



2023/2579

21.11.2023

COMMISSION REGULATION (EU) 2023/2579
of 20 November 2023
amending Regulation (EU) 2023/1803 as regards International Financial Reporting Standard 16
(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards ⁽¹⁾, and in particular Article 3(1) thereof,

Whereas:

- (1) By Commission Regulation (EU) 2023/1803 ⁽²⁾ certain international accounting standards and interpretations that were in existence at 8 September 2022 were adopted.
- (2) On 22 September 2022, the International Accounting Standards Board issued amendments to International Financial Reporting Standard 16 *Leases* ('IFRS 16'), which lays down how a company should recognise, measure, present and disclose leases. The amendments to IFRS 16 specify how the seller-lessee subsequently measures sale and leaseback transactions.
- (3) Following the consultation with the European financial reporting advisory group EFRAG, the Commission concludes that the amendments to IFRS 16 meet the criteria for adoption set out in Article 3(2) of Regulation (EC) No 1606/2002.
- (4) Regulation (EU) 2023/1803 should therefore be amended accordingly.
- (5) The measures provided for in this Regulation are in accordance with the opinion of the Accounting Regulatory Committee,

HAS ADOPTED THIS REGULATION:

Article 1

In the Annex to Regulation (EU) 2023/1803, International Financial Reporting Standard 16 *Leases* is amended as set out in the Annex to this Regulation.

Article 2

Each company shall apply the amendments referred to in Article 1, at the latest, as from the commencement date of its first financial year starting on or after 1 January 2024.

Article 3

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

⁽¹⁾ OJ L 243, 11.9.2002, p. 1.

⁽²⁾ OJ L 237, 26.9.2023, p. 1.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 20 November 2023.

For the Commission
The President
Ursula VON DER LEYEN

ANNEX

Lease Liability in a Sale and Leaseback**Amendments to IFRS 16****Amendments to IFRS 16 Leases**

Paragraphs 102A, C1D and C20E are added and paragraph C2 is amended. A new heading is added before paragraph C20E.

SALE AND LEASEBACK TRANSACTIONS

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Assessing whether the transfer of the asset is a sale

...

Transfer of the asset is a sale

...

102A After the commencement date, the seller-lessee shall apply paragraphs 29–35 to the right-of-use asset arising from the leaseback and paragraphs 36–46 to the lease liability arising from the leaseback. In applying paragraphs 36–46, the seller-lessee shall determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying the requirements in this paragraph does not prevent the seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease as required by paragraph 46(a).

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Appendix C**Effective date and transition**

EFFECTIVE DATE

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C1D *Lease Liability in a Sale and Leaseback*, issued in September 2022, amended paragraph C2 and added paragraphs 102A and C20E. A seller-lessee shall apply these amendments for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. If a seller-lessee applies these amendments for an earlier period, it shall disclose that fact.

TRANSITION

C2 For the purposes of the requirements in paragraphs C1–C20E, the date of initial application is the beginning of the annual reporting period in which an entity first applies this Standard.

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Lease liability in a sale and leaseback

C20E A seller-lessee shall apply *Lease Liability in a Sale and Leaseback* (see paragraph C1D) retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application.

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