

Chief Executive (CE) Report

This report expands on certain matters referenced in some of the meeting papers, and includes some matters not dealt with elsewhere in the papers. Members are invited to raise any questions or comments in relation to any of these matters. The Board will also consider these matters at their subsequent meeting.

1. IFAC COUNCIL AND BOARD, NOVEMBER 2024 – REFLECTIONS & OUTCOMES

The related Stakeholder Report is attached (see agenda item 3.2.2). A key development in the IFAC strategy is the intention for a level of decentralization, and in particular this could mean some opportunities for the Global South. The IFAC and CAPA CEs are continuing a dialogue in this regard. The CE will share thoughts at the meeting. IFAC has also developed a Member Value Proposition, and this featured in many of the discussions, since it will be used to guide any activities of IFAC. The CAPA Value Proposition, which covers both members and stakeholders, was developed approximately 10 years ago, and the Board will consider whether to undertake a review. Members may wish to share their views on this.

2. IFAC COMMUNITIES OF PRACTICE (CoP) – INTERNATIONAL STANDARDS (IS) AND ACCOUNTING TECHNICIANS (AT)

CAPA is maintaining close contact with these two CoPs. There is a level of mutual membership between ARACC and the IS CoP membership, including the CAPA ED. This will enable effective liaison and consideration of activities that may assist the global profession through regional involvement. The CAPA CE attends the AT CoP, reflecting the significant previous work of CAPA which is largely being followed and progressed by the CoP. The success of the CoP will be dependent on active involvement by all of its members – if the work is left to one or a few members, it will likely fail. CAPA will participate in those activities appropriate for a regional organization, including awareness, advocacy and sharing.

3. CAPA MATURITY MODEL

It is pleasing to note that the CAPA Maturity Model is enjoying a high profile, with initiatives being taken to use it in various regions. Further, certain PAOs are using it proactively. The Caribbean region has also shown great interest and it is being referred to widely. Most significantly, PAFA is establishing a very significant initiative. The African Development Bank has provided funding for various matters, and this includes the rollout of the maturity Model in some 25 countries. PAFA has already translated the material into French. A consultant is proposed to work with the PAOs to undertake the self-assessments and create the subsequent action plans. The overall program, including follow-up reviews, will likely not be less than 3 years.

A virtual webinar will occur on 19 November ahead of this meeting, to provide the PAOs with background and guidance on how to use the Model. The CE will participate and can provide an update at the meeting.

4. VISIT TO ASIAN DEVELOPMENT BANK (ADB) – MANILA

CAPA's contact with the ADB was impacted by the pandemic, including a refocusing by the ADB away from the accountancy profession. The visit to the Philippines has provided an opportunity to reconnect. There have been some personnel changes, but also some remain constant. A virtual meeting recently occurred, and the CE will visit the ADB in Manila en-route to the Members meeting to continue discussions - a verbal update will be provided at the meeting.

5. FINANCIAL ACTION TASK FORCE (FATF)

Matters in this are proceeding at pace. FATF focus will increase on accountants (and lawyers). Some PAOs have/will take on the role of AML Supervisor. A 7-year program is anticipated. Events and training are expected globally (an event is expected at the OECD in Paris in May 2025); and an Asian regional workshop may occur end-2025). Workshops will be for all PAOs, whether they have AML Supervisory role or not. Workshops are limited to about 50 persons, and since in conjunction with lawyers, about 25 PAOs could attend a regional workshop. The appropriate person from the PAO would be invited. Members may wish to comment on interest in this area.

6. REGIONAL EDUCATORS FORUM

For some time, IFAC has brought together Directors of Education from PAOs, with some modest involvement of Asian based PAOs. Sometimes referred to as the global educators forum, it allows those responsible for education within their PAOs to network and share developments. If there is sufficient interest, CAPA could consider supporting a regional forum. Members are requested to consider and comment.

7. BOARD MEETINGS

In 2024, the CAPA Board has met 5 times to date (March, April, June, July and October) and will meet after the Members Meeting in Davao.

The one change of director during the year was in relation to PICPA (Philippines) with Gerard Sanvictores replacing Randy Blanza in late July.

Since the last Members Meeting in early September, the Board has considered the 9-month management accounts, planning for the Davao meetings, the proposed 2025 budget and membership fees (see agenda item 4.2), and received updates regarding CE succession planning.

8. 2025 LEADERSHIP ELECTION

Members are reminded that the CAPA President and Deputy President elections will take place in late 2025, to serve for the period from end-2025 to 2nd half of year 2027. Board members interested in standing for the positions, especially the Deputy President role, may wish to undertake some early internal discussions.

9. 2024 ANNUAL REVIEW (AR)

Work will commence shortly on drafting the 2024 AR. The theme for this year's AR is still to be concluded, however a key change in 2024 has been the establishment of ARACC, and reference will obviously be made to the CAPA Conference. The establishment of the IFAC AT Cop is worthy of mention given this is the culmination of much work by IFAC. A key output for this year has been the work on the PAO Success and Sustainability, PAO Development guide, and hopefully this can be issued before year end. The combination of these matters would lead towards a theme reflecting the future of the profession, including various aspects of 'sustainability'.

As always, members will receive draft extracts prior to publication to check references to their own organisation.