



International
Federation
of Accountants®

Driving Sustainable Organizational Success

The Institute of Chartered Accountants of the Caribbean

31st Annual Caribbean Conference

Warren Allen, President

International Federation of Accountants

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IFAC's Vision

- Supporting the sustainability of organizations, markets, and economies by developing the accountancy profession
- IFAC does this through:
 - Professional accountancy organizations (PAOs)
 - Professional accountants in business (PAIBs)
 - Small and medium practices (SMPs)
 - Audit and assurance

Sustainability Concerns Rising in the Caribbean

- Three pillars of sustainable development are regionally relevant:
 - Economic
 - Social
 - Environmental

Risk to Opportunity: Sustainable Tourism

“(T)he economic benefits of tourism will continue to accrue to the Barbadian economy well into the long-term, any negative social effects are manageable and the authorities are implementing various measures to deal with the adverse impacts the industry has had on the environment.”

- “Sustainable Tourism Development: The Case of Barbados”



Effective Stakeholder Engagement

- A stakeholder engagement process establishes the organization's significant economic, environmental, and social impacts
- These impacts:
 - Affect the interests and well-being of others and hence might influence the assessments and decisions of stakeholders
 - Guide management to consider and respond to the most important issues

Opportunities for SMPs

- Practices can offer sustainability services, including:
 - Advice
 - Accounting/reporting
 - Assurance
- *International Accounting Bulletin* survey of firms found:
 - Many clients see sustainability services as a luxury
 - Firms are growing their sustainability services
 - The accountancy profession needs to better embrace sustainability/corporate responsibility

Opportunities for Practitioners

- IFAC SMP Quick Poll (extracts from current poll)
 - Does your practice offer a sustainability service?
 - 50% said 'yes' (Central & South America/Caribbean - 27%)
 - 24% said 'no, but plan to' (38%)
 - 26% said 'no and no plans to' (35%)
 - What sustainability service(s) does your practice offer?
 - Advice – 41% (Central & South America/Caribbean - 31%)
 - Reporting – 27% (28%)
 - Assurance – 27% (38%)
- Take the Quick Poll: www.ifac.org/smp

The CFO's Role in Sustainability

- A 2012 Deloitte Touche Tomatsu Limited global survey found:
 - 26% of chief financial officers reported they are the person in the organization accountable to the board for sustainability strategy
 - This represents a 9% increase over the 2011 survey results
 - 53% reported their involvement in sustainability increased in the past year
 - 61% said they expect greater involvement in sustainability in the next two years

Measure What Needs to be Managed

- Setting goals/targets demonstrate commitment and show progress
- To manage requires measurement, monitoring, and action:
 - Water consumption
 - Energy use
 - Waste
 - Health and safety
 - Employee issues

Energy Efficiency and Waste Minimization

- Initiatives that reduce environmental impacts also generally reduce operating costs
- Example: VeriForm
 - High-precision sheet metal and plate manufacturing
 - Between 2006 and 2008, VeriForm invested \$46,186 in over 42 individual energy-saving projects



Vision and Leadership

“Small businesses are leading the way in terms of shaping how business will be in the future.”

- Suzanne Fielden, co-founder of Rocky Mountain Flatbread





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