

**Question for written answer E-003077/2014  
to the Commission**

Rule 117

**Syed Kamall (ECR), Sven Giegold (Verts/ALE) and Wolf Klinz (ALDE)**

Subject: Implementation of the Union programme to support specific activities in the field of financial reporting and auditing for the period of 2014-2020

In view of the requirement in recital 5 of the Union programme to support specific activities in the field of financial reporting and auditing for the period of 2014-2020 (2012/0364(COD)), which states that 'international accounting standards need to be developed under a transparent and democratically accountable process', could the Commission explain what reforms it will introduce to ensure that the work of the International Accounting Standards Board (IASB), its recruitment processes and activities, and its interaction with non-public sector entities and non-IFRS (international financial reporting standards) jurisdictions are fully transparent and democratically accountable?

In view of the requirement in recital 5 of the Union programme to support specific activities in the field of financial reporting and auditing for the period of 2014-2020 (2012/0364(COD)), which states that 'to ensure that the interests of the Union are respected and that global standards are of high quality and compatible with Union law, it is essential that the interests of the Union are adequately taken into account in that international standard-setting process [including] the maintenance of the principle that financial statements should give a "true and fair view", and should be reliable and understandable, comparable and relevant', could the Commission:

1. detail how it will ensure that such interests are fully taken into account by the IASB as part of its consultation on the conceptual framework;
2. detail what it will do if the IASB decides not to include prudence and other related concepts in the revised conceptual framework; and
3. explain how it intends to ensure that accounts are comparable and relevant, given that the European Securities and Markets Authority (ESMA) recently concluded in its 'Review of Accounting Practices' that 'the information provided [in financial statements prepared under IFRS] was not sufficient or not sufficiently structured to allow comparability among financial institutions'?

In view of the requirement in recital 15 of the Union programme to support specific activities in the field of financial reporting and auditing for the period of 2014-2020 (2012/0364(COD)), which requires that 'EFRAG [European Financial Reporting Advisory Group] and the IASB should take all appropriate steps to avoid conflicts of interests, including disclosure requirements adapted to the function and responsibilities of the different categories of staff employed by those organisations', could the Commission confirm how it intends to ensure that these organisations have done this, within what timeframe it expects these organisations to have put in place those steps, and how this information will be made available to the public?