

**EFRAG Q&A TO THE :**

**CONSULTATION DOCUMENT  
ON THE *AD PERSONAM* MANDATE ON POTENTIAL NEED FOR CHANGES  
TO THE GOVERNANCE AND FUNDING OF EFRAG**

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### QUESTION 1 - DUE PROCESS

Do you agree that the above reflects the key due process steps for open and transparent non-financial standard setting? If not, which other steps would you advise me to consider or to remove?

Answer : Yes

### QUESTION 2 - MEMBER STATES AND NATIONAL PUBLIC AUTHORITIES

Considering the proposed new governance structure (see section 5 **EFRAG proposed new core structure**) at what level do you consider that the relevant national authorities should be involved and should they be members or observers:

- EFRAG General Assembly?
- The EFRAG Board responsible for the oversight of the Non-Financial Reporting Board (see diagram in the Preliminary Report)?
- The Non-Financial Reporting Board?
- TEG for Non-Financial Reporting?

Should a Consultative Forum (similar to the Consultative Forum of Standard Setters in the Financial Reporting pillar) or any other form of advisory committee; be created for the Member States and national public authorities?

Answer :EFRAG Board responsible for the oversight of the Non-Financial Reporting Board

## QUESTION 3 - EUROPEAN INSTITUTIONS AND AGENCIES

Considering the proposed new governance structure (see section 5 EFRAG proposed new core structure) at which level do you consider European institutions and agencies should have representatives and should they be members or observers:

- The EFRAG Board responsible for the oversight of the Non-Financial Reporting Board (see diagram in the Preliminary Report)?
- The Non-Financial Reporting Board?
- TEG for Non-Financial Reporting?
- The Working Groups?

Should a Consultative Forum or any other form of advisory committee; be created for European Institutions and Agencies to provide input to the TEG for Non-Financial Reporting and the Non-Financial Reporting Board?

Answer : The Non-Financial Reporting Board like observers create Consultative Committee

## QUESTION 4 - PRIVATE SECTOR AND CIVIL SOCIETY

Considering the proposed governance structure (see section 5), at which level do you consider private sector and civil society ought to have representatives:

- The EFRAG Board responsible for the oversight of the Non-Financial Reporting Board (see diagram in the Preliminary Report)?
- The Non-Financial Reporting Board?
- TEG for Non-Financial Reporting?
- The Working Groups?

Answer : The Non-Financial Reporting Board like members

TEG for Non-Financial Reporting like observers

## QUESTION 5 - SMEs

Considering the proposed governance structure (see section 5), at which level do you consider SMEs (SMPs) should be represented:

- The EFRAG Board responsible for the oversight of the Non-Financial Reporting Board (see diagram in the Preliminary Report)?
- The Non-Financial Reporting Board?
- TEG for Non-Financial Reporting?
- A SME- focused Working Group?

Would it be sufficient to seek input of SMEs/SMPs in the public consultation and outreaches rather than involve them in the governance bodies?

Answer : TEG Non-Financial Reporting like members

## QUESTION 6 - COOPERATION WITH OTHER STANDARD SETTERS AND INITIATIVES

What do you see as main features of cooperation with the (global) reporting initiatives? What kind of involvement could you consider?

Answer : Consultation

## QUESTION 7 - EFRAG BOARD

What in your view should be the maximum size the new EFRAG Board?

Which stakeholders should be represented and in which proportion?

Should there be observers? If so, who should be the observers?

Do you foresee any obstacles that may arise were the EFRAG Board charged with oversight to include representatives of the Non-Financial Reporting Board and the Financial Reporting Board?

Should the EFRAG Board appoint the members of both TEGs and the European Lab, or should this be done by their respective Boards (Non-Financial Reporting Board and the Financial Reporting Board)?

Answer : 80 members EFRAG Board and 80 observers

## QUESTION 8 - NON-FINANCIAL REPORTING BOARD

What in your view should be the maximum size of the new Non-Financial Reporting Board?

Which stakeholders should be represented and in which proportion?

Should there be observers? If so, who should be the observers?

Should the Non-Financial Reporting Board members be appointed by the EFRAG General Assembly on recommendation of the EFRAG Board or directly by the EFRAG Board?

How can the interconnectivity between the Financial Reporting Board and the Non-Financial Reporting Board be ensured?

Answer : Maximum 80 members, 25% National Organisations, 10 % EFRAG TEG, 20% EFRAG CFSS, 10% European Lab, 10% EFRAG Board, 25% Private EU companies and experts with large experience in : Execution, Publishing, Speaker in the Intangible Economy Area

The interconnectivity are realized by a community HUB-BROKER with experience not deep but large in the Financial & Non-Financial Reporting domain

## QUESTION 9 - TEG FOR NON-FINANCIAL REPORTING

What in your view should be the maximum size of the new Non-Financial Reporting TEG?

Which stakeholders should be represented and in which proportion? Should there be observers? If so, who should be the observers?

Do you agree that EFRAG TEG members are recommended by the EFRAG Non-Financial Reporting Board but appointed by the EFRAG Board rather than be appointed by the EFRAG Non-Financial Reporting Board?

How can the interconnectivity between the Financial Reporting TEG and the Non-Financial Reporting TEG be ensured?

Answer : Maximum 50 members & 50 observers

Members : 5% EFRAG Board,10% EFRAG CFSS, 20% European Lab, 20% EFRAG Non-Financial Reporting Board, 5% National Standard Setters, 25% Working Groups, 10% Private EU companies and experts, 5% HUB-Broker

Observers : 5% EFRAG Board,10% EFRAG CFSS, 20% European Lab, 20% EFRAG Non-Financial Reporting Board, 5% National Standard Setters, 25% Working Groups, 10% Private EU companies and experts, 5% HUB-Broker

The interconnectivity are realized by a community HUB-BROKER with experience not deep, but large in the Financial & Non-Financial Reporting domain

## QUESTION 10 - ACTIVITIES OF THE EUROPEAN LAB

Do you agree that there is a need for a European Lab activity in the revised EFRAG governance structure?

Do you agree that the European Lab could address both non-financial reporting and financial reporting activities?

Do you have other comments or suggestions regarding the activities of the European Lab?

Answer : Yes, it is a need for the European Lab.

Yes, he must adress both financial and non-financial reporting

Suggestion: Projects Journal with the deliveries and arbitration matter, integration events, validated actions and correlation chart between the activities and deliveries

Suggestion to set-up a Platforme to capt and distribute the : Knowledge, Competence, Partnership-Relational, assets and informations, documents, return-on-activities, generated in all EFRAG financial & non-financial reporting and standard setting activities. This will be for sure the greatest step-forward for EU to set the future like major world-wide player, fixing the rules

## QUESTION 11 - FUNDING

Considering the proposed governance structure in this consultation document:

Should the majority of the funding, or even all the funding, be provided by the European Commission and the Member States?

Is it important that the private sector contributes to the funding and why? Should the public-private sector partnership model also be reflected in the funding?

Would a levy at national or European level be feasible?

What alternative financing mechanism would you suggest being considered?

Answer : The 100% Funding must be provided by the European Commision and the Member States

The first and most important achievement with the Non-Financial Reporting is to avoid the financial speculation like basis of the financial crisis finally generating pauverties for the middle and low ressources class of peoples.

Second it will be an enormous accelerator for managing innovation, knowledge, competence, partnership in the EU industrial and service economical space

Third is very important in this stage of the Economical World Competition to keep the door for the Multi-National huge Holdings and Companies Networks with World-wide profit oriented interest specially the executives with short win vue, from transferring the Intangible Assets outside EU without any barier or monitoring. No one must be player with the EU and States governments to make the rules.