

 **EFRAG**

European Financial Reporting Advisory Group ■

OIC 10th Anniversary

Françoise Flores, Chairman of EFRAG

Rome, 16 December 2011



HAPPY ANNIVERSARY!



EFRAG – OIC 10th Anniversary - Rome 16 December 2011

□ The role of a National Standard Setter

- Be responsible for setting National GAAP (or serve as an advisor)
- Be responsible to exercise influence in the development of IFRS from a national perspective
- Bring skills and knowledge to the overall debate

It's all about influence!!



EFRAG

A leading force in the global financial reporting debate

What is EFRAG?

- The very first regional group created 10 years ago
- Fully developed model of how to exercise influence
- Built on strong partnership with European NSS
- Its success has inspired the development of other regional groups

□ Strong partnership with European NSS

- Bring skills and knowledge together
- Join forces to:
 - Increase European influence
 - Ensure European users and practitioners fully participate
 - Bring a common platform of communication with the IASB
 - Enhance due processes and transparency necessary in public interest debates
- The stronger the partners, the stronger EFRAG/ Europe is

OIC in EFRAG

- 2001: Member of the CFSS – Advisory Forum of European NSS
- 2005: Associate member in EFRAG PAAinE initiative
- 2008: Partner with EFRAG and ANC in the BCUCC project
- 2009: Italian National Funding Mechanism
- 2009: Member of the EFRAG PRC
- 2010: Member in EFRAG TEG and in EFRAG delegation to the IASB
- 2010: Supplementary contribution to EFRAG
- 2011: Partner with EFRAG, ICAC and DASB in the Separate Financial Statement project

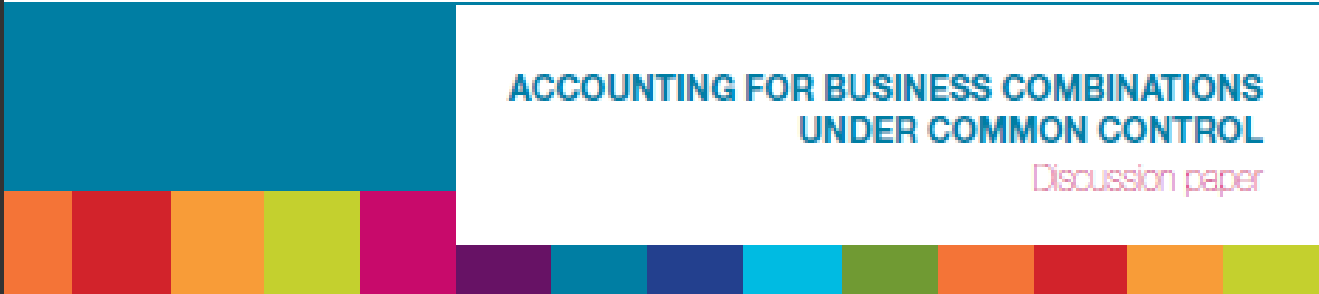


European Financial Reporting Advisory Group



ACCOUNTING FOR BUSINESS COMBINATIONS UNDER COMMON CONTROL

Discussion paper



□ OIC active on the international scene

- Member of the International Group of National Standard Setters (together with EFRAG and some other European NSS)
- Host to the September 2010 meeting in Rome
- Fully developed relationship to the IASB

When everyone wants to be the leader...



□ Tasks for regional and national groups

- Recommendations for agenda items
- Pro-active activities
- Bringing local constituencies to participate in the development of IFRS
- Participating in the IASB efforts to achieve consistency of application
- Coordinating field tests and post implementation reviews
- Contributing to endorsement processes

□ Europe's distinctive features

- Europe is a jurisdiction
- Representations of users, business practitioners and accounting professionals exist at European level
- IFRS are adopted at the European level
- Europe gives access to all European stakeholders to the IFRS debate

□ What EFRAG brings to Europe

- The credibility of an independent, public interest entity
- The ability for every NSS/ every constituency to participate to the extent of their means
- Coordination/ facilitation/efficiency
- The emergence of reasonable European consensuses, # compromises or lists of different views

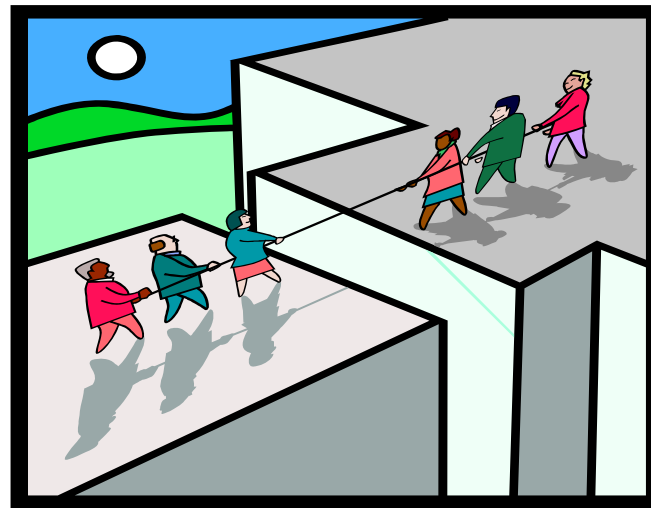
What does Europe want?



IFRS for SMEs

Yes!

No!



How we can improve...

Shared rules of conduct



More cohesive processes



2008 EFRAG PLUS – New organisation



- **Stronger EU voice on accounting**
- Working closer with Standard Setters
- More long-term proactive work
- Improved governance
- EC public funding

Available on www.efrag.org

EFRAG – OIC 10th Anniversary - Rome 16 December 2011

□ 2012: EFRAG governance review

- Two questions:
 - Are the current arrangements securing the necessary pooling of skills and resources with NSS?
 - Are the governance present arrangements satisfactory?

EFRAG and NSS express the European view



Thank you for your attention!



EFRAG

35 Square de Meeûs

1000 Brussels

Belgium

www.efrag.org



*EFRAG receives financial support of the European Union-DG Internal Market and Services.
The contents of this presentation is the sole responsibility of EFRAG and can under no circumstances be regarded as reflecting the position of the European Union.*