Maintenance Directive refers directly to a company's annual accounts as the basis for decisions relating to dividend distribution;***

Or. en

**Amendment 76**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 11**

*Motion for a resolution*

11. Welcomes the Commission's intention to examine the case for strengthening the EU rules relating to dividend distribution;

*Amendment*

11. Welcomes the Commission's intention to examine the case for strengthening the EU rules relating to dividend distribution; ***notes that the Commission's evaluation of the IAS regulation has shown some evidence that differences in enforcement of IFRS persist between Member States; underlines that capital maintenance and***

*dividend distribution rules have been cited as a source of legal challenge which can arise in certain jurisdictions where Member States permit or require the use of IFRS for individual annual financial statements on which distributable profits are based; points out that each Member State considers how to address such issues in their national legislation within the framework of the EU capital maintenance requirements; fears that this situation might result in dividends paid out of capital; calls in that respect on the Commission to ensure compliance with the EU capital maintenance directive and the EU accounting directive;*

Or. en

**Amendment 77**  
**Pervenche Berès, Sven Giegold**

**Motion for a resolution**  
**Paragraph 11 a (new)**

*Motion for a resolution*

*Amendment*

*11a. Calls on EFRAG and the Commission to examine as soon as possible whether accounting standards allow tax fraud and tax avoidance and to make all necessary changes to correct and prevent potential abuse;*

Or. en

**Amendment 78**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 12**

*Motion for a resolution*

*Amendment*

12. *Supports* the Commission

12. *Notes that* the Commission

recommendations that the Monitoring Board of the IFRS Foundation should shift the focus of its attention from the issue of internal organisation to discussing matters of public interest that could be referred to the IFRS Foundation;

recommendations that the Monitoring Board of the IFRS Foundation should shift the focus of its attention from the issue of internal organisation to discussing matters of public interest that could be referred to the IFRS Foundation; *believes, however, that further progress should be achieved as regards the governance of the IFRS foundation and of the IASB, notably in terms of transparency, of prevention of conflicts of interests and of diversity of hired experts; believes, furthermore, that standard setters should be integrated into public international institutions;*

Or. en

### **Amendment 79**

**Sven Giegold**

on behalf of the Verts/ALE Group

### **Motion for a resolution**

#### **Paragraph 12**

#### *Motion for a resolution*

12. Supports the Commission recommendations that the Monitoring Board of the IFRS Foundation should shift the focus of its attention from the issue of internal organisation to discussing matters of public interest that could be referred to the IFRS Foundation;

#### *Amendment*

12. Supports the Commission recommendations that the Monitoring Board of the IFRS Foundation should shift the focus of its attention from the issue of internal organisation to discussing matters of public interest that could be referred to the IFRS Foundation; *points out that IASB's legitimacy is at stake if the monitoring board continues to disagree over its responsibility while depending on consensus decisions; supports, in particular, the Commission's proposal to consider the reporting needs of investors with different investment time horizons and to provide specific solutions, in particular to long-term investors, when developing their standards;*

Or. en

**Amendment 80**  
**Neena Gill**

**Motion for a resolution**  
**Paragraph 12**

*Motion for a resolution*

12. Supports the Commission recommendations that the Monitoring Board of the IFRS Foundation should shift the focus of its attention from the issue of internal organisation to discussing matters of public interest that could be referred to the IFRS Foundation;

*Amendment*

12. Supports the Commission recommendations that the Monitoring Board of the IFRS Foundation should shift the focus of its attention from the issue of internal organisation to discussing matters of public interest that could be referred to the IFRS Foundation; ***is concerned particularly about the potential conflict of interests arising from major financial contributions from the large audit companies to the annual budget of the IFRS Foundation;***

Or. en

**Amendment 81**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 12 a (new)**

*Motion for a resolution*

***12a. Welcomes the activities of the IFRS Foundation/IASB in carbon and climate reporting; is in particular of the opinion that key long-term structural issues such as the valuation of stranded carbon assets in undertakings' balance sheets should be explicitly added to the IFRS working programme with a view of developing related standards; calls on the IFRS bodies to put the challenge of carbon reporting and carbon risks on their agenda.***

Or. en

**Amendment 82**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 12 b (new)**

*Motion for a resolution*

*Amendment*

***12b. Calls on the Commission and EFRAG to examine the shift in pension asset allocation from equities to bonds as a result of the introduction of the mark-to-market accounting under IFRS;***

*(Amendment inspired by Pensions Europe)*

Or. en

**Amendment 83**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 13**

*Motion for a resolution*

*Amendment*

13. Supports the Commission in urging the IFRS Foundation to ensure that use of the IFRS and the existence of a permanent financial contribution are conditions for membership of the governing and monitoring bodies of the IFRS Foundation and of the IASB;

13. Supports the Commission in urging the IFRS Foundation to ensure that use of the IFRS and the existence of a permanent financial contribution are conditions for membership of the governing and monitoring bodies of the IFRS Foundation and of the IASB; ***calls on the Commission to explore ways to reform the IFRS Foundation and the IASB to end veto rights of members which do not fulfil the aforementioned criteria;***

Or. en

**Amendment 84**  
**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 13 a (new)**

*Motion for a resolution*

*Amendment*

***13a. Notes that the IASB is dominated by private actors and consists of 'Big 4' Audit companies, securities and exchange commission authorities, and a number of former executives of big banks; points out that medium-sized businesses are not represented at all; underlines that the IFRS Foundation continues to rely on voluntary contributions, often from the private sector which may give rise to a risk of conflicts of interests; notes that the remuneration of the IASB Board members does not correspond with the public interest orientation;***

Or. en

**Amendment 85**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 13 b (new)**

*Motion for a resolution*

*Amendment*

***13b. calls on the Commission to urge the IFRS Foundation to base its financing entirely on fees or public sources and to eliminate excessive remuneration to Board members (in 2014: £554,000 for the IASB Chair, £488,500 for the IASB Vice-Chair and an average of £455,700 for other full-time IASB members);***

Or. en

**Amendment 86**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 13 c (new)**

*Motion for a resolution*

*Amendment*

***13c. Is of the opinion that ultimately the IASB should be transformed into a public standard setting mechanism under the aegis of an international treaty;***

Or. en

**Amendment 87**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 13 d (new)**

*Motion for a resolution*

*Amendment*

***13d. Calls on the Commission to find a solution to ensure that the European representatives in the IASB are democratically elected;***

Or. en

**Amendment 88**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 13 e (new)**

*Motion for a resolution*

*Amendment*

***13e. Calls on the IFRS Trustees, the IFRS Monitoring Board and the IASB to promote an appropriate gender balance within the respective forums;***

**Amendment 89**

**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**

**Paragraph 13 f (new)**

*Motion for a resolution*

*Amendment*

***13f. Deplores that access to IASB's documents is restricted to the current year's unaccompanied English language Standards and official Interpretations and therefore calls on the IASB to grant access to the full guidance;***

Or. en

**Amendment 90**

**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**

**Paragraph 13 g (new)**

*Motion for a resolution*

*Amendment*

***13g. Recalls its request made in the Goulard report for the introduction of comprehensive standards and procedures for enhancing democratic legitimacy, transparency, accountability and integrity in all international bodies with EU involvement including inter alia the IFRS; considers that these comprehensive standards should, inter alia, concern:***

***- relations with the public (for example public access to documents, open dialogue with diverse stakeholders, the establishment of mandatory transparency registers and rules on transparency of lobby meeting) as well as the active involvement of trade unions, SMEs and***



*Civil Society Organisations (CSOs);*  
*- internal rules (for example human resources based on skills, sound financial management, prevention of conflict of interests);*  
*- the adoption of an inter-institutional agreement with the aim of formalising a 'financial dialogue', to be organised with the European Parliament for the purpose of establishing guidelines regarding the adoption and the coherence of European positions in these international institutions;*

Or. en

**Amendment 91**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 14**

*Motion for a resolution*

14. Emphasises that the EFRAG reform *will* improve the European contribution to the development of the new IFRS;

*Amendment*

14. Emphasises that the EFRAG reform *needs to* improve the European contribution to the development of the new IFRS *and could participate in the reform of governance of the IFRS Foundation;*

Or. en

**Amendment 92**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 14**

*Motion for a resolution*

14. Emphasises that the EFRAG reform will improve the European contribution to the development of the new IFRS;

*Amendment*

14. Emphasises that the EFRAG reform will improve the European contribution to the development of the new IFRS; *asks the*

*Commission to explore the possibility as envisaged by the Maystadt report to parallel the existing 'carve-out' system (the temporary or permanent suspension of parts of standards) with a 'carve-in' mechanism that mandated EFRAG, or another entity, to develop rules specific to the needs of European stakeholders and include them into European IFRS if European overarching objectives and principles such as public good orientation, prudence and reliability are not reflected in the international accounting setting process;*

Or. en

**Amendment 93**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 15**

*Motion for a resolution*

15. *Is concerned* that EFRAG has been operating for some time without a President given the key role he/she plays in reaching consensus;

*Amendment*

15. *Deplores* that EFRAG has been operating for some time without a President given the key role he/she plays in reaching consensus *and in expressing a clear, strong European voice on accounting matters at the international level; urges therefore the Commission to speed up the recruitment process, fully taking into account the role of the European Parliament and of its Committee on Economic and Monetary Affairs;*

Or. en

**Amendment 94**  
**Cora van Nieuwenhuizen**

**Motion for a resolution**  
**Paragraph 15**

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*Motion for a resolution*

15. Is concerned that EFRAG has been operating for some time without a President given the key role he/she plays in reaching consensus;

*Amendment*

15. Is concerned that EFRAG has been operating for some time without a President given the key role he/she plays in reaching consensus; ***stresses the importance of appointing a new President as soon as possible;***

Or. en

**Amendment 95**  
**Neena Gill**

**Motion for a resolution**  
**Paragraph 16**

*Motion for a resolution*

16. Welcomes the EFRAG reform which took effect on 31 October 2014; ***calls on the Commission to propose the extension of the Union Programme for EFRAG for the period 2017-2020;***

*Amendment*

16. Welcomes the EFRAG reform which took effect on 31 October 2014;

Or. en

**Amendment 96**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 16**

*Motion for a resolution*

16. Welcomes the EFRAG reform which took effect on 31 October 2014; calls on the Commission to ***propose the extension of the Union Programme*** for EFRAG for the period 2017-2020;

*Amendment*

16. Welcomes the EFRAG reform which took effect on 31 October 2014 ***and acknowledges that significant effort has been made in this regard;*** calls on the Commission to ***ensure proper financing*** for EFRAG for the period 2017-2020 ***based on an annual comprehensive assessment of its agreed reform;***

**Amendment 97**  
**Fabio De Masi**

**Motion for a resolution**  
**Paragraph 16**

*Motion for a resolution*

16. **Welcomes** the EFRAG reform which took effect on 31 October 2014; calls on the Commission to propose the extension of the Union Programme for EFRAG for the period 2017-2020;

*Amendment*

16. **Takes note of** the EFRAG reform which took effect on 31 October 2014; calls on the Commission to propose the extension of the Union Programme for EFRAG for the period 2017-2020 **and the transformation of EFRAG in a public agency afterwards**;

Or. en

**Amendment 98**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 16**

*Motion for a resolution*

16. Welcomes the EFRAG reform which took effect on 31 October 2014; calls on the Commission to propose the extension of the Union Programme for EFRAG for the period 2017-2020;

*Amendment*

16. Welcomes the EFRAG reform which took effect on 31 October 2014; **takes note of the improved transparency but calls on EFRAG to publish annually statistics on responses from the public; deplores that as far as the funding of EFRAG is concerned and, in particular, the possibility of establishing a system of compulsory levies paid by listed companies, the Commission has focused its efforts on implementing parts of the reform that are achievable in the short term; asks the Commission to take – as recommended in the Maystadt report – formal steps to encourage the Member States that do not already have a National**

***Funding Mechanism to establish one;***  
calls on the Commission to propose the extension of the Union Programme for EFRAG for the period 2017-2020 ***but to put part of the budget into the reserve until the Maystadt recommendations as well as the recommendations in this report are fully put in place;***

Or. en

**Amendment 99**  
**Sven Giegold**  
on behalf of the Verts/ALE Group

**Motion for a resolution**  
**Paragraph 16 a (new)**

*Motion for a resolution*

*Amendment*

***16a. Deplores that the requirement suggested by Maystadt to combine the functions of the CEO of EFRAG and the Chairman of EFRAG TEG was turned into a possibility; notes that the composition of the new Board deviates from Maystadt's proposal as the European Supervisory Authorities and the European Central Bank declined to accept full membership of the Board; calls on EFRAG to extend the number of users, currently only one, in the Board and to ensure that all relevant stakeholders are represented in EFRAG;***  
*(Amendment inspired by Pensions Europe)*

Or. en

**Amendment 100**  
**Pervenche Berès**

**Motion for a resolution**  
**Paragraph 17**

*Motion for a resolution*

17. Welcomes the fact that in 2014 the PIOB diversified its funding *and* the IFAC funding contribution *was less than* two-thirds of the total annual PIOB funding; *notes that there was therefore no need for the Commission to limit its annual contribution, as stipulated in Article 9.5 of Regulation (EU) No 258/2014 of the European Parliament and of the Council;*

*Amendment*

17. Welcomes the fact that in 2014 the PIOB diversified its funding *but regrets that* the IFAC funding contribution *still reaches around* two-thirds of the total annual PIOB funding;

Or. en

**Amendment 101**

**Sven Giegold**

on behalf of the Verts/ALE Group

**Motion for a resolution**

**Paragraph 17**

*Motion for a resolution*

17. Welcomes the fact that in 2014 the PIOB diversified its funding and the IFAC funding contribution was less than two-thirds of the total annual PIOB funding; notes that there was therefore no need for the Commission to limit its annual contribution, as stipulated in Article 9.5 of Regulation (EU) No 258/2014 of the European Parliament and of the Council;

*Amendment*

17. Welcomes the fact that in 2014 the PIOB diversified its funding and the IFAC funding contribution was less than two-thirds of the total annual PIOB funding; notes that there was therefore no need for the Commission to limit its annual contribution, as stipulated in Article 9.5 of Regulation (EU) No 258/2014 of the European Parliament and of the Council; *deplores that in the view of the financial crisis 2007 with several proofs of misstatement and in the light of the Luxleaks scandal 2014, PIOB obviously has failed to ensure integrity in the audit profession; calls, therefore, to put part of the budget into the reserve until PIOB has shown how to address the severe problems incurred;*

Or. en