



Committee of European Banking Supervisors

Sir David Tweedie
International Accounting Standards Board
30 Cannon Street,
London EC4M BXH
United Kingdom

28 July 2004

Dear Sir David,

CEBS Comments on the IASB Exposure Draft of proposed 'Amendments to IAS 39, Financial Instruments: Recognition and Measurement – The Fair Value Option'

Enclosed you will find the comments of the Committee of European Banking Supervisors (CEBS) on the Exposure Draft of proposed *Amendments to IAS 39, Financial Instruments: Recognition and Measurement – The Fair Value Option*.

CEBS has been established just recently on 5 November 2003 and is comprised of high level representatives from the banking supervisory authorities and the central banks of the European Union. CEBS' role is to advise the European Commission, in particular as regards the preparation of draft implementing measures in the field of banking activities, to contribute to a consistent implementation of Community Directives and to the convergence of Member States' supervisory practices throughout the Community and to enhance supervisory co-operation, including the exchange of information.

Accounting is considered to be one of the key areas in which CEBS plays an active role. In this regard, we would very much like to welcome the opportunity you give us to comment to your proposed changes in draft IFRS standards. One of our expert groups, the Expert Group on Accounting & Auditing (EGAA), chaired by Prof Arnold Schilder from DNB, monitors these developments and prepares positions to be taken by CEBS, if and when appropriate for European banking supervision. The development of our comments on this Exposure draft was coordinated by a Sub-Working Group of EGAA under the direction of Patrick Amis from the Commission Bancaire.

If you have any questions regarding our comments, please feel free to contact Prof Arnold Schilder (+31.20.524.3360), the deputy chairman of EGAA, Arnoud Vossen (+31.20.524.3903) or Mr Patrick Amis (+ 33.1.4292.6032).

Yours sincerely,

José María Roldán
Chair, Committee of European Banking Supervisors