

22.7/8/1

26 April 2005

Mr Stig Enevoldsen  
EFRAG  
Avenue des Arts, 41  
1040 Bruxelles

Dear Stig,

RE: IAS 39: THE FAIR VALUE OPTION AMENDMENT: ENDORSEMENT ADVICE

UNICE welcomes the proposed fair value option as presented by the IASB and discussed at the Round Tables in March. There is no circumstance that we have been able to identify, where the fair value option would be desirable and not applicable. We therefore support that EFRAG recommends endorsement.

UNICE also welcomes the fast-track endorsement process that EFRAG tends to promote. In our view, it can only best serve the interests of the financial community as it concurs to helping define as quickly as possible the accounting requirements that an entity may have to fulfil in 2005.

We have considered the various alternative transitional provisions set up by IASB 's staff in their working paper dated March 23<sup>rd</sup> and posted on the IASB website. We support alternative C, as it is the only alternative that entitles all European entities, either first-time adopters or existing users of IFRS, to apply the fair value option in full as of 2005, removing every single potential consequence from the fair value option having been partially carved out in European law.

We also believe that comparatives should be restated, in conditions similar to those described in IAS 39.105.

Should you wish to comment on the above further, please do not hesitate to contact us.

Yours sincerely,



Jérôme P. Chauvin  
Director, Company Affairs Department