

Policy Statement

Standing for trust and integrity

January 2009

Sustainability

Multiple-Stakeholders: The Essence of Multidisciplinary Teams

FEE (Fédération des Experts comptables Européens – Federation of European Accountants) wishes to share its strategy on sustainability in the form of a series of policy statements⁽¹⁾ on core issues in relation to sustainability and the accountancy profession. FEE acknowledges that the urgent nature of the challenge of sustainability is becoming widely recognised. At the level of the organisation, accountants, whether in business, the public sector or within the world of professional practice, must rise to the challenge of sustainability which touches on many areas of traditional competencies.

About FEE

FEE represents 43 professional institutes of accountants and auditors from 32 European countries, including all 27 EU Member States. In representing the European accountancy profession, FEE recognises the public interest. It has a combined membership of more than 500.000 professional accountants, working in different capacities in public practice, business, government and education, who all contribute to a more efficient, transparent, and sustainable European economy.

The different aspects of sustainability include issues such as social and environmental external effects, the need for cost internalisation and the increased demand for non-financial information. FEE believes these demonstrate that there is a clear necessity for accountants in business as well as external auditors to cooperate with other professions and to work in multidisciplinary teams. This goes beyond the inclusion of a technical expert in an auditing team, whereby the accountant should have sufficient knowledge of the different aspects of sustainability to make the necessary judgements.

FEE believes that accountants have a major role to play in sustainability and sustainable development and is actively exploring the competences required including these to work in multidisciplinary teams. The competences of the accountant will be addressed in a separate policy statement on education. Examples of areas where multidisciplinary teams bring added value include the installation of consistent environmental and material flow cost accounting information systems, based on physical material input output flows in volumes and linked to production monitoring systems; the verification of environmental, social and economical aspects of sustainability management systems; supply chain requirements regarding ethical, social and environmental performance requirements; and the certification of Greenhouse Gas Emissions Permits or Sustainability Reports.

FEE believes that accountants and auditors are well trained in management and information systems, performance requirements and indicators as well as auditing and reporting standards and have an appropriate role to play in multidisciplinary teams. In order to be credible on the sustainability market and to national authorities, recognition that there is often a need to work

in multidisciplinary teams is essential. Expertise in engineering, chemistry, environmental management and general sustainability issues, concepts and tools are indispensable parts of this team, as are the inclusion of the competences of accountants and auditors.

Engineering and accounting information systems are often installed as separate satellite systems with system designs that follow completely different logistics and thus have no standard interfaces installed. This may be intentional, as information can be a source of power in organisations. A good exercise for an internal workshop between production and accounting

⁽¹⁾ Other Policy Statements issued:

- The Contribution of the Accountancy Profession, January 2009
- Cost Internalisation, January 2009
- Non-Financial Information, January 2009

departments is the mapping of the structure of cost centres with the material and energy flow related information systems in physical terms, as it is promoted by the IFAC guidance document on Environmental Management Accounting ⁽²⁾. This mapping should result in the definition of specified interfaces for consistency checks.

With policy instruments such as the emission trading systems, this mapping may become mandatory. For example calculating of CO² emissions according to the European Emission Trading Scheme is based on verified data for material and energy inputs into relevant production processes. The consistency of data can be verified by a multidisciplinary team, such as a team consisting of an engineer, a chemist and an accountant that all have passed a joint additional qualification before being registered as CO² emission verifier. In order to work in multidisciplinary teams, for an accountant, it is essential to have appropriate education in sustainability.

FEE encourages the accountancy profession to engage in multidisciplinary projects since the challenge of sustainability involves many topics and it supports the profession with projects and publications on topical sustainability issues such as emission rights and sustainability related key performance indicators.

⁽²⁾ http://www.ifac.org/Members/Downloads/IFAC_Guidance_doc_on_EMA_FINAL.pdf



THE MEMBERS OF FEE

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FEE is a Regional Organisation of IFAC, the International Federation of Accountants

FEE

Av. d'Auderghem 22-28
1040 Bruxelles

tel: +32 (0) 2 285 40 85
fax: +32 (0) 2 231 11 12

email: secretariat@fee.be