



International
Federation
of Accountants®

Enhancing Quality & Supporting IFAC Membership

CFRR–IFAC Joint
Education Community
of Practice
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Quality & Development: An Overview

MEMBERSHIP



- Assessing potential members
- Engaging with PAOs that have expressed interest

COMPLIANCE



- IFAC Compliance Program: SMO Action Plans & Dashboard Reports
- Enhanced Enforcement
- *International Standards: Global Status Report*

DEVELOPMENT



- Identify, monitor, and evaluate PAO Capacity Building projects
- Producing tools and guidance for PAO Development

DONOR ENGAGEMENT



- DFID PAO Capacity Building Program management
- MOSAIC
- Peer Reviewers for World Bank's ROSC 2.0

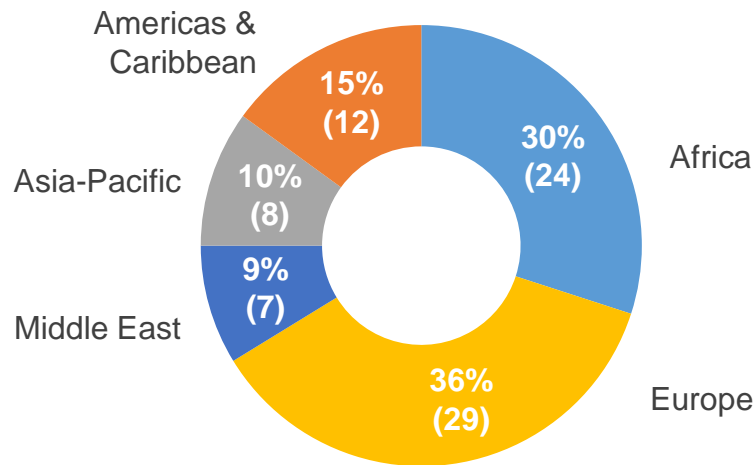
Adoption and SMO Fulfillment Status Report

- Second annual report based on DBR initiative
 - 104 profiles
 - 80 jurisdictions
 - Toolboxes with key resources, fundamentals of new standards, and examples of best practices
 - Representative sample of IFAC membership
- Identify challenges and tools needed

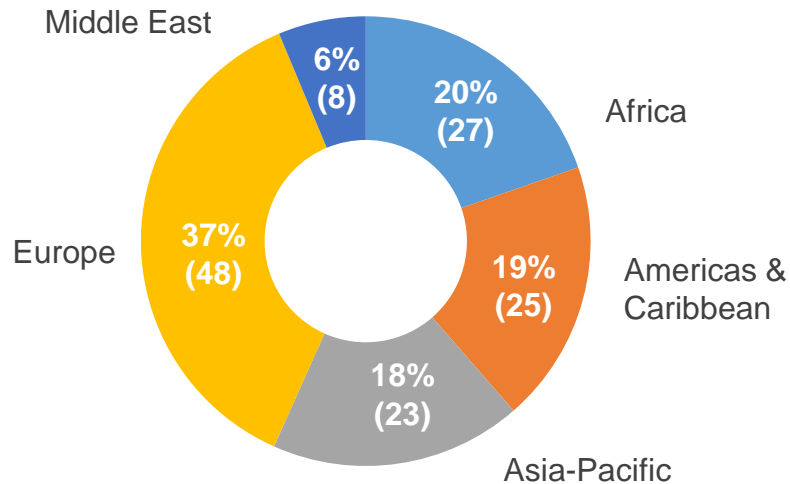


Distribution of Jurisdictions and Member Organizations

REPORT COVERAGE:
80 Jurisdictions / 104 Member Organizations

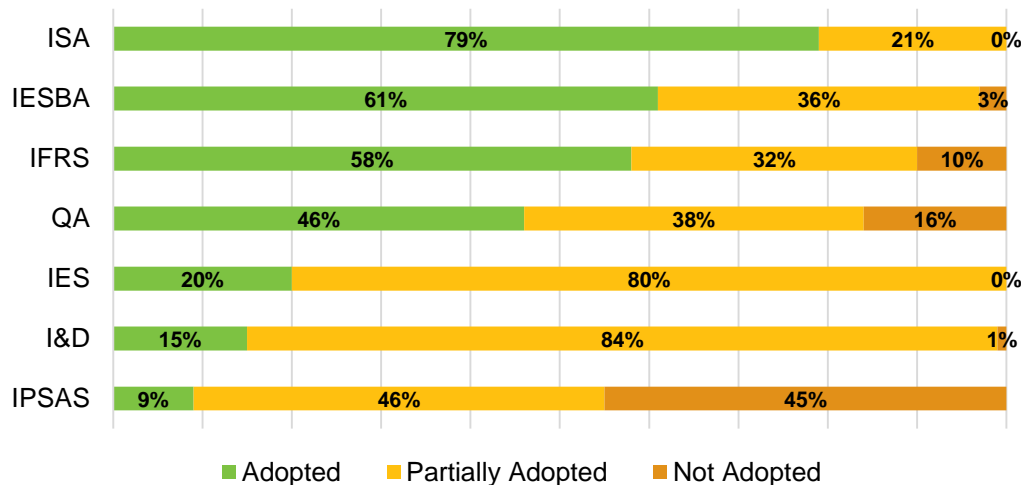


TOTAL IFAC MEMBERSHIP:
131 Jurisdictions / 177 Member Organizations



Jurisdiction Adoption of International Standards

STATUS OF ADOPTION IN JURISDICTIONS
(Most to Least Full Adoption)



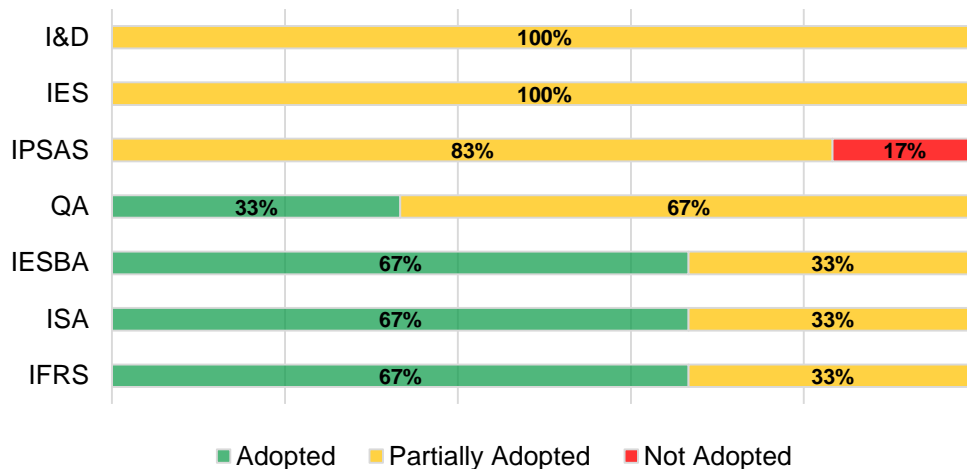
- Green + Yellow = Usage
- Significant progress but long-term endeavor
- 79% adopt ISA
- 61% adopt IESBA Code*
- 20% adopt all IES*

** for all professional accountants*

Adoption in Western Balkans

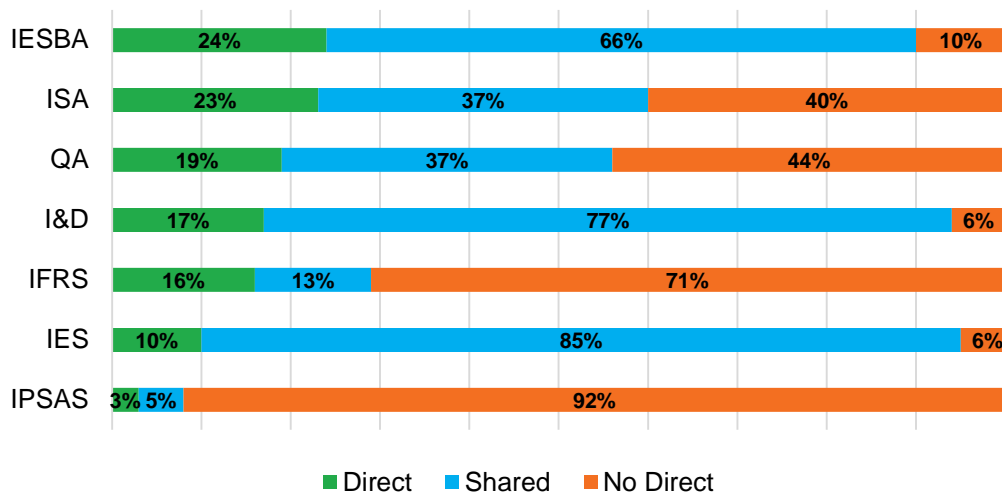
- ISA, IFRS, & IESBA Code adopted by reference in law in most
- All have some elements of QA & I&D systems
- Require support:
 - Implementation overall (e.g. translation)
 - IPSAS
 - QA-I&D
 - Revised IESs

ADOPTION OF INTERNATIONAL STANDARDS & BEST PRACTICES



Responsibility of Member Organizations

PAO RESPONSIBILITY
(Most to Least Direct Responsibility)

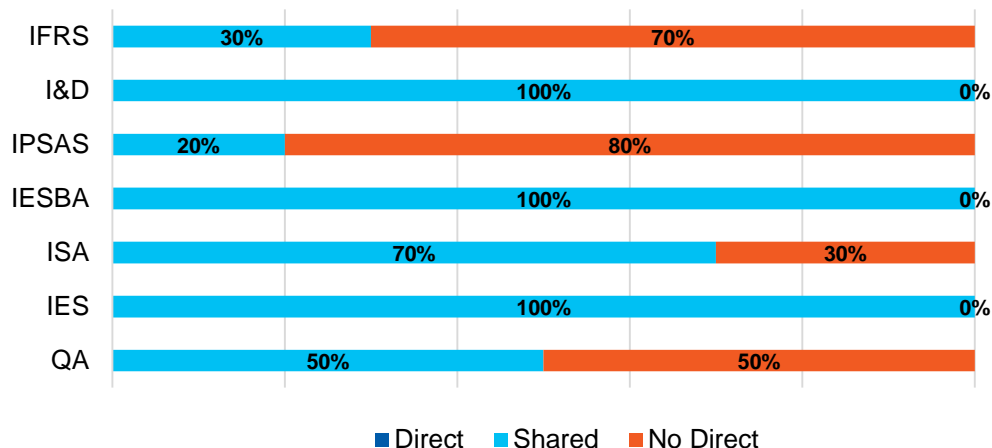


- PAOs drive adoption through promotion and support
- Varied roles, complex environments
- Multi-stakeholder process

Responsibility in Western Balkans

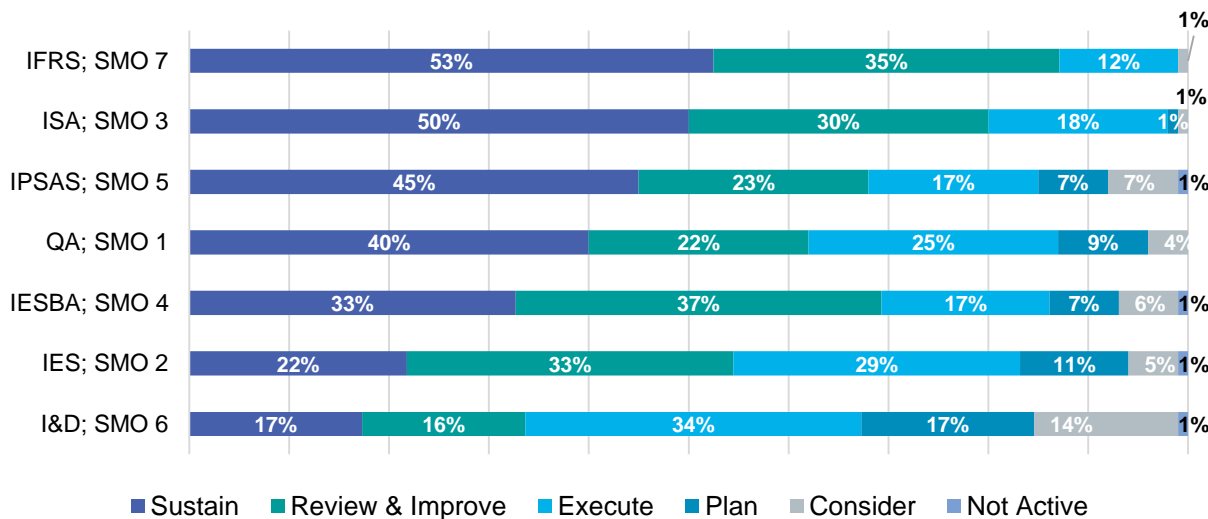
- IFRS, ISA, IESBA Code adopted by law
- No Direct Responsibility
- Share responsibility with a variety of stakeholders in IES, I&D, IESBA Code
- Need to collaborate

PAO RESPONSIBILITY FOR ADOPTION OF INTERNATIONAL STANDARDS & BEST PRACTICES IN REGION



SMO Fulfillment by Member Organizations

SMO FULFILLMENT BY PAOs
(Most to Least SMO Fulfillment)

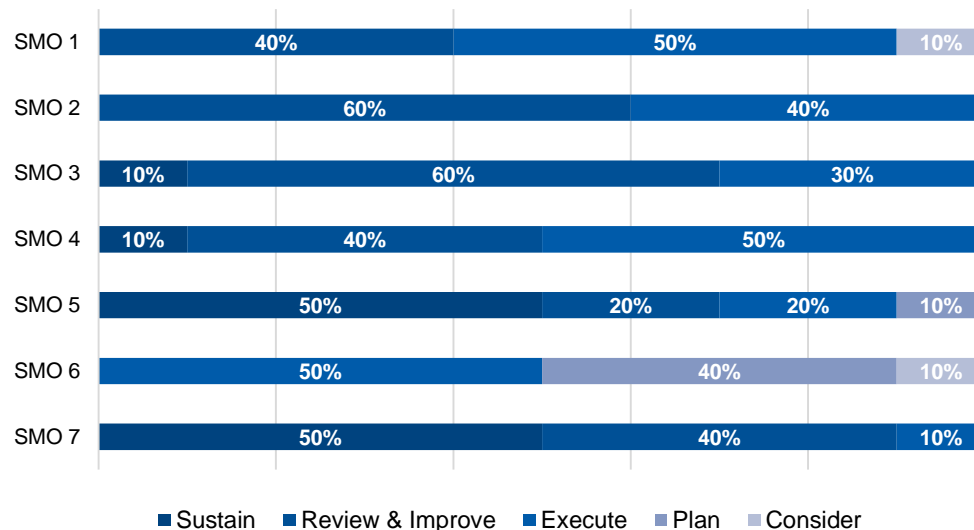


- Commitment to SMOs
 - Adopting, implementing
 - Promoting, supporting
- Progress influenced by
 - National contexts
 - Regulation
 - Resources and tools
 - Know-how
 - Governance
 - Commitment

SMO Fulfillment in Western Balkans

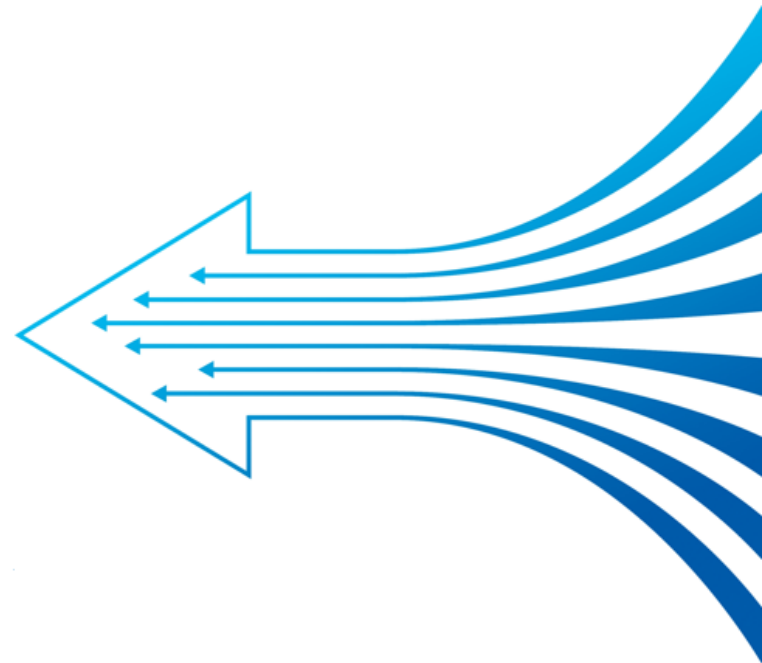
- Members are making good progress in:
 - SMO 7 (IFRS)
 - SMO 3 (ISA)
 - SMO 5 (IPSAS)
- Require support:
 - SMO 6 (I&D)
 - SMO 4 (IESBA Code)
 - SMO 2 (IES)

LEVEL OF SMO FULLFILLEMENT



Key Findings: Overall

- Main adoption and implementation challenges for PAOs
 - Educational standards (IES), especially 2015 revised IES
 - Quality assurance review systems
 - Investigative and disciplinary (I&D) systems
 - Suitable PAO governance structures, operational capacity, and financial sustainability need to be in place

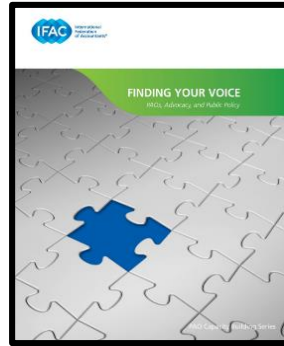
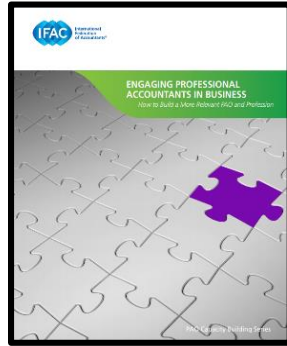
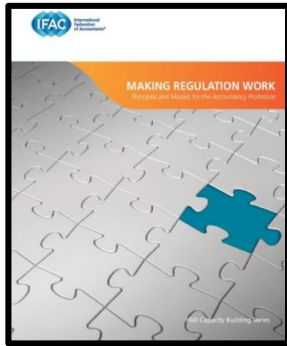


Key Findings: Overall

- With additional support, PAOs are well-positioned to advocate on importance of topics
 - Often there is low awareness and/or capacity amongst relevant stakeholders to effectively implement these best practices
- Capacity building initiatives could help enhance the adoption and implementation of international standards and strong economic ecosystems by addressing underlying barriers
 - Suitable PAO governance structures, operational capacity, and financial sustainability need to be in place

PAO Capacity Building: Available Resources

- The [IFAC PAO Capacity Building Series](#) helps PAOs identify gaps in knowledge that, when filled, will enable them to cement their role as the cornerstone of the accountancy profession and a contributor to global economic growth. All five guides include practical examples and insights to PAO-driven solutions to development challenges



PAO Capacity Building: Governance





*Strengthening Organizations,
Advancing Economies*

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