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To:	General Secretariat of the Council
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Subject:	ANNEX to the COMMISSION REGULATION (EU) .../... of XXX amending Regulation (EU) 2023/1803 as regards International Accounting Standard 28

Delegations will find attached document D(2026) 117980 annex.

Encl.: D(2026) 117980 annex

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ANNEX

**Amendments to the Fair Value Option for Investments in
Associates and Joint Ventures**

Amendments to IAS 28

Amendments to IAS 28 *Investments in Associates and Joint Ventures*

Paragraphs 18–19 are amended and paragraph 45M is added.
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Application of the equity method

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Exemptions from applying the equity method

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- 18 When an investment in an associate or a joint venture is held by, or is held indirectly through, an entity that is a venture capital organisation, mutual fund, unit trust or similar entity, the entity may elect to measure that investment at fair value through profit or loss in accordance with IFRS 9. Similar entities include entities that have a main business activity of investing in particular types of assets (see paragraph 49(a) of IFRS 18). An entity shall make this election separately for each associate or joint venture, at initial recognition of the associate or joint venture.
- 19 When an entity has an investment in an associate, a portion of which is held indirectly through a venture capital organisation, mutual fund, unit trust or similar entity, the entity may elect to measure that portion of the investment in the associate at fair value through profit or loss in accordance with IFRS 9 regardless of whether the venture capital organisation, mutual fund, unit trust or similar entity has significant influence over that portion of the investment. If the entity makes that election, the entity shall apply the equity method to any remaining portion of its investment in an associate that is not held through a venture capital organisation, mutual fund, unit trust or similar entity.

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Effective date and transition

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- 45M *Amendments to the Fair Value Option for Investments in Associates and Joint Ventures*, issued in June 2026, amended paragraphs 18–19. An entity shall apply these amendments in accordance with paragraph C7 of IFRS 18 when it applies IFRS 18. If an entity has elected to apply IFRS 18 for an earlier period in accordance with paragraph C1 of IFRS 18, and that earlier period begins before the issuance of these amendments, the entity shall apply the amendments, in accordance with paragraph C7 of IFRS 18, for the reporting period ending on or after the issuance of the amendments.