

Change in mandate of the Task Force on accounting and statistics

The Accounting and Statistics Task Force was created by a decision of the Directors of Business Statistics and Eurostat Management Board in 2000. This decision was modified by a decision of the Committee on Monetary Financial and Balance of Payments Statistics (CMFB) in June 2003 to transform the Task Force into a joint Eurostat/ECB Task Force.

The meetings of the Task Force are co-chaired by Eurostat and the DG Statistics of the ECB and attended by selected representatives of National Statistical Institutes and Central Banks of the EU and EFTA Member States.

In view of the consequences of the Regulation EC/2002/1606 on International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS) and drawing on European and national prospects for the implementation of these standards, in the past and until 2007 the Task Force had a mandate to coordinate work and to identify possible needs for action. This initial mandate included in particular:

- to clarify the "linkage" between accountancy under IAS and different types of statistics and how this may differ between different types of statistics and also between Member States
- to identify related work being pursued in Member States, and ensure that projects are coordinated and results distributed promptly
- to consider the impact the application of IAS/IFRS will have throughout the different Member States and on different types of enterprises (listed / unlisted, consolidated / unconsolidated, large / small, financial / non-financial, etc)
- to study how the Extensible Business Reporting Language (XBRL) may be used to retrieve statistical variables from enterprises' accounting systems
- to explore ways in which statisticians may seek to influence changes in EU accountancy law and the development of the international accounting standards themselves, and to propose follow-up action.

However, since the adoption of the current mandate the following initiatives linked to the topics dealt with by the TF-AS were launched at European level:

- From 1 January 2005, the IAS/IFRS Regulation has come into force and is applicable for the consolidated accounts of listed companies in Europe.
- The IASB has issued an Exposure Draft (ED) for small and medium-sized entities (SMEs), which is foreseen to be finalised in spring 2008.
- The Commission has launched various projects to reduce the administrative and reporting burden on enterprises by 25% in 2012.

The latter initiative could influence the work of the TF-AS in two directions. First, the Commission's intention is to issue less regulation, abandon some outdated regulations and reduce reporting burden. Therefore, new standards may not become compulsory, which in turn makes their follow-up less important. Second, taking into consideration that the

alignment of accounting and statistical standards may alleviate the reporting burden, work in this direction should be intensified.

In line with the above mentioned development, it is proposed to slightly amend the mandate of the TF-AS. The revised mandate of the TF-AS could be formulated as follows:

- to follow-up the development of IAS/IFRS and comment on them / coordinate comments from the “statistical world” in the line of reducing reporting burden on enterprises;
- to explore ways in which statisticians may influence changes in EU accountancy law and the development of the international accounting standards themselves, and to propose follow-up action;
- to promote exchange of best practices and experiences among Member States’ NSIs / NCBs in the area of accounting and statistics;
- to develop taxonomies between accounting data under IAS/IFRS and different types of statistical data (mainly in the area of business statistics and national and financial accounts of non-financial corporations) and how these taxonomies could be used by Member States’ NSIs / NCBs;
- to follow-up relevant projects on the Extensible Business Reporting Language (XBRL) and similar reporting formats and their use to retrieve statistical variables from enterprises’ accounting systems;
- to identify related work being pursued in Member States, and ensure that projects are coordinated and results distributed promptly.