

# Accounting Harmonization in Arab Maghreb

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DOI: 10.6007/IJARBSS/v6-i11/2446 URL: <http://dx.doi.org/10.6007/IJARBSS/v6-i11/2446>

## **Abstract**

During the last decade there has been a proliferation of research on the feasibility and prospects for accounting harmonization. To some extent, the magnitude of these researches focused on Europe and developed countries. However, the Arab Maghreb region has not been explored. On the basis of examining similarities and differences in environmental factors, this paper addresses policy issues to identify the possibility of the accounting harmonization in the Maghreb. It examines many factors environmental and political ones. This paper compares the financial reporting in Libya, Tunisia, Algeria and Morocco. Despite many points of convergence, the paper concludes with the necessity to practice the accounting harmonization in Arab Maghreb.

**Key Words:** Accounting in AMU; Regional Accounting Harmonization; Financial reporting in emerging markets.

## **1. Introduction**

There has been a debate in the accounting literature, as to know if the harmonization of accounting standards is possible or desirable; some authors assert that every country has its own cultural, social and legal characteristics. Therefore, it is understandable that the accounting system of every country reflects these differences. Other authors adopt a pragmatic approach toward the accounting standards harmonization. Indeed, they assert that the accounting harmonization, starting from the regional level and coming finally to the world level or international, supplies a basis for the elaboration of the financial statements of multinationals more comparable (Agami and Monsen, 1995).

In recent years, there has been a move towards the regional accounting harmonization considered as a preliminary step to end in the international accounting harmonization. The reason being that the environmental factors are less heterogeneous within a regional border and, once the regional harmonization is reached, the international harmonization would be

easier to accomplish (Muhammed & Kamran, 2007). Besides, the growth of multi-country economic alliances such as the European Union (EU) and the North American Free Trade Agreement (NAFTA), among others, raises the question of whether there is a need for member countries to harmonize their accounting regulations (Saudagaran et Diga, 1998).

In the light of the current of the regional harmonization, most of the accounting researches concentrated mainly on developed countries generally and on the European Union (Brandao, 1997) in particular. However, few studies were led on the regional accounting harmonization in developing countries. Indeed, only the regions of the South-East Asian Nations (ASEAN) (see Emenyonu & Gray, 1992; Herrmann & Thomas, 1995; Emenyonu & Adhikari, 1998; Diga, 1996) and the South Asian Association of Regional Cooperation (SAARC) countries (see Talwatte, 1998 ; Muhammed & al, 2006) were investigated.

So far no accounting study, in our knowledge, was led on North Africans countries. For this reason, this paper looks at accounting harmonization in the countries belonging to the Arab Maghreb Union (AMU).

Formed in 1989, AMU has emerged as an important economic and political entity. the Arab Maghreb Union was created on February 17th, 1989, date of the treaty of Marrakesh. It has gathered four countries: Libya, Algeria, Morocco and Tunisia. The writers of the constituent treaty of the AMU were anxious to emphasize the united links which unite the countries of the Arab Maghreb; links based on the common history, religion and language.

So, by virtue of the treaty of Marrakesh, the Arab Maghreb Union pronounced as an economic bloc of the region of North Africa included between the Mediterranean Sea, Sahara and the Atlantic Ocean with a population of 92 million inhabitants and 560 billion dollar gross domestic product (Ben Yahia, 2008).

The objectives of this article are to examine the efforts made in Libya, Tunisia, Algeria, and Morocco toward developing accounting standards and to compare the accounting standards in each of these four countries to each other to determine whether the Maghreb countries have indeed achieved regional harmonization.

According to the Environmental Determinism Theory, it is assumed that there is a close connection between environmental factors and accounting systems. The most frequently mentioned environmental factors found in recent publications are : influence of the colonial link, the influence of the accounting profession and the importance of finance and capital markets (Alexander & Nobes, 1994 ; Radebaugh & Gray, 2003). Also there are influences like standards (Peller & Schwitter, 1991) or political system (Choi & Mueller, 1992).

The remainder of the paper is organized as follows. After the introduction, Section 2 examines environmental factors influencing financial reporting, while Section 3 focuses on the impact of plitical system on the Maghreb regional harmonization. Section 4 explains financial reporting regulations and Section 5 deals with the evaluation of the harmonization of accounting standards in Arab Maghreb countries. Finally, a summary and conclusions are presented in Section 6.

## **2. Environmental factors influencing financial reporting in Arab Maghreb Union**

Certain researchers have viewed that accounting harmonization as more apparent than real, and have showed that important accounting differences remain across countries and the scale of international differences in corporate financial reporting is still very large (Choi and al, 2002; Land and Lang, 2002; Nobes and Parker, 2004).

A number of studies have developed models to identify factors that may explain differences and to show areas of similarities between countries (Mueller, 1968; American Accounting Association, 1977; Nair and Frank, 1980; Nobes, 1983, 1998; Gray, 1988; Douppnik and Salter, 1995; Nobes and Parker, 2004).

Indeed, the international accounting literature has supported in a general way that the accounting is widely influenced by the environment of the various countries. According to Alhashim and Arpan (1988), the most important environmental factors which influence the accounting are the economic, the legal system, the cultural and the political system and the accounting profession.

Under this angle, environmental factors also need to be discussed to understand the reporting framework in Arab Maghreb. The financial reporting in Libya, Tunisia, Algeria and Morocco are also in many respects influenced by the following factors identified by Mueller (1968), Choi and Mueller (1992), and Nobes and Parker (2004).

### **2.1 Historical factor and the influence of the colonial link**

Belkaoui (1976) and Parker (1988) agreed that the colonization is the the most impotent means through which the accounting standards have been developed in emerging countries. Indeed, the accounting systems of colonies are widely inspired by the American or European accounting systems (Mueller, 1991).

Under this angle, Libya was the colony of Italy from 1911 to 1943 whereas from 1943 to 1951 France and Great Britain divided the occupation of the country, while Tunisia, Algeria and Morocco were ancient colonies of France.

However, after its independence in 1951, Libya benefited from the economic and technical assistance of Great Britain and from the United States and it resorted to the British and American experts to develop its accounting system. These last ones considerably influenced the Libyan accounting (Bait El-Mal & al, 1973). So, the accounting system of Libya is carrier of the characteristics of the Anglo-Saxon model. On the contrary, the other countries in the Maghreb (Tunisia, Libya, Morocco and Algeria) continued to apply the chart of accounts general French as a base of the national accounting regulations after their independence.

### **2.2 Economy and Stage of Economic Development**

The savings of the countries of the Maghreb share certain common characteristics. In fact, the economy from the Maghreb bases itself essentially on the agriculture. The State dominates

certain economic activities and the foreign trade is rather restrictive, generally, in spite of a bigger opening on the European Union (Brack, 2008).

Besides, the economic fabric in the Maghreb is rich in Small and Medium-Sized Enterprise (SME). The maghrebian SME is essentially of family origin, its capital is limited to the members of the same family or the companies recovering from the same family group (Meddeb, 1999).

### *2.3 Cultural Influence*

Culture has a significant influence on accounting (cultural determinism theory or cultural cause theory; Belkaoui, 1994, Riahi-Belkaoui, 1997). That's why, the variety of the accounting systems seems under the influence of the concept of the culture. Hofsted (1983) defined culture as a process of collective programming by a society which distinguishes the system of faith of its members from the other societies.

Although the Maghreb Arabic countries have a long history of dominion by foreign countries, mainly by European, the respectful influences are the ones of the Arabic culture and the Islamic religion (Agniaia, 1996).

In sociocultural terms, the countries of the Maghreb are considered as very collectivist companies (Hofsted, 1984) in which the individuals are much welded members.

### *2.4 Capital Market*

In the AMU, there are capital markets in Algeria, Morocco, Tunisia and recently in Libya. The stock exchange of Casablanca is considered as the biggest of four stock exchanges existing in terms of volume of transaction, number of listed companies and capitalization. Indeed, in 2008, the stock exchange of Casablanca became the 2nd the most important financial center of the African continent after that of the Johannesburg and in front of Cairo. However, financial markets in Algeria and in Libya remain little developed with regard to Tunisian stock exchange and foreign exchange market of Casablanca given that the number of listed companies is very limited. Indeed, listed companies as well on the Algerian financial center as on the Libyan stock exchange are among 7.

### *2.5 Accounting Profession*

The development of the accounting profession can be ensured by the existence of quality accounting education and research (Radebaugh & Gray, 2003). In fact, universities play an essential role in the construction and the development of the accounting practices (Mahmud & Russell, 2003). The vocational training of the accountants was improved further to the institution of a trade organization in every country of the AMU which watches the development and the good exercise of the profession and which tends to promote a culture of the transparency and to strengthen the reliability of the financial information published by companies.

Table 1 : Professional accounting organisms in the Maghreb region

Country	Professional accounting organism	The law establishing the professional organism
Libya	Libyan Accountants and Auditors Association (LAAA)	Art 53 of the law n° 73-116
Tunisia	Tunisian Order of Chartered Accountants (TOCA)	Law 88-108 of 18/08/1988
Algeria	Superior Council of Technical Accounting (SCTA)	Prescription n° 71-82 of 29/12/1971
Morocco	Order of Chartered Accountants (OCA)	law n° 15.89 promulgated by le Dahir n° 1.92.139 du 8/01/1993

We conclude that the obstacles of the environmental differences planned in the international accounting literature seem non-existent in Maghreb region because The Maghreb countries have many similar characteristics and the environmental factors are homogeneous and similar between the various countries in the Maghreb, which motivates the phenomenon of accounting harmonization. However, the few differences which can exist between the member states of the UMA, are between Libya and other countries because the historical factor is not similar.

### **3. Political influence**

In recognition of the common background and similar cultural and economic conditions among the Maghreb countries, the Maghreb Council (a council of presidency from Libya, Tunisia, Algeria and Morocco) tried, in the prospect to create eventually an economic integration in the Maghreb. This is in order to establish a common Maghreb market, a unified customs space and a free trade area with the dismantling of the obstacles to the business between member countries (Martinez, 2006).

AMU, as a regional economic bloc has not expressed its intention to harmonize their companies and accounting acts and its will to promote the accounting harmonization in the countries of the Maghreb. In other words, The accounting harmonization was not perceived by the AMU as an objective to reach.

Indeed the constituent treaty of the AMU fixed the following objectives:

- The consolidation of the reports of brotherhood between member states and their peoples;
- The realization of the progress and the prosperity among their communities and the defense of their rights;

- The progressive realization of the free movement of people, the services, the goods, and the capital between member states;
- The adoption of common politics in all the domains. In economic material, common politics aims at assuring the industrial, agricultural, commercial and social development of member states. (Article 2 of the treaty of Marrakesh).

#### **4. Source of Domestic Accounting Standards**

The objectif of this section is to examine the efforts made in Libya, Tunisia, Algeria and Morocco toward developing accounting standards to better understand the source of the accounting standards in each of these four countries and to determine whether the Maghreb countries have indeed achieved regional harmonization.

For this reason, a survey of the development of the companies and accounting acts in each of the Magreb countries is presented.

##### *4.1 Libya*

After its independence in 1951, Libya resorted to foreign experts and in particular to the British and American experts to develop its diverse systems. Indeed, during this period, Libya suffers from a lack in terms of qualified persons and it is far from establishing an accounting profession capable of developing standards and accounting principles. According to Bait-El-Mal & *al* (1973), the Libyan have no role in the foreign companies installed in Libya. In fact, subsidiary companies adopted the same practices and the principles as those adopted by the parent company. So the accounting system as a means serving to manage these companies, is carrier Anglo-Saxon characteristics (Kilani, 1988).

Following the nationalization in the 1970s, these companies continued to apply the established practices and the accounting system of Anglo-Saxon nature until our days (Kilani, 1988). In this respect, Saleh (2001) asserts that the British and American accounting practices transferred in Libya by means of oil companies strongly influenced on the Libyan accounting.

Until now, there is no serious attempt of modification or change of the Libyan system to answer the environmental needs of Libya. The only realizations consist in the creation of the commercial code on November 28th, 1953 and the tax Code by decree n°1968 - 21 modified by the decree n° 1973 - 64. These two codes are of general reach, they do not supply a wide frame organizing the Libyan accounting system.

##### *4.2 Tunisia*

Until the middle of the 1960s, no effort of Tunisian accounting normalization was established. Indeed, the accounting system based itself essentially on the French charts of accounts. It is, in this particular case, about general charts of accounts 1947 and 1957.

A first project of the general chart of accounts was elaborated in 1966 and was experimented in a set of Tunisian companies during the fiscal year 1967. The general chart of accounts 1968 establishes the first initiative of the accounting normalization in Tunisia, the main objective of which was to adopt the accounting of companies at the needs of the national accounting.

However, towards the end of the 20th century and because of new world economic contexts and with the aim of improving the quality of the financial information revealed by the Tunisian



companies and to converge towards the international standards, a reform was undertaken to abandon the chart of accounts 1986 and substituting it by an accounting reference based on a conceptual frame and accounting standards. Indeed, the law n° 96-112 of December 30th, 1996 presents the new accounting system fixing the main accounting obligations of the Tunisian companies.

In Tunisia, while formulating its accounting system, the National Council of the Accounting takes into account IFRS and tries to integrate them as much as possible. In fact, the new accounting system was created by adopting standards in accordance with those of the IASC (Chouchane, 2004). For that purpose, we underline the passage of the Tunisian accounting system from a continental culture to an Anglo-Saxon culture (Mabkhout, 2006).

#### *4.3 Morocco*

Morocco was equipped for the first time with accounting law, the object of the law n° 9-88 of December 30th, 1992, concerning the accounting obligations of the storekeepers and the general code of the accounting normalization (CGNC) which came into force from 1994. Indeed, before 1992, we could not speak about an accounting law appropriate for the storekeepers and for the Moroccan company, but only the regulations inspired of owes deprived and of the tax law and it was until August 4th, 1992 when the accounting law n°9-88 relative to the accounting obligations of the storekeepers was adopted.

Besides, Morocco during the elaboration of its accounting standards, always attempted to respect the international standards and was inspired by the most recognized and the most convincing foreign experiences. So, the Moroccan standards strongly respected the European Directives, in particular the EU Fourth, Seventh and Eighth directives.

In addition, after the decision of the European Union to make apply the standards IASB (International Accounting Standards Board) for the elaboration of the accounts strengthened by companies quoted in stock exchange from year 2005, the Moroccan national council for the accounting adopted a standard on the accounts strengthened to make follow the European decision where he allows for the first time to converge towards the international standards. So, with the phenomenon of globalization and the increasing recognition of the international standards elaborated by the IASB, Morocco decided to adopt a dynamic approach in accounting normalization.

#### *4.4 Algeria*

In 1962, after its independence, Algeria continued to apply the French general chart of accounts 1957. It was only in 1969, that Algeria began the first attempt of the replacement of the French PCG to elaborate a new chart of accounts by means of the French chartered accountants of the national council for the accounting. This new plan called " national chart of accounts " published to the Gazette of May 9th, 1975, to be effectively applied in 1976. So, by prescription of April 29th, 1975, the National Chart of accounts was promulgated as a replacement by the French PCG which was not any more adapted to the Algeria economy. Since its promulgation, this plan was in force until December 31st, 2009.

To meet the needs and to wait resulting from the opening of the markets that Algeria knew during these last years, a new " accounting and financial system " was elaborated by the law n° 07-11 of 15 Dhou El Kaada 1428 corresponding on November 25th, 2007.

Algerian financial accounting system is trained of a set of standards strongly inspired by the international standards ( IFRS) and of the chart of account which converges on the french chart of accounts while maintaining certain Algerian specificities (KPMG, 2008). Indeed, if the Algerian general Chart of accounts is close to the French chart of accounts, then the new Algerian accounting system presents accounting principles and financial status inspired by the models IFRS. Therefore, this system tried for the first time to get closer to the international accounting referencial (KPMG, 2009).

But until our days, this new Algerian accounting system is not applied yet. It will come into effect on January 1st, 2010, dates in which the national chart of accounts 1975 will be repealed (KPMG, 2009).

To recapitulate, the resemblances which show themselves in a good many of environmental factors such as the cultural and economical characteristics, on the one hand and the professional accounting bodies of the AMU which adopted the IAS as a source of national accounting standards, indicating that they are moving toward international accounting harmonization following several countries of the EU, on the other hand, should have facilitated the regional accounting harmonization.

However, the AMU has not oriented in a spirit of accounting harmonization because harmonization was not intended as a goal to be achieved and did not indicate an accounting framework limiting differences susceptible to exist from one State to another.

In this trail, the regional harmonization within the AMU seems to be fruitless by virtue of the absence of a supranational accounting organization susceptible to supply with efforts in the development of the regional accounting standards.

So the process of the harmonization is facilitated by the support of arab Maghreb countries of the accounting harmonization's program led by the IASB and by the resemblances at the level of environmental factors.

### ***5. Evaluation of the accounting harmonisation within the AMU countries***

We can not be sure that the factors discussed above provoke the harmonization within the countries of the AMU, it is for it that we are going to observe financial statement from the Maghreb to determine if the convergence of Maghreb countries towards the international standards and the resemblances in the environmental factors assured a comparability and an equivalence of the financial information, in other words allowed to harmonize the presentation of the Maghreb companies's accounts.

We should first make a distinction between what the existing literature refers to as "de jure" harmonization, or formal harmonization, and "de facto" harmonization, or material harmonization. The former term refers to harmonization between regulations and the latter to



harmonization between practices applied by companies, regardless of whether such practices are affected by regulations (see Tay & Parker, 1990).

Once this preliminary clarification has been made, this article provides a measurement of the advances achieved through formal harmonization.

For that purpose, we are going to lead a comparative study at the level of financial statement required by countries from the Maghreb (Libya, Tunisia, Algeria, Morocco) to examine if these factors favoring the accounting harmonization within the countries of the AMU effectively facilitated the comparison of financial statement through the national borders from the Maghreb.

It is for that reason that we are going to resort to the comparative study to estimate the harmonization at the level of the financial statements of member States in the AMU. In fact, financial reporting is also a problematic aspect of the financial information’s harmonization in the world.

The structure of financial statement varies considerably from a country to an other one. The representations made in financial statement depend on a set of conventions or principles, between which the considerable choices exist. The choice can influence considerably the contents of the representation (Archer & McLeay, 1995).

*5.1 Accounting principles in AMU*

A set of fundamental accounting principles was expressed in the charts of accounts of the Maghreb countries, having for objective to guide the accounting practices,

A survey of the Libyan, Tunisian, Algerian, and Moroccan accounting principles is given below and summarized in Table 2.

**Table 2 : Comparison of accounting principles expressed by the accounting systems in AMU**

Accounting principles	Libya	Tunisia	Algeria	Morocco
- Entity	yes	yes	yes	no
-Fastening of loads with	yes	yes	yes	yes
			products	
- Monetary unit	yes	yes	yes	yes
- Historical cost	yes	yes	yes	yes
- Prudence	yes	yes	yes	yes
- Permanence of the methods	yes	yes	yes	yes
- Realization of the income	yes	yes	no	no
- Objectivity	yes	yes	no	no
- Clarity	yes	yes	yes	yes
- Relative importance	yes	yes	yes	yes
- Substance over form	no	yes	no	
- Periodicity	yes	yes	yes	no
- Continuity of exploitation	yes	yes	yes	yes

### 5.2 Qualitative characteristics of the financial information

Certain characteristics were planned by the various accounting systems from the Maghreb to assure a better quality of the financial information and which meet the needs of users of financial statements. These characteristics complete some others and they contribute all to the utility of the financial information. In purposes of analysis, the financial information from the Maghreb must be carrier following characteristics :

- **"comparability"** means that quality of financial information which exists when users of that information are able to discern and evaluate similarities in, and differences between, the nature and effects of transactions and events, at one time and over time, either when assessing aspects of a single reporting entity or of a number of reporting entities;
- **"relevance"** means that quality of financial information which exists when that information influences decisions by users about the allocation of scarce resources by:
  - (a) helping them form predictions about the outcomes of past, present or future events; and/or
  - (b) confirming or correcting their past evaluations;
 and which enables users to assess the rendering of accountability by preparers;
- **"reliability"** means that quality of financial information which exists when that information can be depended upon to represent faithfully, and without bias or undue error, the transactions or events that either it purports to represent or could reasonably be expected to represent; and
- **"understandability"** means that quality of financial information which exists when users of that information are able to comprehend its meaning.

Table 3 presents the qualitative characteristics expressed by the various accounting systems in the Maghreb:

**Table 3 : Comparative study at the level of the qualitative characteristics of the financial information**

	<b>Libya</b>	<b>Tunisia</b>	<b>Algeria</b>	<b>Marocco</b>
<b>understandability</b>	yes	yes	yes	yes
<b>Relevance</b>	yes	yes	yes	yes
<b>Reliability</b>	yes	yes	yes	yes
<b>Comparability</b>	yes	yes	yes	yes

### *5.3 Composition and form of financial reporting*

All Maghreb countries require corporations to report income statements and balance sheets on an annual basis and to disclose material accounting changes and unusual gains and losses.

Financial reporting required by Maghreb countries are given below in table 4

**Table 4 : Comparison of the financial reporting required in Maghreb countries**

<b>Reporting</b>	<b>Libya</b>	<b>Tunisia</b>	<b>Algeria</b>	<b>Morocco</b>
Balance sheet	Required	Required	Required	Required
Income statement	Required	Required	Required	Required
Cash flows statement	Not required	Required	Required	Required
Notes to financial statement	Not required	Required	Required	Required
State of balance management	Not required	Not required	Not required	Required

The form of the balance sheet of countries in the Maghreb (Tunisia, Algeria, Morocco) are enormously alike and present the same big columns as well as the presentation of the elements of assets and liabilities is made of the uncurrent towards the current and the the least liquid towards the most liquid. However, Libya presents a balance sheet's format different to that of the other AMU countries. Indeed, the columns of the posts of the assets and the liabilities are classified by the current towards the not current and by the the most liquid towards the least liquid.

Besides, the AMU member States have common models of presentation of income statement or which are alike. The differences and similarities in form of presentation of Income statement in Maghreb countries are presented in table 5.

The principles and the objectives of financial statement are similar at the level of the AMU countries. On the other hand, the formats of these statements are little different between both groups: that of Libya and those of Tunisia, Algeria and Morocco. This can be explained by the differences of the historical factor. Indeed, only Libya, after its independence, continued to apply the American and British accounting standards and did not undertake efforts to elaborate an accounting system which meets the needs of its environment. While the resemblances which show themselves at the level of financial statements of three countries; Tunisia, Algeria and Morocco is not explained by their will to converge their accounting systems, but simply by

the convergence to the international standards IAS / IFRS while asserting that they are moving towards the international accounting harmonization.

**Table 5 : comparative of the form of Income statement in Maghreb countries**

	Tunisia	Algeria	Marocco	Libya
Of reference / by destination: - income; - Gross margin; - Operating profit;  - Profit from ordinary activities before tax  - Profit from ordinary activities after tax - Net income	Required	Required	Not required	Not required
Authorized / normal: - Revenue - Operating expenses - Operating income - Profit on ordinary activities before tax - Profit on ordinary activities after tax - Net Operating	Required	Not required	Required	Required
Simple - Current result - Non-current result - Profit before tax.	Not required	Not required	Required	Not required
Par nature  - Production for the year - Added value (net of consumption of goods and services). - Gross operating surplus - Operating profit (after depreciation). - Financial Results - Extraordinary result - Net income for the year.	Optional	Required	Not required	Not required

## **6. Summary and Conclusion**

The main objective of our research work was to determine factors influencing the accounting harmonization within the countries of the Arab Maghreb.

The study of these factors indicated that the strategy of the AMU toward accounting was to converge towards the international standards IAS / IFRS, which all the member States adapted in their legislation. That is why, the three Maghreb countries (Tunisia, Algeria and Morocco) have revised its companies and accounting acts several times to support the IASB harmonization project and have accepted IAS as their domestic standards/or developed standards with minor modification.

Also, they have also established organizations to develop accounting standards with the objective of creating more harmony with the rest of the world.

The AMU certainly made progress in harmonization efforts at the conclusion of the last accounting reforms, but seems to have certain problems implied in this process. Indeed, the absence of the supranational accounting body and the lack of the support of the politicians seem to be unfruitful in the process of the accounting harmonization within countries in the Maghreb to reach the wished comparability of financial reporting.

On the other hand, the environmental differences planned by the previous researches slowing down the process of accounting harmonization seem non-existent within the region from the Maghreb, what could be another strength engine behind which the comparability of financial statement within the AMU countries can be explained.

For that reason, the evaluation of formal harmonization from the Maghreb which showed that this complete harmonization is not reached in spite of the convergence of the countries of the AMU towards the Anglo-Saxon culture to support the work of the IASB and the similarities in terms of environmental factors. This can be explained by the absence of the will of the member States to elaborate regional accounting standards, considering the trend of adaptation of the standards IAS / IFRS to the need of their environment. This situation has to urge professional accounting organizations of every country from the Maghreb to conjugate their efforts to create a supranational accounting body capable of expressing its opinion on the international accounting standards adopted by Magreb countries which answer their national needs.

The conclusions of our study will lead to a better understanding of the accounting and statutory environment in the region from the Maghreb and help the accounting regulators and the political decision-makers to adopt the best strategies to formulate the regulations of the financial reports.

In terms of future researches, we could spread our searches to include the material aspect of the harmonization while using the accounting information prepared by companies from the Maghreb to examine the degree of harmonization at the level of the practices and the applied accounting treatments.

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