



Federation of European Accountants  
Fédération des Experts comptables Européens



2 December 2013 - for immediate use

## Maystadt Review: ensuring EU influence over global reporting standards

**Brussels, 2 December 2013 – FEE (Fédération des Experts-comptables Européens – Federation of European Accountants) and ACCA (the Association of Chartered Certified Accountants) held a joint event at the European Parliament on 2 December 2013. The event was hosted by Dr Wolf Klinz, MEP.**

*- Special adviser Philippe Maystadt discussed the findings of his review on EU endorsement of IFRS with stakeholders at the European Parliament -*

In March 2013, EU Commissioner for Internal Market and Services Michel Barnier appointed Mr Philippe Maystadt as Special Adviser to evaluate whether the EU's International Financial Reporting Standards (IFRS) adoption system was effective and enabled the EU to play its full role in the debate.

After presenting his final recommendations at the ECOFIN Council meeting on 15 November 2013, **Mr Maystadt** discussed for the first time these recommendations and how they might be progressed with EU stakeholders during an event hosted by Dr Wolf Klinz, MEP and organised by FEE (the Federation of European Accountants) and ACCA (the Association of Chartered Certified Accountants) at the European Parliament. The roundtable gave rise to a lively discussion. A panel of stakeholders, including representatives from the European Financial Reporting Advisory Group (EFRAG), national standard setters, the preparers/businesses and investors communities and from the accounting profession, debated issues such as how to reinforce the EU's contribution to IFRS and how to improve the governance of the current EU structures in the field of financial reporting and accounting - EFRAG and the Accounting Regulatory Committee (ARC).

**Wolf Klinz**, MEP, host of the event, said *“Accounting is not only a technical subject, but a highly political one too. It has a tremendous impact on the real economy; the financial crisis has shown that the accounting rules do matter and the question of the right valuation is particularly critical. It is in Europe's interest to have a homogeneous set of accounting rules to allow for comparability of accounts between different companies and amongst member states.*

*“Already in 2002, the EU decided to introduce IFRS. Since then, not only the stock market listed companies are using it, but also other companies that are internationally active. The European Parliament wants the European interest to be taken into account when those standards are being established by the IASB, but do not want to have a special set of accounts for Europe; we are on the contrary interested in seeing IFRS developing into a truly global set of rules. It is now time to take a closer look at the EU's endorsement system and see whether it can be made more effective and changed in a way that the EU can really be sure to take care of its interests appropriately”.*

Philippe Maystadt, Special Adviser EC said *“When I started the mission assigned by Commissioner*

*Michel Barnier, I had no preconceived ideas about the outcome. I held many meetings with stakeholders, which triggered debates and fed into the drafting of the final report. The objective is clear: to enhance the European Union's role in promoting high quality accounting standards. And there is a wide support for that from the stakeholders.*

*The goal is to put forward recommendations that can be implemented quickly and, where possible, without legislative proposals by the European Commission. We need a quicker and more efficient system as soon as possible, given the major IFRS proposals that will have to be endorsed in the months to come, such as on lease-accounting and IFRS9 and also in light of the upcoming European Parliament elections in May”.*

**Richard Martin**, ACCA Head of Corporate Reporting, who moderated the debate added: *“The Maystadt recommendations are around 3 main issues: the IFRS endorsement process and criteria, the identification of three options to strengthen the European Union's influence in international accounting standard-setting, and the involvement of EU bodies such as ARC or the European Parliament at an earlier stage with EFRAG. The objective of today's discussion is to try to see where some of the issues of the implementation of these recommendations might come out and what sort of implications they might have”.*

The debate revealed that the Maystadt recommendations are broadly welcomed by EU stakeholders. There was strong support for global standards as well as for the current “standard-by-standard” endorsement system. Conversely, serious concern was expressed regarding flexible endorsement, involving carves-in and carves-out, even with the safeguards envisaged by the Maystadt report.

It was stressed that EFRAG needs to be a genuine European organisation with participants that will approach issues from a European perspective, and not to be an aggregate of national interests. It needs an effective cooperation between all stakeholders, public and private. EFRAG's Board will need to be composed of high level people with the right background in terms of skills and experience and a strong European commitment. To secure a proper balance in the Board, there was a clear demand to increase the representation of the private sector as the prime stakeholder.

EFRAG should aim to work on the basis of consensus. However concerns were raised that this may not always be possible and that some provision for decision-making in those cases will be needed.

**Olivier Boutellis-Taft**, CEO of FEE concluded the debate, adding: *“Europe needs global standards because it needs investment, especially foreign investment. Accounting should not be hostage to technicalities, nor to politics, it is a means to an end: bringing trust and transparency to markets participants, especially investors, and I believe the private sector deserves a better representation than what is currently envisaged. Financial reporting also has a key public interest dimension. Therefore it's all about cooperation – not fight – between the private and public sector. Mr Maystadt's report is a very useful step forward. It is now time for the European Commission to make its intentions clear on how we are going to take this forward. It is time to put national and sectoral divergences aside and unite Europe to make its voice heard on the global stage, otherwise it runs the risk of becoming irrelevant”.*

– ENDS –

## NOTES FOR EDITORS

### About FEE

**FEE (Fédération des Experts-comptables Européens – Federation of European Accountants) is an international non-profit organisation based in Brussels that represents 45 institutes of professional accountants and auditors from 33 European countries, including all of the 27 EU Member States.**

FEE has a combined membership of more than 700.000 professional accountants, working in different capacities in public practice, small and big accountancy firms, businesses of all sizes, government and education, who all contribute to a more efficient, transparent and sustainable European economy.

For more information: [laura.buijs@fee.be](mailto:laura.buijs@fee.be)

Tel: + 32 2 285 40 71

Fax: + 32 2 231 11 12

### About ACCA

ACCA (the Association of Chartered Certified Accountants) is the global body for professional accountants. We aim to offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

2. We support our 162,000 members and 428,000 students in 173 countries, helping them to develop successful careers in accounting and business, with the skills required by employers. We work through a network of over 89 offices and centres and more than 8,500 Approved Employers worldwide, who provide high standards of employee learning and development. Through our public interest remit, we promote appropriate regulation of accounting and conduct relevant research to ensure accountancy continues to grow in reputation and influence.

3. Founded in 1904, ACCA has consistently held unique core values: opportunity, diversity, innovation, integrity and accountability. We believe that accountants bring value to economies in all stages of development and seek to develop capacity in the profession and encourage the adoption of global standards. Our values are aligned to the needs of employers in all sectors and we ensure that through our qualifications, we prepare accountants for business. We seek to open up the profession to people of all backgrounds and remove artificial barriers, innovating our qualifications and delivery to meet the diverse needs of trainee professionals and their employers.

For more information: [cecile.bonino@accaglobal.com](mailto:cecile.bonino@accaglobal.com)

Tel: + 32 2 286 11 37