

**PRESS RELEASE**

19 October 2011

**IASB clarifies accounting for costs associated with waste removal in surface mining**

The IASB issued today an Interpretation clarifying the requirements for accounting for stripping costs in the production phase of a surface mine. The Interpretation was developed by the IFRS Interpretations Committee, the interpretative body of the IASB.

The Interpretations Committee was asked to clarify when and how to account for stripping costs (the process of removing waste from a surface mine in order to gain access to mineral ore deposits) to address diversity in practice.

The Interpretation clarifies when production stripping should lead to the recognition of an asset and how that asset should be measured, both initially and in subsequent periods. The Interpretation is effective for annual periods beginning on or after 1 January 2013 with earlier application permitted.

The IFRIC Interpretation 20 *Stripping Costs in the Production Phase of a Surface Mine* is available for eIFRS subscribers from today on <http://eifrs.ifrs.org>.

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## Notes to editors

### *About the IFRS Interpretations Committee*

The IFRS Interpretations Committee (formerly called the IFRIC) is the interpretative body of the IASB. The Committee comprises 14 voting members appointed by the Trustees and is drawn from a variety of countries and professional backgrounds. The Committee's mandate is to review, on a timely basis, widespread accounting issues that have arisen within the context of current IFRSs and to provide authoritative guidance (IFRIC Interpretations) on those issues. The Committee's meetings are open to the public and are webcast. In developing Interpretations, the Committee works closely with similar national committees and follows a transparent, thorough and open due process.

### *About the IASB*

The IASB was established in 2001 and is the standard-setting body of the IFRS Foundation, an independent, private sector, not-for-profit organisation. The IASB is committed to developing, in the public interest, a single set of high quality global accounting standards that provide high quality transparent and comparable information in general purpose financial statements. In pursuit of this objective the IASB conducts extensive public consultations and seeks the co-operation of international and national bodies around the world. The IASB has 15 full-time members drawn from 11 countries and a variety of professional backgrounds. By 2012 the Board will be expanded to 16 members. Board members are appointed by and accountable to the Trustees of the IFRS Foundation, who are required to select the best available combination of technical expertise and diversity of international business and market experience. In their work the Trustees are accountable to a Monitoring Board of public authorities.