



Gabriel Bernardino
Chairman

Mr Michel Barnier
European Commissioner for Internal Market and Services
European Commission
BERL 10/034
200, rue de la Loi
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4 October 2013
EIOPA/13/434/GB/SH

Draft report on Philippe Maystadt's Mission to strengthen the European Contribution to the Drafting of International Accounting Standards

Dear Commissioner Barnier,

EIOPA welcomes the European Commission's initiative to look into opportunities to foster the effectiveness of the European contribution to high quality global accounting standards. We also fully agree with your statements of 19 March 2013 when appointing Mr Maystadt that the harmonisation of financial reporting rules at global level is essential for the EU and that it "is also an important element of global prudential rules for banks and insurance companies".

EIOPA indeed has a significant stake in the public good of internationally accepted high quality accounting standards, in particular, due to

- a) its obligations following from the Regulation establishing EIOPA (Regulation (EU) No 1094/2010) to act in the field of activities of insurance undertakings, reinsurance undertakings, financial conglomerates, institutions for occupational retirement provision and insurance intermediaries, in relation to financial reporting and the requirement for EIOPA to contribute to developing high quality and uniform supervisory standards, including reporting standards, and international accounting standards;
- b) its obligations in terms of involvement in the Joint Committee, which serves as a forum in which EIOPA cooperates regularly and closely to ensure cross-sectoral consistency with the European Banking Authority and the European Securities and Markets Authority, amongst other areas, in particular in the field of accounting;
- c) its obligation based on Directive 2009/138/EC to foster consistency between valuation requirements and IFRSs by way of developing Regulatory Technical

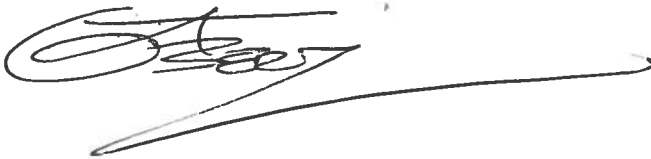
Standards endorsing IFRSs for the purposes of the regulation and supervision of European insurers and reinsurers (Solvency II).

EIOPA is very active in the field of accounting for insurers and reinsurers, but also for institutions for occupational retirement provision. For example, we assist the IASB on technical issues and high quality accounting for the future accounting standard for insurance contracts and the revision of IAS 19 Employee Benefits and we discuss issues such as IFRS 9 Financial Instruments, the use of Other Comprehensive Income, Impairment and the Conceptual Framework with the IASB and its staff. We also significantly contribute to EFRAG's and IAIS' work in these areas. Further, we sustain good relationships with the US FASB and FEE to contribute to the global accounting community. It is needless to stress that we also very much appreciate the regular exchange of views with representatives of Directorate General Internal Market and Services, Accounting and Financial reporting Unit, EBA, ESMA and ECB on accounting matters.

In light of EIOPA's high interest and its significant obligations toward its stakeholders to be active in the field of international accounting standards we stand ready to strengthen the endorsement procedure of IFRSs in Europe and stress the critical importance for us to be involved in the endorsement process as well as to be represented in the proposed new supervisory board of EFRAG.

We would be pleased to discuss this further with you and to support you in your mission to enhance the European contribution to international accounting standard setting.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'D. Millerot', with a long horizontal line extending to the right.

cc: Mr Philippe Maystadt, Special Advisor to Commissioner Barnier
Mr Didier Millerot, Head of unit F3: Accounting and financial reporting
Ms Anne-Françoise Mélot, Deputy Head of unit F3: Accounting and financial reporting