

# **Proposed IFAC Member Body Compliance Program Strategy 2011-2014**

**Response to Consultation Paper**

**27 May 2011**

Senior Technical Manager, Regulation & Public Policy  
International Federation of Accountants  
545 Fifth Avenue, 14th Floor  
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Dear Sir/Madam

### **Proposed IFAC Member Body Compliance Program Strategy 2011-2014**

CIMA is pleased to provide its comments on this consultation document as follows:

#### **General Comments**

- We welcome the opportunity provided by IFAC to review and comment on the draft CAP and IFAC Member Body Compliance Program strategy for 2011-2014, which we note is aligned with the overall IFAC Strategic Plan for the same period. Our comments are intended to be constructive, and are provided in the context of CIMA's ongoing support for IFAC as a proactive advocate of the value and importance of the global accountancy profession.
- We are encouraged by the intention of the Compliance Advisory Panel to heighten cooperation with the independent standard setting boards and committees and are pleased to note that collaboration and knowledge sharing is embedded within the strategy.
- CIMA would wish to emphasise the value which can be gained from both collaborative and cross-functional approaches to key issues by virtue of the greater diversity of knowledge and experience this brings to bear. We believe this can also provide a new impetus for moving board and committee agendas (and the wider IFAC agenda) forward, facilitating fresh thinking, innovation and, a more holistic approach to debate and dialogue.

#### **Vision, Values & Goals**

- CIMA supports fully the objectives of the compliance program, in particular as a means of encouraging Members and Associates to aspire to continuous improvement and adoption of best practice as iterated via the SMOs; action plans are a practical and consistent means for articulating intent and for demonstrating progress and transformation across IFAC's stakeholder community.
- In terms of knowledge sharing, we would welcome a more dynamic and systematic approach to providing feedback to stakeholders; on the extent to which the wealth of information generated via the action plans is used to identify gaps in existing policies or guidance and/or issues which may merit wider consideration. Also, on how that information might reflect on the currency of the SMOs, inform onward planning or, facilitate a more overt showcasing of key developments across the profession global

- If IFAC is seeking to influence or drive the behaviour of professional accountancy organisations around the world, collaboration and communication will be key. It will also need to be adept in demonstrating its value to the profession and its principal stakeholders in order to engage in meaningful collaboration and cooperation.
- The SMO initiative has, in our view, made significant progress since its inception, and the compliance programme is an important element of the enforcement framework. We would urge though that the ongoing work around the vision, values and goals remains focused on those issues and actions which serve to reinforce confidence in the profession and mitigate risk to the public, and is not constrained by undue process.

### **Strategy**

- We note the key strategic goals set out in the paper to facilitate the onward strengthening and sustainability of the profession globally, and support the program's vision that a further strategic dimension of the compliance programme is to ensure the ongoing quality and relevance of the profession through a constant focus on the public interest.
- In that regard, it is hoped that the compliance programme will realise its full potential and that the CAP will reflect on how this might be reinforced particularly when considering revisions to the existing SMOs and the possible addition of new SMOs. The action plans provide a useful benchmarking platform for IFAC and its stakeholders but the guiding principle at all times must ultimately be to add value.
- The program could also assist in leveraging the IFAC brand and profile and be prepared to "badge" quality work/improvements and to promote this widely to relevant stakeholders.
- CIMA would endorse the principle of collaboration but would invite the CAP to consider following the principle of uniqueness, not undertaking activities that member bodies can do themselves outside the core activities of standards and SMOs.

### **Workplan**

- We welcome the information provided in relation to the program workplan and detail around actions, delivery and timeframe; we would welcome further information around the CAP's proposed measurement of strategic outcomes and added value.

### **Reporting and Communication**

- We would regard reporting and communication around the program's aims, activities and outputs as being a key in securing engagement with its stakeholders - and in contributing to IFAC's wider profile raising and recognition amongst key audiences.
- CIMA has significant membership around the world and we would be glad to help position CAP messaging around issues of strategic importance; we could also assist with information sharing, consultation, awareness raising and influencing.

## Resources

- We would urge that the allocation of resources across the workplan will take into account, wherever possible and appropriate, the different areas of focus of the member bodies which contribute to IFAC's funding.

We hope that these comments will be of interest and assistance.

### **CIMA**

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