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Introduction

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Abstract: In his October 2013 report, Mr Maystadt discussed the possibility of clarifying and expanding the ‘public good’ criterion in EU Accounting Framework, namely that: Any accounting standards adopted should not jeopardise financial stability, and they must not hinder the EU’s economic development. He also suggested that more thorough analysis of compliance with the criteria of prudence and respect for the public good was needed. Since 2013, the European Commission further announced a ten-years assessment of the application of the International Accounting Standards (IFRS) in Europe, as well as an harmonisation project for European Public Sector Accounting Standards (EPSAS) led by Eurostat. By convening together leading scholars and policy-makers, this workshop aims to contribute to this debate about the consequences of accounting regulation for Europe’s economy and society, concerning both public and private sectors.

Keywords: accounting regulation, public good, european public sector accounting standards, European private sector accounting standards

Opening Remarks

1. “Foreword” by Leah Pissar-Haas, <https://doi.org/10.1515/ael-2017-0022>
2. “Preface” by Jean-Paul Gauzès, <https://doi.org/10.1515/ael-2017-0005>
3. “Introduction” by François-Gilles Le Theule, Raphael Douady and Christian de Boissieu, <https://doi.org/10.1515/ael-2017-0007>
4. “Accountancy, Accountability and Practice” by Razvan Hoinaru, Theodor Dumitru Stolojan, Syed Kamall, Michael Theurer, Patrick De Cambourg and Olivier Boutellis-Taft, <https://doi.org/10.1515/ael-2017-0009>

In the last few years, accounting regulation in Europe has been featured by three major regulatory events, namely the presentation of the Maystadt’s report on November 2013; the ten-years evaluation of the adoption of International Financial Reporting Standards, finalised on June 2015; and the harmonisation

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project for European Public Sector Accounting Standards (EPSAS), ongoing since November 2011.

Following the European Commissioner Michel Barnier's mandate, Philippe Maystadt examined the purpose and role of accounting standards in Europe's economy and finance, along with the governance of European accounting standards-making and related enforcement. His report "Should IFRS standards be more European? » was presented to Finance Ministers at the ECOFIN Council meeting on 12 November 2013.

Mr Maystadt's report was part of a broader debate on accounting regulation for the private sector in Europe. It also takes into consideration international developments in this field as well as the Commission's evaluation of the Regulation on the application of the IFRS, which was finalised on 18 June 2015 and shed light on experience with the IFRS in Europe in the past decade.

In particular, Mr Maystadt discussed the possibility of clarifying and expanding the 'public good' criterion in EU Accounting Framework, namely that: Any accounting standards adopted should not jeopardise financial stability, and they must not hinder the EU's economic development. He also suggested that more thorough analysis of compliance with the criteria of prudence and respect for the public good was needed.

On 7 June 2016, the European Parliament issued a resolution (2016/2006 (INI)) concerning Europe's accounting regulation for the private sector, calling on the European Commission to assess the opportunity and possibility of transforming EFRAG into a public agency in the long term (recital 33), whereas the Maystadt report discussed the possibility of setting up such an agency to replace EFRAG as a longer-term solution (option 3). This proposal was further considered by the draft report by Mr Stolojan on behalf of the Committee on Economic and Monetary Affairs (COM (2016)0202 – C8-0145/2016 – 2016/0110(COD)).

Since 2011, the European Commission has been further working on a harmonisation project for European Public Sector Accounting Standards (EPSAS) led by Eurostat. The 'Report from the Commission to the Council and the European Parliament – Towards implementing harmonised public sector accounting standards in the Member States' (COM (2013) 114) was released by the European Commission on 6 March 2013. It presented a twofold conclusion.

On the one hand, the IPSAS (International Public Sector Accounting Standards) as they stand currently cannot be simply implemented in EU Member States. On the other hand, the IPSAS standards represent a starting reference for potential European Public Sector Accounting Standards. Presently, the European debate on the matter is ongoing and the project is not yet operational.

Both accounting regulation debates, for the private and the public sector, were somehow triggered and thus related to two major financial events, namely the aftermaths of the global financial crisis of 2007–2008 and of the European sovereign debt crisis of 2010–2011. These financial crises featured the significant consequences of accounting regulation for economy and society, in Europe and abroad, raising evergreen concerns of financial stability and fairness. Two fundamental issues must be addressed: on the one hand, the structure of accounting models and their impact on economy and finances; on the other hand, the governance of accounting standards-making and related enforcement.

Taking stock of this context, our workshop on ‘Which Accounting Regulation for Europe’s Economy and Society?’ – organised by the Laboratory of Excellence on Financial Regulation (Labex ReFi) under the auspices of the European Parliament – aimed to contribute to this debate about the consequences of accounting regulation for Europe’s economy and society, concerning both public and private sectors. It convened together leading scholars and policy-makers and was held at European Parliament, Strasbourg, on 20 May 2015. After a series of opening remarks, three plenary panels addressed respectively the general implications of accounting for the public good, as well as the specific concerns raised by European accounting regulations for the private and the public sector, including the establishment of a European accounting agency to govern accounting standards-making for Europe.

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