

Policy Statement

Standing for trust and integrity

January 2010



Sustainability

SMEs

Small and sustainable: opportunities for SMEs

FEE (Fédération des Experts comptables Européens - Federation of European Accountants) wishes to share its strategy on sustainability in the form of a series of policy statements¹ on core issues in relation to sustainability and the accountancy profession. FEE acknowledges that the urgent nature of the challenge of sustainability is becoming widely recognised. At the level of the organisation, accountants, whether in business, the public sector or within the world of professional practice, must rise to the challenge of sustainability which touches on many areas of traditional competencies.

About FEE

FEE represents 43 professional institutes of accountants and auditors from 32 European countries, including all 27 EU Member States. In representing the profession, FEE recognises the public interest. FEE has a combined membership of more than 500.000 professional accountants working in different capacities in public practice, small and larger firms, business, public sector and education, who all contribute to a more efficient, transparent, and sustainable European economy. Based on the practical experience gained in this daily involvement in all aspects of the economy and the set of values underpinning the profession's practice, FEE believes it has a contribution to make in this public policy debate.

FEE believes that accountants have a role and a responsibility in helping small enterprises achieve long-term prosperity. Accountants engage with small enterprises internally, for instance as finance directors, as well as externally, as sources of trusted advice. FEE believes that accountants must encourage small enterprises to embed sustainable business practices. This will also facilitate the ability of small enterprises to seize the business opportunities associated with a green economy.

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There are various aspects of sustainability that small enterprises can take into account, which do not necessarily require great change. In particular small enterprises, working with the

accounting profession, can take steps to:

For small enterprises, accountants are a valuable resource who can help translate the multitude of available information on sustainability into practical business suggestions. Accountants can subsequently help small enterprises to implement appropriate changes to business processes, systems and controls.

- Identify and understand the drivers for sustainable economic activity, including the likely increase in demand for sustainable infrastructure, products, consumer goods and services;
- Promote sustainability and long term behavioural change amongst employees as well as in their local communities, ensuring that employees are equipped with the necessary skills whilst also demonstrating a commitment to sustainable local communities;



- Develop long-term sustainable relationships with customers, suppliers, investors and other stakeholders which are built on trust and reputation, in an increasingly networked business community;
- Understand the increasing supply chain requirements that large and medium sized enterprises are likely to be making on suppliers in order to meet their own carbon reduction targets and other sustainability commitments;
- Raise awareness of the evolving compliance requirements facing small enterprises in different industry sectors and understanding of the implication of key regulatory changes, at European, national, regional or local level;

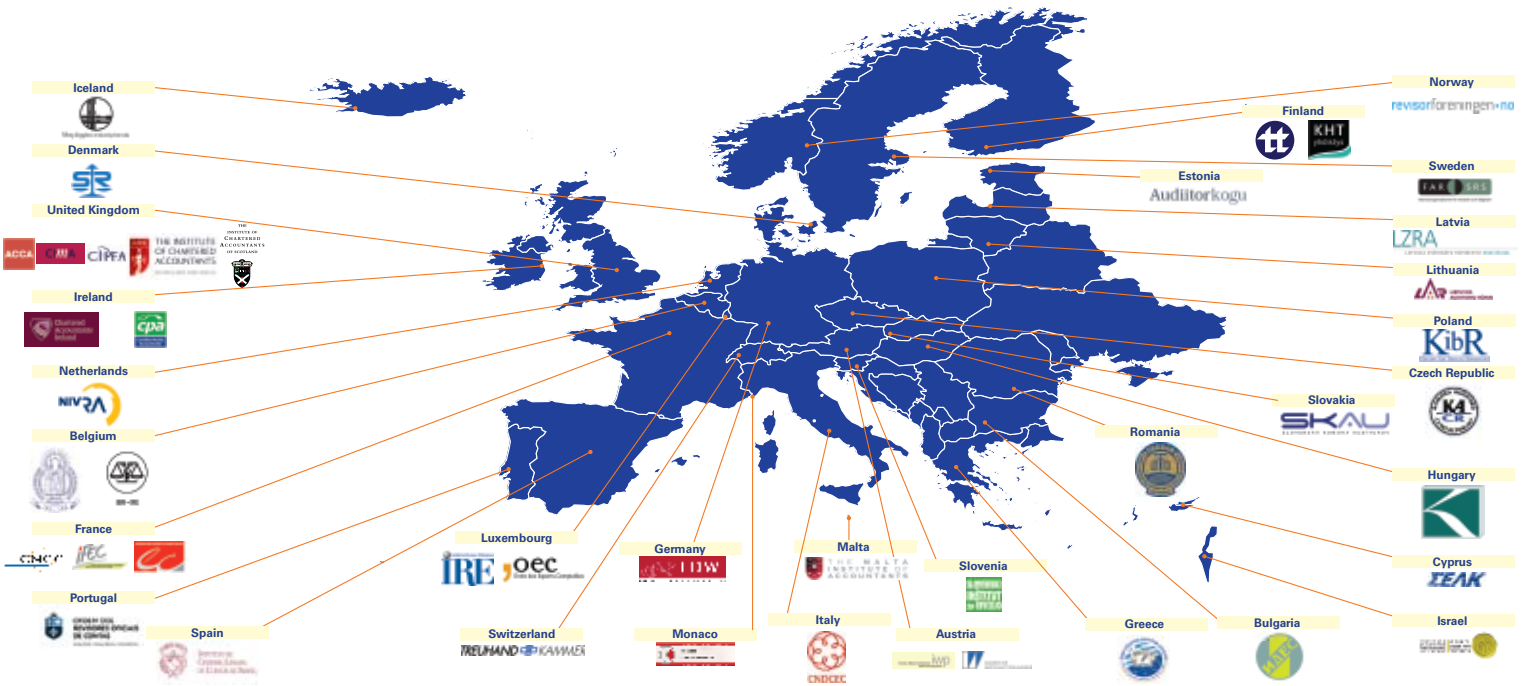
- Become familiar with the growing number of publicly funded programmes being established to help SMEs become more environmentally sustainable for instance by encouraging the uptake of clean, eco-efficient technology;
- Identify other initiatives established at EU or national level which provide practical tools for small businesses, such as the European Alliance for Corporate Social Responsibility (CSR)².

The accounting profession, through FEE, contributes to EU policy developments which seek to make Europe 'a centre of excellence' for CSR. Where FEE identifies examples of good practice aimed at SMEs, it will seek to publicise these.

Notes:

- ¹ Other Policy Statements issued can be found at the following link:
http://www.fee.be/publications/default.asp?library_ref=4&category_ref=235
 This Policy Statement is issued together with two additional Policy Statements:
- Equipping accountants for a sustainable future, January 2010
 - Accountants driving sustainable changes in the public sector, January 2010
- ² <http://www.csreurope.org/pages/en/alliance.html> and <http://www.csr-for-smes.eu/>

THE MEMBERS OF FEE



FEE is a Regional Organisation of IFAC, the International Federation of Accountants