

## Consequences of Adopting IFRS Accounting Standards in Member Countries of The Association of Southeast Asian Nations (ASEAN)

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### **Keywords:**

*Adoption of IFRS, Foreign Direct Investment, Profit Quality, Value Relevance, ASEAN*

### **Abstract**

*This research presents a comprehensive review of academic literature on the consequences of adopting accounting standards based on International Financial Reporting Standards (IFRS) in ASEAN member countries, covering the period from 2017 to 2025. The method used is a Systematic Literature Review (SLR), using the PRISMA guidelines and a structured literature search strategy through the Publish or Perish 8 application. We analyzed 10 selected relevant empirical studies and classified them into three main economic consequence dimensions: 1) Foreign Direct Investment (FDI); 2) Earnings Quality; and 3) Value Relevance. The results of the literature review generally show that the adoption of IFRS has a positive and consistent impact on capital markets in ASEAN member countries. The main limitations of existing research were also identified and discussed to provide direction for future research agendas.*

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## INTRODUCTION

The journey towards global financial reporting harmonization began with the birth of International Financial Reporting Standards (*International Financial Reporting Standards*- IFRS). Initiated by the European Union and developed through intensive collaboration with the International Accounting Standards Board (IASB), IFRS has become the most widely used accounting framework in the world. The lengthy IFRS development process, involving various stakeholders, aimed to produce standards that were comprehensive, relevant, and consistently applicable to companies in various countries. The result is a universal accounting language that enables investors, regulators, and other stakeholders to obtain accurate, relevant, and comparable financial information. Based on IFRS Foundation data in 2025, there were 169 jurisdictions that had adopted IFRS or carried out convergence of financial accounting standards based on IFRS. (Foundation, 2025).

The diverse research findings on the impact of IFRS have important implications for policymakers. Most studies indicate positive impacts of IFRS adoption on foreign direct investment (FDI), accounting information quality, reporting incentives, and financial reporting quality. (Bassemir & Novotny-Farkas, 2018; Kouki, 2018; Ramdani, 2020). However, the negative and insignificant results indicate that the success of implementing IFRS accounting standards depends not only on the quality of the standards themselves, but also on the contextual conditions of each country. (DeFond et al., 2019; Itasari & Kristanto, 2019). Therefore, policy makers need to consider these contextual factors in designing policies related to the implementation of IFRS and conduct a comprehensive evaluation of its impact.

Literature studies show that the impact of IFRS adoption on capital markets varies widely. Research by (Houque et al., 2012) This study provides a comprehensive explanation. The results of this study indicate that cultural factors, the gap between IFRS and local accounting principles (GAAP), the level of IFRS implementation, and the quality of accounting prior to adoption can moderate the impact of IFRS. In other words, the positive impact of IFRS will be greater in

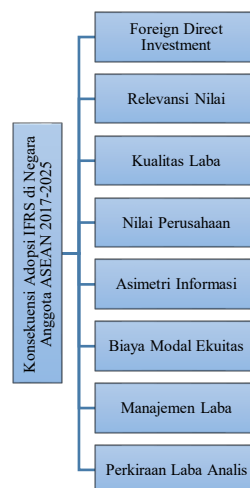
countries with a culture that supports transparency, a small gap between GAAP, a high level of implementation, and good accounting quality prior to adoption.

This study conducts an in-depth study of the impact of the implementation of International Financial Accounting Standards (IFRS) in the ASEAN region, which consists of developing countries with the exception of Singapore as a developed country. This comprehensive analysis aims to uncover the implications of IFRS on business practices, regulation, and accounting in the region, and contribute to a better understanding of how IFRS affects financial transparency, comparability of financial statements, and economic integration among ASEAN member countries. By analyzing data from 2017 to 2025, this study traces the evolution of IFRS impacts longitudinally, thus not only measuring short-term impacts but also identifying the long-term impacts of IFRS on company performance, capital market dynamics, and overall economic conditions.

**Table I.** Adoption of IFRS in ASEAN Member Countries

Country	Adoption/Planning Year	IFRS Adoption			
		Full	Partial	Convergence	Not yet (Planning stage)
Indonesia	2012			√	
Malaysia	2012	√			
Singapore	2010	√			
Thailand	2011			√	
Philippines	2005	√			
Brunei Darussalam	2014		√		
Vietnamese	-				√
Laos	2014	√			
Myanmar	2011	√			
Cambodia	2012	√			
East Timor	2015				√

*Source:* Data processed by the author, 2025



**Figure 1.** Classification of Consequences of Adoption of IFRS Accounting Standards in ASEAN Member Countries 2017-2025

Based on Tables 1 and 2, IFRS adoption in ASEAN countries has been ongoing for the past few years. This study conducts a longitudinal analysis to identify the evolution of IFRS's impact from 2017 to 2025. Therefore, this study measures not only the short-term but also the

long-term impact of IFRS adoption on company performance, capital markets, and the economy as a whole.

## METHODS

This research was conducted using the Systematic Literature Review (SLR) method to identify, evaluate, and synthesize the latest empirical findings regarding the impact of IFRS accounting standards adoption, with a particular focus on ASEAN member countries. The SLR procedure was conducted systematically and documented to provide broad coverage, ensure reproducibility, and minimize bias in literature selection. (Snyder, 2019; Yusuf et al., 2025).

### 1. Search Planning and Strategy

An extensive literature search was conducted using various academic databases, such as Google Scholar, Scopus, and ScienceDirect. To ensure a comprehensive and documented search, Publish or Perish 8 software was used, specifically for extracting and analyzing literature from Google Scholar. Search keywords were determined based on the primary research question and grouped into interrelated concepts:

- a. Concept 1 : *IFRS Adoption, IFRS Convergent, and International Financial Reporting Standards.*
- b. Concept 2 : *Economic Consequences, Market Liquidity, Value Relevance, and Foreign Direct Investment or Cost of Capital.*
- c. Concept 3 : ASEAN or Southeast Asia or specific country names such as Indonesia, Malaysia, Thailand, Philippines, Vietnam, and Singapore)

### 2. Selection and Filtering Criteria

Through the initial search process, 200 articles were obtained, which were then screened using inclusion and exclusion criteria. These criteria consisted of:

- a. Time Frame: Articles must be published within the period 2017-2025 to ensure the analysis is based on up-to-date findings and context;
- b. Publication Type: Only articles published in reputable scientific journals were selected. Books, conference proceedings, and theses were excluded to maintain the quality of the analysis;
- c. Topic Relevance: Abstracts and full articles are reviewed to ensure their primary focus addresses the economic, regulatory, or accounting impacts of IFRS adoption/convergence;
- d. Accessibility: Priority is given to articles available in open access format or accessible in full through institutional subscription, to ensure the completeness of the data analyzed.

The screening process is carried out in two stages:

- a. Assessment based on title and abstract
- b. Assessment based on reading the full script

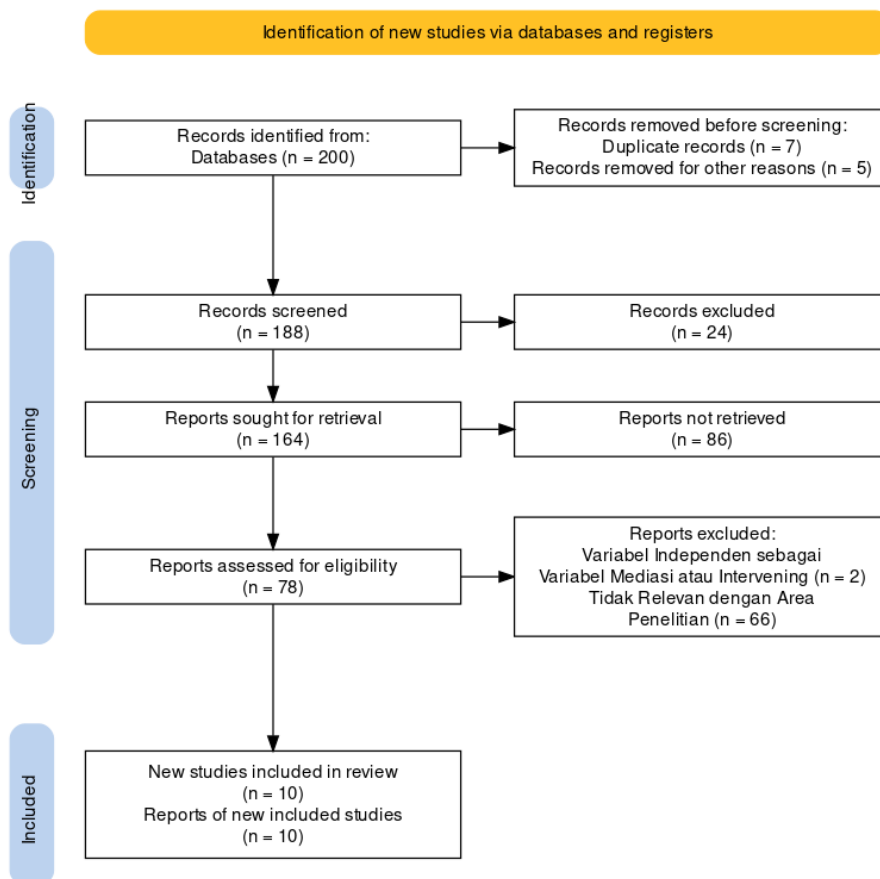
This process can be visualized using a PRISMA (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) flowchart to increase transparency.

### 3. Data Extraction and Analysis

Articles that meet the selection criteria then undergo a structured data extraction process. The extracted data includes:

- a. Bibliometric information (author, year, journal title)
- b. Geographic context and study period
- c. The research methodology used is panel data regression and event studies.
- d. Key variables used are FDI, earnings quality, and comparability of financial statements.
- e. Main findings and conclusions of each study

The extracted data was then analyzed qualitatively using a thematic analysis approach. The purpose of the analysis was to identify patterns, research gaps, and convergences or contradictions in previous literature findings. This synthesis will provide a comprehensive knowledge map and serve as a basis for formulating a future research agenda in this field.



**Figure 2.** Process of Selection and Screening of Reviewed Articles

From the results of literature selection based on the criteria, 10 articles were obtained that discussed the issue of the consequences of IFRS adoption in ASEAN member countries, as follows:

**Table II.** Results of Selection of Articles that Meet the Criteria

Code Article	Main Author, Year	Title	Sample	Results
P1	Nejad et al (2018)	International Financial Reporting Standards Foreign Direct Investment in ASEAN Countries	160 Observations/ Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand, and Vietnam	The DOLS estimation analysis shows a significant positive relationship between IFRS (DUMMY or LEVEL) and FDI inflows of 10% or more, indicating that IFRS adoption increases FDI inflows.
P2	Puspitasari et al (2019)	The Effect of Financial Secrecy and IFRS Adoption on Earnings Quality: A Comparative Study	71 (426) Observation	The results of this study indicate that although companies in Indonesia, Malaysia, and Singapore have adopted IFRS, they produce different earnings

		between Indonesia, Malaysia and Singapore		quality. This study demonstrates that earnings quality varies across countries.
P3	Aprian & Irawan (2019)	The Impact of Tax Incentives and IFRS Adoption on Foreign Direct Investment in ASEAN Countries	ASEAN	The results of this study also indicate that IFRS adoption in the ASEAN region has a positive impact on foreign direct investment inflows. These results support the belief that harmonizing local standards with IFRS standards will increase the value of foreign direct investment. Uniform accounting standards will facilitate investor comparison of information and transparency regarding adequate disclosure, thereby reducing the cost of accessing information within a country. Furthermore, companies can improve the efficiency of financial information processing beyond standard uniformity.
P4	Mita et al (2020)	Value Relevance of IFRS Adoption in ASEAN5 Countries: Does Presentation Matters?	46,662 Indonesia, Malaysia, Philippines, Singapore, and Thailand	This study examines whether the value relevance of OCI has improved following the revised IAS 1. Extending the literature on the usefulness of OCI and its reporting location, the results find that adopting the revised IAS 1 leads to higher value relevance of OCI.
P5	Acaranupong (2021)	International Financial Reporting Standards Convergence and Value Relevance of Accounting Information: Evidence from ASEAN	1,162/Indonesia, Malaysia, Philippines, Singapore, and Thailand	The main results indicate that earnings are informationally relevant in four countries (Indonesia, Malaysia, the Philippines, and Thailand). However, book value of equity is informationally relevant only in three countries (Indonesia, Singapore, and Thailand). The conflicting findings are obtained due to the high correlation between earnings and book value of equity. The comparison of the value relevance of earnings and book value of equity shows that the value relevance of earnings in Malaysia is greater than that of Thailand, while the value relevance of earnings in the Philippines and Singapore is smaller than that of

				Thailand. However, the value relevance of earnings in Indonesia is not different from that in Thailand. In addition, the value relevance of book value of equity in Indonesia, the Philippines, and Singapore is greater than that in Thailand, while the value relevance of book value of equity in Malaysia is not different from that in Thailand.
P6	(Pertwi & Ningtiyas Nazar, 2019)	Tax Rates And Adoption of IFRS on Foreign Direct Investment In ASEAN Economic Community Countries	54 Observations on the ASEAN Economic Community (AEC)	The results of the study indicate that a country's tax rate has a negative effect on FDI and the adoption of IFRS by a country has a positive effect on FDI, while simultaneously tax rates and IFRS adoption have a significant effect on FDI. This study expands the theoretical concept of tax rates and the level of IFRS adoption, although previous research has been conducted previously in developing countries, and there has been no research focusing on MEA countries. Previous research uses a simple score of two to three levels of scores in the AEC scoring the level of IFRS adoption in each sample country so it is not accurate. This study uses five (5) levels of scores taken from the IASB, namely full adoption, adapted, pieceAECI, reference, and not adopted at all.
P7	Acaranupong (2019)	A Comparative Study of Earnings Quality in ASEAN Countries	Indonesia, Malaysia, Philippines, Singapore, and Thailand	The findings indicate that the average CFO/Ni ratio among the five ASEAN countries is similar or not different. However, the results indicate that the statistically significant difference in the average CFO/Ni ratio is between Malaysia and Singapore; Singapore and Thailand. Thailand exhibits high earnings smoothness, while Indonesia exhibits the lowest. Furthermore, the study found that earnings persistence and value relevance are highest in Singapore and lowest in Indonesia. A plausible reason is that Singapore

				is a country that has almost fully unified domestic accounting standards with IFRS, while Indonesia has the lowest level of IFRS adoption compared to the other four ASEAN countries. Therefore, the results of this paper support the notion that IFRS adoption will improve earnings quality.
P8	Abd Alhadi et al (2018)	Institutional Ownership and Earnings Quality pre- and post IFRS	1960 Malaysian Company	EQ increased significantly after the adoption of IFRS in Malaysia. The findings also indicate that institutional ownership has a negative impact on accrual earnings management, leading to high EQ. This impact increases after IFRS adoption, indicating that institutional ownership is effective in improving EQ after IFRS compared to the pre-IFRS period. Our findings suggest that regulators and practitioners should focus on institutional ownership and IFRS as oversight mechanisms, which remain important determinants of EQ.
P9	Chairunnisa (2019)	The Impact of IFRS Convergence Implementation on the Quality of Financial Reports and the Relevance of Company Values	Agency theory and signals/the number of samples used was 33 companies in the food and beverage sector	The results of this study indicate that IFRS convergence has a positive impact on the relevance of company value, earnings management does not have a negative impact on the relevance of company value, and the earnings management variable does not have the potential to be an intervening variable between IFRS convergence and the relevance of company value.
P10	Rahayu & Setiawan (2019)	Does the Convergence of International Financial Reporting Standards Increase the Value Relevance of Accounting Information?	26 Banking Companies on the IDX	The results of this study indicate an increase in the relevance of contingent information during IFRS convergence in Indonesia. A sensitivity analysis was conducted to increase the hypothesized results based on company size, in order of large versus small. It was determined that both large and small companies have successfully implemented IFRS convergence

				to increase the relevance of contingent information.
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## RESULTS AND DISCUSSION

In this section, we discuss empirical evidence on the consequences of IFRS adoption in ASEAN member countries by reviewing 10 selected articles. We use the term “consequences” to refer to the effects of financial reporting on the value of firms that make or are affected by decisions based on accounting information. Specifically, we organize our review along the following three dimensions to assess the consequences of IFRS adoption in ASEAN member countries: 1) foreign direct investment; 2) earnings quality; and 3) value relevance.

### IFRS on Foreign Direct Investment (FDI)

Foreign Direct Investment (FDI) is a crucial source of financing (capital) for a country's economy, particularly for developing countries. FDI plays a fundamental role in development due to its long-term nature and relative stability against economic shocks. Significant contributions of FDI include capital transfers, management transfers, and technology transfers. Given its continued role as an integral part of long-term development strategies, ASEAN countries have agreed to position investment as one of the four main pillars of the ASEAN Economic Community (AEC). This aims to establish a single, integrated international market and production base, making FDI a key element in accelerating regional economic integration and growth.

Aprian & Irawan (2019) used panel data regression to examine the impact of IFRS adoption on foreign direct investment in ASEAN member countries. This study was conducted in nine ASEAN member countries over the 2006-2015 observation period. Their results indicate that IFRS adoption in ASEAN countries has a positive impact on the ability to make long-term investments. The results of this study indicate that harmonization of local standards with IFRS standards will increase the level of long-term investment.

Nejad et al (2018) used panel cointegration and causality tests to investigate the causal relationship between IFRS adoption and Foreign Direct Investment (FDI) inflows in ASEAN member countries for the period 2001-2016. IFRS adoption was measured by dummy variables in and the level of IFRS compliance. The findings of this study confirmed the existence of cointegration between the variables and the Dynamic Ordinary Least Square (DOLS) estimation analysis showed a positive and significant relationship between IFRS adoption, based on size and FDI inflows. Furthermore, the causality test showed that there is a short-run causal relationship from IFRS to FDI inflows and a long-run causal relationship between these variables. This study extends the knowledge on the relationship between IFRS adoption and FDI inflows by examining this relationship in the setting of ASEAN countries.

Mother Earth & Ningtiyas Nazar (2019) This study attempts to identify whether a country needs to fully adopt IFRS, converge with IFRS, or not using IFRS can increase FDI. This study uses a quantitative descriptive approach. The sample consists of 54 observations from each variable consisting of information from nine ASEAN Economic Community (AEC) countries from 2011 to 2016. The proposed model is tested using multiple regression analysis through a partial t-test and a simultaneous F-test. The results show that a country's IFRS adoption has a positive effect on FDI.

A literature review consistently shows a positive relationship between the adoption of International Financial Reporting Standards (IFRS) and Foreign Direct Investment (FDI) flows in ASEAN member countries. The increase in FDI following IFRS adoption is believed to stem from the benefits of accounting standards harmonization. Uniformity of standards facilitates cross-border comparisons between global investors and ensures transparency and adequate disclosure, which in turn reduces access and information processing costs for investors.

The policy implications of these findings are significant. The Accounting Standards Board is encouraged to strengthen education through seminars, workshops, and public hearings to ensure a comprehensive understanding of the benefits of IFRS among companies and public accountants.



Furthermore, the government could consider funding local accounting standards that have adopted IFRS freely accessible as a public good, thereby facilitating compliance and dissemination. However, it should be acknowledged that these conclusions are still based on limited empirical evidence. Evidence on the economic consequences of IFRS, particularly its impact on foreign direct investment (FDI), still requires broader study coverage in ASEAN countries. These limitations highlight the need for further research to enrich our understanding of the causal relationship between global financial reporting quality and foreign capital flows in the Southeast Asian region.

### **IFRS on Earnings Quality**

The International Accounting Standards Board (IASB) conceptual framework states that useful qualitative characteristics of financial reporting quality identify the types of information that are likely to be most useful to users in making decisions about the reporting entity based on the financial statements. Financial information is useful if it is relevant and presented in accordance with its intended purpose (IASB, 2018). Abd Alhadi et al (2018) argued that earnings quality improved significantly after the adoption of IFRS in Malaysia. Puspitasari et al (2019) argue that simultaneous adoption of IFRS significantly impacts earnings quality. Although companies in Indonesia, Malaysia, and Singapore have adopted IFRS, they produce different earnings quality. This study shows that earnings quality varies across countries.

Acaranupong (2019) conducted a comparative study on earnings quality in ASEAN countries for the 2013-2017 period using two main proxies (earnings properties and earnings value relevance) after the IFRS adoption period. This study involved five ASEAN member countries as samples: Indonesia, Malaysia, the Philippines, Singapore, and Thailand. The results showed that IFRS adoption would improve earnings quality. However, the results showed that there were statistically significant differences in the average CFO/Ni between Malaysia and Singapore, and Singapore and Thailand. The highest results were consistent in Thailand and the lowest in Indonesia. In addition, this study found that Singapore had the highest income determination and importance value scores, while Indonesia had the lowest. A reasonable argument is that Singapore is the country that has almost fully integrated its domestic accounting standards into IFRS, while Indonesia has the lowest IFRS adoption among the four ASEAN countries.

Referring to research Abd Alhadi et al (2018); Selamatnupong (2021); Puspitasari et al (2019) The IASB's conceptual framework emphasizes that financial information must be relevant and presented reliably to be useful. Consistent with this, various studies have shown that the implementation of IFRS has generally been successful in improving corporate earnings quality. However, although IFRS has been widely implemented in Southeast Asia, comparative studies have shown that this improvement in earnings quality is uneven across ASEAN member countries.

A comparative study of five countries (Indonesia, Malaysia, the Philippines, Singapore, and Thailand) revealed statistically significant differences in earnings quality proxies. For example, in terms of the consistency of operating cash flow to net income (CFO/Ni), Thailand performed best, while Indonesia performed lowest. Furthermore, Singapore excelled with the highest scores in revenue recognition and materiality measurement, demonstrating the best earnings quality among these countries, while Indonesia again ranked lowest.

This difference is rationally attributed to the degree and depth of IFRS integration into each country's domestic accounting standards. Singapore is considered to have almost fully integrated IFRS, which explains its better earnings quality. Conversely, Indonesia has the lowest IFRS adoption rate among this group, which strongly supports its lowest earnings quality score. Therefore, while IFRS is a global catalyst for quality, it is the depth and comprehensiveness of domestic implementation that ultimately determines its effectiveness in regional capital markets.

### **IFRS on Value Relevance**

The value relevance of accounting information is measured as the ability of earnings and book value information to explain market value or changes in equity. Thus, accounting information can be considered significant if there is a correlation between accounting figures and market value

of equity. Several studies have used models in Ohlson (1995) to evaluate the impact of IFRS adoption on the comparability of financial information. According to Ohlson (1995) The value relevance of additional information regarding the comparison group, such as industry returns, is weaker. In contrast, there is no additional importance effect indicating a significant change in comparability. Under the same conditions, this result can be interpreted as better comparability with higher value relevance. Despite this theoretical insight, this hypothesis has only been tested in a few empirical studies in the literature, as the importance of value in two different time periods can be influenced by external factors such as historical effects, which are difficult to control.

Acaranupong (2021) trying to observe the impact of IFRS adoption on value relevance in 2013-2017 with a research regression model Feltham & Ohlson (1995) and Ohlson (1995) The research sample comprises companies with high trading volume and market capitalization across five stock exchanges: Indonesia, Malaysia, the Philippines, Singapore, and Thailand, with a total of 80, 100, 100, 80, and 100 listed companies, respectively. The results of this study compare the value relevance of accounting information across Indonesia, Malaysia, the Philippines, Singapore, and Thailand. Differences in IFRS adoption levels influence the value relevance of accounting information. These findings confirm that IFRS adoption improves the quality of accounting information.

Chairunnisa (2019) This study also provides empirical evidence of IFRS adoption on the value relevance of food and beverage companies listed on the IDX in 2016-2018. The results of this study indicate that the implementation of IFRS convergence has a significant positive effect on the value relevance of companies. Rahayu & Setiawan (2019) tested the value relevance of 26 banking companies in Indonesia. The research models used were the Price Model (PM) and the Return Model (RM). Their results showed an increase in the value relevance of accounting information during IFRS convergence in Indonesia. Aboubakar et al. (2019) analyzed the impact of IFRS adoption on value relevance using the model Ohlson (1995) to determine the value relevance of financial reporting. The findings indicate that, in general, profit, book value of equity, and cash flow from operations are useful for investment decision-making, while there is an increasing significance of cash flow from operations in the Malaysian Capital Market.

Mita et al (2020) This study examines the value relevance of Other Comprehensive Income (OCI) after the revision of the International Accounting Standard (IAS 1) to the presentation of financial statements. This study uses the Price Regression Model (PRM) from the Model Ohlson (1995) with stock prices as the dependent variable. This study compares the value relevance of OCI one year before and after the implementation of IAS 1 in ASEAN member countries (Malaysia, Singapore, the Philippines, Thailand, and Indonesia). The results of the study found that OCI had higher value relevance after the implementation of IAS 1. The results of the study found that OCI had higher value relevance after the implementation of IAS 1.

Overall, the study shows that the implementation of IFRS (International Financial Reporting Standards) has successfully improved the relevance of accounting information in ASEAN countries, meaning financial statements become more relevant to investors. However, there are limitations that need to be considered. Almost all of the empirical evidence supporting this conclusion comes from five ASEAN member countries with developed capital markets: Indonesia, Malaysia, the Philippines, Singapore, and Thailand. This geographic limitation creates a knowledge gap. Future research should explicitly expand its focus to the other four member countries: Brunei Darussalam, Laos, Myanmar, and Cambodia. These countries have unique market structures and regulatory contexts, which may result in very different impacts of IFRS. Examining these countries is crucial to providing a truly comprehensive picture and generalizing conclusions about IFRS across ASEAN. Furthermore, countries that are still in the early stages of planning for IFRS adoption, such as Vietnam and Timor-Leste, are not currently included in the study. However, they would be valuable subjects for future research, providing insights into the challenges and benefits of early accounting standards transitions in emerging markets. In short, to strengthen our understanding of the benefits of IFRS in Southeast Asia, the research

community must go beyond the five core countries and explore the full spectrum of economies and capital markets in the region..

## CONCLUSION

Referring to the discussion above, it can be concluded that the adoption and convergence of International Financial Reporting Standards (IFRS) accounting standards in the ASEAN region has provided multidimensional economic benefits. Overall, IFRS implementation has successfully created a more transparent and reliable financial reporting ecosystem.

First, IFRS acts as a catalyst for increasing Foreign Direct Investment (FDI). This harmonization of standards consistently reduces information barriers for international investors by providing a uniform reporting language, thereby reducing analytical costs and cross-border investment risks. This ultimately strengthens the attractiveness of the ASEAN region as a stable and predictable long-term investment destination.

Second, IFRS implementation contributes to improved earnings quality, albeit with varying degrees of success across member countries. This variation reveals a deeper insight that the success of IFRS depends not only on the technical quality of the standards but is also significantly influenced by the strength of each country's institutional infrastructure, such as effective law enforcement, corporate governance, and high levels of compliance. In other words, IFRS functions optimally in a mature regulatory and governance environment.

Third, IFRS has consistently been shown to improve the relevance of accounting information. Information generated from the IFRS framework, including comprehensive income, shows a stronger correlation with a company's market value. This makes financial statements a more reliable tool for investors in assessing an entity's performance and future prospects.

However, it is important to note that this empirical evidence remains fragmentary and incomplete. Most findings come from studies focusing on the five founding ASEAN countries with more developed capital markets (Indonesia, Malaysia, Singapore, Thailand, and the Philippines). On the other hand, the impact of IFRS in countries such as Brunei Darussalam, Laos, Myanmar, and Cambodia (the CLMV group) remains an academic black box that has been largely unexplored. The absence of evidence from these countries biases our understanding and hinders efforts towards truly comprehensive harmonization at the regional level. Therefore, a pressing future research agenda is to prioritize research in CLMV countries to understand their unique challenges and dynamics in adopting IFRS, delve deeper into how factors such as business culture, legal systems, and political structures influence the effectiveness of IFRS in each jurisdiction, and monitor and evaluate the impact of ongoing adoption processes in countries such as Vietnam and Timor-Leste, which will provide valuable lessons for the transition to IFRS. By filling this research gap, stakeholders in the ASEAN region can formulate more targeted policies, not only in the implementation of accounting standards, but also in building the supporting ecosystem needed to maximize the economic benefits of global financial integration..

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