

BUILDING CAPACITY FOR
A SUSTAINABLE FUTURE



Grow and evolve independently

Harnessing the power of professional bodies

The alleviation of extreme poverty remains at the heart of the international development agenda.

At a country level, the journey from poverty to prosperity is more likely to happen when the foundations are in place for sustained economic growth. Sustainable growth depends on government organisations and business enterprises having good resource management and governance and also good accountability and transparency.

This combination is critical for trust and business confidence, which in turn strengthens and sustains the climate for foreign investment and economic growth. Governments embarking on a journey to strengthen the foundations for growth will do so knowing that the outcomes of increased foreign investment and public revenues will provide new opportunities for investment in public infrastructure and public services.

The accountancy profession has a vital role in all of this. First, national professional accountancy organisations (PAOs) are well positioned to champion the benefits to the nation of accurate financial information and to engage with their governments on the journey to greater transparency and the national benefits, including

better management of public finances and tax collection and reduced corruption.

Secondly, professional accountants themselves play a powerful and all-pervading role in a nation's financial wellbeing. This role needs to be harnessed for the greater good, especially during times of change, such as a transition to international standards in financial reporting, auditing and professional ethics. Here, success requires a careful combination of orchestration, accountancy capacity building and measures to ensure good compliance.

ICAEW is working internationally to champion the benefits of strong and vibrant national accountancy professions. We are doing this through close partnerships with counterpart PAOs, regulators and key government departments.

Working in the public interest, ICAEW is – like the World Bank and other donors – committed to supporting national PAOs in playing a full and active role in improving financial information and transparency.

In our interconnected world, strong national professional bodies working together can do much to assist in creating a better world.

Poverty (1bn sleep hungry every night)	▶	Strategy & leadership	<ul style="list-style-type: none"> • Supporting successful strategic planning • Promoting good leadership • Raising the profile of PAOs • Strengthening the profession 	▶	Increased transparency, attracts foreign direct investment and enhanced effectiveness of foreign aid
Weak financial systems	▶	Training & certification	<ul style="list-style-type: none"> • Reforming professional qualifications • Strengthening access into the profession • Improving the quality of learning and training • Equipping professional accountants 	▶	Promotes business growth, improved public services and better infrastructure
Inadequate accounting systems	▶	Standards & regulation	<ul style="list-style-type: none"> • Promoting the role of international standards • Developing a roadmap for transition • Strengthening regulation of the profession • Improving the level of compliance 	▶	Better use of public funds, increased public revenues and economic growth
PFM and ROSC reports find weak capacity	▶	Support & supply	<ul style="list-style-type: none"> • Improving PAO services • Ensuring support in the public interest • Enhancing the quality of professional members • Supporting the public and private sectors 	▶	Poverty alleviation

Is the accountancy profession delivering?

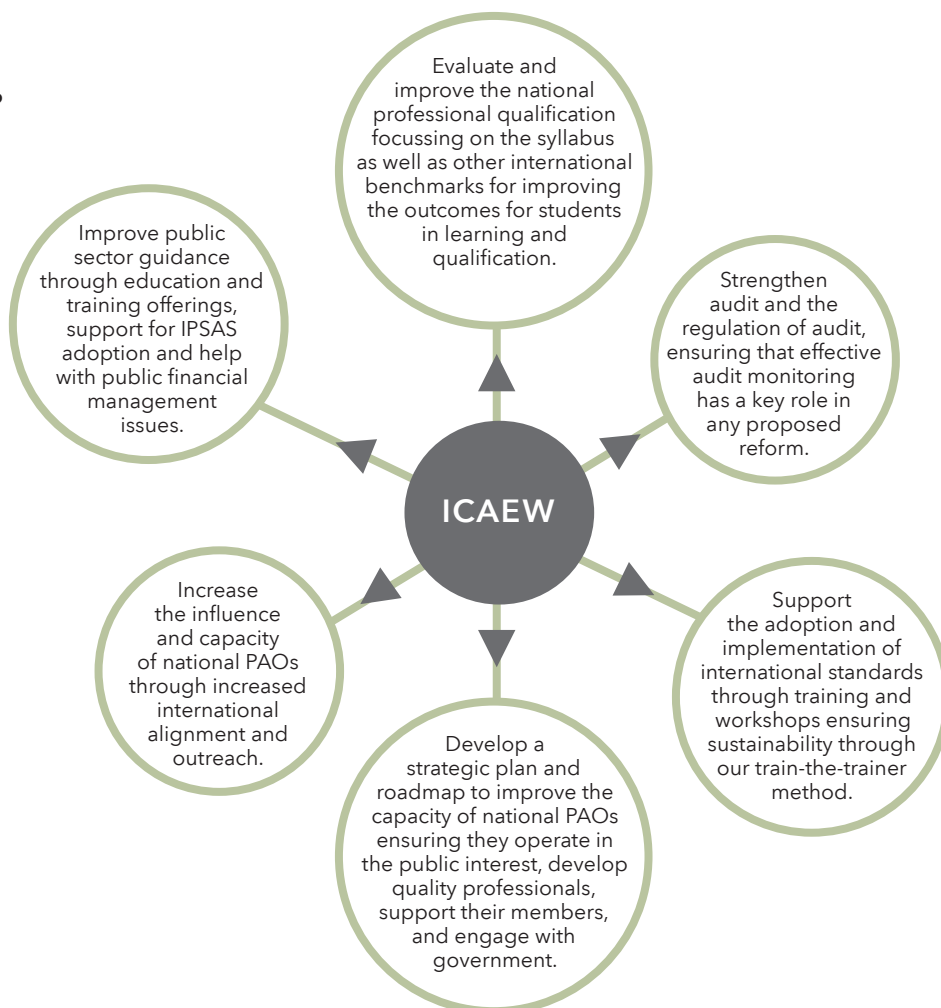
The World Bank and other donor agencies conclude through years of diagnostic reviews including, public financial management (PFM) reports and Reports on the Observance of Standards and Codes (ROSC), that there is weak capacity within the accountancy profession. The profession is part of the fabric of governance, financial management, transparency, and accountability. For the accountancy profession to be strong at national level, national PAOs and regulatory authorities must be robust, independent and relevant. Focused and vibrant national PAOs play a crucial role in ensuring compliance, inspiring business confidence and strengthening the climate for inward investment. They also nurture the brightest students and empower them to become tomorrow's leaders in all walks of life.



How is ICAEW helping?

ICAEW's experience in regulation, education and training is helping to address the capacity gaps. Through PAO partnering projects funded by donor agencies, we provide practical assistance and mentoring to build the capacity of national accountancy professions in developing countries to foster high quality financial management, reporting and auditing.

Our capacity building initiatives aim to strengthen the professional organisations we work with, making them sustainable for the long term and able to grow and evolve independently.



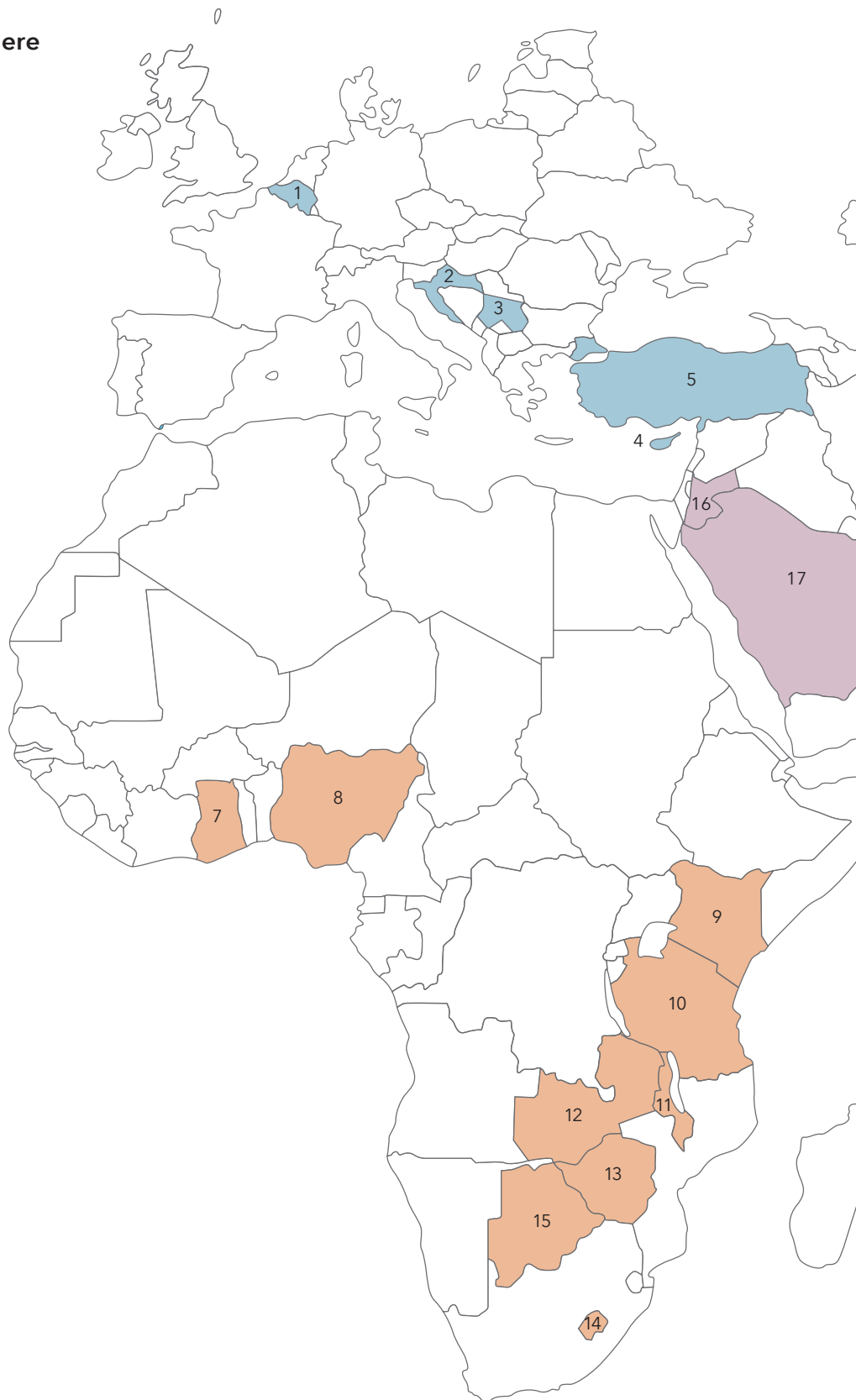
Our work around the world

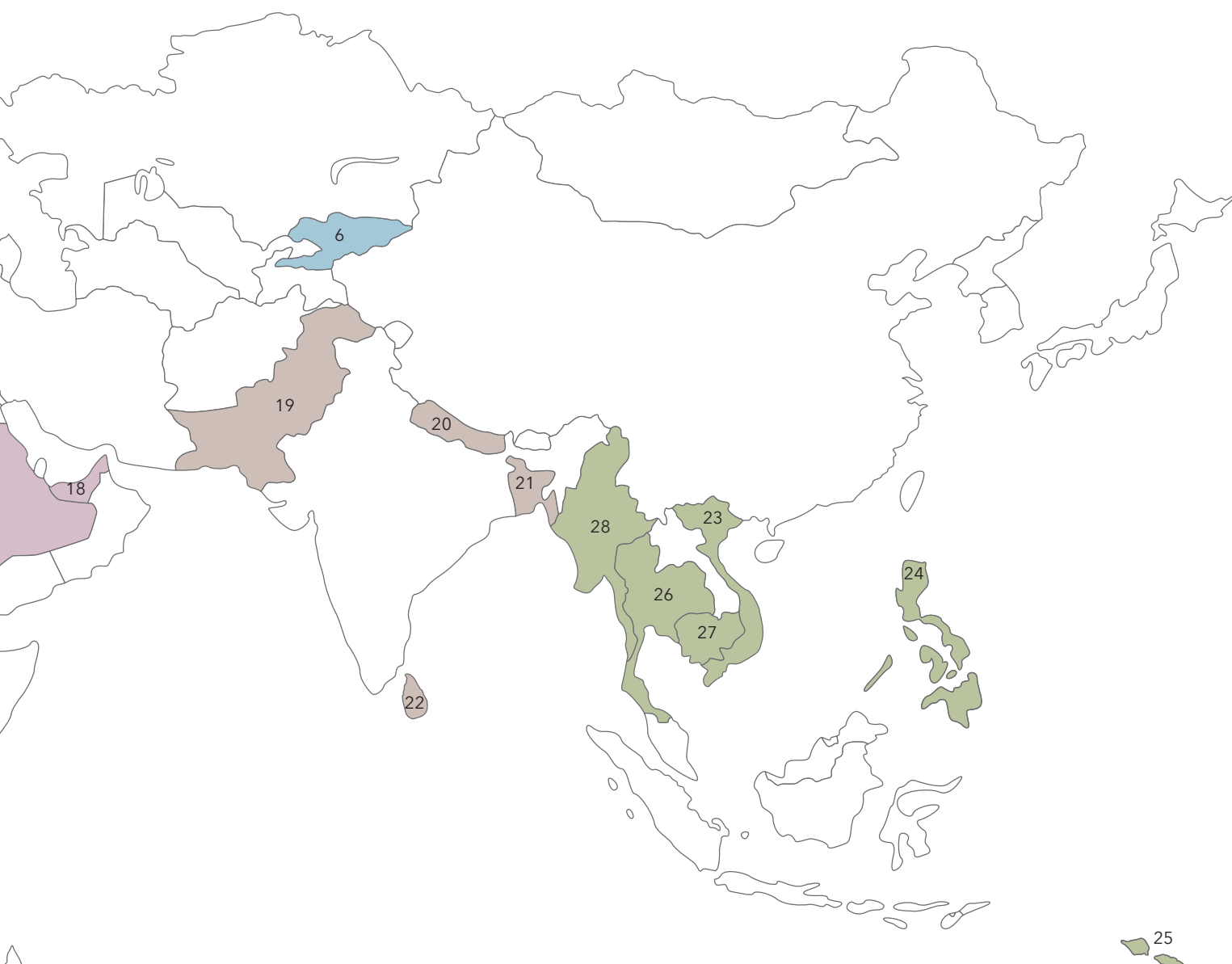
This map highlights countries where ICAEW has worked on capacity building projects (2007-2017).

ICAEW has a dedicated international capacity building team that has worked on more than 45 projects across Asia, Africa, Europe and the Middle East in 28 countries, including Bangladesh, Belgium, Botswana, Cambodia, Croatia, Cyprus, Ghana, Jordan, Kenya, Kyrgyzstan, Lesotho, Malawi, Myanmar, Nepal, Nigeria, Pakistan, Philippines, Samoa, Saudi Arabia, Serbia, Sri Lanka, Tanzania, Thailand, Turkey, UAE, Vietnam, Zambia and Zimbabwe.

In addition, we have provided Audit Quality monitoring training and capacity strengthening in Bulgaria, Cayman Islands, Dubai, Estonia, Gibraltar, Greece, Ireland, Malta and Scotland.

Since 2007, ICAEW has worked in partnership with numerous institutions globally to improve effectiveness and strengthen governance structures. This work typically begins with the development of a strategic plan and roadmap. ICAEW then works with its partners to implement key reforms in the roadmap.



**EUROPE**

1. Belgium
2. Croatia
3. Serbia
4. Cyprus
5. Turkey
6. Kyrgyzstan

AFRICA

7. Ghana
8. Nigeria
9. Kenya
10. Tanzania
11. Malawi
12. Zambia
13. Zimbabwe
14. Lesotho
15. Botswana

MIDDLE EAST

16. Jordan
17. Saudi Arabia
18. UAE

SOUTH ASIA

19. Pakistan
20. Nepal
21. Bangladesh
22. Sri Lanka

SOUTH EAST ASIA

23. Vietnam
24. Philippines
25. Samoa*
26. Thailand
27. Cambodia
28. Myanmar

*Samoa on the above map is only shown as reference and not placed accurately.

Our work in Asia

Strengthening audit regulation in Asia and the Pacific

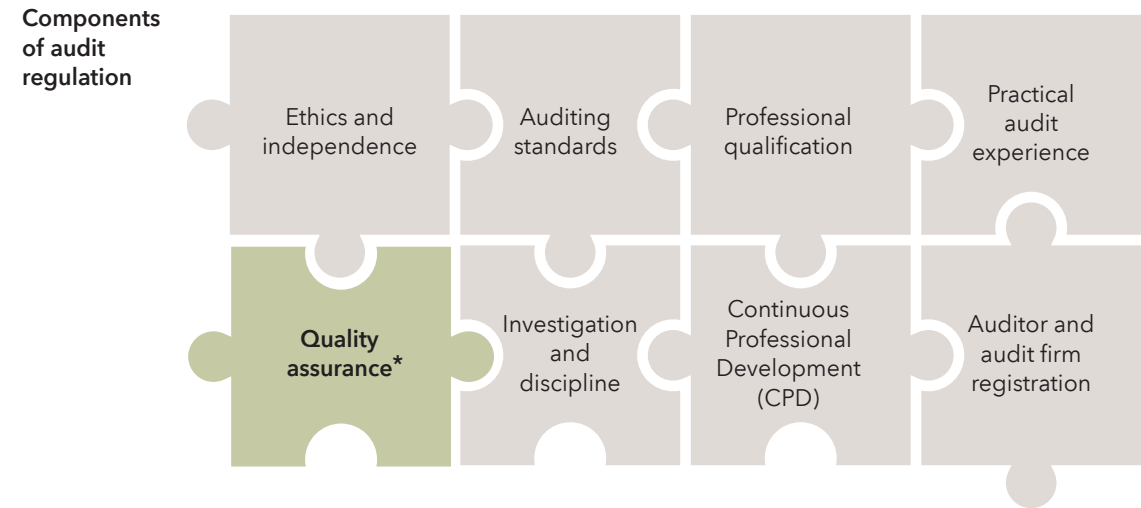
Since October 2015, ICAEW has been working on an Asian Development Bank (ADB) funded project to strengthen financial management in Asia and the Pacific.

The project overall involves advisory and technical assistance to enhance the quality assurance (QA) systems of PAOs in four selected pilot countries: Cambodia, Myanmar, Nepal and Samoa.

In early 2017, the ADB granted further funding for the launch of a second phase of the project covering technical implementation support for all four pilot countries.

Project deliverables

- Delivery of a detailed review of the current landscape.
- Development of a general QA for audit good-practice guide.
- PAO-specific QA for audit roadmaps.
- National workshops to launch the QA for audit roadmaps.
- Technical assistance to audit regulators.
- Training for audit reviewers and governance board members.
- Assistance to improve the quality of audits in audit firms – training and an audit practice manual.



Quality assurance* is the focus of the ICAEW project in Asia and the Pacific as detailed above.



Joint working

ICAEW completed a project in Sri Lanka to establish an audit quality assurance unit and deliver a programme to support IFRS adoption and compliance. Our experts delivered high level training programmes for trainers and members of CA Sri Lanka to improve the quality of implementation and compliance.

These projects involved considerable joint working between ICAEW and CA Sri Lanka. They illustrate how much can be achieved through partnership and provide a strong foundation for further cooperation between ICAEW and CA Sri Lanka.



A lasting impact: Myanmar

In Myanmar in 2013, ICAEW began working in partnership with the Myanmar Institute of Certified Public Accountants (MICPA), the Auditor General and Myanmar Accountancy Council on a UK Foreign and Commonwealth Office funded project aimed at enhancing transparency through strengthening the accountancy profession.

This initial project involved the delivery of training and workshops in international standards, audit quality assurance and professional ethics. ICAEW experts also worked closely with counterpart staff and stakeholders to develop a strategic plan for strengthening the accountancy profession in Myanmar. The overall goal was to transform the MICPA into a vibrant, competitive and confident national institute.

Subsequently in 2014, we began a second project funded by the FCO to bring the professional qualification (PQ) in Myanmar in line with international benchmarks, to improve the quality of training for students and the level of technical support and training for members. We embarked on wide stakeholder engagement and produced a report with recommendations and a roadmap for developing the PQ.

A third and final round of funding was sought in 2015 for a one-year project to provide further support to launch a national PQ. ICAEW was successfully awarded the funding from FCO South East Asia Prosperity Fund to undertake this work and the project was completed in 2016.

Our work in Africa



Success in Ghana

ICAEW has worked closely with the Institute of Chartered Accountants (Ghana) (ICAG) since 2011.

Our first 18-month project was funded by the World Bank and focused on upgrading the ICAG PQ and strengthening the quality of auditing and the monitoring of audit firms by the institute.

As part of this project ICAG staff were trained in audit quality monitoring and in conducting initial assessment visits to audit firms to evaluate the quality of audit.

'We looked at their legal structure and how they acquired and accepted clients,' says Charles Egan, consultant head reviewer at ICAG.

ICAEW arranged free access to an Excel-based product designed to help firms comply with International Standards on Auditing (ISA) and provided training in the use of this, as well as guidance on how audit firms should use ISQC1 to improve their audit processes.

ICAG has almost 200 audit firm members and a full-time audit quality monitoring team is doing full audit monitoring of these. 'This has brought the audit firms into a much tighter form of regulation at a very timely point in Ghana's economic development,' says Mark Campbell, director of international capacity building.

In November 2015, we launched a new project to strengthen the education, training and related PQ elements at ICAG, funded by the International Federation of Accountants (IFAC) under the PAO 'Standards and Enforcement' pillar of the *IFAC PAO Capacity Building Framework*.

Subsequently in August 2016, we were provided with additional funding from IFAC to provide implementation support to ICAG for the project focusing on: the examination areas of the PQ, accountancy education, PQ tuition and practical training.

In Phase 1, ICAEW undertook an in-depth diagnostic review of these areas in consultation with ICAG Council, ICAG CEO and key stakeholders, and as an output, prepared a roadmap for strengthening each area.

In Phase 2, the focus was on implementing the four roadmaps. It also included delivery of a further programme of training of examiners and moderators, to reinforce the equivalent training provided during Phase 1.

Strengthening the profession

A key objective of our joint ICAEW-Botswana Institute of Chartered Accountants (BICA) project was to develop a competitive PQ in Botswana to ensure it attracts the best and brightest students.

This has helped to strengthen BICA in the business and financial architecture of Botswana and to raise its profile in Africa. Elsewhere, ICAEW is helping to establish or reform national qualifications in Cambodia, Ghana, Malawi, Myanmar, Nigeria and Tanzania.





Twinning with Malawi

ICAEW worked with the Institute of Chartered Accountants in Malawi (formally Society of Accountants in Malawi - SOCAM) on a twinning project funded by the World Bank to strengthen the accountancy profession in Malawi.

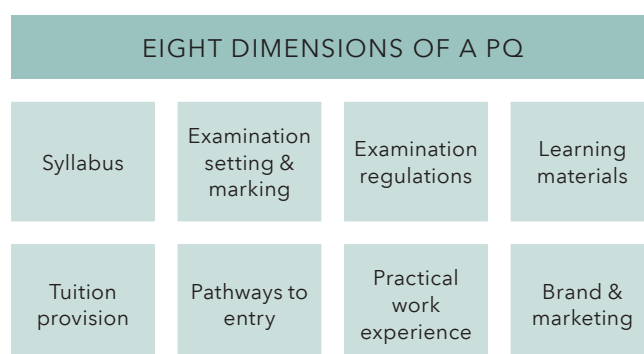
The twinning arrangement involved close cooperation to deliver a strategic plan and roadmap, a national professional qualification to strengthen audit regulation and deliver training and workshops on international standards, audit quality assurance and professional ethics.

Project milestones included the development and launch of the ICAM PQ for examination in 2014 and an international conference to launch ICAM in July 2014 with the support of the European Commission, ICAEW, the World Bank and IFAC.

Reforming or establishing a national PQ

ICAEW has now worked with numerous PAOs to help establish or reform national professional qualifications in Africa and beyond. A strong national PQ aligned with international standards and benchmarks in a country is essential for creating the next generation of professional accountants, capable of delivering high quality financial reports and audits and of regulating all those engaged in professional accountancy services in both the public and private sectors.

A successful PQ requires alignment with eight key dimensions: an internationally aligned modern syllabus, a rigorous examination regime, robust examination regulations, learning materials, tuition providers, pathways into the PQ for suitable students, a practical work experience regime and successful marketing and communications of the PQ.



Creating partnerships

ICAEW worked in partnership with the Institute of Chartered Accountants of Nigeria (ICAN) to redevelop its professional qualification, develop and deliver a pilot Case Study syllabus, technical oversight and relevant training.

At the same time we partnered with the Securities and Exchange Commission in Nigeria to help its transition from national accounting standards to IFRS and to reform its regulatory framework. Both projects were funded by the World Bank.

Our work in Europe and the Middle East

Partnering for success

For certain projects ICAEW will choose to partner with organisations such as audit and accounting firms, government departments, for example, a Revenue and Customs department or National Audit Office – or specialist consultancies to ensure we maximise access to the appropriate expertise.

For example, in Turkey and Belgium we partnered with PwC on a project to train NATO personnel in IPSAS and IFRS. The projects involved training and workshop sessions, to deliver official IPSAS and IFRS certification as well as related consultancy tasks.



ICAEW, together with PwC, has been able to provide NATO with unmatched training experience and expertise together with deep value and efficiencies in these areas. This guarantees personnel are actively engaged in the learning process and can go back to their organisation ready to apply new skills.

We have carried out similar work in other countries, including in Cyprus.



Working in support of national professions

ICAEW is currently supporting the Union of Auditors and Accountants (UAA) in Kyrgyzstan on a project to strengthen the capacity of the accounting profession in the country. The contract is funded by DFID through the IFAC PAO Capacity Building Program.

The project scope includes ascertaining the real need for translation of international standards – IFRS, IFRS for SMEs, ISAs and IESBA Code of Ethics – into the Kyrgyzstan language. ICAEW is also sharing knowledge on good practice in institutional frameworks for financial reporting, accounting and audit as well as reviewing countries with similar past/present national circumstances. Lastly, we are working with national stakeholders to develop recommendations for an institutional framework and prepare a roadmap towards implementation.





Close cooperation

ICAEW worked closely with the Jordan Association of Certified Public Accountants on a World Bank project to strengthen its capacity and expertise to deliver training. We reviewed the training needs of the profession in Jordan and designed a training plan to help the profession adopt international standards. This was followed by the delivery of a wide range of training programmes for master trainers.

A key challenge in today's developing markets is maintaining the status of the national qualification in the face of international competition. This project is also helping to highlight the importance of professional accountants with Jordanian regulatory bodies and the public sector.

ICAEW has been working with the United Arab Emirates since November 2009.

At this time we began conducting audit quality monitoring of audit firms and mentoring the Dubai Financial Services Authority in regulating audit.



ICAEW connects over 147,000 chartered accountants worldwide, providing this community of professionals with the power to build and sustain strong economies.

Training, developing and supporting accountants throughout their career, we ensure that they have the expertise and values to meet the needs of tomorrow's businesses.

Our profession is right at the heart of the decisions that will define the future, and we contribute by sharing our knowledge, insight and capabilities with others. That way, we can be sure that we are building robust, accountable and fair economies across the globe.

ICAEW is a member of Chartered Accountants Worldwide (CAW), which brings together 11 chartered accountancy bodies, representing over 1.6m members and students globally.

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