

# Strengthening Public Financial Reporting Roles of the Accountancy Profession in the Reforms

## Is there a role for PAO's?

## What is that role?



International  
Federation  
of Accountants



WORLD BANK GROUP

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**Professional Accountancy Organizations (PAOs) functioning effectively will promote:**

- **The Quality of Public Financial Management**
- **Sound Financial Reporting**



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## Benefits:

- **Attracts foreign direct investment**
- **Promotes growth and development of the small and medium-sized sector**
- **Enhances transparency and accountability in the use of public resources**
- **Improves the design and delivery of public services**
- **Enhances the effectiveness of development assistance**



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## Specific Roles for PAO's

- **Advocacy**
- **Make public statements**
- **Establish a coalition**
- **Start a campaign**
- **Promote a legal framework for sound PFM**
- **Promote accrual-based IPSAS**



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## Trusted Advisor to Government

- Advise on the development of a roadmap for implementing PFM reforms
- Advise on the development of an appropriate legal framework for sound PFM
- Advise on the implementation of IPSAS
- Case studies – PAOs organizing roundtables with government officials to discuss next steps to implement IPSAS



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## Challenges

- **Fragmented, small, under-resourced PAO's**
- **PAO intervention in the public sector not common**
- **Role of PAO seen as private sector only**
- **Public sector finance personnel often not (qualified) accountants**



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## Challenges

- Accountants in the public sector not members of a professional organization
- Values, integrity and ethics
- Attraction and retention of public sector finance personnel



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## Opportunities

- **Effective PAOs could support the public sector**
- **Facilitate public sector accountant membership of the PAO**
- **Incorporate PFM / IPSAS in education, training, qualification, and CPD**
- **Subject public sector accountants to CPD, ethics, investigation, and discipline**





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## Moving Process Forward

- **Make it a strategic objective and develop an action plan**
- **Utilize your network – IFAC, regional organizations, accountancy groupings, other PAOs –Development partners / donors**



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## Moving Process Forward

- **Learn from others –Invite other countries to share their experience –Identify / share available resources, guidance, tools, etc.**
- **Collaborate with interested parties, including the Supreme Audit Institution – Make it formal, enter into a memorandum of understanding (MoU)**



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## Questions & Answers

