IFAC Member Compliance Program: 2019 Work Program

IFAC's Purpose:

IFAC, with its member organizations, serves the public interest by enhancing the relevance, reputation, and value of the global accountancy profession.

IFAC's Strategic Objectives:

IFAC's purpose and public interest focus are achieved through three Strategic Objectives:

- Contributing to and promoting the development, adoption, and implementation of high-quality international standards;

- Preparing a future-ready profession; and

- Speaking out as the voice for the global profession.

IFAC MEMBER COMPLIANCE PROGRAM: 2019 WORK PROGRAM

Strategic Objectives for 2016–2018

1. The *IFAC Member Compliance Program Strategy: 2016–2018* (2016–2018 Strategy) was prepared in alignment with the IFAC Strategy for 2016–2018 to ensure consistency with the organization's direction and priorities. The Program focuses on:

    (a) Enhancing monitoring of member organizations' compliance with membership requirements, including the *Statements of Membership Obligations*, and strengthening the Program's enforcement framework;

    (b) Enhancing reporting on the status of adoption of international standards, quality assurance (QA), and investigative and disciplinary (I&D) systems; and

    (c) Increasing support for adoption and implementation efforts of member organizations and national authorities.

2. The IFAC Strategy for 2019–2020 will be submitted for approval by the IFAC Council in November 2018. This strategy includes a review of the Program structure and working procedures to ensure a fit-for-purpose approach to quality membership in the future, and any changes as a result would become effective after the IFAC Council meeting in November 2019. For this reason, it was decided not to develop a new strategy for the Program, but to extend the *2016–2018 Strategy* for another year. The Public Interest Oversight Board (PIOB) confirmed this decision during their December 2017 meeting.

IFAC Member Compliance Program—Developing Annual Work Programs

3. IFAC staff, with the advice and oversight of the Compliance Advisory Panel (CAP), prepare an annual work program to implement strategy.

4. Three factors guide the preparation of the annual work program:

    *   Greater emphasis on matters and initiatives that maintain the Program's relevance and advance the IFAC Strategy;

    *   Collaboration with other IFAC groups and stakeholders where their knowledge and expertise can contribute to meeting the Program's objectives; and

    *   Maintaining resource use at an appropriate level.

5. The annual work program is used to identify and agree key performance indicators (KPIs) with the IFAC Board. IFAC staff provide progress reports on key initiatives at each CAP meeting, which are also observed by the PIOB. More specific timelines and resource needs for new initiatives, including those outlined in the 2019 Work Program, are communicated to the CAP on a regular basis. Any necessary changes in planned initiatives or timelines are discussed with the CAP. In line with the CAP Terms of Reference, the CAP annually reports on the status of implementation of the annual work program and progress made in achieving the strategic objectives to the IFAC Board.

6. IFAC staff are responsible for several core activities in support of the Program, the work of the CAP, and other IFAC membership-related processes. These core activities will continue to be carried out throughout the course of the year and consultations will be held with the CAP as necessary. These core activities include:

- Reviewing Statement of Membership Obligation (SMO) Action Plans and preparing Dashboard Reports (DBRs) for publication;

- Monitoring membership compliance risks and recommending enforcement actions to the IFAC Board as necessary;

- Assessing membership applications for admission recommendations to the IFAC Board;

- Addressing complaints received regarding member organizations;

- Liaising with Regional Organizations (ROs) and Accountancy Groupings (AGs) on matters related to the implementation of the Program;

- Providing information, knowledge, and support to IFAC leadership for speaking engagements, outreach, events, and other matters;

- Supporting three CAP meetings during the year, including preparing agenda papers and engaging with internal and external stakeholders; and

- Reporting to the IFAC Board and the PIOB on strategy implementation matters.

Focus of 2019 Activities

7. The focus for 2019 will be:

(a) *Promote and support the quality of professional accountancy organizations (PAOs):* IFAC staff will continue to engage with; advise; share experiences, resources and guidance with; and build the capacity of existing and aspiring member organizations. IFAC staff will continue to monitor the level of SMO fulfillment of member organizations with the objective to provide support to those PAOs that experience challenges in meeting their obligations through developing additional guidance; outreach activities; and connecting them with PAO Development Committee members, the donor community, and other available resources.

(b) *Promote and disseminate information on the adoption and implementation of international standards:* IFAC staff will continue to contribute to the adoption and implementation of international standards, quality assurance review systems, and enforcement mechanisms. The results of the Program are disclosed in a transparent manner by publishing comprehensive jurisdiction and member organization profiles on the IFAC website and in the International Standards: Global Status Report.

(c) *Advanced analysis and enhanced reporting:* IFAC staff will continue to prepare DBRs as part of the SMO Action Plan update process. More focus will be placed on producing analyses of data collected through the Program and enhancing the Program's external communication activities.

2019 Work Program

Strategic Initiative	Actions[1]
A. *Enhancing monitoring of member organizations' compliance with membership requirements, including the SMOs, and strengthening the Program's enforcement framework*	
Maintain Integrity of the Program	• Develop the *International Standards: Global Status Report*
	• Review the Program structure and working procedures to ensure a fit-for-purpose approach to quality membership
Maintain Integrity of Self-Assessment Process and Tools	• Develop a fit-for-purpose reporting template, including guidance for conducting self- assessments, for member organizations with the option to submit via an online platform
	• Provide implementation support in areas identified based on the findings of the *International Standards: Global Status Report*
Implement the Enforcement Framework	• Provide support to member organizations experiencing challenges in meeting their obligations to IFAC
B. *Enhancing reporting on the status of adoption of international standards as well as QA and I&D systems*	
Improve Impact of Program Information	• Develop adoption status reports for the independent standard-setting boards (SSBs)
	• Update the Program and Member Organization and Country Profile webpages
Enhance Program Communications	• Promote the Program through the IFAC website, newsletters, social media, and other communication means
	• Share work of member organizations to fulfil SMOs through the IFAC website, newsletters, social media, and other communication means
C. *Increasing support for adoption and implementation efforts of member organizations and national authorities*	
Outreach to IFAC Member Organizations	• Prioritize and conduct outreach activities based on (1) analysis of SMO fulfilment status and (2) requests from member organizations and other stakeholders
	• Conduct (in-person and virtual) workshops to provide support to member organizations to meet IFAC obligations

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[1] Each action has its own implementation plan with timeline, which is maintained by the staff.

Collaboration with IFAC Activities, Standard Setting Boards (SSBs), Partners, and Stakeholders	• Contribute information and knowledge to IFAC leadership, other IFAC areas, and SSBs to facilitate implementation of their respective outreach strategies
	• Consult SSBs to ensure that the adoption assessment methodology is up-to-date and identify opportunities for collaboration, such as sharing information from DBRs related to challenges and successes in adoption
	• Work with IFAC Activities to leverage complementary interests and efforts to assist member organizations
	• Identify opportunities to work with development agencies to exchange information, and collaborate on initiatives and events that focus on SMO-related issues
	• Collaborate with ROs and AGs to address regional challenges, including consideration of co-hosting events
	• Collaborate with other organizations as opportunities arise