Ladies and gentlemen, dear colleagues

I am extremely glad to welcome you to Athens for the 6th congress of the Fédération des Experts Comptables Méditerranéens, the Federation of the Mediterranean public Accountants. This congress results from a very close co-operation between the Federation and the SOEL, the Institute of Auditors and Certified Accountants in Greece. The SOEL is accustomed to organising such events. I would just like to remind you that the 2002 FCM congress was also hosted in Athens by the SOEL where it welcomed a high quality panel of speakers, such as Aki FUJINUMA, IFAC’s past president, and Göran
TIDSTRÖM, who was then president of FEE. I would like to thank those responsible for the organisation and logistics of this event, Maria Teresa VENUTA, general secretary of FCM, and George SAMOTHRAKIS, SOEL’s vice-president, and all their respective staff.

The 2007 FCM Congress is somewhat special. This year we are celebrating the 30\textsuperscript{TH} anniversary of the creation of IFAC, the International Federation of Accountants, whose main objectives are the reinforcement of the credibility of the accounting profession worldwide and a significant contribution to the development of robust economies. The great majority of FCM’s member organisations are also IFAC’s members. Those who are not yet members aspire to become so in the not too distant future.

The objectives of the Fédération des Experts Comptables Méditerranéens differ from those of IFAC,
but are complementary: IFAC’s constitution focuses on co-operation:

- “To promote co-operation among the professional accountancy bodies in the Mediterranean region in relation to issues of common interest in both the private and the public sector”
- “To allow the professional accountancy bodies of the Mediterranean area to act with regard to the international evolutions affecting the accountancy profession”

and the technical assistance which should be provided by the professional institutes of developed economies to those in developing economies in order to reduce the existing economic gap:
“To provide technical assistance to members and assist them in achieving or improving high professional and quality assurance standards”.

I will also remind you of some comparative surveys published by FCM in 2007 on the professionals in the different Mediterranean countries:

- Survey on the accountancy and auditing profession in the Mediterranean countries
- The public oversight system in Mediterranean countries

The surveys undertaken by FCM remind me of other surveys carried out by another institution, the Academy of the sciences and techniques of accounting and audit, created by the CSOEC in September 2004, in the presence of Mr Nicolas Sarkozy, the then minister of
economy, budget and finance. I have the honour of chairing that organization;

The Academy's chief objectives are:

- To gather together accountancy, audit, management, finance professionals who share the same values in order to facilitate exchange on transversal topics and to identify good practices
- To raise the level of doctrinal reflection, to produce and to disseminate broadly in that field
- To frame a network of multi-disciplinary professionals in the service of the economy and to export on an international level French values and know how

Today the Academy has approximately 40,000 members representing the various roles carried out by the accountancy and finance professions:

- Independent accounting and auditing practitioners
• Professional accountants in business
• Professional accountants in public sector
• Legal, economical and managerial professionals
• Academics and students
• Retired professionals

Behind the extremely large variety of topics is hidden a stringent logic which consists of alternating best practice and doctrinal thought, respecting the complementarity of the diversity and the international visibility of French publications.

This is not the moment to detail the Academy’s achievements. However, I would just like to recall the topics raised in the 2007 editions of its magazine “Les cahiers de l’Academie”:

• SMEs and sustainability
• The role of the accountancy, audit and finance professionals in the enterprise governance
• Lecture guide for IAS 36
• Transition management

Let’s remember also he ultimate working groups launched b he Academy:

• Purchase price allocation
• The accounting managers dashboard
• Risk management and international finance
• Several views on corporate governance

The academy should not be perceived as a club for French people or French speaking people only. It is open to all those who are interested in the will of creating a new accountancy doctrine.

For this reason I remind you that all professional members of the FCM’s member institutes are invited to
join free of charge and to benefit from all of the advantages.

The theme of the congress is this year “The development of the accountancy profession in the Mediterranean region – SMEs and the role of the accountant”.

The Mediterranean region should not be perceived as an isolated group of nations. As a contrary it should be perceived as open to the outside world. The growth of commercial exchange since the Antiquity demonstrates this. Today the growth of the region is secured by the liberalisation of exchange through the creation of one common market, as is the case with the European Union, but specific to the Mediterranean region. The idea of such a common project of economical development was already included in the “Barcelona process” of the
European Commission of November 1995. It has received today a new impetus with the broader project of building a Mediterranean Union, as promoted by Nicolas Sarkozy, President of the French Republic, based upon economic development, environment and cultural dialogue.

The economic growth of a country or a region necessitates the development of SMEs, sources of employment. Meanwhile the viability of starting up new enterprises is fragile and the rate of failures high, principally due to insufficient advice given to the managers and a lack of, or too optimistic, strategic plans. The manager of a SME works mostly alone or with a reduced team, with often limited finances and accounting resources. He needs advice in order to avoid the dangers threatening his enterprise. The accounting professional is the best placed person to help thanks to;
• Initial rigorous training
• Compulsory continuous professional development
• Adhesion to high quality ethic rules
• Membership of a recognised institution that promotes integrity, transparency and high quality expertise

The assistance given by the accounting professional to the manager of a start up is crucial during the following stages in the life of the enterprise:

• Creation
• Starting up
• Preventing difficulties
• Transmission

For professional institutions the role of their members is fundamental: the professional accountant’s mission with respect to SMEs can be compared to that of a public interest mission. Many institutions have already
developed help and assistance tools for their clients. As an example I would like to mention certain tools developed by the French profession:

- Explanatory leaflets for creation, transmission and purchase of enterprises
- Publications dedicated to insolvency issues
- Segment analysis for micro enterprises (approx 30°)
- Specific internet websites dedicated to creation, insolvency procedures, transmission and business valuation

It is also worth mentioning the information and prevention centres for insolvency issues, *Centres d'Information et de Prévention CIP* the result of a common agreement with the tribunals of commerce.

The speeches and round tables you will attend deal with topics of worldwide interest but analyzed in a
Mediterranean context. The first speaker is Jim Sylph, IFCs Executive Director, who will describe the last evolutions of the accounting and audit profession and will show their impact on the Mediterranean region.

The second session will deal with the evolution and transparency of financial markets, observed from two different points of view: that of the money lender, with the representative of the World Bank; Ms Samia Msadek, whom I had the pleasure of hearing last year in Tunis, and on the other hand that of the supervisory systems with the chairman of Public Interest Oversight Board PIOB, Professor Stavros Thomadakis.

As mentioned before, the European Commission passed partnership agreements with the Mediterranean countries. Ms Marie Corman, administrator of the EU commission, will give an update on the Euro-
Mediterranean Charter for SMEs and on the EU Programme on Euro-Mediterranean Industrial cooperation.

The first part of the congress will end with a round table on the Role of Accountants in the Development of Mediterranean SMEs. Chaired by Dottor GianCarlo Attolini, this round table will give the opportunity to representatives of enterprises and accounting professionals to present their view on the matter.

The afternoon discussions will deal with complex issues, of extreme importance for the independent profession of the whole of the Mediterranean region.

The first round table will deal with applying International Financial Reporting Standards (IFRS) and International Standards of Audit (ISAs) to SMEs. As requested by several institutions, in particular the European
Commission, the IASB has developed a draft accounting standard for SMEs derived from the full IFRS with many simplifications and submitted it for public comments. It received a mitigated welcome from the stakeholders. The European Parliament stated that the SME targeted by the drafted standard wasn’t the typical SME of the EU. It recommended more simplifications and more autonomy towards the “big” standards, in particular by cancelling the fall back to the “big” book. For audit standards the question is: “Should full ISAs be used for all kinds of businesses, or will SMEs need a specific audit framework? The answer given by the standard setter for audit and assurance matters the IAASB is clear: “an audit is an audit” and there is no need for specific audit standards for SMEs. Meanwhile it has committed itself to consider the specificities of the SMEs when redrafting the existing standards in the clarity project. Chaired by
Ali el Aouani, the round table will provide the opportunity of hearing members of IASB (Gilbert Gélard and Philipe Danjou), members of IFAC and FEE working groups and professionals.

The second topic of the afternoon is the “simplification” project. This project, initiated by the European Commission affects primarily the Union’s member states but could affect other bordering states. The objective aimed at by the commission is to improve the competitiveness of the European enterprises by reducing their administrative burdens. One proposal consists of excluding very small businesses (micro enterprises) from the accounting obligations resulting from 4th and 7th Directive. This may result in an important turnover fall for the professionals. After a presentation of the project by André Kilesse, FEE’s vice president, I will then have the honour of opening the audience member debate with
George Samothrakis. After that, as vice-president of the hosting institution, George Samothrakis will draw the conclusions of the various sessions of the day.

Next year, the CSOEC and its president Jean-Pierre ALIX will be glad to welcome the FCM’s 2008 conference to Paris. It will be the opportunity to present to you with the conclusions of our work on the support role of the accounting professional in the development of the SMEs, not only in their home state, but also on an international level. This preparation work will require all of FCM’s strength for the coming year and will consecrate the interaction and the mutualisation of our skills, our know-how, and will give the brilliant proof of the solidarity and the reality of the Mediterranean Union which it is largely spoken today. It’s time now to proceed with the technical part of the congress. I thank you for your attention and I invite Jim Sylph to take the floor.