

Business leaders point to EU Reform for more effective Europe

Key influencers say UK may be better placed to drive change by being in Europe, rather than trying to influence change from outside: CCAB Business in Europe Report

Calls for single statement of EU and national responsibilities in EU Reform

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CCAB, the forum for accountancy bodies in the UK and Ireland, has today published a new report, which captures the opinions of senior business leaders in the UK and Ireland on the effectiveness of the European Union, highlighting five key areas for potential reform.

Commissioned by CCAB, the report 'Business in Europe: Researching Reforms for Sustainable Growth' explores in-depth the attitudes, priorities and concerns among senior business figures, taking into account a range of economic, political, sociocultural, legal, technological and environmental considerations.

The report comes as political leaders prepare for the EU Summit on 18/19 February in Brussels, where it is anticipated that business leaders will seek to raise awareness on the issue of EU reform from a business community perspective.

Business Leaders on EU Reform

The five key areas for potential reform which emerge as priorities for business leaders interviewed for the report include:

- 1. Single statement of EU and national responsibilities:** with calls for a charter, operating model, or single document clearly setting out certain basic principles of the EU, as well as where responsibilities are shared by EU Members or retained by national administrations that would help address some misinformation about the remits of national governments and EU institutions;
- 2. Greater accountability and transparency at EU level:** a perceived lack of transparency, democratic deficit and a belief that unelected officials in Brussels may not make decisions in the EU's best interests are key concerns within the business community;
- 3. Closer harmonisation of reporting regimes including taxation reporting regimes:** hastened by the expansion of digital services, to facilitate strong demand across common markets for services and for capital, with the suggestion that the OECD's Base Erosion profit Shifting (BEPS) protocols could be transposed into EU legislation;
- 4. Portability of earned labour benefits:** to facilitate free movement of labour with regards to qualifications, pension contributions, health insurance and other earned social benefits in an ageing Europe;
- 5. Vision for business in the EU:** to further harmonise EU economic structures, including companies being able to submit tax returns to an EU clearing house that would distribute these proportionally to the Member States in which the income was earned;

The respondents of the report also touch on Brexit, putting forward both conflicting and common opinions on the question ahead of the UK's referendum on EU membership. While some respondents opined that UK businesses may be better placed to drive change by being in Europe, rather than trying to influence change from outside, others cited the downsides of membership. There was, however, consensus that the role of the EU is not always widely understood among businesses, and there is

work to do to communicate this in the interest of balanced and informed debate in advance of the 2017 referendum.

Tony Nicholl, CCAB Chairman, called the Business in Europe report an important contribution to the debate on the future of the relationship between the EU and UK: *“The EU can be an emotive issue, but our report seeks to examine the evidence of Europe’s effectiveness from a business leader’s perspective. This includes making some clear recommendations on how reform could be used to transform the EU relationship and set a new foundation for collaboration with our European neighbours on areas of mutual interest. We hope the views of the respondents, and the detail of the report will help point political leaders to the business agenda for a more effective Europe.”*

CCAB’s report was written by Brian Merriman and Bernie Coyne and reflects the views of key influencers within the accounting profession, drawn from a range of industries spanning financial and legal services, aviation and the arts, technology and transport, as well as public authorities. CCAB is the combined group of the main UK accountancy bodies which represents over 354,000 professional accountants worldwide.

The Business in Europe: Researching Reforms for Sustainable Growth report is available for download at: [CCAB Business in Europe full report](#). A summary of the report is available at [CCAB Business in Europe summary report.pdf](#)

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Notes to Editors

1. The combined membership of the five CCAB bodies - ICAEW, ACCA, ICAS, CIPFA and Chartered Accountants Ireland - amounts to 245,000 professional accountants in the UK and the Republic of Ireland (354,000 worldwide).
2. CCAB provides a forum for the bodies to work together collectively in the public interest on matters affecting the profession and the wider economy.
3. CCAB’s credibility stems from its insight into all areas of finance and accounting, from finance director and audit partner to management accountants, professional advisers, public sector finance leaders and entrepreneurs. CCAB’s members work through the financial value chain in all sectors as key decision makers and business leaders within the UK and around the world.

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