



January 31, 2013

Stathis Gould & Vincent Tophoff
Senior Technical Managers
Professional Accountants in Business Committee
International Federation of Accountants
529 Fifth Avenue, 6th Floor
New York, NY 10017 USA
By website: <http://www.ifac.org/publications-resources/paib-strategy-and-work-plan-2013-2016>

Dear Mr. Gould and Mr. Tophoff:

**Re: November 2012 Exposure Draft
Professional Accountants in Business Strategy and Work Plan for 2013-2016**

The Canadian Institute of Chartered Accountants (CICA) is pleased to provide comments on IFAC's Exposure Draft entitled, *Professional Accountants in Business Strategy and Work Plan for 2013-2016*. Our comments have been formulated after reviewing the Exposure Draft with CICA's Members in Industry Advisory Board (MIIAB).

The CICA conducts research into current business issues and supports the setting of accounting, auditing assurance standards for businesses, not-for-profit organizations and government. It issues guidance on control and governance, publishes professional literature, develops continuing education programs and represents the Canadian CA profession nationally and internationally.

The MIIAB was created to work with the CICA in addressing the needs of CA members in industry. The MIIAB is a national volunteer group of senior financial professionals. The purpose of the MIIAB is to assist the CICA with programs and resources that are developed for our CA members in industry. The MIIAB's goal is to help in identifying thought leadership and assist in identifying practical issues facing our members. There is a strong connection between the goals of the MIIAB and the PAIB Committee.

We thank you for the opportunity to provide comments on the Exposure Draft.

General Comments:

Overall the MIIAB supports the *PAIB Strategy and Work Plan*. The strategic objectives are relevant and the MIIAB are supportive of them. Canada is well positioned to be able to help in the development of products that are supportive of these strategies. Canada would not only benefit from outputs, but would also be able to add best or good practices in the development of

products. Promoting the value of PAIB's is something of great value. The MIIAB identified the need for promoting the professional accountant in business in senior financial roles as these individuals are a powerful resource to an organization, bringing a financial background as well as being able to garner the ear of regulators and government.

Concerns were raised regarding the process of communicating and distributing documents produced out of the PAIB Committee. Focus and support should be given to member bodies to facilitate and aid in the communication and distribution of these products.

Request for Specific Comments:

1. *Do the proposed PAIB vision and objectives continue to reflect the best focus for IFAC to help its member organizations support their professional accountants in business and facilitate the profession's contribution to the development of sustainable organizations and financial markets and strong international economies?*

Comment: The MIIAB concluded that overall the vision and objectives reflect the best focus for IFAC. Frameworks could be developed for all of the identified outcomes except for the 'ethical behaviours' outcome. A recommendation is made that the word behaviours be replaced with practices. Ethical practices are able to be measured in a diverse global world, whereas measuring behaviours will be problematic. There are various codes of conduct held by professional organizations across the globe which aid in framing ethical practices. These practices should be looked at in developing value drivers of an ethical framework.

The identified outcomes are relevant for Canadian CA's in industry and could be aspirations for others. Depending on the role of a professional accountant in industry, they may not be relevant; however, these outcomes are setting the standard for overall expectations of a professional accountant in industry.

2. *Do the six areas of focus continue to reflect the significant issues of importance to professional accountants in your jurisdiction?*

Comment: The MIIAB determined that the six areas are relevant for Canadian CA's in industry. However, these areas may not be of importance in other jurisdictions. The MIIAB indicated that Canada would be able to provide input for other jurisdictions in areas that were not currently relevant for them.

The MIIAB identified that not all organizations in Canada would be able to state that they exemplified good practice in the six areas, however, in the future good practices in all of these areas in Canada is likely.

3. *Do you agree with the proposed activities and projects on the work plan? Are there any gaps that would benefit consideration at an international level? Are any important new developments missing?*

Comment: The MIIAB are supportive of the proposed projects in the plan. An international strategy needs to be developed to disseminate the outcome of the projects to under developed countries. With respect to the identified projects, focus needs to be given on how to help those in need of the guidance (i.e. guidance on taking it to the next level). The following comments were made for specific projects:

- The role of the senior finance officer/CFO – Many projects of the same ilk have been done and this project needs to be something that has not been done before. The title CFO has too narrow a focus and other options need to be captured. The board identified ‘community involvement’ as not being previously identified as a value of a senior finance officer and it needs to be.
 - Supporting the International Accounting Education Standards Board (IAESB) – There is a role for this group to go beyond accountants and other professional bodies such as lawyers and engineers need to be contacted. The CICA is in the process of working on an Academic Symposium that will address how Universities teach professionals which will support the IAESB.
 - Establishing an International Public Sector Governance Framework – The MIIAB were surprised that this was a specifically identified and listed project.
 - Developing the IFAC Sustainability Framework – The CICA is currently working on a Sustainability Framework, drawing on the work historically done by the CICA and looking at the international market. A Sustainability Framework needs to focus firstly on specific ways professional accountants can bring together financial, economic, environmental and social performance and secondly look at highlighting how to account for sustainability in support of integrated management and reporting. There are many things that professional accountants can bring to the table beyond financial statements and reporting.
4. *Are there proposed projects on the work plan that you or your organization would be interested in being involved in at the task force level? In addition to the organizations listed on page 15 and 16, IFAC would be interested in receiving feedback regarding other organizations that IFAC could possibly build relationships with in the future.*

Comments: The CICA have staff on various task forces of the PAIB and look forward to continuing working on these taskforces and enhancing our relationship with IFAC. It is strategically important for the CICA to be involved with the PAIB and to have a voice at the table. With regards to other organizations that IFAC could build relationships with in the future, the CICA will continue to give this further thought and will provide feedback as ideas are thought of.

5. *How useful have the PAIB publication since 2010 been? What could the PAIB Committee do differently to increase the usefulness of its output and activities for member organizations?*

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Comments: The key to success is the communication of documents produced from the PAIB Committee and a communications strategy needs to be developed. There is currently a proliferation of information available and the strategy needs to address how to communicate to professional accountants in business why these documents are relevant and important.

We thank you for the opportunity to comment on the *PAIB Strategy and Work Plan for 2013-2016* and commend IFAC for all the work they do for PAIB's.

Kind regards,

Laurie Tugman, FCPA, FCA
Chair, Members in Industry Advisory Board
Canadian Institute of Chartered Accountants