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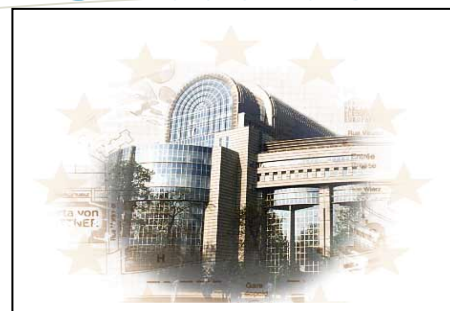
Online

Monetary Dialogue with ECB President Jean-Claude Trichet

The President of the European Central Bank, Jean-Claude Trichet, meets the ECON Committee four times a year for the so-called "Monetary Dialogue", based on Article 113(3) of the EC Treaty. This time, he will visit the ECON Committee for the first time in the new legislature. Mr Trichet will provide an assessment of the economic situation and the monetary policy stance. Furthermore, the MEPs and Mr Trichet will discuss the highly topical question of how to restructure the international financial architecture, and in particular what role the ECB should play in financial market supervision.

For further information please visit

www.europarl.europa.eu/activities/committees/editoDisplay.do?language=EN&menuId=2060&id=2&body=ECON



Exchange of views with President of the Eurogroup Jean-Claude Juncker

The President of the Eurogroup visits the ECON Committee twice a year. This time Mr Juncker will meet the ECON Committee for their first exchange of views in the new parliamentary term. One issue for discussion will be economic situation and outlook in the euro area, against the background of the latest 2009 interim forecast for the euro area by the European Commission, which predicts a 4% GDP fall and an inflation rate of 0.4%. Further topics could be the fiscal situation of the euro area and possible 'exit strategies'.

Exchange of views with Sir David Tweedie, Chairman of the International Accounting Standards Board

Sharon Bowles, chairwoman of the Economic and Monetary Committee in the European Parliament has invited Sir David Tweedie, Chairman of the International Accounting Standards Board (IASB), to discuss accounting and financial services.

DETAILS OF THE MEETING

**Monday
28 September**

15:00 - 18:30

**Tuesday
29 September**

09:00 - 12:30

Room: PHS 1A002

Brussels

Many, including the European Parliament, has accused International Financial Reporting Standards (IFRS) as issued by the IASB as being, if not the cause of the financial crisis, then at least a significant factor in the depth of the crisis. It is in particular the concept of fair value accounting that has led critics to accuse IFRS as leading to pro-cyclicality and thereby accelerating and exacerbating the economic crisis.

Another issue that also has been raised by the European Parliament on several occasions is the cooperation between the US accounting standard setter (FASB) and IASB. Especially how to ensure a level playing field between those required to use IFRS and those required to use US accounting standards.

For many listed EU companies also listed in the US it is about more than just a level playing field. "These listed EU companies can benefit from the SEC decision to accept IFRS as issued by the IASB as equivalent to US GAAP. However, the SEC only allowed for a two year transition period during which the US would accept reports that use the EU's carve-out from the standard on financial instruments (IAS 39). When this transition period expires, any listed EU company continuing to use the carve-out would be required to reconcile their financial statements to US GAAP or to IFRS as issued by the IASB. In practice, only one listed EU company is likely to be affected by this; all others will continue to benefit from the full exemption to produce a reconciliation.

Listed EU companies will be able to benefit from the exemption to produce reconciliation for as long as IFRS as adopted by the European Union is identical to IFRS as issued by the IASB. On the other side the EU has decided to allow authorities in Member States to accept US GAAP as equivalent to IFRS as adopted by the European Union."

Finally, the European Parliament, among other, has criticised the IASB for lacking accountability, which also has led the G20 to repeatedly criticise the governance of the IASB.

The exchange of views with Sir David Tweedie could focus on the above issues.

Micro-entities - Draft opinion on proposal to allow Member States to exempt micro entities from accounting requirements

ECON will hold a first discussion of a draft opinion by Dirk Sterckx (ALDE) concerning the above proposal from the Commission. Dirk Sterckx (ALDE) urges in his draft opinion ECON to recommend to JURI to reject the Commissions proposals.

Other issues on this week's agenda:

- **Exchange of views with Mrs. Neelie Kroes, Commissioner for Competition;**
- **European Microfinance Facility for Employment and Social Inclusion (Progress)** - Olle Schmidt (ALDE, SV) - consideration of draft opinion.

ECON is responsible for:

- economic and monetary policy, EMU;
- free movement of capital and payments;
- international monetary and financial system;
- competition and State or public aid;
- tax provisions;
- the regulation and supervision of financial services, institutions and markets including financial reporting, auditing, accounting rules, corporate governance and other company law matters specifically concerning FS.

ECON NEWSLETTER

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LOOKING AHEAD:

What's on the next meeting



**Tuesday
6 October**

Brussels

Highlights:

- EV with Commissioner Kovacs
- AIFM - 2nd exchange of views
- European Microfinance Facility
- Directive regarding micro-entities
- ECB annual report 2008
- VAT Common System