



International
Federation
of Accountants®

Professional Accountancy Organization Capacity Building

Alta Prinsloo, Executive Director

ICAC PAO Capacity Building Workshop

Nassau, Bahamas

April 13, 2016

Strengthening PAOs, Advancing Economies

Effective PAOs ▶▶▶ quality financial management ▶▶▶ protect the public interest

- Advance the theory and practice of accountancy
- Support the implementation of international standards
- Promote and monitor adherence to professional and ethical standards
- Equip members with technical and ethical competence to meet needs of the community
- Act as trusted advisor to government

Which in turn ▶▶▶

- Promotes growth and development of the small- and medium-sized sector
- Enhances transparency and accountability in the use of resources in the public sector
- Improves the design and delivery of vital public services
- Enhances the effectiveness and efficiency of official development assistance
- Attracts foreign direct investment

IFAC PAO Capacity Building Program

- *IFAC serves the public interest and strengthens the accountancy profession by ... building the capacity of PAOs*
- MOSAIC
- DFID-funded IFAC PAO Capacity Building Program launched in 2014
 - IFAC as program manager
 - Robust governance arrangements
 - Program Oversight Committee, Independent Selection Panel, Program Management Team



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UK DFID backs global capacity building projects

11 April 2014 by Jonathan Minter

Print Email

The UK Department for International Development (DFID) is to supply the International Federation of Accountants (IFAC) with £4.935m (\$8.254m) over seven years to strengthen professional accounting organisations (PAOs) in at least 10 developing countries from Asia, the Caribbean, the Middle East and North Africa.

Under the agreement, IFAC will facilitate, coordinate and supervise capacity building programmes and technical support, including peer-to-peer support by more established PAOs, including those in the UK.

IFAC chief executive officer Faye Choudhury said that well-functioning PAOs ensure a sustainable supply of

Why IFAC?

Knowledge

Detailed understanding of the **state** and the **needs** of the profession in approximately 200 countries

Reliable assessment of PAOs and the profession against SMOs as the globally recognized quality benchmarks

A holistic **framework** for PAO capacity building designed to deliver sustainable results

Why IFAC?

A credible convener

The MOSAIC initiative

A foundation for greater collaboration between the accountancy profession and donors to improve aid effectiveness

The PAO Development Committee

Raising awareness and sharing solutions through knowledge exchange among PAOs and the development of tools and guidance

Why IFAC?

A trusted intermediary

Access to **expertise** through a network of **partners** across the globe, including regional organizations

Connections to drive and bolster development efforts by facilitating PAO-to-PAO partnerships between existing and potential IFAC member bodies

IFAC PAO Capacity Building Framework



- Outlines key operational and technical areas of an effective PAO
- Provides principles of good practice in each of these areas
- Assists with assessment of a PAO's status in relation to each
- Facilitates identification of capacity building opportunities

PAO Sustainability

Legal and regulatory framework

- Status of recognition
- Regulation and oversight

Institutional and managerial capacity

- Staffing and governance
- Strategy and business model
- Membership management
- Facilities and ICT
- Communications, marketing, brand

Intellectual and professional capacity

- Technical staff capacity and volunteer input arrangements
- Research and thought leadership
- External collaboration
- Translation arrangements (where applicable)

PAO Relevance

Value to members and students

- Dialogue and engagement with members and students to ensure relevance and identify and deliver value

Value to stakeholders

- Dialogue and engagement with key stakeholders to ensure relevance and identify and deliver value

Value to society

- Recognition as the voice of the profession
- Addressing Corporate Social Responsibility

Regional
Economic
Groupings

Government

PAO

Regional
Accountancy
Organizations

International
Federation of
Accountants

Civil Society

Development
Partners

Standards and Enforcement

Education, training and professional qualification

- All elements covered by the International Education Standards (IESs), including initial professional development, route to professional qualification, practical experience and CPD
- Examination administration
- Collaboration with educational institutions providing accountancy-related academic education

Adoption and implementation of international standards in accounting, auditing and ethics

- Status of adoption of international standards (ref. SMO 3, 4, 5, 7)
- Activities to support implementation (guidance, tools and training)

Monitoring and enforcement

- Arrangements for the investigation of complaints against PAO's members and the discipline of errant members (ref. IFAC SMO 6)
- Audit quality assurance arrangements (ref. IFAC SMO 1)

Understanding the Environment

- Selection of the Caribbean (DFID, POC)
- Review of existing data
- Consultation
 - Development partners
 - ICAC
 - PAO leadership
- Development of action plan and prioritization of projects

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STRENGTHENING FINANCIAL REPORTING REGIMES AND THE ACCOUNTANCY PROFESSION AND PRACTICES IN SELECTED CARIBBEAN COUNTRIES

June 26, 2015



WORLD BANK GROUP

Governance Global Practice
Caribbean Country Management Unit
Latin America and the Caribbean Region

Next Steps

- Selection of project(s) (POC)
- Development of terms of reference
- Compilation of shortlist of potential delivery partners (ISP)
- Request for proposals
- Selection of delivery partner (ISP)



www.ifac.org
