The use of “public interest” and “public good” as a rationale for corporate reporting: Evidence of its evolvement and challenges for accounting research

Acknowledgements:

ABSTRACT

This study aims to describe and empirically evidence the evolution of "public interest" and "public good" notions in corporate reporting regulation within the context of the European Commission between 2000 and 2024. Using the theoretical perspectives of public interest in Box (2007), it aims to link them with the evidenced shifts in the use of those notions to argue and discuss on the potential unintended consequences. Using a text analysis tool, our findings confirm a three-step evolution of the terms of PG and PI from efficiency in the capital market, to promoting financial stability, to achieving a more sustainable world. We argue that the EU reporting standard-setting process can be explained through the ideology theory of regulation, with a public interest notion that has shifted from an aggregative to a process perspective. We argue that the broader notion and the use of corporate reporting to get political goals, either economic, social or environmental, results in a complex scenario in which the potential number and typology of unintended effects are difficult to predict and where empirical research plays a crucial role.

Keywords: Public interest, public good, accounting regulation, corporate reporting regulation, content analysis

1. Introduction

The terms public good (PG) and public interest (PI) have different interpretations in the literature. The theory of “public goods” in opposition to private goods was part of the economic analysis of market failure developed in the 50's (Samuelson, 1954). In this economic context, a public good refers to a particular type of good whose use is non-rival and cannot be excluded. The term “public interest” has been primarily used in political and legal sciences, in which the concept has mainly a legal character and is often intrinsically linked with government intervention. The term public interest can also be traced to the economic theory of regulation (Hatke-Domas, 2003). Nevertheless, in parallel to the public interest term, the political and legal literature has also used the “public good” term and, in most cases, without a clear distinction between them (Olejarski, 2011)

In the accounting domain, the PI notion has been frequently related to the profession's role, as it serves the economic interests of third parties by providing relevant and reliable economic data and facilitating their economic decision process (Dellaportas & Davenport, 2008). However, the explicit use of PI and/or PG arguments in developing corporate reporting regulation has only been considered in the European landscape since Regulation No. 1606/2002 of 19 July 2002 on applying International Financial Reporting Standards (IFRS), which introduced the "European public good"[1] (EPG) as one of the criteria for adopting IFRS in the European Union (EU). Since then, the European Commission (EC) has used the terms PI and PG and the recent EU Directive 2022/2464 on sustainability reporting requires explicitly serving the EPG by ensuring high-quality standards. The EC has used the terms PI and PG interchangeably[2], and explicitly mentions the absence of a clear definition of the terms (EC, 2018).

[1] The expression was explicitly mentioned for the first time in the Economic and Financial Affairs (ECOFIN) Council meeting of 17 July 2000, in which the conclusions on the European Accounting Strategy section mention: 'In recognising these international accounting standards, the European Community will ensure that they are conducive to the European public good **a**nd that they can be used by European undertakings with full legal certainty’.

[2] For example, Maystad Reports (2013) states, “The international accounting standards can only be adopted if: …- they comply with the European public interest”.

As highlighted by ICAEW (2012, 3), "invoking the public interest requires justification of an ability and right to decide what is for the greater good". However, it has often been argued that the term PI has always been open to interpretation, is contingent on the ideological perspective, differ among stakeholders and jurisdictions, and vary over time depending on the circumstances. This has been argued when referring to the accounting profession (e.g Baker, 2005) or to the accounting standard-setting process (e.g. Abela & Mora, 2012). These arguments have been empirically tested recently in the European corporate reporting landscape using a content analysis of public documents. Thus, different perceptions of the meaning of PI/PG among social actors have been evidenced in Di Fabio (2018), while Hossfeld et al (2020) analysed several documents from EFRAG's endorsement activities and evidence that the EPG concept has evolved shifting from technical analysis of the standard, in alignment with the objectives of the IASB, to adopting a wider "political" vision, after the financial crisis.

This study aims at describing and empirically evidencing that, even without a formal definition or any explicit formal change in their meaning, the notions PI and PG have evolved in the context of corporate reporting regulation within the EC between 2000 and 2024. By including recent years, with the sustainability reporting requirements, which had not been empirically analysed before, we consider a broader scope than in Hossfeld et al. (2020),. Besides these authors focus on the evolution of the concepts in a particular aspect, the EFRAG IFRS endorsement advice, and they do not consider sustainability reporting. Second, using the theoretical perspectives of PI in Box (2007), we link those perspectives with the evidenced shifts in the reporting regulatory landscape to argue and discuss on the potential unintended consequences of these shifts.

As a methodology for the empirical analysis of the evolvement of the terms, we use a program designed as a text analysis tool that allows processing multiple PDF documents. This Python programming language allows us to conclude on the evolvement of the concept more objectively by conducting a quantitative analysis based on keywords and context. This approach systematises the search process for textual analysis, allowing more robust conclusions on the evolution of the terms.

Our description of the institutional evolution, supported by our content analysis findings, confirms a three-step evolution of the terms of PG and PI in the analysed documents. Aligned with the conclusion of Hossfeld et al. (2020) on the EFRAG endorsement activities, we show that the use of the terms changes from an initial scenario in which they are used in the context of efficiency of capital markets, and has investors as the main users of corporate reporting, to a later scenario in which the concepts financial stability and economic growth are added, and finally to the most recent scenario in which the terms are linked with more stakeholders and with social and environmental issues. This allows us to conclude that the intrinsic meaning of the terms has substantially changed since the EC initially used them. When linking those changes of scenarios and institutional changes with the different theoretical perspectives of the PI developed in the literature (as shown in Box, 2007), we argue that the perspective at the beginning of IFRS adoption fits with a "substantive perspective", and we concur with Di Fabio (2020) that the EC's use of the terms fits with the "aggregative perspective", based on the majority view. However, we argue that the later developments are more compatible with the so-called "process perspective", which understands the common good as the "consensus" among stakeholders. From our discussion, the enlargement of the PI and PG notions, including new goals for corporate reporting and the increasing importance of stakeholders other than investors, suggests increasing conflicts of interest. And the stronger the conflicts, the stronger the theory based on the "process perspective" predicts that some goals might be obtained at the expense of others, which puts the process of regulation in a compromise, making the analysis of intended and unintended effects a priority matter of empirical study.

Finally, apart from the aforementioned contribution to the empirical analysis evidenced in Hossfeld et al. (2020) and Di Fabio (2020), we contribute to previous literature on the theoretical analysis of the link between PI and the standard setting process (e.g. Bischof & Daske, 2016; Killian & O'Regan, 2020; Kothari et al., 2023; Giner & Mora, 2024) by arguing on potential effects and important challenges for accounting researchers derived from the evolution of the notions under this framework. Thus, we concur with Bracci et al. (2019) that more research is needed on the interaction of this notion with corporate information. Analysis of the intended consequences of reporting standards becomes a priority, and academics should contribute to predicting and understanding those consequences.

The structure of this paper is as follows: In section 2, we first explain the theoretical framework, including a discussion on the concepts and theories related to the public interest and public good terms. In section 3, we describe the development of corporate reporting in the EU over the last decades and its link with corporate reporting regulation.

In section 4, we present the empirical analysis of the evolution of the PI/PG meaning, including the methodology, sample, descriptive analysis, and results. In sections 5 and 6, we discuss the findings and conclusions.

2. Theoretical background and previous literature

When contextualising the terms PI and PG in the political and regulatory landscape, it seems unclear what the difference between them is. As Olejarski (2011) states, some authors appear to view the PG as encompassed in the PI or see the PG as "derivative from" the PI (Douglas, 1980; Morgan, 2001). Some others consider PI a more subjective notion than PG (Mitnick, 1976; Goodsell, 1990), others identify the PG notion as more "tangible" than PI, which would be more linked to the concept developed by Samuelson (1954). However, despite the efforts to distinguish both notions, contemporary scholarship generally shows the inextricable linkages between them, and very often they are used indistinctly (Olejarski, 2011). For example, different theories of regulation relate to the concepts of PI and PG without a clear distinction, and different theoretical perspectives on its meaning have been developed in the political field. Thus, Cochran (1974) or Box (2007) indistinctly refer to both when discussing how to achieve a common understanding of which conditions will benefit most people, or how to state the shared values. Both, theories of regulation related to PI and theoretical perspectives of its meaning, have been applied in the accounting literature as discussed below.

2.1. Theories of regulation

Three main theories related to the regulation process have been considered in the literature: public interest, capture, and ideology. The traditional legal-political approach to the "public interest" notion explains that regulation seeks the protection and benefit of the public at large and contemplates regulation as a tool aiming to respond to market failures and maximise social welfare. This is the so-called "public interest theory" of regulation. This traditional view was questioned by the so-called Chicago School, which claimed that regulation was not pursuing the public interest but serving political self-interests (Stigler, 1971), giving rise to the "capture theory". Under this theory, regulators are seen as economic agents seeking to maximise their own utility (Peltzman, 1976). As mentioned by Kalt and Zupan (1984), later scholars have termed the social objectives of political actors as "ideology." According to the "ideology theory", the regulatory outcomes result from the combination of the political ideologies of regulators and the effect of interest groups lobbying regulators. Lobbying activities might be self-interested, but they could also be seen as a mechanism through which regulators become aware of policy issues that they need to respond to and give interested groups “opportunities both to observe and contribute to policymaking" (Esty, 2006, p. 1531).

Although Kothari et al. (2023) consider that there is partial support for the three theories in the context of setting and enforcing disclosure and financial reporting rules, we concur with Abela and Mora (2012) that the “ideology theory” of regulation is the one that a priori better fits with the corporate reporting standard-setting. From a legitimacy perspective, it is relevant to consider several steps in developing standards, input, throughput and output (Tamm Hallstrom & Brostöm, 2010; Richardson & Eberlein, 2011; Botzem, 2014; Pelger & Spieß, 2017). At least in the EU landscape, the formal accounting standard setting process has a first step in which the standard setters issue draft standards (or research projects) according to the their objectives and interpretation of “common good”, and a second step in which they receive input from stakeholders, before the third step in which the standard is issued. It can be argued that the first step is enriched by the participation of various interested groups in the second one. The consultation period that takes place in the second step allows an open lobbying procedure by interested groups, and is a key element in the due process that characterises the development of accounting standards, which helps to provide legitimacy to the standard setter (Arce et al., 2023). The lobbyist activities would be, or at least would be perceived by some stakeholders, including the regulators, as informative, while other stakeholders might perceive them as a “capture” of a specific group (e.g. Di Fabio, 2020), which we consider fits the ideology theory of regulation. However, there is still a lack of a concrete definition of the term PI beyond the generic “social welfare” or “common good”.

2.2. Theoretical perspectives of the public interest

Political and administrative science has developed theories on the meaning or interpretation of PI. For example, Box (2007) considers three perspectives of PI: substantive, aggregative, and process.

From the substantive perspective, a "common good" might be relatively stable in an "ideal" model, and informed people would be capable of rationally choosing the "best" alternative. However, this view does not convey an operational definition that could help identify whether something is or is not in the public interest (Mitnick, 1976). On the contrary, the “aggregative perspective” states that the PI results from aggregated individual preferences and does not require a definition because the PI consists of whatever the majority wants at a given time, which can be attractive from a democratic point of view. However, this perspective has the limitation of not considering some collective goods.

Between these two approaches, the “process perspective” contemplates individuals as participants in a dialogue about what is in the PI. Individuals (or groups) are perceived as people with interests who can learn from social interactions in which they become aware of others' perceptions. They might even change or be willing to compromise for the good of the larger community and arrive at a "consensus". The process view requires some conception of a PI to transcend self-interests, so they do not take priority over the whole PI (Fox & Miller, 1995). However, this view also has some weaknesses in practice. Under this framework, the "common good" is still a vague and debatable concept. Some theorists have tried to avoid difficulties in identifying the PI with the outcome of the political process by declaring that the process itself is the PI, provided that a specific "due process" is followed when developing standards (Cochran, 1974). However, following due process does not guarantee that PI is achieved. Another weakness is that, in most cases, a relatively small percentage of the affected individuals (groups) participate in the policy dialogue, and the power attributed to those participating might be unbalanced.[3]Also, the way in which the different interests are weighed is key and will significantly affect the regulation's aim and the final output. An additional potential limitation of this perspective is that the greater the number of different individuals (groups) with different interests, the more difficult the decision-making process will be.

Di Fabio (2020) empirically focuses on written texts related to the PI of European actors and the IFRS Foundation and links them to the aforementioned theoretical perspectives. Interestingly, she concludes that the EC (in particular, the Maystad report, 2013) uses the term from the “aggregative perspective” considering “the European interest is public in that it summarises a plurality of interests of its member states, which

[3] For example, users rarely respond in the consultation periods, while preparers do (Arce et al., 2023 among others). And from all the stakeholders, politicians are usually in a privileged position to influence accounting regulation and try to use it as a tool to achieve concrete ends, this is their objectives, which are not free from self-interested motivations (García Osma et al., 2019; Bischof et al, 2020; Giner & Mora, 2021; Cervera et al., 2025; Mora, 2025).

can vary depending on the political priorities" (Di Fabio, 2020, p. 357). This is consistent with a lack of definition by the EC, as it is not required under this perspective. We want to challenge this conclusion by adding the last decade's events and arguing that the EC is now more aligned with the "process perspective", which has its advantages but also significant weaknesses and unintended consequences. Before the empirical analysis of the documents, we present a brief overview of the institutional and regulatory evolution of corporate reporting standards in the EU since the adoption of IFRS.

3. The evolution of corporate reporting regulation in the EU

Traditionally, accounting information has played two main roles in the economy: to provide information for investment decisions (valuation role) and to facilitate a measurement for accountability and governance purposes, including its use in contracts (stewardship role) (Beyer et al., 2010). Despite the Constitution of the IFRS Foundation recognises the existence of many stakeholders, it states that the standards are developed "to help investors, other participants in the world's capital markets and other users of financial information make economic decisions" (IFRS Foundation 2018, para 2a). Thus, for the International Accounting Standards Board (IASB), there has always been one stakeholder whose interest prevails: the investors. Consequently, when these two roles, valuation and stewardship, have conflicted, the valuation role has had, in general, a prevalence in the standard-setting process (Gebhardt et al., 2014). The valuation role of the financial reports is associated with providing "financial information about the reporting entity that is useful to existing and potential investors", since those reports "are not designed to show the value of a reporting entity" (IFRS Foundation 2018, paras 1.2 and 1.7). Even though it has been argued that the IFRS Foundation has to some extent bowed to the EU political pressure (Di Fabio, 2020), in general, they can be seen as keeping their alignment with its original normative perspective.

The EC, on the contrary, has evolved substantially in terms of corporate reporting. Although it is not easy to consider an exact date for the changes, we are going to describe three periods [4] , which fits with the three different decades of this century. The first decade

[4] Hossfeld et al (2020) consider four phases between 2002 and 2017 when analysing EFRAG endorsement activities.

will be marked by the adoption of the IFRS decision, the second one by the financial crisis, and the third one by the sustainability reporting development.

3.1. The IFRS adoption

The aforementioned approach of the IASB focused on capital markets and investors as primary users, and it was also the approach taken by the EC when it decided to adopt international standards (International Accounting Standards- IAS at the time) and regulate the endorsement process.[5] Thus Regulation no. 1606/2002, known as the IAS Regulation, aims "to contribute to a better functioning of the internal market", and "the efficient and cost-effective functioning of the capital market" (European Parliament and Council of the EU, 2002, recitals (2) and (4) respectively), and states that the adoption of an international standard is conditioned to be “conducive to the European public good” (European Parliament and Council of the EU, 2002, recital (9) and Article 3). The IFRS developed by the independent body, the IASB, are mandatory in the EU after being endorsed by the EC, for which it receives technical advice from EFRAG[6]. This endorsement advice was issued as draft for public consultation and was based on the majority view system. Dissenting views, when existed, were shown at the end of the documents. The Commission also asked EFRAG to systematically, in addition to the technical aid, carry out a cost–benefit analysis of the standard to be adopted. However, in practice, EFRAG primarily focused on the technical criteria[7], which was still consistent with the rationale of appointing a “technical expert group” (EFRAG-TEG).

3.2. The financial crisis and subsequent reforms

The financial crisis at the end of the first decade of this century served as an important catalyst. Power struggles between the EU and the IFRS Foundation emerged (Bengtsson, 2011; Burlaud & Colasse, 2011; Botzem, 2014; Palea, 2015), which affected the initial common view of the main aim of accounting standards (Warren et al., 2020). As highlighted by Young (1995), financial scandals and economic crises drive politicians'

[5] It should be noted that the 4th Directive issued in 1978 already stated in the explanatory memorandum that companies should make financial information available to the public.
[6] At that time the name was European Financial Reporting Advisory Group (EFRAG). Nowadays the name is EFRAG.
[7] In 2010, the formulation of the endorsement advice changed, as EFRAG had to explicitly mention in the advice if the new standard was detrimental to the EPG. However, the EPG check of EFRAG-TEG remained, in substance, a pure formality, and the criterion was presumed to have been met in the absence of evidence to the contrary.

increased interest in affecting the standard-setting process and auditing oversight. Thus, after the 2008 financial crisis, politicians started to pressure the regulatory process. The issuance of the Maystadt Report (Maystadt, 2013) and the subsequent changes in EFRAG were consequences of the crisis and can be seen as a turning point in the attitude of the EC towards IFRS. Since then, the EC concluded that the criterion to endorse IFRS should encompass the financial stability goal and, more generally, the protection of the European economy (European Commission, 2015, p. 6).

According to some authors (Pelger, 2016; Mora, 2022), these criteria gained some importance over the usefulness embedded in the valuation role. This episode highlights the trade-off between accounting and financial stability regarding transparency and loss recognition (Bischof et al., 2021). It evidences the importance of stakeholders other than investors, particularly banks and bank regulators and supervisors, which led to more significant political influence in the regulatory process (Alexander & Eberhartinger, 2010; Burlaud & Colasse, 2011; Camfferman & Zeff, 2018; Bischof et al., 2020).

Following the Maystadt (2013) report, EFRAG was radically reformed[8] . The European Commission was therefore inclined to "improve" the assessment of the EPG criterion in the endorsement process. The concrete analysis of the EPG, which was not previously carried out expressly on the grounds of the presumption of conformity, was now seen as a means of ensuring that the greater economic interest of the EU prevailed in the accounting standardisation process. Another important aspect of the EFRAG governance reform in terms of its organisational structure was that the decision-making authority was transferred from the committee of experts (TEG), which kept its technical advisory role, to the EFRAG Board, which became the central body of EFRAG with a more political role. Following the Maystadt report recommendation the President of EFRAG is proposed by the EC with the approval of the Council and of the Parliament, and the EC nominates one observer with speaking rights to the Board. The Board would make "consensus-based" decisions[9].

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[8] Because of this report, EFRAG changed its governance structure and became more political. More details of the changes in the IFRS endorsement process can be seen in Hossfeld and Muller-Lagarde (2018) and in Van Mourik and Walton (2018).

[9] Just in case consensus cannot exist, a qualified majority should be considered, and in the exceptional cases that it could not be found, the President of the Board could present his conclusions based on an indicative vote whereby the majority view would be presented as the position

It was also about this time that the EC took a step towards a new field. The issuance of the Non-financial Reporting Directive (NFRD) in 2014 represented the first step to an enormous change that would happen some years later.

3.3. The sustainability reporting revolution

After the NFRD and its progressive adaptation in national laws, the European Green Deal objectives (European Commission, 2019) was another big step towards mandatory sustainability reporting, with the aim, among others, of encouraging a change in corporate behaviour towards the achievement of sustainable development (Giner & Luque-Vílchez, 2022).

It is relevant to mention a document issued in 2021 by the Commission staff in which the idea of EPG, initially included in the IAS Regulation, is widened to consider the new objective of walking towards a more sustainable economy. This is closer to the stewardship function than the valuation one, although it involves understanding the accountability function towards society. The document states, "*The EU endorsement criterion of public good is much broader than the IASB's capital provider focus in developing IFRS*" (European Commission, 2021, p. 90). Moreover, it adds "*The difference in focus between the broader public good notion set out in the IAS Regulation and the narrower IASB focus of qualitative improvement may create difficulties for the EU to endorse IASB standards, especially against the broader objective of EU transition towards a more sustainable economy. (...) The focus would be preventing that IFRS accounting treatments contain disincentives to allocating long-term funding needed for the transition to a sustainable economy."* (European Commission, 2021, p. 91).

Nevertheless, it was with the issue of the Corporate Sustainability Reporting Directive (CSRD) issued in 2022 when the concept of "double materiality", which requires considering not only the financial materiality, as financial reporting has traditionally done, but also the impact of companies in the outside world, this is society and the environment, has been clearly stated in. Besides, in this context, investors and non-governmental associations, social partners, and other stakeholders are the primary users, which means that a multi-stakeholder approach is adopted, in which there is no prevalence of the investors. EU Directive 2022/2464 on sustainability reporting requires explicitly serving the EPG to ensure high-quality sustainability reporting standards. The CSRD was followed in 2023 by the issuance of the European Sustainability Reporting Standards (ESRS) as delegated acts by the EC.

This brief overview of the recent evolution of the accounting standard-setting process shows how, at the EU, there has been a gradual change in the understanding of the terms PI and PG, the politicisation of the standard-setting process and the increasing number of objectives and stakeholders of corporate reporting. There is already empirical evidence in Hossfeld et al. (2018) showing that the EPG concept concerning EU endorsement of IFRS evolved between 2001 and 2017. They analysed several documents related to EFRAG endorsement activities and undertook some interviews, concluding that the EPG criteria shifted from being a technical analysis of the standard, in alignment with the objectives of the IASB, to adopting a wider "political" vision, analysing also non-technical aspects of accounting regulations mainly after the financial crisis. They conclude that the scope of what is considered to be part of the EPG has substantially expanded, and that trend was still ongoing at the end of the period of their analysis. Different to Hossfeld et al. (2018), we enlarge the period of analysis and consider corporate reporting as a whole, not just the IFRS endorsement, what allows covering the recent developments in sustainability reporting.

4. Empirical analysis

In this section we explain the empirical analysis that examines the use of the terms PI and PG in the European accounting standard-setting landscape.

4.1. Methodology

We conduct a content analysis of relevant documents issued by EU institutions that focus on corporate reporting and consequently have received much attention in the EU. Contrary to previous evidence (such as Di Fabio, 2020; Hossfeld et al., 2020), which primarily relies on manual document review and data extraction, our approach systematises the search process for textual analysis. We use the Python programming language (version Python 3.13.0) to perform a content analysis of the selected documents. A program was designed as a text analysis tool that allows processing multiple PDF documents and conducting a quantitative analysis based on keywords and context. The program uses several Python libraries: *os* for file system operations, *PyPDF2* for reading and extracting text from PDF files, and *openpyxl* for creating and manipulating Excel files. The program employs text processing techniques, including splitting text into paragraphs, case-insensitive search, and counting word occurrences. Additionally, it uses data structures like dictionaries to store and manipulate the analysis results efficiently.

Considering the description of the accounting standard-setting process in the EU presented above, we distinguish three possible scenarios based on context words to analyse the occurrence of key terms, PI and PG, and how their use evolves through time in the three established scenarios. As shown in Table 1, scenario 1 is captured by context words which link the key terms with the efficiency of capital markets and has investors as the main users of corporate reporting. Scenario 2 is contemplated through the context words that associate the key terms with financial stability and economic growth in general. Finally, scenario 3 is considered by context words that link the key terms with more stakeholders, as well as social and environmental issues. In order to abbreviate, we call S1: Capital market, S2: Financial stability and S3: Sustainability.

[Table 1 about here]

The program follows several steps: (i) scans a specified folder for PDF files and each PDF searches for occurrences of the key terms PI and PG, discarding the concept of public interest entity;[10] (ii) counts the total number of appearances of each key term in the document; (iii) identifies and counts the paragraphs containing the key terms; (iv) analyses these paragraphs to count the frequency of predefined context words and duplicities for combined terms are eliminated; and (v) compiles the results into an Excel file, creating separate sheets for each key term.

New variables are computed using the information from the program, and their evolution is studied using statistical analyses.

We define Xp_i as the relative frequency of each key term in a document *i*, calculated by the following formula:

$$Xp_i = \frac{total\ appearances\ of\ term\ X\ in\ document}{number\ of\ pages\ of\ the\ document\ i} \qquad (1)$$

where *X* can be either *PI* or *PG, PIp,i* and *PGp,i* indicate the importanceof the concept under study in document *i*, adjusted for the document length. A high value for this variable indicates that the document places considerable emphasis on the term.

For further analysis about the use of the key terms, PI and PG in the established scenarios, a new variable $X_{y,i}$, that is the contextual density for each term in each scenario,

[10] "Public interest entity" refers to a particular type of entity, which differs from the concern in this study.

controlling for the different number of context words in the three scenarios, is computed as follows:

$$X_{y,i} = \frac{normalised\ total\ count\ of\ context\ words\ of\ scenario\ y\ in\ document, i}{total\ appearances\ of\ term\ X\ in\ document\ i} \qquad (2)$$

where X can be the PI or PG, and y can take values 1, 2, and 3, which refer to the three scenarios (S1: Capital market; S2: Financial stability; and S3: Sustainability), and i refers to the document under analysis.

The variable $X_{y,i}$ includes in the numerator the total count of context words referred to scenario y in document i normalised by the number of context words in scenario y. In contrast, the denominator includes the total count of appearances of term X in that document.

The six variables —three for each key term (PI and PG)— allow for comparison of how the terms are utilised and contextualised across different documents, considering the three distinct scenarios. By comparing the contextual density variables ($X_{y,i}$), we gain insights into using the key terms about each scenario. This quantitative approach enables us to track shifts in regulatory focus, identify emerging trends and assess the changing importance of each scenario in the discourse surrounding PI and PG.

4.2. Sample and descriptive data

The sample selection process follows two phases. In the first phase, we manually identify the documents from the EC website related to corporate reporting in the EU for the period 2000 to 2024. We include not just regulations but also recommendations, communications, reports, or public consultations, among others, issued by the EC, the Council, and Commission staff, as well as those referenced on the website but issued by EFRAG.[11] After this first phase, we obtained 60 documents (listed in the Appendix).

In the second phase, using the text analysis tool we identify the documents that contain at least once one of the key terms , or both. Only 25 of the 60 documents selected contain the terms, either just PI (7), just P
G (5) or both (13). Table 2 shows the documents containing the key terms, indicating the

[11] We exclude those related to the IFRS endorsement process since they are not the focus of this study and were analysed by Hossfeld and Muller-Lagarde (2018) and in Hossfeld et al. (2020).

year and whether they are related to financial or non-financial/ sustainability reporting. Not surprisingly, since 2021, with one exception, all refer to sustainability. One document, the *Fitness Check on the EU Framework for Public Reporting by Companies* (European Commission, 2021), combines both fields. Table 2 also includes the number of pages of each document and details about the number of times (PI count and PG count columns) and relative frequency (PIp and PGp columns) of the two terms under study. Regarding the frequency of use of key terms, we observe that after the financial crisis, particularly in 2015 and 2016, PG is used more frequently than PI. Since the beginning of the 20s, the documents maintain the relative frequency in the use of PI while it decreases for PG, being on average almost equal (the mean of PIp 0.08 does not change, while the mean of PGp goes from 0.569 to 0.049, non-reported data).

[Table 2 about here]

Table 3 shows the number of times (as well as mean, standard deviation, minimum and maximum) that the key terms appear in the documents analysed. While panel A refers to the 60 documents, panel B considers only those in which the terms appear. We can observe that PI appears in 20 documents while PG appears in 18, but when PG is mentioned, it is mentioned more times on average than PI (PG mean 3.944 vs PI mean 2.750), although with a higher standard deviation. In short, considering the total sample and the whole period of analysis, PG is, on average, more used than PI.

[Table 3 about here]

Next, we consider in which scenarios the key terms are mentioned. Table 4 provides the contextual density (see formula (2) above) and indicates that PI widely differs between scenarios, with a particularly noticeable presence in S3: Sustainability. However, PG presents a more balanced use in all scenarios, with a prominence in S1: Capital market and a similar presence in S2: Financial stability and S3: Sustainability. The variability in the data indicates heterogeneity in the contextualisation of these terms across the different documents. Additionally, the presence of minimum values of 0 in all scenarios suggests that, based on the selected context words, there are documents where the key terms are mentioned without referencing the scenarios.

[Table 4 about here]

When examining the varying uses of the terms considering whether the document refers to financial or sustainability reporting (see Table 2 above), the analysis uncovers distinct patterns in the use of PI and PG across both categories as shown in Table 5.[12] PI does not show significant differences depending on the field of the document. In contrast, although fewer in number (7 financial documents compared to 10 sustainability documents), financial documents that contain PG use the term more extensively. In terms of counting, an average of around 5 times per document in financial documents, while around 2 in sustainability documents, with the relative frequency of the term around 0.81 times per page in financial documents, while only 0.06 in sustainability documents. This indicates that the PG notion is more comprehensively employed in financial reporting than in non-financial contexts.

Regarding the contextual density variables, no significant differences in the use of PI are found across the different types of documents. However, a highly significant difference is noted for PG when used in S2: Financial stability (PG_2~~).~~ This suggests that when the rationale of the document is about financial stability and economic growth, PG is the preferred term, although this only applies to financial reporting documents.

[Table 5 about here]

The correlation among contextual density variables is shown in Table 6. The results confirm that S1: Capital market and S3: Sustainability are positively and significantly related in those documents where both key terms appear. This positive correlation suggests that when the scenarios are either the capital market or sustainability, both terms are used indistinctly in the documents. However, this is not the case for S2: Financial stability, since in this case documents tend to use either PI or PG, but not both terms interchangeably or in close association.

[Table 6 about here]

4.3. Results on the use of the key terms

[12] In this analysis, we exclude the document *Fitness Check on the EU framework for public reporting by companies*, as it refers to both financial and sustainability reporting. Thus, the number of documents is 59, and, as it only uses PG, it also reduces the count of this keyword to 17.

In this research we want to empirically test if there has been a change in the use of the two terms, and if such a change has been related to the accounting steps identified in section 3.

First, we examine how often a term has been used over time. Figure 1 shows the evolution of the cumulated number of times each term is mentioned. This representation allows us to analyse trends and qualitative changes, smoothing the annual fluctuations. We consider both key terms separately and observe that the use of both increased more or less in parallel, but the references to the term PG are significantly more than those of PI. However, around 2013, the use of the term PI reached the values of PG that soon distanced again due to the intensive number of references to PG in 2015 and 2016. From that moment on, references to both terms grow similarly. This is consistent with the descriptive evidence above that shows the notion of PG was more widely used in the context of the S2: Financial stability, as this was the time when this issue arose in the regulatory landscape. In sum, looking at Figure 1, we observe an increasing use of both terms through time, with special emphasis on PG after the financial crisis, and a renewed use of the term PI in the last three years, coinciding with the push for sustainability reporting

[Figure 1 about here]

The change in the context associated with the use of the key terms over time is shown in Figure 2. We built one figure for both terms jointly. The process involved calculating the mean contextual densities for each scenario annually and then summing the annual means for PI and PG. Subsequently, we compute a moving average that considers the period from the beginning to the year under study. Through the three lines in the figure, we perceive that although the use of both terms in S1: Capital market has historically been the most significant, it has experienced a decline in recent years. In contrast, their use under scenario S3: Sustainability has gained notable momentum, especially since 2015, following the issuance of the NFRD, and underwent another boost around 2020 when the discussion around the CSRD took place. Meanwhile, S2: Financial stability has sustained a relatively stable presence since its inception in 2013, following the crisis. This is consistent with descriptive data and Figure 1.

[Figure 2 about here]

Taken both terms jointly in Figure 2, we evidence the following:

Con formato: Inglés (Estados Unidos)

(i) A significant increase in the use of both terms under the three scenarios after the financial crisis, especially prominent for PG in S1 and S2. This means that both, capital markets and stability are used as a context for the terms simultaneously, while not in the same documents (as suggested by the nonsignificant correlations, table 6).

(ii) While the link with S2: Financial stability has remained relatively stable since 2015, there is a big increase in the use of both terms, PG and PI, in the context of S3: Sustainability at the beginning of the 20s. As for the use of the terms in the context of S1: Capital markets have lost strength but remain relevant

(iii) Finally, it is important to note that the use of PI shows greater volatility in S1: Capital market and in S3: Sustainability. In contrast, the term PG has more gradual changes in the three scenarios analysed (results not reported in tables). These differences suggest that although both concepts are gaining relevance in the analysed discourse, PI has experienced more changes in its use and contextualisation, especially in scenarios one and three, again consistent with linking the use of the term PG in relation to financial stability and economic growth, while PI barely used in this context.

4.4 Robustness tests

Additional analyses have been performed to ensure the robustness of the results when not controlling for the different number of context words in the three scenarios. For that purpose, we use variable $X_{y,i}$ (see formula (2)), but with the total count of context words of scenario *y* in the numerator.

The replication of the previous analyses provides robust results for both measures, the reported and the non-normalised density variables per scenario.

5. **Discussion of findings**

In the first decade after adopting the IFRS, when the EC perspective on PI was aligned with the IASB's, it can be argued that the interpretation of the PI and PG might be considered under the substantive perspective, but this should be taken with caution. The standard setters indeed have an objective in mind and the standard should respond to market failures, in theory, to maximise “social welfare”. However, we should take into consideration that maximising the usefulness and relevance of the information for one group of interest in the society (investors) does not necessarily bring welfare to the whole community potentially affected by the standards.

From the research perspective, the EC view of PI in the scenario of market efficiency (S1: Capital market) was aligned with the mainstream research on financial reporting for several decades, which has been mostly grounded in the view that accounting should enhance efficiency and equity in financial markets. However, under the contracting role of accounting information, the existence of incentives have been analysed under the contracting theory, and consequences, recently called "real effects" (Kanodia & Sapra, 2016; Napier & Stadler, 2020; Shakespeare, 2020), have been traditionally considered "unintended consequences" (Brüggemann et al., 2013), primarily economic consequences.

When financial stability entered into play (S2: Financial stability), we understand that is about the use of information to "influence" rather than to "predict" (Lambert, 2010), ehich implies a different view of PI and PG. At the same time, changes in the standard-setting process appear, which is compatible with the “aggregative perspective”. Although Di Fabio (2020) just analyses the Maystad report (2013), we concur with her conclusion that in S2: Financial stability, PI and PG are used under the “aggregative perspective”, as there are more interest groups and jurisdictions participating in the process with a goal of economic growth and financial stability also in mind. we concur with Waymire and Basu (2011) that there is a need for more research on the link between economic crisis and accounting, But we add that the changes in the EU landscape after the financial crisis, including the higher interference of politicians and the introduction of the financial stability goal for financial reporting, should be a matter of more theoretical development and empirical analysis. According to a large body of accounting researchers, the main problem with considering financial stability as an additional goal is that the two different objectives, usefulness for investors and financial stability, are usually in conflict (Zeff, 2012; Giner & Mora, 2019). From the perspective of most accounting researchers, when this happens, the prevalence of the second might have negative consequences on transparency and credibility (Barth & Landsman, 2010; Acharya & Ryan, 2016; Novotny-Farkas, 2016; Giner & Mora, 2019; Mora, 2022). Consequently, some key questions for debate related to the goal of financial stability on behalf of the PI and the PG: Should accounting standard setters meet the needs of one set of users at the expense of others? Could the IASB be captured by the self-interest view of dominant or powerful stakeholders (such as politicians or prudential regulators), as suggested by Di Fabio (2020, based on some stakeholders' perceptions? Will developments in the standard-setting process towards wider “intended” economic goals have “unintended” consequences on transparency and market allocation of resources? These questions require further theoretical and empirical research.

When dealing with sustainability reporting (S3: Sustainability) the reality becomes even more complex and poses even more challenges for researchers, particularly in the EU context. The introduction of the impact materiality, goes intrinsically joined with a wider interpretation of the PI, as evidenced in our empirical analysis about the EU documents. Consensus as an interpretation of the PI under the “process perspective” was already introduced when the EFRAG governance structure was changed, but it is completely embedded in the EFRAG as a “regulator” of the sustainability standards, who provides the technical advice to the EC. The wider view of PI might create a greater conflict of interests and the final balance among priorities and power of the different stakeholders will be decisive in the final output.

Finally, we have observed that the PI notion is still considered when arguing about the capital market and its needs. Moreover, it has grown in parallel with its use in the rationale for sustainability. We argue that the conflict between the usefulness and the financial stability goal enlarges when the social and environmental objectives and the variety of stakeholders considered primary users increases. Moreover, the list of potential effects also enlarges, and finding out which ones are intended and which are unintended could be an issue.

6. Conclusion

The concepts of PI or PG in the accounting domain do not have a unique interpretation. We contribute to previous literature by providing a conceptual framework to analyse the role of these concepts and showing a rigorous empirical evidence, which complement and expands previous arguments and evidence. Our results support that the notions have changed significantly in the almost last three decades in the European corporate reporting regulatory landscape. From having an economic angle linked with getting efficiency in the capital market to promoting financial stability to achieving a more sustainable world. In sum, the rationale for the use of these imprecise words in the regulatory accounting arena has expanded over time.

Overall, we argue that our analysis and results are consistent with the fact that the current EU process can be explained through the ideology theory of regulation with a PI notion based on the “process perspective”, which we call the “process-ideology” framework. However, this perspective is not free from weaknesses, and when there is a conflict of interest, the unbalanced power of stakeholders might drive the final output, and the capture theory of regulation might play a role.

The current context and the circumstances of corporate reporting standards, in particular the emergence of sustainability reporting, offer an interesting field of research which drives new challenges for researchers. The interaction between achieving the PI or the PG, with its various interpretations, particularly when the broader notion is considered involving different stakeholders with different interests, together with the use of corporate reporting to get political goals, either economic, social or environmental, results in a complex scenario in which the potential number and typology of unintended effects are difficult to predict. Researchers play an essential role in evidence-based accounting regulation and current developments provide material for empirical evidence. Empirical research should be based on a theoretical framework that contemplates theories and arguments related to the PI or the PG, not used in general, till now, in the accounting domain.

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Table 1. Scenarios and context words.

Scenarios	Context words
Scenario 1	market, markets, capital, investors, investment, investments, global market, capital market.
Scenario 2	economic growth, financial stability, stability.
Scenario 3	citizens, social, society, environmental, climate, governance, sustainable development, sustainable, sustainability.

Table 2. Details about the documents on corporate reporting that cite PI or PG.

Document	topic	year	Pags	PI (count)	PG (count)	PIp	PGp
Green Paper	Sustainability	2001	32	1	0	0.031	0.000
Regulation (EC) No 1606/2002	Financial	2002	4	0	2	0.000	0.500
Commission decision setting up a Standards Advice Review Group to advise the Commission	Financial	2006	3	1	0	0.333	0.000
The Maystadt Report	Financial	2013	36	8	5	0.222	0.139
Report evaluation of Regulation (EC) n° 1606/2002	Financial	2015	12	1	8	0.083	0.667
European Parliament resolution of 7 June 2016 on IAS evaluation and the activities of IFRS EFRAG and PIOB	Financial	2016	9	1	7	0.111	0.778
Non-paper of Commission services DG FISMA	Financial	2016	2	0	7	0.000	3.500
Financing a sustainable European Economy final report of the EU High-Level Group on Sustainable Finance	Sustainability	2018	100	1	1	0.010	0.010
Study on the accounting regime of limited liability micro companies	Financial	2019	91	1	0	0.011	0.000
Communication from the Commission: Action Plan Financing Sustainable Growth	Financial	2018	20	0	2	0.000	0.100
Proposal for a Directive amending Directive 2013/34 EU	Sustainability	2021	66	1	2	0.015	0.030
Public consultation paper due process procedures for EU sustainability reporting standard-setting (EFRAG)	Sustainability	2021	21	2	1	0.095	0.048
Potential need for changes to the governance and funding of EFRAG	Sustainability	2021	32	12	1	0.375	0.031
Final report proposals for a relevant and dynamic EU sustainability reporting standard-setting (EFRAG)	Sustainability	2021	228	7	6	0.031	0.026
Commission staff working document impact assessment (21.04.2021)	Sustainability	2021	235	0	1	0.000	0.004
Commission Delegated Regulation (EU) 2021/2139	Sustainability	2021	349	6	0	0.017	0.000
Towards Sustainable Businesses Good Practices in Business Model, Risks and Opportunities Reporting in the EU	Sustainability	2021	92	1	0	0.011	0.000
Directive (EU) 2022/2464	Sustainability	2022	66	1	2	0.015	0.030
Press release First Set of draft ESRS (EFRAG)	Sustainability	2022	3	1	1	0.333	0.333
Due process procedures EU sustainability reporting standard-setting (EFRAG)	Sustainability	2022	19	2	1	0.105	0.053
Commission Regulation (EU) 2023/1803	Financial	2023	992	1	1	0.001	0.001
Commission Delegated Regulation (EU) 2023/2772 (supplementing Directive 2013/34 EU)	Sustainability	2023	284	4	0	0.014	0.000
Q&A on the Adoption of European Sustainability Reporting Standards	Sustainability	2023	5	1	0	0.200	0.000
Due process procedures EU sustainability reporting standard-setting (EFRAG)	Sustainability	2023	24	2	1	0.083	0.042

Q&A indicates Questions and Answers. (*) means that the EFRAG issued the document. PI/PG (count) refers to the total count of the term in the document, PIp/PGp refers to the ratio of the count of PI/PG in the document out of the number of pages of the document.

Table 3. Descriptive statistics of the number of times that key terms appear in the documents and density variables.

Variable	documents	Mean	Std. Dev.	Min	Max
Panel A: total sample					
PI (count)	60	0.917	2.189	0	12
PIp	60	0.035	0.085	0	0.375
PG (count)	60	1.183	3.311	0	22
PGp	60	0.107	0.470	0	3.500
Panel B: documents containing the terms					
PI (count)	20	2.750	3.093	1	12
PIp	20	0.105	0.122	0.001	0.375
PG (count)	18	3.944	5.150	1	22
PGp	18	0.358	0.820	0.001	3.500

PI/PG (count) refers to the total count of the term in the document, PIp/PGp refers to the ratio of the count of PI/PG in the document out of the number of pages of the document.

COMO ES POSIBLE QUE EN PANEL B PIp y PGp Tengan MINIMO 0 SI PI Y PG ESTAN?

Table 4. Contextual density variables for the three scenarios.

Variable	Documents	Average	S.D.	Min	Max
PI_1	20	0.046	0.104	0	0.333
PI_2	20	0.002	0.009	0	0.042
PI_3	20	0.096	0.160	0	0.727
PG_1	18	0.063	0.106	0	0.333
PG_2	18	0.041	0.077	0	0.250
PG_3	18	0.042	0.078	0	0.273

PI_1, PI_2 and PI_3 are the contextual density variables for PI in scenarios 1, 2 and 3, respectively; PG_1, PG_2 and PG_3 are the contextual density variable for PG in scenarios 1, 2 and 3, respectively.

Table 5. Parametric and nonparametric per the scope of the documents.

	N Docs.	t Student /z	p-value	Financial Docs.	Financial Average	Sustainability Docs.	Sustainability Average
PI count (all sample)	59	-1.196	0.232	23	0.565	36	1.167
PI count (documents that contain the term)	20	-1.073	0.283	6	2.167	14	3.000
PG count (all sample)	59	0.672	0.502	23	1.391	36	0.472
PG count (documents that contain the term)	17	2.440**	0.015	7	4.571	10	1.700
PIp (all sample)	59	-0.173	0.863	23	0.033	36	0.037
PIp (documents that contain the term)	20	0.521	0.609	6	0.127	14	0.095
PGp (all sample)	59	0.661	0.509	23	0.247	36	0.017
PGp (documents that contain the term)	17	2.246**	0.025	7	0.812	10	0.061
PI_1	20	0.651	0.515	6	0.074	14	0.034
PI_2	20	1.528	0.127	6	0.007	14	0.000
PI_3	20	-1.282	0.200	6	0.045	14	0.118
PG_1	17	0.875	0.382	7	0.080	10	0.050
PG_2	17	2.622***	0.009	7	0.096	10	0.000
PG_3	17	-0.914	0.361	7	0.008	10	0.068

*,** and *** refer to significance at 10%, 5% and 1% level. Kurtosis tests for Normality are computed, and parametric or non-parametric tests are run according to the results. PI/PG (count) refers to the total count of the term in the document, PIp/PGp refers to the ratio of the count of PI/PG in the document out of the number of pages of the document ES ESTO LO QUE LLAMAMOS DENSITYRATIO EN LA FORMULA 1, PONERLO SIMEPRE IGUAL. PI1, PI2 and PI3 are the contextual density variables in scenarios 1, 2 and 3, respectively for PI; PG1, PG2 and PG3 are the contextual density variables for PG in scenarios 1, 2 and 3, respectively.

Table 6. Pearson correlation coefficients of the contextual ? density variables for the three scenarios.

	PI_1	PI_2	PI_3	PG_1	PG_2	PG_3
PI_1	1.000					
PI_2	0.143 (0.536)	1.000				
PI_3	-0.052 (0.832)	-0.141 (0.551)	1.000			
PG_1	0.736*** (0.004)	-0.185 (0.545)	0.348 (0.245)	1.000		
PG_2	0.328 (0.275)	0.307 (0.307)	-0.011 (0.972)	0.014 (0.957)	1.000	
PG_3	-0.053 (0.864)	-0.178 (0.561)	0.695*** (0.008)	-0.034 (0.895)	-0.260 (0.297)	1.000

*,** and *** refer to significance at 10%, 5% and 1% level; PI_1, PI_2 and PI_3 are the contextual density in scenarios 1, 2 and 3, respectively for PI; PG_1, PG_2 and PG_3 are the contextual density for PG in scenarios 1, 2 and 3, respectively.

Figure 1. Cumulative count of the occurrences of the terms per year.

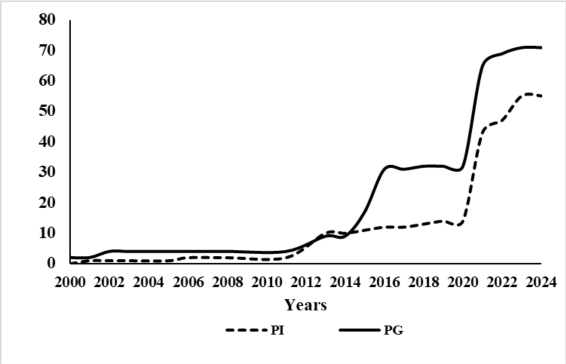
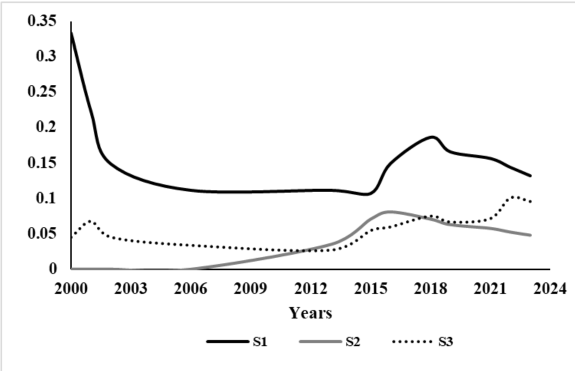


Figure 2. Cumulative moving average of the density variables of the scenarios per year for PI and PG jointly.



Annex I

Document	**Topic**	**Year**	**Source**	**Link**
Communication - Financial Reporting Strategy the way forward	Financial	2000	EC	https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex:52000DC0359
Commission Recommendation on the recognition, measurement and disclosure of environmental issues in the annual accounts	Financial	2001	EC	https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A32001H0453
Promoting a European framework for corporate social responsibility - Green Paper	Sustainability	2001	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52001DC0366
Regulation (EC) No 1606/2002	Financial	2002	EC	https://eur-lex.europa.eu/legal-content/en/ALL/?uri=CELEX%3A32002R1606
Directive of the European Parliament and of the Council amending Directives 78/660/EEC, 83/349/EEC and 86/635/EEC	Financial	2003	EC	https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX%3A32003L0051
Commission Regulation (EC) No 1073/2005	Financial	2005	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32005R1073
Commission decision on appointment of members of the Standards Advice Review Group	Financial	2006	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32007D0073
Commission decision setting up a Standards Advice Review Group to advise the Commission	Financial	2006	EC	https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:32006D0505
Regulation (EC) No 1126/2008	Financial	2008	EC	https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=celex%3A32008R1126
Proposal for a DIRECTIVE on the annual financial statements	Financial	2011	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52011PC0684
Working paper part II impact assessment for financial disclosures on a country by country basis/II	Financial	2011	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52011SC1289
Working paper part II impact assessment for financial disclosures on a country by country basis/I	Financial	2011	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52011SC1289
Directive 2013/34/EU	Financial	2013	EC	https://eur-lex.europa.eu/eli/dir/2013/34/oj
Maystadt Report	Financial	2013	Council of EU	https://data.consilium.europa.eu/doc/document/ST-15614-2013-INIT/en/pdf
Directive 2014/95EU	Sustainability	2014	EC	https://eur-lex.europa.eu/eli/dir/2014/95/oj
FAQ Disclosure of non-financial and diversity information by large companies and groups	Sustainability	2014	EC	https://ec.europa.eu/commission/presscorner/detail/en/memo_14_301
Report Evaluation of Regulation (EC) N° 1606/2002	Financial	2015	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:52015DC0301
Resolution of 7 June 2016 on IAS evaluation and the activities of IFRS EFRAG and PIOB	Financial	2016	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52016IP0248
Non-paper of commission services	Financial	2016	EC	https://finance.ec.europa.eu/system/files/2017-01/2016-06-27-european-public-good_en.pdf
Communication - Guidelines on non-financial reporting	Sustainability	2017	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52017XC0705(01)

Financing a Sustainable European Economy final report of the EU High-Level Group on Sustainable Finance	Sustainability	2018	EC	https://finance.ec.europa.eu/system/files/2018-01/180131-sustainable-finance-final-report_en.pdf
Communication - Action Plan Financing Sustainable Growth	Sustainability	2018	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52018DC0097
Study on the accounting regime of limited liability micro companies	Financial	2019	EC	https://finance.ec.europa.eu/document/download/bbb6863c-a7c2-470a-84f3-52a51cffde09_en?filename=190605-study-micro-companies_en.pdf
Conclusions on the Deepening of the Capital Markets Union	Financial	2019	Council of EU	https://data.consilium.europa.eu/doc/document/ST-14815-2019-INIT/en/pdf
The European Green Deal	Sustainability	2019	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52019DC0640
Communication - Guidelines on climate-change reporting	Sustainability	2019	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52019XC0620(01)
Regulation (EU) 2019/2088	Sustainability	2019	EC	https://eur-lex.europa.eu/eli/reg/2019/2088/oj
Regulation (EU) 2020/852	Sustainability	2020	EC	https://eur-lex.europa.eu/eli/reg/2020/852/oj
Fitness Check on the EU framework for public reporting by companies	Both	2021	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021SC0081
Report on the review clauses in Directives 2013/34/EU, 2014/95/EU, and 2013/50/EU	Financial	2021	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52021DC0199
Study on the non-financial reporting directive – Final report	Sustainability	2021	EC	https://data.europa.eu/doi/10.2874/229601
Proposal for a Directive amending Directive 2013/34/EU	Sustainability	2021	EC	https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52021PC0189
Commission Delegated Regulation (EU) 2021/2139	Sustainability	2021	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32021R2139
Public consultation paper due process procedures for EU sustainability reporting standard-setting	Sustainability	2021	EFRAG	https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/EFRAG%20Due%20Process%20Procedures_V04.pdf
Potential need for changes to the governance and funding of EFRAG	Sustainability	2021	EFRAG	https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/Jean-Paul%20Gauz%C3%A8s%20-%20Ad%20Personam%20Mandate%20-%20Final%20Report%20-%2005-03-2021.pdf
Summary of the comments received in response to public consultation	Sustainability	2021	EC	https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/EFRAG%20Due%20Process%20-%20Summary%20report_final.pdf
Final report proposals for a relevant and dynamic EU sustainability reporting standard setting	Sustainability	2021	EFRAG	https://finance.ec.europa.eu/document/download/23a44c64-c980-468c-ad15-ee2ea5e2e83f_en?filename=210308-report-efrag-sustainability-reporting-standard-setting_en.pdf
Impact Assessment Proposal for a Directive amending Directive 2013/34/EU, Directive 2004/109/EC, Directive 2006/43/EC and Regulation (EU) No 537/2014, as regards corporate sustainability reporting	Sustainability	2021	EC	https://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX%3A52021SC0150
Towards Sustainable Businesses Good Practices in Business Model, Risks and Opportunities Reporting in the EU	Sustainability	2021	EFRAG	https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/EFRAG%20PTF-RNFRO%20-%20Main%20Report.pdf
Q&A Corporate Sustainability Reporting Directive proposal	Sustainability	2021	EC	https://ec.europa.eu/commission/presscorner/api/files/document/print/en/qanda_21_1806/QANDA_21_1806_EN.pdf

Directive (EU) 2022/2464	Sustainability	2022	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32022L2464
Commission Implementing Regulation (EU) 2021/637	Financial	2021	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R0637
Commission Delegated Regulation (EU) 2021/2178	Sustainability	2021	EC	
Commission Delegated Regulation (EU) 2022/1288	Sustainability	2022	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32022R1288
Commission Implementing Regulation (EU) 2022/2453	Sustainability	2022	EC	https://eur-lex.europa.eu/eli/reg_impl/2022/2453/oj
Press release First Set of draft ESRS	Sustainability	2022	EFRAG	https://www.efrag.org/sites/default/files/sites/webpublishing/SiteAssets/EFRAG%20Press%20release%20First%20Set%20of%20draft%20ESRS.pdf
Due process procedures EU sustainability reporting standard-setting	Sustainability	2022	EFRAG	https://www.efrag.org/system/files/sites/webpublishing/Project%20Documents/2106151549247651/EFRAG%20Due%20Process%20Procedures%20-%20Approved%20by%20GA%2015-03-2022.pdf
Commission Delegated Directive (EU) 2023/2775	Financial	2023	EC	https://eur-lex.europa.eu/eli/dir_del/2023/2775/oj
Proposal for a Regulation amending Regulation (EU) 2016/1011 for benchmarks	Financial	2023	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A52023PC0660
Commission Regulation (EU) 2023/1803	Financial	2023	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=OJ%3AJOL_2023_237_R_0001
Proposal for a regulation amending Regulations (EU) No 1092/2010	Sustainability	2023	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52023PC0593
Proposal for a decision amending Directive 2013/34EU	Sustainability	2023	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52023PC0596
Commission Delegated Regulation (EU) 2023/2772	Sustainability	2023	EC	https://eur-lex.europa.eu/eli/reg_del/2023/2772/oj
Q&A on the Adoption of European Sustainability Reporting Standards	Sustainability	2023	EC	https://ec.europa.eu/commission/presscorner/detail/en/qanda_23_4043
Commission Delegated Regulation (EU) 2023/2486	Sustainability	2023	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32023R2486
Commission Delegated Regulation (EU) 2023/363	Sustainability	2023	EC	https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32023R0363
Due process procedures EU sustainability reporting standard-setting	Sustainability	2023	EFRAG	https://www.efrag.org/system/files/sites/webpublishing/Project%20Documents/2106151549247651/EFRAG%20DPP%20for%20Sustainability%20Standard-Setting%20-%20Approved%20by%20GA%2016-03-2023.pdf
Long-term competitiveness of the EU looking beyond 2030	Sustainability	2023	EC	https://commission.europa.eu/system/files/2023-03/Communication_Long-term-competitiveness.pdf
ESRS–ISSB Standards Interoperability Guidance	Sustainability	2024	EFRAG	https://www.ifrs.org/content/dam/ifrs/supporting-implementation/issb-standards/esrs-issb-standards-interoperability-guidance.pdf
FAQs on the interpretation of certain legal provisions in Directive 2013 34 EU	Sustainability	2024	EC	https://finance.ec.europa.eu/document/download/c4e40e92-8633-4bda-97cf-0af13e70bc3f_en?filename=240807-faqs-corporate-sustainability-reporting_en.pdf

Q&A refers to questions and answers, FAQ refers to frequently asked questions, EC to European Commission and EFRAG to European Financial Reporting Advisory Group