

PAFA MONTHLY NEWSLETTER

DECEMBER 2020 / JANUARY 2021

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PAFA Newsletter

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PAFA
PAN AFRICAN FEDERATION
OF ACCOUNTANTS

IN THIS ISSUE

**PAFA STRATEGIC OBJECTIVES
2021-2025**

**PAFA TSSF CALLS FOR
NOMINATIONS**

**MEMBER ORGANISATION
UPDATE**

**SPOTLIGHT ON OUR MEMBER
ORGANISATIONS**

**MEMBER ORGANISATIONS' KEY
INITIATIVES**

PAFA EVENTS

KNOWLEDGE AND INSIGHT

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MESSAGE FROM THE CEO



With the Technical and Standard Setters Forum we plan to strengthen Africa's voice in international standard setting. We have issued a call for nominations for the TSSF and hope that our PAOs will nominate their best to help us achieve this.

Under the future-ready and relevant profession strategy pillar, our focus will likely be digital transformation. We are excited to engage with the PAOs in Africa to facilitate use of the PAO Digital Readiness Tool recently launched by the International Federation of Accountants and to identify potential regional solutions. We will also consider how we can assist our PAOs to support their members in the Fourth Industrial Revolution (4IR). And, as it relates to PAFA, we are eager to hear how we can enhance our engagement with you and what that might mean for our own digital transformation. For example, would an enhanced website – operating as a one-stop centre of excellence – be a value add for you? Or might a series of regionally-sourced quality online CPD in relevant topics (e.g., 4IR or other key trends) that you could offer to you members be helpful in the current environment?

Diversity and inclusivity and resources to strengthen our PAOs and their service delivery to their members are top of mind under the capacity building – strong and sustainable PAOs strategy pillar. We will continue to explore the development of a common core accountancy competency framework and the feasibility of an accounting technician qualification for Africa, harnessing the great work already done by other bodies and PAOs and seeking the advice of the PAFA Education Advisory Committee.

Dear PAFA Membership and Other Stakeholders,
Warm wishes for a blessed 2021.

I am honored and humbled by the confidence you have placed in me. I received a warm welcome from the PAFA leadership, former CEO – Mr. Vickson Ncube, and PAFA Team and am grateful for their time and patience as I am learning about this great organization.

I am fully committed to PAFA's vision, mission, and strategic objectives as defined. In November, I had the opportunity to discuss the 2021 performance targets and budget with the PAFA Board. The challenge will be to identify the optimum mix of activities to achieve the targets in an environment where PAFA and our membership and their members are even more resource constraint because of the pandemic. Nevertheless, I am confident that – with the talented PAFA Team – we are currently identify those activities that will have maximum impact on on our members and stakeholders and mitigate the risks PAFA is facing.

Our priorities are likely to include enhanced stakeholder engagement and PAFA brand recognition under the relevance strategy pillar. Enhanced stakeholder engagement will help us to focus our efforts in areas most impactful to you. And a strong brand will enhance our relevance and – as a result – our reach, influence, and access to resources.

The opportunities under the thought leadership strategy pillar is limitless. Here our focus is likely to be leveraging as much as possible of what has been developed by our affiliates and other key stakeholders with modifications for the Africa environment. We are eager to explore with you the journey of accountants doing the same things to accountants doing the same things differently to accountants doing different things.

Under the public value management strategy pillar, we will continue to focus on our partnership with the African Professionalisation Initiative. I strongly believe that PAO engagement in the public sector is a public interest responsibility first, and an opportunity second; and public sector accountancy capacity is the foundation of sound PVM.

The strategy pillars, regional cooperation and structures, resources, and processes will be key to achieving our performance targets in 2021, and we plan to propose actions necessary to enhance their agility, effectiveness, and efficiency.

“If you want to go fast, go alone. If you want to go far, go together.” – African proverb. My intention is to go far, and I hope you will join me on this journey.

Please contact me via AltaP@pafa.org.za to schedule a conversation. I am eager to learn about your aspirations for PAFA.

Warm regards, Alta

PAFA STRATEGIC OBJECTIVES 2021-2025

PAFA's seven strategic objectives make up our PROMISE to our stakeholders, including our member organisations which is our most important stakeholder category

PUBLIC VALUE MANAGEMENT

To facilitate stronger PVM through PAOs to achieve value creation, fiscal discipline, effective resource allocation and effective service delivery to citizens.

RELEVANCE & PARTNER OF CHOICE

To position PAFA and our PAOs as partners of choice by relevant stakeholders at the international, regional and national levels in matters relating to accountancy.

OBJECTIVE THOUGHT LEADERSHIP

To generate and facilitate cutting-edge knowledge and solutions relating to future issues that will impact society, the economy, and the profession.



MODERN FUTURE READY & RELEVANT PROFESSION

To transform the learning and professional development value chain by incorporating innovations and emerging technologies to develop new skills, behaviours and competencies



INTERNATIONAL STANDARDS AND BEST PRACTICES

To influence the development and facilitate the adoption and implementation of international standards and best practices to improve the quality of corporate reporting by an ethical profession trusted by stakeholders



SERVICE EXCELLENCE IN REGIONAL COOPERATION

To facilitate the sharing of knowledge, resources and experiences across the region



EDUCATION & CAPACITY BUILDING

To build a strong and sustainable PAO in each African country that will contribute to national professional, economic and social development and demonstrate compliance with the IFAC Statements of Membership Obligations (SMOs)

PAFA TSSF CALLS FOR NOMINATIONS

PAFA invites nominations of suitable candidates for membership of its Technical and Standard Setters Forum (TSSF).

Through the TSSF, members are able to:

- Influence the development of international standards by:
 - engaging directly with relevant standard-setting board members; and
 - providing responses to consultation documents issued by standard-setting boards; and
- Contribute to the advancement of the accountancy profession within their own jurisdiction and the African continent through knowledge and experience sharing initiatives.

Please follow this [link](#) to strengthen the voice of Africa in international standard setting by nominating individuals with an expertise and interest in one or more of the following areas:

- International Financial Reporting Standards (IFRS)
- International Standards on Auditing (ISA)
- International Public Sector Accounting Standards (IPSAS)
- International Code of Ethics for Professional Accountants

The PAFA TSSF was established by the PAFA Board to contribute to the achievement of the strategic objective for international standards and best practices by undertaking activities that will assist PAFA member organisations in the adoption and implementation of the international standards and best practices.

The TSSF is a catalyst in mobilising PAFA member organisations to become globally recognised as the influential voice from Africa on the development, adoption, and implementation of international standards and best practices.



MEMBER ORGANISATION UPDATE



“If you want to go fast, go alone. If you want to go far, go together.” – African proverb

THE INSTITUTE OF
CHARTERED
ACCOUNTANTS OF INDIA
(ICAI)



PAFA WELCOMES THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA
AS A NEW AFFILIATE

MEMBER ORGANISATION UPDATE

Bereavement



The PAFA Secretariat is sad to learn of the passing of Mr. Pierre Claver Nzohabonayo and express our deepest sympathy on behalf of PAFA to Ordre des Professionels Comptables du Burundi (OPC) and Mr. Pierre Claver Nzohabonayo's family and colleagues. PAFA very much appreciates the valuable contributions Mr. Pierre Claver Nzohabonayo made to the accountancy profession in Burundi and beyond. He will be remembered by us not only as CEO of OPC - Burundi but also for his willingness to share his time and expertise in different PAFA forums. He had an unmeasurable impact on the lives of many people, professionally and personally. The many messages of condolences and recognition of his contributions, received by PAFA since we learned about his passing, are a testimony of this.



The PAFA Secretariat is sad to learn about the unexpected passing of Ms. Yvonne Nell and express our deepest sympathy on behalf of PAFA to SAIBA and Ms. Nell's family and colleagues. Ms. Nell will be remembered for her valuable contributions to the accountancy profession in South Africa and beyond. She has positively impacted the lives of many people, professionally and personally. Her commitment to serve is her legacy and a motivation for us to do even more in future.

SPOTLIGHT ON OUR MEMBER ORGANISATIONS

PAFA Congratulates

The Institute of Certified Public Accountants of Rwanda on becoming a full member of the International Federation of Accountants

The Institute of Chartered Secretaries and Administrators in Zimbabwe on becoming an affiliate member of the International Federation of Accountants

Ms. Asmaa Resmouki, former PAFA President, on becoming the Deputy President of the International Federation of Accountants



Congratulations

MEMBER ORGANISATIONS' KEY INITIATIVES



ICAN ACCOUNTABILITY INDEX (ICAN-AI) – A VERITABLE TOOL FOR ASSESSING PUBLIC FINANCIAL MANAGEMENT PRACTICES IN DEVELOPING ECONOMIES

In response to the development challenges occasioned by lack of transparency and accountability in public governance in Nigeria, a developing economy, The Institute of Chartered Accountants of Nigeria (ICAN) launched a scientific tool in 2017 to assess Public Financial Management (PFM) practices across the three tiers of government of Nigeria. This tool, the ICAN Accountability Index (ICAN-AI), has been applauded as a novel and timely intervention to tackling the worrying level of corruption in Nigeria and in the African continent. It is equally part of the public interest mandate of the accounting profession championed by ICAN. The ICAN-AI adapted the Public Expenditure and Financial Accountability (PEFA) Framework with deliberate focus on the pillars which are most critical to the Nigerian PFM system and would make the most impact promoting the accountability agenda in Nigeria. This Framework is sufficiently flexible to accommodate the fiscal accountability needs of other developing economies both in the Sub-Saharan African region and beyond. The 2019 ICAN-AI Report for 2018 Fiscal Year used a Framework comprising 5 Pillars, 25 Indicators and 70 Dimensions. This is an improvement from the Framework used in the Maiden Edition which had 5 Pillars, 23 Indicators and 64 Dimensions, as the Maiden Framework did not assess the 774 Local Governments in the country. The Pillars are:

- a. Policy-Based Fiscal Strategy and Budgeting;
- b. Budget Credibility;
- c. Management of Assets and Debts;
- d. Control in Budget Execution, Accounting and Reporting; and
- e. External Audit and Legislative Scrutiny.

To read more about the ICAN AI Report [click here](#)

PAFA encourages our member organisations to share their initiatives with potential impact in Africa and beyond for publication in the newsletter. Please contact Sibongile Setshogo at SibongileS@pafa.org.za to do so.

PAFA EVENTS



PAFA in collaboration with ICAEW hosted a virtual webinar on 27 January to explore the topic *Accountability & Transparency During & Post COVID-19*. Look out for a PAFA notification about where to access the recording of the webinar.

PAFA in collaboration with 4th Talent hosted a virtual webinar on 28 January for PAO leadership on how to access three months of free high-quality online CPD for their members. The online CPD module focuses on building resilient virtual teams. Representatives from 4th Talent will continue to engage with interested PAOs in this regard. Look out for notifications from PAFA and 4th Talent in the next few weeks.

PAFA in collaboration with IFAC, FIDEF and cloudThing will host a virtual webinar on 11 February to promote the roll out of the IFAC PAO Digital Readiness Assessment Tool in Africa. Please contact Lefaria Kinimi at LefariaK@pafa.org.za if your PAO's leadership (or other relevant staff) is interested in participating in the webinar. Please note that this webinar is for PAO representatives only, it is not a public event.

PAFA in collaboration with IFWA and FIDEF will host a virtual knowledge sharing event on 19 February to explore the development of a new vision for diversity (with a focus on women) in accountancy in Africa. Please contact Sibongile Setshogo at SibongileS@pafa.org.za if your PAO leadership (or association of women in accountancy leadership) is interested in participating in this event. Please note that this event is for PAO / association of women in accountancy representatives only, it is not a public event.

PAFA encourages our member organisations to promote their events of potential interest to others in the newsletter. Please contact Sibongile Setshogo at SibongileS@pafa.org.za to do so.

KNOWLEDGE AND INSIGHT



ICAEW ACTIVITIES AND RESOURCES

- o Audit Quality – The Role of Standard-Setting examines how audit standards affect audit quality
- o A letter to the IAASB supporting the proposed auditing standard for less complex entity audits
- o A compilation of articles presenting the perspectives of different actors in the debate of the convergence of non-financial frameworks and standards to include nature and society in the financial statements
- o ICAEW's roadmap for carbon neutrality
- o ICAEW's Data Analytics Certificate Programme is aimed at combining commercial acumen and business knowledge with data analytics expertise
- o Instalments 1, 2 and 3 of the series developed with IFAC to help professional accountants enhance their understanding of how money laundering works, the risks they face, and what they can do to mitigate these risks
- o 2020-21 Reporting Season: Find the help you need provides guidance on how to navigate the impact of COVID-19 on business
- o A survey of ICAEW members based in over 50 countries indicates working life will look quite different, and reflects on what has worked well and what less so and the pandemic-induced changes that are here to stay and those that are not

KNOWLEDGE AND INSIGHT

CAPA EXPLORES DEVELOPMENTS IN THE ACCOUNTING TECHNICIANS SECTOR IN 2020

In late 2018, the Confederation of Asian and Pacific Accountants (CAPA) launched the ‘Accounting Technicians – Exploring Opportunities for the Profession’ publication. The aim of the publication was to encourage a better understanding of the AT sector and for professional accountancy organisations (PAOs) to consider the importance of ATs as part of the wider accountancy profession. The findings from this publication, which were partly informed by a 2016 CAPA Survey, were clear – a strong AT cohort can be beneficial to the economy, government, businesses and individuals, and is in public interest.

CAPA is excited to announce the release of a second AT focused publication titled ‘Accounting Technicians – 2020 Update: Recent Developments’. The 2020 Update report includes nineteen (19) ‘Country Updates’, nine (9) of which are updates to ‘Case Studies’ featured in the 2018 publication, with the remainder updates from countries not included in that publication.

CAPA found five (5) key factors that appear to influence decisions to develop the AT segment, namely:

- Market Trends and Recognition
- Professionalisation of SMEs and Public Sector
- Government Policy Agenda and Recognition
- Historical Institutional Arrangements
- A Motivated PAO

For more information [click here](#)



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