



Reply

A Proposal of an International  
Environmental Reporting Grid: What Interest  
for Policymakers, Regulatory Bodies,  
Companies, and Researchers?  
Reply to Discussion of “Mandatory Environmental  
Disclosures by Companies Complying with IAS/  
IFRS: The Case of France, Germany and the UK”

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**Abstract**

This article offers the authors’ insights concerning the issues raised by Professor Trevor Wilkins in commentaries on the article “Mandatory environmental disclosures by companies complying with IAS/IFRS: the case of France, Germany, and the UK” (Barbu et al., 2014). As suggested by Professor Wilkins, we demonstrate the utility of the international environmental reporting grid proposed in Barbu et al. (2014, Table 3): (1) for IASB policymakers and other regulatory bodies, (2) for companies to improve their environmental reporting, (3) for further research, and (4) for understanding the economic and financial consequences of IAS/IFRS-compliant environmental information.

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## 1. Introduction

There are more than 120 nations where IAS/IFRS standards provide guidelines for domestic listed companies to harmonize their accounting reporting. At present, however, no standard deals exclusively with environmental impacts. There is no current research that explains how to use these standards to improve environmental reporting practices, or which aspects could be improved by policymakers and regulatory bodies.

To respond to this lack, we propose an international environmental reporting grid in the article [Barbu et al. \(2014, Table 3\)](#). Professor Trevor Wilkins considers it necessary to demonstrate the utility of this grid that could: (1) impact the regulatory policies of countries seeking to enhance their environmental accounting strategy, (2) provide a managerial advantage to firms seeking to adopt best practices in the area of environmental accounting regulation, (3) be used by researchers on environmental disclosure practices or regulations, and (4) help to understand economic and financial consequences of IFRS-compliant environmental information.

## 2. Interest of our grid for IASB policymakers and other regulatory bodies

Professor Wilkins considers that “the examination of the nature of the disclosures and the breakdowns of the descriptive and monetary information reported by the companies in the respective countries provides much useful information...and it is likely to be of interest to the IASB policymakers and other regulatory bodies concerned with mandating environmental disclosures in financial statements.”

The analysis of IAS/IFRS shows that no international standard is exclusively dedicated to environmental information, even though environmental issues are mentioned in several standards and interpretations. A total of 19 out of 65 standards and interpretations could be used to make environmental disclosure: 13 of 29 IASs could improve environmental information (IASs 1, 2, 8, 10, 12, 16, 20, 32, 36, 37, 38, 39, and 41), 5 of 9 IFRSs concern several environmental aspects (IFRSs 3, 6, 7, 8, and 9), and 3 of 16 IFRICs give information that could be used for environmental reporting (IFRICs 1, 5, and 6). They deal directly or indirectly with the recognition, measurement, and disclosure of environmental assets, liabilities, and expenditures.

This analysis has helped us develop the environmental reporting grid that we propose here ([Barbu et al., 2014, Table 3](#)) containing 12 items:

1. Intangible assets with exploration of mineral resources
2. Emission rights assets
3. Concessions, licenses, trademarks, and similar items
4. Other intangible assets
5. Tangible assets

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