



**EUROPEAN COMMISSION**

**PRESS RELEASE**

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## **Commissioner Barnier prolongs Philippe Maystadt's mission with a view to ensuring adequate and timely follow-up of EFRAG reform**

EU Commissioner for Internal Market and Services Michel Barnier has agreed with Philippe Maystadt, former President of the European Investment Bank, that his mission as Special Adviser should be continued in order to supervise appropriate follow-up of the implementation of reforms of the European Financial Reporting Advisory Group (EFRAG). These follow the recommendations provided by Mr Maystadt in this respect in November last year ([IP/13/1065](#)).

Commissioner Barnier said: "The EU needs a sound framework for the development of high quality accounting standards. I am happy that Mr Maystadt agreed to continue his special mission to ensure that the system for the adoption of the International Financial Reporting Standards (IFRS) put in place by the European Union is effective and enables the EU to play its full role in the debate. I am confident that the expertise of Mr Maystadt will significantly benefit the swift implementation of the necessary reforms so that our undertakings and the users of their financial statements can as soon as possible benefit from high-quality international accounting standards."

In March 2013, Commissioner Barnier mandated Philippe Maystadt to examine ways of reinforcing the EU's contribution to International Financial Reporting Standards (IFRS) and improving the governance of the European bodies involved in developing these standards ([IP/13/242](#)). Following a series of interviews and consultations with stakeholders, Mr Maystadt presented his final recommendations at the ECOFIN Council meeting on 15 November 2013.

In his report, Mr Maystadt recommended reorganising the current EFRAG to increase its legitimacy and representativeness with a view to strengthening the European Union's influence in international accounting standard-setting. The report presents the main premises for the reorganisation of EFRAG, however, the detailed implementation of the necessary reforms will require significant co-ordinated efforts from a number of public and private organisations involved in the process. In this respect, the current mission of Mr Maystadt should ensure the reforms will be carried out properly and without delay.

### **Background**

Philippe Maystadt served in the Belgian Government as Minister for Economic Affairs, Minister of Finance and Deputy Prime Minister. He was also President of the European Investment Bank from 2000-2011.

Since 1 January 2005 the IFRS (drawn up by the International Accounting Standards Board) have been applicable for the consolidated accounts of listed companies in the EU. The International Financial Reporting Standards regulation established a dedicated endorsement process under the responsibility of the European Commission together with consultative organisations, namely EFRAG, an independent organisation providing expert advice, and the Accounting Regulatory Committee, composed of representatives from Member States and chaired by the European Commission.

In 2012, a limited governance review of EFRAG began in order to assess the effectiveness of the arrangements in securing cooperation between EFRAG and national standard setters in Europe. The discussions showed that a more comprehensive review of EFRAG's governance was needed.

In addition to the task mandated to Mr Maystadt, the Commission will carry out an evaluation of the Regulation on the application of the IFRS. This evaluation will be based inter alia on Mr Maystadt's recommendations and complement them by providing factual data about implementing the IFRS in Europe so far.

## **More information**

EU policy on financial reporting and accounting:

[http://ec.europa.eu/internal\\_market/accounting/governance/reform/index\\_en.htm](http://ec.europa.eu/internal_market/accounting/governance/reform/index_en.htm)

Maystadt Report

[http://ec.europa.eu/internal\\_market/accounting/governance/reform/index\\_en.htm](http://ec.europa.eu/internal_market/accounting/governance/reform/index_en.htm)

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