

## **WARREN ALLEN**

### **Signing Ceremony for *MOSAIC: Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration***

#### **Fourth High Level Forum on Aid Effectiveness Busan, South Korea**

##### **Introduction:**

Thank you for that kind introduction.

First of all, I wish to express my sincere thanks to you, Mr. Brian Atwood, and the OECD for the active efforts and thoughtful arrangements you have made for today's MOSAIC signing ceremony. You have been wonderful hosts.

Additionally, I would like to thank the OECD-DAC Task Force Advisory Panel on strengthening cooperation between the accountancy profession and the donor community. Without the tireless work of this Advisory Panel, we would not be gathered here today for this important step forward.

Finally, I would like to personally recognize a few individuals who have been instrumental in making this MOU possible, especially Mr. Tony Hegarty of the World Bank, Ms. Sara Fyson of the OECD, and Ms. Deborah Williams, Mr. Russell Guthrie, and Ms. Gabriella Kusz of IFAC for their efforts in leading and coordinating this agreement.

##### **Body:**

I want to give you a brief explanation of what IFAC is, because it leads directly into why we are here today, and why IFAC is so pleased to take part in creating and signing this Memorandum of Understanding.

As the worldwide organization for the accountancy profession, IFAC is dedicated to serving the public interest by strengthening the accountancy profession and contributing to the development of strong international economies. IFAC is comprised of over 167 professional accountancy organizations in more than 127 countries and jurisdictions. These professional accountancy organizations, or PAOs, are organizations made up of individual professional accountants, auditors, and/or accounting technicians. These professionals perform a variety of roles in public practice, education, government service, industry, and commerce, and adhere to high-quality standards of practice.

The development activities IFAC focuses on, primarily through the Professional Accountancy Development Committee, all serve to further develop and strengthen existing PAOs. IFAC works to help these organizations develop the capacity of the accountancy profession on a national and regional level,

as well as build awareness and increase knowledge sharing around adoption and implementation of international standards.

Because IFAC and our stakeholders know that stronger PAOs are better equipped to contribute to effective financial management, the production of high-quality financial reporting, and the support of sound financial management systems—which we know helps to create overall economic growth, social progress, and financial stability.

These key development goals are also what leads IFAC to engage in development partnerships with the international donor community as well as regional, public, and private stakeholders around the world. Working with the development community—all of you—can help these PAOs work toward the greater good of strong financial systems and financial stability.

All of which is part of what has led IFAC to this ceremony today and to this important agreement.

In 2005, when more than 100 donor organizations and developing countries signed the Paris Declaration on Aid Effectiveness, a strong commitment was made to making aid more effective in its support of development results. At the time, this was a key agreement that worked to bring development funding and achievable results closer together. But it wasn't quite enough.

Although progress has been made in achieving the 13 targets set forth by the Paris Declaration, there is considerable work yet to be done, especially in the areas of capacity development and improving the quality of public financial management systems in partner countries.

These challenges are complex and interwoven, which makes solving them complicated. Previous efforts to resolve the challenges and continue forward progress have been insufficient, in large part because efforts were uncoordinated.

In order to overcome these obstacles and make sure there are long-lasting, positive effects for development, international organizations can no longer operate without some degree of coordination. This includes IFAC and the international donor community, but also the World Bank, OECD, the Asian Development Bank, and our other colleague organizations.

This is why MOSAIC is critical and its signing significant. MOSAIC—the Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration—recognizes this need for greater coordination.

MOSAIC also sets forth the basis for improving cooperation and collaboration between IFAC and international donors, as well as the rest of the international development community. It is the intention and hope of all the signatories of MOSAIC, as well as everyone here today, that this agreement will put us on the path of forward progress. MOSAIC will help organizations to align activities, focus on building the capacity of professional accountancy organizations, and achieve mutually beneficial results creating stronger systems of public financial management, higher quality accountancy information, and financial reporting, which is IFAC's vision.

The signing of the MOSAIC MOU today is a starting point—but an important start to our efforts. Together, under the MOSAIC MOU, IFAC and the international donor community have the opportunity to combine forces to develop the capacity of professional accountancy organizations and facilitate the sustainable production of high-quality financial information.

Thank you.