IFAC is the global organization for the accountancy profession. It comprises more than 175 member and associate organizations in 130 countries and jurisdictions, representing nearly 3 million professional accountants.
INTRODUCTION


Public trust in governments and institutions is at an all-time low. The respected Edelman Trust Barometer finds that trust is “in crisis” and the profession faces questions about ethics, professionalism, the adequacy of its standards, and its performance in relation to those standards.

There is an urgent need and a real opportunity for the accountancy profession to speak into the public conversation about rebuilding trust, with an authority built on decades of acting in the public interest and advocating for transparency and accountability. As an organization committed to time-tested values of integrity, expertise and transparency, IFAC is the trusted and influential voice for the global profession and plays a critical leadership role in building trust and inspiring confidence in the profession’s future.

Working with and leveraging the efforts of its member organizations and others within its global network, IFAC will proactively address emerging challenges and opportunities for professional accountants as the global accountancy profession addresses rapid disruptive change. Three matters stand out:

- Continuing to ensure the profession is appropriately engaged in a shared public/private standard-setting model that yields widely adopted and implemented high-quality standards developed in the public interest
- Preparing the profession for the future, with an emphasis on implementing a comprehensive, integrated approach to international accountancy education to equip current and future professional accountants with the skills, capabilities and ethical behavior required for a rapidly changing environment
- Speaking out even more effectively as the voice for the global profession on critical matters including the need for reporting that aligns with societal values and provides a holistic, timely view of organizational performance and sustainability

IFAC’s Vision and Purpose reflect IFAC’s aspirations for a dynamic, future-focused global profession. They, as well as our three Strategic Objectives, have been developed to be relevant well beyond this plan’s two-year timeframe. The strategy supports a more agile IFAC to reflect and influence a rapidly changing environment, including the Monitoring Group’s review of international standard-setting arrangements. The strategy further anticipates that IFAC’s member revenues will likely decrease over the plan’s timeframe due to a stronger US dollar impacting the input data that is used to calculate membership dues.

IFAC’s Strategic Actions are grouped under its three Strategic Objectives and leverage IFAC’s Unique Position. They will be regularly reviewed to ensure they are responsive to challenge and opportunity.

The Strategic Plan concludes by defining success, providing our stakeholders with a view of our priorities and key targeted outcomes for the two-year period.
IFAC’S VISION FOR THE GLOBAL ACCOUNTANCY PROFESSION:

ESSENTIAL TO STRONG, SUSTAINABLE ORGANIZATIONS, FINANCIAL MARKETS, AND ECONOMIES.

The Vision is for the entire accountancy profession. The underlying Strategic Objectives and Actions reflect and respond to the needs of all professional accountants and their accountancy organizations in an integrated and cohesive way.

IFAC’s Purpose:

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

The IFAC Purpose recognizes and acknowledges that to be successful IFAC must work with and leverage the work of its member organizations.

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

- This objective focuses on IFAC’s long-standing support for international standards, specifically for audit and assurance, ethics, education and international public sector accounting standards.

Preparing a future-ready profession

- This objective ensures IFAC continues to play its important role equipping professional accountants and professional accountancy organizations for the future.

Speaking out as the voice for the global profession

- This objective focuses on IFAC’s role as the voice for the global profession. There are many global voices speaking for segments of the accounting profession, but only one voice, IFAC, speaking in a trusted and influential way, and in the public interest, on behalf of the entire global profession.
ECONOMIC AND SOCIETAL BENEFITS

Enhanced public confidence and trust in governments, the global financial system, markets, and public interest entities

Improved transparency and accountability of governments and public interest entities

Improved transparency and accountability of governments and public interest entities

ECONOMIC AND SOCIETAL BENEFITS

Confidence in high-quality international standards that are adopted and implemented across the globe

Strong and sustainable professional accountancy organizations developing and enhancing the quality of professional accountants

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

Lower cost of capital

Strong economies and financial stability

Greater inclusivity, diversity and gender equality

Reduced poverty

Reduced corruption

Smart regulation

Effective decision making

A global exchange of knowledge and ideas

Enhanced awareness of and dialogue on public interest and professional issues among key constituencies

Progress achieving the UN’s Sustainable Development Goals

Enhanced recognition of and confidence in professional accountants, and their relevance, reputation, and value

Effective policy and regulatory decisions aligning the profession with the needs of the public

Enhanced management of social, economic, and environmental resources

Confidence in high-quality international standards that are adopted and implemented across the globe
SCANNING THE HORIZON, PREPARING FOR THE FUTURE

A more agile IFAC must anticipate and respond to economic and social trends that can change rapidly and impact our operating environment. The acceleration of change underpins many of the trends and implications, risks and opportunities for IFAC and the global profession over the course of this plan—and beyond.

### Socio-economic Trends

**Intensifying economic interconnectedness and market volatility:** increasing mobility of labor, capital, goods, and services in tension with anti-globalization sentiment, trade barriers, and volatile markets, all amidst increased regulatory scrutiny, and loss of trust in some jurisdictions.

**Increasingly innovation-driven,** complex, hyper-competitive, mobile, and global markets. Tomorrow’s successful entities will be strategically nimble, future ready, and embrace innovation.

**Disruptive technological change** driving new business models, a demand for new skills for professional accountants, opportunities for organizations to introduce efficiencies and innovation.

**Intensifying competition** for increasingly mobile talent, a widening gap between available skills and employers’ needs, a greater drive for workforce diversity, and pockets of chronic unemployment.

**Changing structures,** techniques, distribution channels, and costs in education and training.

**Evolving societal values** about work among newer, younger cohorts.

**Aging populations** in most developed jurisdictions, and rapidly growing youth populations in developing nations.

**Increased focus on the economic importance** of greater inclusivity and diversity.

**Increasing stress on the natural environment** resulting from climate change, population and economic growth.
## Trends Impacting the Profession

| **Emerging technologies and the increased focus on value protection and creation** in a multi-capital context require professional accountants to have broader capabilities and skills. |
| **Increased regulatory and media scrutiny** of the profession’s role in supporting standard setting, auditor performance, and the multi-disciplinary model. |
| **Increased focus** on enhancing consistent audit quality and the continuing expectation gap concerning the role of audit. |
| **Calls for increased consideration** of proportionately applicable standards. |
| **As volume and complexity of regulatory requirements increase, there are increasing cross-border impacts** and global regulatory inconsistencies. |
| **Growing scrutiny** of public finances, concerns about government budget deficits, and calls for accurate and transparent information for accountable decision making. |
| **Shifting public views on taxation**, including rising demand for greater transparency and fairness while jurisdictions compete on tax incentives and address pressure for national simplification. |
| **Greater awareness of and focus** on the importance of ethical behavior and better governance and conduct. |
| **Calls for more holistic reporting**—going beyond traditional historical financial information and looking at the value of reporting on long-term organizational sustainability, internal controls needed, and demands for related assurance services. |
Implications for the Profession

**Increased loss of trust** places greater demands on the need for ethical leadership and behavior, and reinforces the importance of IFAC’s Values of integrity, expertise and transparency.

**Professional accountants are needed** across all aspects of organizational decision making, from strategy formulation to defining new business models, requiring enhanced competencies in risk management, scenario planning, artificial intelligence, blockchain, cybersecurity, and data analytics.

**Attracting and retaining the right talent will demand a fundamental rethink** and evolution of education, ongoing training and lifelong learning requirements. Additional emphasis on capturing the interests of younger generations will be needed.

**There is a need for greater recognition of the role the profession can play within governments** to enhance transparency and accountability, and to assist with governance, risk management, and reporting, as well as tax management.

**Reporting will need to provide a holistic, timely view of organizational performance and sustainability**—a view that acknowledges the complexity of modern business and encompasses financial and non-financial indicators—and professional accountants’ can deliver value by providing this view and playing their role to safeguard the public interest.

With greater global connectivity, **the profession must further demonstrate** its ability to master cross-border technical, language, and cultural challenges.

**Professional accountants as business advisors are needed** to foster entrepreneurial spirit and enhance the performance, growth, and decision making in micro, small, medium and large business sectors.

**Technology’s risks and rewards will be at the heart of every business** irrespective of size, requiring new mindsets and management approaches.

**Tomorrow’s professional accountants will need** resiliency, adaptability, curiosity, a strategic and innovative yet skeptical mindset, strong communication and critical thinking skills, professional judgment, and a strong ethical backbone.

**The profession must continue** to clearly articulate the public interest importance of a multi-stakeholder international standard-setting process, in which it contributes its professional expertise and which responds to emerging technologies, evolving forms of regulatory oversight, new reporting standards, and new business models.

**The profession has an opportunity to play a bigger role** in enhancing governance and partnering to combat fraud, corruption, money laundering, tax evasion and other illegal practices.

**The desire to formalize** the informal sector in emerging and developing economies will increase demand for help with basic financial literacy.
OUR STAKEHOLDERS: A WORLD OF INFLUENCE

IFAC works with many stakeholders with a variety of expectations and needs that must be balanced and prioritized and will seek out additional stakeholders in an effort to expand its influence. Most importantly, the IFAC strategy must reflect and respond to the needs of all professional accountants in an integrated way across the entire organizational reporting landscape. Improving stakeholder satisfaction and communication is vital to achieve IFAC’s Purpose.

IFAC’s Global Stakeholders include:

**IFAC’s Members, Associates, Affiliates and the Forum of Firms**

- Global Public Policy Committee, including the Regulatory Working Group and Standard Setting Working Group
- Regional and other groupings of accountancy bodies, including the Global Accounting Alliance and Edinburgh Group
- International Auditing and Assurance Standards Board®
- International Ethics Standards Board for Accountants®
- International Public Sector Accounting Standards Board®
- International Accounting Education Standards Board®
- International Accounting Standards Board
- International Financial Reporting Standards Foundation
- Monitoring Group
- Public Interest Oversight Board
- Public Interest Committee
- International Organization of Securities Commissions
- International Forum of Independent Audit Regulators
- European Commission
- World Bank
- International Monetary Fund
- Organisation for Economic Co-operation and Development / Business @ OECD
- International Organisation of Supreme Audit Institutions
- United Nations Conference on Trade and Development
- United Nations Development Programme
- International Valuation Standards Council
- Governments including the G20
- Business groups including the B20
- Donors, including signatories to Memorandum of Understanding to Strengthen Accountancy and Improve Collaboration
- International Integrated Reporting Council
- Accounting for Sustainability
- Global business, broadcast, and trade media
- World Business Council for Sustainable Development
IFAC’S UNIQUE POSITION

GLOBAL. INFLUENTIAL. TRUSTED.

IFAC has maintained a long-term approach to building and strengthening a global accountancy profession that supports transparent, accountable, and sustainable organizations, financial markets, and economies.

Over four decades, IFAC has represented the global profession and supported the development, adoption, and implementation of international standards that underpin the contributions of today’s global accountancy profession. IFAC’s role is to be recognized as a trusted, influential champion of the public interest and continue to extend its influence as the voice for the global accountancy profession.

IFAC is uniquely positioned to spearhead initiatives that demand:

• global reach
• dialogue and debate
• a platform that transcends commercial and political interests

Stakeholder value is strengthened by extensive relationships with key international organizations and professional accountancy organizations, alignment of the profession with the needs of the public, and a distinguished history of awareness-raising, advocacy and engagement.

IFAC focuses on strategic actions that harness its comparative advantages

**Natural Facilitator:** IFAC convenes key groupings of professional accountants and professional accountancy organizations on a global level. We identify and debate key issues, opportunities, and challenges relevant to the profession. We actively contribute to improving organizational reporting by contributing to and promoting the development, adoption, and implementation of high-quality international standards.

**Trusted Intermediary:** IFAC strengthens the profession by leveraging its global experience and relationships with key stakeholders, development partners and professional accountancy organizations.

**Knowledge Gateway:** IFAC provides a global forum to share, synthesize, and create knowledge to support professional accountancy organizations and all accountants in providing high-quality services.

**Influential Voice:** IFAC represents and advocates, in the public interest, on behalf of the global accountancy profession, and increases awareness of the profession as essential to sustainable organizations, financial markets, and economies.

THE VOICE FOR THE GLOBAL ACCOUNTANCY PROFESSION.
THE RISKS IFAC MONITORS AND MITIGATES

Risk management is an integral part of IFAC's strategic planning process. IFAC identifies and assesses the risks that impact the achievement of its strategic objectives, and develops and implements actions to mitigate those risks. This risk identification and assessment also helps IFAC identify opportunities and allocate resources to maximize IFAC’s impact. Profession-wide risks have been identified in the preceding Scanning the Horizon, Preparing for the Future section. IFAC’s top organizational risks are noted below. The Strategic Actions are the way IFAC intends to address and mitigate these profession-wide and organizational risks.

Top Organizational Risks

**Strategic Risks**

- Loss of stakeholder confidence in global standard setting
- Change in IFAC’s role in supporting standard setting for audit and ethics
- Failure to identify, prioritize, or render services to meet competing demands of member organizations and other key stakeholders
- Failure to be proactive and relevant as the voice for the global profession

**Operational risks with strategic implications**

- Insufficient funding for financial sustainability
- Loss of intellectual capacity through the inability to attract and retain diverse and highly-qualified staff and volunteers
STRATEGIC ACTIONS

IFAC’s Strategic Actions are aligned to each of our Strategic Objectives. The Actions address the trends and implications discussed above and are designed to achieve IFAC’s Vision and Purpose, mitigate risk, capitalize on opportunities and maintain a focus on the future. The Actions take advantage of IFAC’s Unique Position and comparative advantages. To provide value to member organizations and other key stakeholders, the Actions identified are those best delivered by IFAC.

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

**Actions:**

- **Support** the independent standard-setting boards, and provide resources to implement improvements and strengthen their capacity to serve the public interest and adapt to evolving roles for the boards in an effective, efficient and timely manner

- **Proactively contribute** to and seek a timely and responsible resolution to the Monitoring Group’s review of auditing, assurance, and ethics standard-setting arrangements, including agreement on a shared public/private standard-setting model

- **Actively support** IPSASB and contribute to the Public Interest Committee review of the governance arrangements for the IPSASB in 2020

- **Engage with** the Forum of Firms to support its audit quality objectives underpinned by requirements to adopt international standards for audit and ethics for transnational audits

- **Constructively** provide feedback and input to the independent standard-setting boards on behalf of the profession and other key constituents

- **Facilitate** consistent implementation of international standards through development and sharing of best practices, resources, tools, and knowledge

- **Promote and monitor** the adoption of international standards through advocacy, stakeholder relations, and enhancing the IFAC Member Compliance Program

- **Gather and disseminate** data on the global adoption of international standards, regulatory practices, and member organizations’ fulfillment of the Statements of Membership Obligations (SMO)

- **Support** the work programs of other independent international standard- or framework-setting bodies. These bodies include the International Accounting Standards Board, International Integrated Reporting Council, International Organisation of Supreme Audit Institutions, Institute of Internal Auditors, and International Valuation Standards Council.
Actions:

- **Develop and implement** a new model, with the assistance of the IAESB, to advance international professional development in the public interest—addressing future skills and capabilities requirements in a rapidly changing environment, as well as supporting the implementation of standards and guidance, by leveraging knowledge developed by IFAC’s network.

- **Build** professional accountancy organizations’ capacity and future capability through the IFAC Accountancy Capacity Building Program, in collaboration with the MOSAIC partners, and drawing on the knowledge and expertise of member organizations.

- **Grow and expand** the content and reach of the Knowledge Gateway.

- **Advocate** for recognition of all professional accountants, with an emphasis on professional accountants in business (PAIBs) across all sectors and small- and medium-sized practices (SMPs), as valuable business partners and advisors.

- In collaboration with member organizations, **Inspire, promote and disseminate** thought leadership and knowledge on topics focused on the future of the profession, such as:
  - the impact of technology developments and new business models
  - the attractiveness of the profession, talent retention, and the next generation of accountants

- **Support** member organizations to promote quality accrual-based public financial reporting and the use of IPSAS as a cornerstone of sound public financial management, and promote and maintain the International Public Sector Financial Accountability Index.

- **Maintain** strong strategic relationships with relevant accountancy groupings and other key stakeholders.

> the importance of inclusion and diversity as a business imperative
> the SMP of the future
> future service offerings by professional accountancy organizations and professional accountants
> a vision and roadmap for CFOs and finance functions
> the need for new digital skills and enabling competencies and related developments in education and training including lifelong learning
**STRATEGIC ACTIONS**

**Speaking out as the voice for the global profession**

**Actions:**

- **Drive** the conversation in the market by building awareness of the profession’s role in a changing global environment where technology advances, public and regulatory expectations, and evolving business imperatives offer exceptional opportunities and challenges.

- **Spur** global debate by building awareness of and speaking out in alignment with key stakeholders, on key topics including:
  - Importance of high-quality international standards adopted and implemented across the globe.
  - The value, integrity and ethical foundation of the accountancy profession.
  - The value and quality of audit and assurance and the benefits of multidisciplinary firms.
  - The role the profession plays in robust leadership, governance, finance and assurance functions.
  - The importance of good governance and ethics and their role in tackling fraud and corruption.
  - Effective, consistent, proportionate and smart regulation.
  - International taxation.
  - Governance and responsible business conduct, including the need for effective audit committees.

- **Engage** with multilateral global institutions like the G20, B20, OECD and UN, to promote initiatives that enhance global economic stability and sustainability.

- **Explore** research opportunities and leverage knowledge and insights of key stakeholders with a focus on developing thought leadership on emerging and trending topics vital to the profession.

- **Leverage** IFAC’s reputation and key personnel to support professional accountancy organizations at the national and regional level in developing relationships, collaborating on public policy and regulatory issues, and promoting professional accountancy organizations and the profession to key stakeholders and other influencers.
STRUCTURES, RESOURCES AND PROCESSES TO SUPPORT STRATEGY IMPLEMENTATION

Given the demands from key stakeholders and expected budget constraints during the strategy period, IFAC will have an overriding focus on enhancing the effectiveness and efficiency of delivery models and related processes.

Develop and Support People

• Implement a People Strategy that seeks to better attract, retain, develop and reward the right people
• Attract and retain volunteers who serve on the IFAC Board, independent standard-setting boards, IFAC committees and in an advisory capacity
• Further IFAC’s commitment to inclusivity and diversity, including gender and geographic balance

Efficient Processes and Infrastructure

• Invest in technology and communication enhancements to increase efficient collaboration, reduce travel and better utilize human resources to focus on critical matters
• Adapt processes and reporting, including governance and committee structures, with attention to enhancing efficiency, economy and effectiveness
**IFAC’S FUNDING**

IFAC appreciates stakeholders’ financial support and recognizes the challenges faced by its member organizations and constraints on membership dues. IFAC will seek to expand its revenue sources from third parties (e.g., by exploring opportunities to monetize its web and digital presence), and maximize the impact of funding through increased collaboration with member organizations and other key stakeholders, further leveraging its Unique Position. IFAC will not change the current dues formula during the strategy period, but will review the formula for 2021 and beyond as it committed to in 2014.

Each year, IFAC’s annual budget is approved by the IFAC Board and broad budgetary parameters are approved the IFAC Council. Financial performance is monitored and reported to the IFAC Board on a quarterly basis and reported to the IFAC Council on an annual basis.

**PERFORMANCE MEASUREMENT**

IFAC’s achievement of its Strategic Objectives will be measured through Key Performance Indicators (KPIs) agreed annually between management and the IFAC Board and reported on by management to the IFAC Board on a quarterly basis. These KPIs will include the targeted outcomes set out in the following section.
DEFINING SUCCESS

The following targeted outcomes will build trust and inspire confidence in the global accounting profession’s ability to act independently and provide high-quality services in the public interest across the entire organizational reporting landscape, thus serving to improve stakeholder satisfaction and achieve IFAC’s Purpose:

- The standard-setting boards have the necessary support and resources, and have implemented improvements, to strengthen their capacity to serve the public interest
- The Monitoring Group review has been concluded in a timely and responsible way, including agreement on a shared public/private standard-setting model
- IFAC has effectively contributed to the adoption and implementation of international standards as indicated by positive trends reported in the annual International Standards Global Status Report
- IFAC has contributed to the professional development of accountants, better preparing them for a future digital world through IFAC’s new approach to professional development
- IFAC has established an effective approach for working with member organizations to support:
  » All professional accountants, including PAIBs and SMPs
  » Professional accountancy organizations’ capacity building, including effectively facilitating relationships between donors, regional bodies, member organizations and recipient professional accountancy organizations
- IFAC has advocated effectively on behalf of the profession, speaking out on relevant issues, and working with member organizations and the Forum of Firms, as appropriate, on relevant topics
- Internally, IFAC has a stronger, fit-for-purpose governance and organizational structure and operating model, with fully engaged talented people
GLOBAL. INFLUENTIAL. TRUSTED.