

July 16, 2018

Directorate-General for Financial Stability, Financial Services and Capital Markets Union
European Commission
1049 Bruxelles/Brussel
Belgium

Via online submission

Fitness check on the EU framework for public reporting by companies

Dear Sir/Madam,

The International Federation of Accountants (IFAC) values the opportunity to comment on the European Commission's *Fitness check on the EU framework for public reporting by companies* (the Consultation). This submission summarizes IFAC's views on aspects of the Consultation concerning International Financial Reporting Standards (IFRS) and integrated reporting, in addition to IFAC's responses to the online questionnaire which are also focused on these aspects.

International Financial Reporting Standards

IFAC believes it is still appropriate that the IAS Regulation prevents the Commission from modifying the content of IFRS. Evidence does not suggest IFRS pose an obstacle to sustainability and long-term investment (in fact the opposite is indicated by existing literature). IFAC believes the EU should remain involved in the development of IFRS and committed to their full adoption and implementation.

An alternate European Conceptual Framework for endorsement of IFRSs could create unnecessary complexity and fragmentation, instead the EU should endorse the existing IFRS Conceptual Framework and continue to focus its efforts on input to the IASB to contribute to creating standards that are fit for purpose across the globe.

Integrated reporting

IFAC recommends a more integrated approach to public financial and non-financial reporting is required focusing on long term value creation – IFAC strongly supports integrated reporting as a basis for this approach.

Should you have any queries please don't hesitate to contact Amir Ghandar at amirghandar@ifac.org or myself.

Regards,



Faye Choudhury
Chief Executive Officer