



UNCTAD – **ISAR**

THE ACCOUNTING DEVELOPMENT TOOL

Building Accounting for Development





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ABBREVIATIONS

ACCA	Association of Chartered Certified Accountants
ADI	Accountancy Development Index
ADT	Accounting Development Tool
CPD	continuing professional development
ESG	environmental, social and governance (reporting)
IAASB	International Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IASB	International Accounting Standards Board
IES	International Education Standard
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
IOSCO	International Organization of Securities Commissions
IPSAS	International Public Sector Accounting Standards
ISA	International Standards on Auditing
ISAR	Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting
ISO	International Organization for Standardization
ISQC	International Standard on Quality Control
OECD	Organization for Economic Cooperation and Development
PAO	professional accountancy organization
PEFA	Public Expenditure and Financial Accountability
ROSC	Reports on the Observance of Standards and Codes (World Bank)
SME	small and medium-sized enterprise
SMO	statement of membership obligation (IFAC)
USAID	United States Agency for International Development

PREFACE

Convergence towards international standards for consistent and reliable corporate reporting contributes to creating a conducive investment climate and financial stability. The Accounting Development Tool (ADT), developed by UNCTAD Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR), addresses the request from member States for guidance on how to facilitate such convergence. Built on international consensus, the ADT has been designed and developed as a voluntary technical aid to support countries' efforts towards building capacities in the domains of corporate reporting based on a guided self-assessment methodology and consensus-building among key stakeholders. The ADT uses a comprehensive and structured approach to identify and assess the legal, institutional and human resource requirements needed for a strong accounting and reporting infrastructure.

The overall objective of the ADT is to assist policymakers and other stakeholders in their efforts towards strengthening the accounting and reporting infrastructure for high-quality and internationally comparable corporate reporting. The ADT provides an approach, the methodology and instruments for quantitative measurement of existing reporting infrastructure at a national level in order to identify gaps when compared to international standards and good practices. It can also serve as a basis for developing a strategy and an action plan for further improvements of corporate reporting based on the gaps identified and selected priority areas. Where relevant, the ADT can also help to assess country needs for technical assistance and to measure the impact of such assistance. The United Nations Conference on Trade and Development stands ready to support interested countries throughout the assessment process by providing additional expertise.¹

The objective of this publication is to provide guidance on the concept behind and content and practical application of the ADT. It consolidates the discussions, insights and experience gained throughout the many development phases of the tool. Part I of the publication explains what the ADT is by describing its conceptual foundation, context, content, relevance, purpose and scope, as well as its components, structure and measurement methodology. Part II explains how to use the ADT by providing a concrete, step-by-step guide, with all the necessary information about the tasks, actions and stakeholders involved in the ADT application and detailed instructions on how to use the e-ADT platform (the online version of the ADT).

Countries that participated in the pilot tests in 2011–2013 have emphasized the practical usefulness of the ADT and its important role in better understanding priorities and actions needed to build a strong corporate reporting infrastructure and in creating a participatory and constructive dialogue among key stakeholders. We hope that this publication will help member States in their efforts towards high-quality and internationally comparable reporting and in assessing their progress over time in this area, which is important to facilitate investment and sustainable development.

¹ For further information, please contact UNCTAD at isar@unctad.org.

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INTRODUCTION

Accounting plays an essential role in economic development. High-quality corporate reporting is key to improving transparency, facilitating the mobilization of domestic and international investment, creating a sound investment environment and promoting financial stability. A strong and internationally comparable reporting system facilitates international financial flows, while at the same time helping to reduce corruption and mismanagement of resources. It also strengthens international competitiveness of enterprises in attracting external financing and in taking advantage of international market opportunities.

In the wake of the financial crisis, continued efforts are being made towards improving the quality of corporate reporting as an important part of measures towards strengthening the international financial architecture. In this regard, the implementation of internationally recognized standards, codes and good practices in the area of corporate reporting has been strongly encouraged as a reflection of the increasing pace of globalization and international economic integration. Over the past decade, there has been a clear trend towards adoption of international standards and codes by member States. However, the effective implementation of such standards and codes remains a challenge for many developing countries and economies in transition as they lack some of the critical elements of corporate reporting infrastructure. In the face of these challenges there is a need for coherent efforts to build capacity in this area, as well as for tools to measure and benchmark progress in addressing identified gaps and priorities.

The ADT, developed by UNCTAD–ISAR during the last three years, makes an important contribution to the development agenda of the United Nations. The ADT successfully addresses the growing demand from member States, especially from developing and least developed countries, as well as from countries with economies in transition, for a tool that would enable them to voluntarily assess their accounting and corporate reporting national institutions and processes against international requirements for high-quality reporting. The ADT uses a comprehensive and structured approach to support countries in identifying and addressing the main challenges in the process of implementing international standards for corporate reporting. This in turn helps to foster confidence among investors, donors and other providers of capital.

The ADT was developed using a four-step approach. The first step involved designing a capacity-building framework as the conceptual foundation that encapsulates accounting international benchmarks and good practices. The second step involved drafting the ADT assessment questionnaire built on the capacity-building framework, as well as shaping the corresponding national and international due processes involving country users, peer reviews and UNCTAD. The third step was the development of a website hosting the online version of the ADT, the e-ADT, which encapsulates the ADT assessment questionnaire, integrates the ADT assessment internal workflow and online peer review mechanisms, and generates ADT summary reports and charts. The fourth step, the validation, consisted of the organization in parallel of consultative group meetings, round tables, national pilot tests and assessments, as well as functional and technical tests of the e-ADT. During all these phases, the e-ADT steps, functions and processes were enriched from the conclusions drawn.

The ADT assessment questionnaire is designed to be relevant for all member States and provides a global perspective on the capacity components required for convergence towards high-quality standards in both financial and non-financial corporate reporting. The use of existing international standards for benchmarking leads to harmonization of the international financial landscape.

While the assessment questionnaire measures the processes completed and standards accomplished at a given point in time, it also enables a country to monitor its progress over time.

The ADT is a quantitative measurement tool, but also a strategic tool that supports a country in its progress towards establishing stronger legal (pillar A), institutional (pillar B) and human resources (pillar C) capacities related to accounting and corporate reporting. The tool allows countries to form an overall picture by calculating a total score including results from these pillars. It also permits results to be analysed in depth and detail by looking at scores obtained at the level of each pillar, indicator, question and checklist. The binary nature of the assessment questions, as well as the methodology based on simple statistical principles and formulas, together contribute to a clear and impartial evaluation. The results (accompanied by the ADT summary report and charts generated) can be used as valuable feedback for governments, public and private financial institutions, researchers, standard setters and policymakers. The quantitative nature of the results makes the ADT summary report an important source of objective information that can be triangulated with additional qualitative and secondary source data to develop a more comprehensive overview of a country's accounting and reporting environment.

The assessment exercise provides a road map to identifying gaps, weaknesses and areas needing attention in the key pillars of a country's accounting infrastructure. It also helps key stakeholders and decision-makers to facilitate communication, coordination and cooperation, and prioritize goals, approaches and strategies towards capacity-building. In the long run, the ADT enables a country to analyse the outcomes and impact of accounting reforms, particularly the effectiveness and efficiency of newly introduced policies, regulations and various technical assistance programmes.

PART I.

UNDERSTANDING THE ACCOUNTING DEVELOPMENT TOOL



A. BACKGROUND AND OBJECTIVES

The ADT was developed as a result of the following activities:

- Discussions of countries' capacity-building needs in implementing international standards and requirements for high-quality corporate reporting at the twenty-sixth session of ISAR in 2009;
- Development of a capacity-building framework for high-quality reporting and relevant discussions at the twenty-seventh session of ISAR in 2010;
- Based on the capacity-building framework, development of a measurement tool consisting of a questionnaire and assessment methodology and relevant discussions at the twenty-eighth session of ISAR in 2011;
- Pilot testing of the questionnaire in 2011;
- Pilot testing of the measurement methodology and the questionnaire in 2012;
- Revisions of the original materials, and finalization and launch of the ADT at UNCTAD XIII in 2012;
- Further ADT utilization in 2013 and refinement of the due process;
- Development of an electronic version of the ADT (e-ADT) in four United Nations languages (English, French, Russian and Spanish).

In developing the ADT, UNCTAD sought the expertise and views of its ISAR network, including through the following:

- A consultative group was formed consisting of representatives of the World Bank, the Financial Stability Board, the International Federation of Accountants (IFAC), Public Expenditure and Financial Accountability (PEFA), the International Organization of Securities Commissions (IOSCO) and ACCA United Kingdom, as well as experts from selected countries such as Brazil, China, Croatia, Egypt, India, Jamaica, the Netherlands, the Russian Federation, South Africa, Switzerland and the United States of America. The consultative group established the foundation for the ADT by designing the capacity-building framework matrix, identifying core standards and benchmarks, drafting the structure of a regulatory framework and soliciting survey questions for performance measurement;²
- An Accountancy Education Forum in March 2011 was organized jointly by UNCTAD and the International Accounting Education Standards Board (IAESB);
- Development of the ADT also benefited from the Accountancy Development Index (ADI), a United States Agency for International Development³ (USAID)-funded initiative and part of the Benchmarking International Standards of Transparency and Accountability Project. Carana Corporation⁴ facilitated the project in cooperation with Leiden University of the Netherlands.⁵ In 2009, this work was handed over to UNCTAD on the occasion of the signing of a memorandum of understanding with Carana Corporation and Leiden University with a view to adapting the initial methodology to UNCTAD member countries based on intergovernmental consensus, and its testing and launch as a practical instrument to contribute to the ongoing process of international convergence and improvement of quality of corporate reporting;

² For a detailed overview, see UNCTAD (2010a, 2010b and 2011a).

³ See <http://www.usaid.gov/> (accessed 19 June 2015).

⁴ See <http://www.carana.com/> (accessed 19 June 2015).

⁵ See <http://www.leidenuniv.nl/> (accessed 19 June 2015).

- Feedback from countries' pilot tests that helped to refine the questionnaire and the methodology based on practical application of the ADT in several countries.

As a culmination of the work and efforts, the e-ADT website was launched on 6 November 2013. The e-ADT also benefited from the support of national professional bodies such as ACCA, the Netherlands Institute of Chartered Accountants and the Belgian Service public fédéral de L'Economie, PME, Classes moyennes et Energie, as well as from the Ministry of Finance of the Russian Federation and audit firms based in the Russian Federation such as Deloitte, Ernst and Young, KPMG, PricewaterhouseCoopers and FBK.

An ADT user guide was also developed, which articulates and elaborates on the scope and structure of the ADT, elements in the process of applying the ADT, stakeholder roles and operation of the e-ADT platform. The guide is designed as the main document of instructions to lead the user through all procedures involved in applying the ADT.

The overall objective of the ADT is to assist policymakers and other stakeholders in their efforts towards strengthening the accounting and reporting infrastructure for high-quality and internationally comparable corporate reporting. More specifically it provides guidance on the key components of capacity needed to ensure high-quality corporate reporting and what is required to build such capacity.

The development of a tool that could be relevant for any country in the world has been the main challenge encountered, due to the variety of corporate reporting infrastructures and systems in place in different countries. In this regard, it should be noted that the ADT provides a global perspective on elements and aspects of capacity needed for high-quality reporting to allow for international benchmarking. It is not aimed at or even capable of reflecting areas of specific concern to a particular country. However, the methodology proposed by the ADT allows stakeholders at the national level to further spell out details and identify their specific needs and developments. The utility of the ADT can therefore be encapsulated in its capacity to provide the member States with:

- Guidance on key elements of the accounting and reporting infrastructure for high-quality reporting;
- Guidance on international benchmarks for relevant policies and capacity-building;
- Measurement indicators and assessment methodology to identify gaps and priorities;
- Guidance on the main aspects of the capacity-building process;
- A tool to monitor progress in a consistent and comparable manner.

The ADT addresses the needs of all major stakeholders in corporate reporting. Government agencies should be able to identify current gaps and weaknesses, decide on areas for support, define better policies and allocate resources more efficiently. Regulators will focus their attention on the effective implementation and enforcement of standards over time. For standard setters, the ADT will help to understand the status of international standards, challenges, issues for improvement and support, particularly for developing countries. The ADT will allow academia to better understand international standards on accounting curricula and areas for further human and institutional capacity-building, and donors to better understand the position and progress of the national accounting architecture and to better measure the impact of their support and intervention towards convergence. Finally, the ADT will allow investors to better know the state of development of the financial architecture, the quality of reporting and the investment climate, which should increase their confidence.

B. COMPONENTS AND STRUCTURE OF THE ACCOUNTING DEVELOPMENT TOOL

The ADT has three main components:

- (a) A capacity-building framework for high-quality corporate reporting that contains the essential elements that need to be in place in a country to ensure that high-quality reports can be prepared in accordance with international benchmarks and good practices (see part B.1);
- (b) An assessment questionnaire consisting of detailed questions and indicators to assess a country's status with regard to these elements against internationally recognized benchmarks (see part B.2);
- (c) A methodology for quantitative measurement of a country's existing capacity based on the assessment questionnaire (see part B.3).

B.1. Capacity-building framework

The capacity-building framework is a conceptual foundation of the ADT. The objective of the capacity-building framework is to provide guidance on the key elements of capacity needed to ensure high-quality corporate financial and non-financial reporting and what is required to build such capacity.⁶ It is not country specific. Rather, it summarizes good practices and has been informed by sources such as UNCTAD work on International Financial Reporting Standards (IFRS) and their practical implementation, the World Bank Reports on the Observance of Standards and Codes (ROSC) programme and follow-up capacity development activities, the IFAC Compliance Programme Action Plans, as well as on relevant research and the practical experience of different countries, agencies and professional accountancy organizations (PAOs) on national capacity-building programmes, particularly in developing countries and countries with economies in transition. In order to build capacity, some major decisions need to be taken to address the following issues:

- What tasks need to be performed along the reporting chain to ensure consistency, coherence and efficiency of efforts towards high-quality corporate reporting?
- What standards and requirements should be used to achieve high-quality corporate reporting?
- Who should be responsible and for which actions?
- How can it be ensured that tasks are implemented in a competent manner and the required technical expertise is in place?
- What should be the time frame and what financial resources are needed?

The capacity-building framework recognizes that building capacity in accountancy is a complex process that requires a comprehensive approach because the accounting infrastructure itself is part of the entire legal and regulatory system designed to secure property rights, enforce contracts and provide financial information on an entities performance. It also requires consideration of interests of a number of stakeholders, as well as availability of financial, educational and human resources.

⁶ See UNCTAD (2010a).

In order to grasp the complexity of capacity needed for high-quality corporate reporting in a more structured way a matrix has been prepared that also provides an outline for the capacity-building framework.⁷ The objective of this matrix is to make the document more structured and user-friendly. It does not necessarily cover all aspects that may be required to be addressed in a specific country context.

As suggested in the matrix, the capacity-building framework is structured into four main pillars:

- Pillar A: Legal and regulatory framework;
- Pillar B: The institutional framework;
- Pillar C: Human capacity;
- Pillar D: The capacity-building process itself.

These are each considered in relation to:

- Stages in the corporate reporting process;
- Elements making up each main part and the bodies/institutions involved in the process;
- International standards/principles available to build capacity;
- Good practice examples/guidance as benchmarks and references for building capacity;⁸
- Milestones and indicators to measure progress.

Pillar A: Legal and regulatory framework

One of the core pillars of the capacity-building framework is the legal and regulatory framework. This can take different forms depending on the background and culture of the country. However, some common aspects can be identified based on experience gained through years of accounting and audit reforms aimed at international harmonization and improving the quality of corporate reporting. To ensure that all important elements are considered while building a regulatory framework it could be useful to look at stages that are followed in preparing and reporting companies' accounts:

- Preparing and keeping financial records (bookkeeping);
- Risk assessment, internal controls and internal audit;
- Preparing financial statements;
- Approving financial statements, including review by the board of directors and its relevant committee(s), in a manner consistent with sound corporate governance;
- Auditing financial statements, including interaction with the audit committee of the board of directors;
- Filing and publishing financial statements;
- Corporate governance;
- Analysis and use of financial statements;
- Reporting under multiple frameworks;⁹
- Oversight and quality assurance of auditors;
- Monitoring and enforcement of standards.

⁷ See appendix I in UNCTAD (2010b).

⁸ See appendix II in UNCTAD (2010b).

⁹ Some entities apply more than one reporting framework to reports for different users – for example, investors and prudential regulators.

However, it is important to recognize that not all of these stages apply to all entities. For example, microenterprises may only keep basic records and may not file or publish accounts. Small and medium-sized enterprises (SMEs) may follow simplified accounting rules.¹⁰

Elements

The legal and regulatory pillar of the capacity framework should be set to ensure that participants along the reporting chain perform certain tasks at a required level of quality. For example, it should provide the framework to (a) develop, enact or amend appropriate laws and regulations; (b) endorse and enforce accounting and auditing standards and ethical norms; (c) license and monitor statutory auditors in line with quality control requirements; (d) review statutory financial statements and reports (for example, pertaining to prudential regulation) and/or listed company financial statements and reports in line with accounting standards and disclosure requirements; (e) qualify accountants at the professional level by both examinations and practical training as well as others, for example, regulators; (f) discipline individuals and firms; (g) ensure continuing professional development (CPD); and (h) ensure good governance in both the private and the public sector.

In order to develop an adequate regulatory framework, the variety of regulatory and institutional models could be considered as a reference. Decisions and actions regarding the most efficient regulatory setting in a country should be based on a thorough consideration of a legal system of a particular jurisdiction, level of its economic development as well as availability of resources and required professional expertise.

It is suggested that the following elements be included in legal and regulatory frameworks:

- Accounting and audit standards and requirements;
- Endorsement of standards;
- Enforcement of standards;
- Monitoring and compliance with standards and requirements;
- Licensing (normally of auditors);
- Training (of accountants, auditors, regulators and other stakeholders);
- Corporate governance;
- Ethical standards (for professional accountants and auditors);
- Investigation and discipline;
- Quality assurance mechanisms (normally of auditors);
- Auditor liability and accountability.

Therefore, in shaping this pillar a number of issues needed to be considered. These include:

- A need to ensure a coherent accountancy/reporting legal and regulatory framework, as different aspects of company accounting and reporting are normally set out in such pieces of legislation as accounting acts and corporate legislation, as well as in banking, securities and insurance legislation;
- Distinction between public-interest and non-public-interest entities, and the size limits of SMEs, as well as the public sector role to clarify the scope of application of related standards and requirements;
- Mechanisms to ensure efficient coordination within the accounting legislative and regulation framework as well as with other related legislative sources such as those on investment, finance, and the like;

¹⁰ Not all enterprises are required to have statutory audits.

- Adequate enforcement and oversight mechanisms, compliance and discipline, including legal sanctions.

One problem often encountered is that existing laws may have grown up piecemeal so that the regulatory system is fragmented and spread out among several different government departments or regulatory agencies. If the opportunity arises, it may be useful to consider drafting a new piece of legislation and/or regulation that centralizes the regulation of accounting and auditing within a unified framework.

Standards and benchmarks – Accounting and auditing standards

Another set of issues relates to making a decision on whether international standards will be used for statutory accounting requirements and national audit legislation. To assist with building a regulatory framework that will allow systems to meet international requirements in the area of corporate reporting, a wide range of international standards issued by international bodies are available as well as other internationally accepted standards and guidance issued in countries that have well-developed professional accounting bodies, national standard setters and oversight bodies.

Accounting standards

Accounting frameworks may be built on the adoption of IFRS (including IFRS for SMEs and International Public Sector Accounting Standards (IPSAS)). In this regard, the scope of IFRS application needs to be considered.

The International Accounting Standards Board (IASB) develops global accounting standards and related interpretations collectively known as IFRS. These standards are intended to be used for the preparation of general purpose financial statements. Regulators for specific sectors may have their own reporting requirements that differ from or supplement IFRS (or may use IFRS but require additional disclosures), particularly in regards to banks, insurance companies and taxation.

Over 100 countries either require or permit the use of IFRS for the preparation of financial statements. For example, all member States of the European Union have adopted IFRS for the preparation of consolidated financial statements (but not necessarily for separate company accounts). Nevertheless, depending on the general economic situation, the existing regulatory framework and the financial reporting tradition, practical implementation of IFRS can pose considerable challenges.

When IFRS are adopted in a given jurisdiction the adoption can be handled in such a way that they become part of the existing laws and regulations of that jurisdiction. This requires assessment of the existing laws and regulations that might require amendments to recognize the introduction of IFRS.

For the public sector entities, IPSAS could be used that have been published by the IPSAS Board under the auspices of IFAC. In developing countries and countries with economies in transition the public sector is often the dominant force in the economy and therefore controlling and accounting for government finances may be as important, or even more so than accounting for private sector enterprises. Following the financial crisis of 2008, the increased role of the public sector requires more efforts towards improvement of public sector reporting in all countries concerned.

In some cases, situations arise where IFRS requirements contradict applicable provisions in national laws and regulations. When the decision is made to adapt international standards rather than just accepting them as they are published certain issues need to be addressed. The International Accounting Standards Board considers it should be the only body that issues official interpretations

of its standards. It is important therefore to have a mechanism to interact with IASB before a standard is issued or ask for clarification afterwards that can be published by IASB. Adapting standards for national use means the advantage of providing comparable financial information to users may be lost. On the other hand, certain regulators may need to set their own accounting rules to suit national circumstances. These would not normally apply to general purpose financial statements but may apply to particular sectors, for example, banking or insurance. Some countries have created committees to deal with legal and economic local issues not addressed by IFRSs, in order to agree on the accounting treatment to be followed and avoid lack of comparability among companies' reports.

In some cases, countries use a differential approach to developing an accounting framework. A first tier uses IFRS (this might include listed companies and public interest entities). A second tier uses IFRS-based standards adapted for that particular tier (for example, IFRS for SMEs). A third tier consisting of microenterprises uses a highly simplified system that is close to cash accounting (UNCTAD has issued guidance on this subject, referred to as "Accounting and financial reporting guidelines for small and medium-sized enterprises" or "SMEGA-Level 3"). In this regard, a system of assisting SMEs in their compliance with the statutory accounting requirements should be considered.

In the case of the adoption of international standards published by international bodies, an efficient mechanism for translation of these standards into a national language should be set up, including a coordinating mechanism with the standard-setter concerned and related quality controls in order to ensure that the standards will be available on time in the language required. The policy of IASB is that the permission of the International Accounting Standards Committee Foundation is required before any translations of IFRS are allowed. The Foundation will only allow one version of each translation.

Auditing and assurance standards

One of the common aspects of some countries that have implemented IFRS is that they require the audit of IFRS financial statements to be conducted in accordance with International Standards on Auditing (ISA) issued by the International Auditing and Assurance Standards Board (IAASB). International Standards on Auditing can be an important tool in enforcing the proper implementation of IFRS. Guidance for the application of ISA for SMEs is available from IFAC's Small and Medium-sized Practices Committee (*Guide to Quality Control for Small and Medium-sized Practices*, available at <http://www.ifac.org/publications-resources/guide-quality-control-small-and-medium-sized-practices-third-edition-0>).

Other sources of international principles, standards and guidance on accounting and auditing and regulation include:

- IOSCO¹¹ "Objectives and principles of securities regulation", and related assessment methodology;
- Other IOSCO principles, statements and reports relating to financial reporting, auditing, internal control, auditor oversight and governance matters;
- Basel Committee¹² principles, standards and guidance on corporate governance, accounting, auditing and disclosure (including valuation and provisioning) are particularly relevant for the supervision of banks;

¹¹ Available at <http://www.iosco.org/library/pubdocs/pdf/IOSCOPD323.pdf> (accessed 18 June 2015).

¹² See <http://www.bis.org/bcbs/> (accessed 18 June 2015).

- XBRL¹³ (Extensible Business Reporting Language), which provides a global standard for the exchange of financial information;
- International Association of Insurance Supervisors – principles, standards and guidance particularly relevant to insurers;
- International Organization of Supreme Audit Institutions¹⁴ – guidance and standards particularly relevant to accounting and auditing in the public sector.

Regional and national sources include:

- European Union eighth Company Law Directive on Statutory Audit;¹⁵
- Sarbanes Oxley Act in the United States;¹⁶
- Committee of Sponsoring Organizations of the Treadway Commission – model on internal controls;¹⁷
- National banking codes;
- Institute of Internal Auditors – standards and guidance on internal audit.

Environmental, social and governance disclosure standards and guidelines

One of the evolving trends in the area of corporate reporting is a growing attention to non-financial matters, such as environmental, social and corporate governance issues. At the current stage, disclosure on a range of environmental, social and governance (ESG) issues is the subject of a number of voluntary international best practice guidelines. A national framework to address ESG issues can benefit from international best practice guidance, as well as international networks and management systems standards. Reporting on environmental and social issues provides useful information to a range of key stakeholders, including government regulators, investors, business partners, employees and the local community. In both developed and developing countries, industrial activity poses a number of environmental risks; transparent reporting on these risks can improve risk management and mitigation efforts. A number of international guidelines can assist countries in developing a reporting framework in this area. The United Nations Conference on Trade and Development has developed guidance to assist countries in this regard, including guidance on eco-efficiency indicators¹⁸ and corporate responsibility indicators in annual reports.¹⁹ The Global Reporting Initiative²⁰ has developed sustainability reporting guidelines that cover a broad range of social and environmental subjects. The Organization for Economic Cooperation and Development (OECD) *Guidelines for Multinational Enterprises*²¹ and the International Organization for Standardization (ISO) 26000 standard²² on social responsibility both contain useful guidance on environmental and social reporting and management practices. An environmental management system standard, such as ISO 14000, can also be helpful in providing guidance on internal reporting and data collection.²³ The United Nations Global Compact also has a reporting framework that allows companies to report on their activities relative to the 10 principles of the

¹³ See <http://www.xbrl.org/Home/> (accessed 18 June 2015).

¹⁴ See <http://www.intosai.org> (accessed 18 June 2015).

¹⁵ Available at http://ec.europa.eu/internal_market/auditing/directives/index_en.htm (accessed 18 June 2015).

¹⁶ Available at <http://fi1.findlaw.com/news.findlaw.com/hdocs/docs/gwbush/sarbanesoxley072302.pdf> (accessed 18 June 2015).

¹⁷ See <http://www.coso.org/> (accessed 18 June 2015).

¹⁸ See UNCTAD (2004).

¹⁹ See UNCTAD (2008a).

²⁰ For more information on the Global Reporting Initiative and to obtain a copy of their Sustainability Reporting Guidelines, see www.globalreporting.org/ (accessed 18 June 2015).

²¹ Available at <http://www.oecd.org/corporate/mne/> (accessed 18 June 2015).

²² The ISO guidance standard on social responsibility was published in 2010 as ISO 26000 and its use is voluntary. It will not include requirements and will thus not be a certification standard. For more information, see www.iso.org/sr (accessed 18 June 2015).

²³ More information on the range of ISO environmental management system standards is available at www.iso.org/iso/iso_14000_essentials (accessed 18 June 2015).

Global Compact.²⁴ Disclosure on governance structures are critically important for facilitating investor relations, promoting economic stability and building credibility in the governance and management systems that produce financial accounting reports. International guidance in this area is provided by a number of organizations, including OECD (*Principles of Corporate Governance*),²⁵ the World Bank (ROSC reports and other guidance),²⁶ the International Finance Corporation (especially the work of the Global Corporate Governance Forum),²⁷ IOSCO (various guidance and support for the development of securities regulators), the International Corporate Governance Network (*Global Corporate Governance Principles*) and UNCTAD (*Guidance on Good Practices in Corporate Governance Disclosure*)²⁸ and reviews of corporate governance disclosure practices and regulation).²⁹ Newer institutions are also emerging (for example, the International Interconnected Reporting Committee and the Carbon Disclosure Standards Board) that aim to assist in promoting the harmonization of ESG standards and the integration of ESG issues into corporate reporting. National frameworks can use the guidance offered by these organizations as a basis for the development of their own national corporate governance codes and disclosure regulations.

Various institutions can also be developed to support reporting on ESG issues, including, for example, (a) institutes of directors (especially for issues of corporate governance); (b) corporate social responsibility institutes (for example, the Egyptian Corporate Responsibility Centre); (c) Global Compact National Networks. Such institutions can provide technical support in human capacity-building in related areas.

Enforcement

One of the critical elements in the implementation of corporate reporting standards and codes is rigorous enforcement. The responsibility for enforcing (international) standards often rests with several different parties. Institutions such as securities exchange commissions, banking and insurance supervisory authorities, stock exchanges and capital market authorities all play important roles in enforcing financial reporting requirements. In countries where these regulators have developed their own individual requirements, with separate legislative powers, the task of centralizing and unifying the regulatory environment requires a great deal of consultation and persuasion. Assessing existing enforcement mechanisms requires a review of the regulatory structures in place, including the legislative environment and sample checks of regulatory procedures as they are implemented. This includes tests of quality controls within audit firms, tests of the effectiveness of monitoring visits and reports, and tests of compliance with standards and best practices, and action taken to rectify failings.

²⁴ The Global Compact publishes a number of guidance materials to assist companies in producing a "Communication on progress" with the 10 principles of the Compact. These guidance materials are available at www.unglobalcompact.org/COP/Guidance_Material/index.html (accessed 18 June 2015).

²⁵ Available at <http://www.oecd.org/corporate/oecdprinciplesofcorporategovernance.htm> (accessed 18 June 2015).

²⁶ As part of the ROSC initiative, the World Bank has established a programme to assist its member countries in strengthening their corporate governance frameworks. The World Bank conducts corporate governance country assessments under the ROSC initiative at the invitation of country authorities. More information on this programme is available at www.worldbank.org/ifa/rosc_cg.html (accessed 18 June 2015).

²⁷ The Global Corporate Governance Forum supports regional and local initiatives to improve corporate governance in middle- and low-income countries in the context of broader national or regional economic reform programmes. More information on this programme is available at www.gcgf.org/ (accessed 18 June 2015).

²⁸ See UNCTAD (2006).

²⁹ UNCTAD's annual corporate governance reviews examine regulatory requirements and actual company disclosure practices in a number of countries around the world. These studies are available online at www.unctad.org/Templates/Page.asp?intItemID=2920&lang=1 (accessed 18 June 2015).

The International Organization of Securities Commissions endorsed IFRS in 2000. The IOSCO principles set global benchmarks for the regulation of securities markets and principles 8 to 10 deal with the enforcement of standards.³⁰

Oversight, monitoring and compliance

Oversight, monitoring and compliance are important elements of the regulatory pillar of the capacity-building framework. In some cases, a government department may take statutory powers to set up a public oversight board or it may take these powers itself. In some cases, countries set up independent boards or regulatory bodies with focused mandate and authority to fulfil the oversight function. Oversight may also be extended to the national professional body or bodies of accountants, which will generally have responsibility for their members in respect of:

- Proper application of professional and ethical standards;
- CPD;
- Investigation, discipline and appeals;
- Qualification requirements for membership, including professional exams and practical experience;
- Licensing of members in public practice outside the scope of the public oversight board, for example, for the audit of entities that are not deemed to be public interest entities or for services that are not audit services, for example, tax advice.

To establish mechanisms on compliance with statutory accounting and reporting requirements the following tasks should be considered:

- Design an appropriate review programme and checklists;
- Decide on the composition of the panel that will perform reviews;
- Set the criteria for the selection, training and evaluation of reviewers;
- Set the criteria for the selection of issuers and audit firms for monitoring;
- Formulate the classification of the findings;
- Establish review and sign-off procedures as part of internal quality control;
- Decide on the method of reporting findings to the issuer, audit firm and regulator, including the registrar of companies;
- Establish corrective action on serious non-compliance issues by issuers;
- Establish regulatory action on audit firms and consider the interaction with licensing and disciplinary systems.

In recent years, a trend has been evolving towards establishing an independent external oversight of the audit function to strengthen the protection of the public interest and facilitate confidence in corporate reporting. One of the important decisions in this regard would be to consider its scope of work (for example, on cost-benefit grounds the oversight body may carry out quality assurance on audits of public interest entities only) and tasks to be performed. Based on existing practices, the following aspects are to be considered in this area:

- Define the standards against which monitoring should take place;
- Decide on the composition of the monitoring team;

³⁰ See <http://www.iosco.org/library/pubdocs/pdf/IOSCOPD154.pdf> (accessed 18 June 2015).

- Set the criteria for the selection, training and evaluation of reviewers;
- Set the criteria for the selection of firms and audits for monitoring;
- Design an appropriate monitoring programme and checklists;
- Formulate the classification of the findings identified through the monitoring process;
- Establish review and sign-off procedures as part of internal quality control;
- Decide on the method of reporting findings on the firms monitored to the regulatory authorities including the PAOs; establish regulatory action and follow-up procedures on unsatisfactory visit outcomes;
- Consider the interaction with licensing and disciplinary systems.

Quality assurance

In building a regulatory pillar, quality assurance mechanisms play a crucial role. In this regard, IFAC statements of membership obligations (SMOs) could be a good source of information and guidance in building such mechanisms. The IFAC SMO 1 requires PAOs to establish and publish quality control standards and guidance requiring firms to implement a system of quality control in accordance with the International Standard on Quality Control (ISQC) 1; SMO 1 is to be applied by member bodies of IFAC to quality assurance review programmes for their members performing certain audit engagements of financial statements.

The standards SMO 1 and ISQC 1 require considerable resources and expertise to implement properly. If the expertise is not readily available then a significant training programme is required to build up the required in-country expertise. In any event, the need for experts can represent a considerable financial demand on limited resources.

Pillar B: Institutional framework

One aspect of capacity-building as it relates to the legal and regulatory framework is to ensure that the main institutional bodies are in place. Establishing the essential institutions requires political will at the top level in government. It also requires buy-in by all the key stakeholders and adequate resources. Sustaining these institutions also requires on-going funding and political support.

The institutional framework in which accountancy capacity-building takes place includes many civic institutions both private and public. The civic architecture may vary from country to country, but the strength of these institutions has a crucial bearing on the success or otherwise of capacity-building projects. These institutions generally consist of:

- A legislative body (for example, parliament, congress, and the like);
 - Government ministries;
 - Regulatory bodies;
 - Judiciary;
 - Government registry (of companies);
 - Stock exchanges;
 - Standard-setting bodies;
 - Rating agencies;
 - Accounting and audit firms;
 - PAOs.
-

Capacity-building projects have to take all these institutions into account and generally follow four main stages of development:

- Design and creation of sound governance structures;
- Ensure the sustainability of these structures;
- Attract and retain talented people;
- Assure continuous improvement and performance measurement.

They also require consideration of the following issues:

- The statutory responsibilities and legal status of each body within the regulatory framework; clarifying any regulatory roles delegated by the State to specific agencies and/or the accountancy profession;
- The governance arrangements within each regulatory body, including how members are appointed and their duties;
- The interaction and cooperation among the different institutions;
- The management structure and the role of senior staff within each body;
- Funding arrangements for each body.

Regulatory bodies are charged with one or more of the following responsibilities: (a) adopting and approving accounting and/or auditing standards; (b) licensing and monitoring of auditors; (c) oversight; (d) reviewing published financial statements and taking enforcement actions as appropriate. In most countries, these tasks are assigned to different bodies.

Difficulties often arise when the regulation of auditors as well as of accounting and auditing standards are spread out amongst a variety of regulators. This can lead to more than one list of approved accountants and auditors as well as a variety of standards and other requirements. In such cases, establishment of a coordination mechanism between different regulators is critical and a unified structure is preferable if this can be achieved.

Coordination among regulators will require the following:

- Coordinating among State agencies with regard to issuing legislation affecting corporate reporting;
- Coordination among agencies involved in implementation of legislation and regulations;
- Indicators for deciding which party should exercise its powers to ensure that the entities are not subject to more than one investigation or set of enforcement proceedings for the same infringement, unless it is appropriate for both bodies to exercise different powers or impose different penalties in relation to the issuer;
- Conduct of concurrent investigations;
- Information sharing;
- Confidentiality restrictions.

One of the dimensions of the regulatory and institutional framework is the relationship between government authorities and PAOs. Practices vary from complete self-regulation by PAOs to such organizations becoming in effect agencies of government. The accountancy profession is one of the key institutional players of the capacity-building framework. In this regard, a well-organized and respected professional body is an essential part of a fully functioning accountancy profession. Setting up or developing a professional body requires a structure that involves consideration of a

rather large number of matters. Detailed guidance on setting up a professional body can be found in the IFAC toolkit, *Establishing and Developing a Professional Accountancy Body*.³¹

International standards related to PAOs include:

- The International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (including independence);³²
- The IAASB ISQC 1 on quality control of audit and assurance engagements;³³
- The IFAC SMOs.³⁴

The main issues to be addressed in building a strong accounting/audit profession include areas such as the availability of professional accountants required for efficient functioning of a reporting chain, technical knowledge, membership obligations, compliance, CPD and training mechanisms, ethics, quality control and discipline. The professional body could have its own regulatory structure that fits into the national legal framework. The elements of such a structure may consist of:

- An accounting act (in some cases the regulatory scope may be limited to the work of auditors) that recognizes the professional body as the legal entity that represents the profession and may give it powers to regulate its members;
- A constitution and by-laws for the professional body;
- Admission requirements to the professional body and a register of members;
- Rules of professional conduct and ethics that go beyond the legal framework, for example, rules on independence (see the International Ethics Standards Board for Accountants *Code of Ethics for Professional Accountants*);³⁵
- Monitoring and disciplinary systems.

Professional accountancy organizations can play a role in enforcing adherence to regulatory requirements in connection with discharging their professional body responsibilities with respect to ensuring that their members adhere to their membership obligations. This may be true even in jurisdictions where a public oversight body performs inspections, investigations and enforcement. This is more common in respect of members and their firms in public practice and in particular auditors. Such systems usually consist of five stages:

- Certification of members and firms to conduct audits or more generally work in public practice;
- Monitoring of licensed members and firms;
- An investigation committee to consider complaints and prima facie whether there is a case to answer;

³¹ See IFAC *Establishing and Developing a Professional Accountancy Body*, available at <http://www.ifac.org/publications-resources/establishing-and-developing-professional-accountancy-body> (accessed 18 June 2015).

³² See IFAC *Handbook of the Code of Ethics for Professional Accountants*, available at <http://www.ifac.org/publications-resources/2013-handbook-code-ethics-professional-accountants> (accessed 18 June 2015).

³³ See IFAC *2014 Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements*, available at <http://www.ifac.org/publications-resources/2014-handbook-international-quality-control-auditing-review-other-assurance-a> (accessed 18 June 2015).

³⁴ See IFAC *Handbook of the Code of Ethics for Professional Accountants*, available at <http://www.ifac.org/publications-resources/2013-handbook-code-ethics-professional-accountants> (accessed 18 June 2015).

³⁵ See IFAC *Statement of Membership Obligations (SMOs) 1–7 (Revised)*, available at <https://www.ifac.org/system/files/publications/files/Statements-of-Membership-Obligations-1-7-Revised.pdf> (accessed 18 June 2015).

- A disciplinary committee with powers to impose penalties on members, including removal of their licence to practice;
- An appeals committee to hear appeals against disciplinary committee decisions.

Pillar C: Human capacity

This pillar includes the education and training, as well as retention of professional accountants and other participants in the regulatory and financial system.

Extensive training is absolutely essential to expand capacity and facilitate the smooth functioning of the corporate reporting system. This should include training of all participants of the regulatory authorities in the reporting chain, as well as just accountants and auditors. Such training should cover not only accounting, auditing and professional standards, but also training in how to institute and manage a regulatory body and conduct their activities. Professional accountancy organizations could consider collaboration with recognized regional accountancy organizations as well as with more developed member bodies of IFAC. International organizations, such as IOSCO and the Basel Committee organize training programmes. These opportunities need to be considered as well. The types of education required will cover:

- General education (school and often university);
- Professional education of auditors and accountants (preparers);
- CPD;
- Education for accounting technicians;
- Specific training in specialized areas, such as accounting, auditing, government accounting, internal controls and disclosures associated with financial instruments, financial firms, sound governance, and requirements for listed companies;
- Education of other participants in the system, including regulators and analysts.

Education and training can be provided by schools, universities, private sector tutors, PAOs, and accounting and consulting firms. Programmes are also offered by international organizations, such as IOSCO, the World Bank, UNCTAD and others.

The recipients of this education may be:

- Students (at public or private institutions);
- Trainees (who may or may not be graduates) with accounting firms and other employers;
- Other participants (who may or may not be accountants) of the reporting chain.

Issues to be considered include entry education requirements, professional education/training requirements and CPD, as well as how to retain qualified accountants in the country and the profession. Another important dimension is differentiated education and training for different levels of accountants, such as accounting technicians, as well as consideration of different needs in training for accountants and for auditors. One of the important challenges is coordination of the education programmes on accountancy taught as part of general and specialized education in colleges and universities with professional requirements.

In setting up this pillar, international standards and benchmarks could provide useful sources of information. At a global level this includes the IAESB requirements in the area of education and professional training. It also includes the UNCTAD/ISAR model curriculum³⁶ that is based on IAESB standards and provides more detailed guidance on the content of accounting curriculum based on best practices. Other useful references include the Common Content Project³⁷ devised by a group of professional bodies, and the European Union eighth Company Law Directive on Statutory Audit.

The IAESB of IFAC has issued a series of International Education Standards (IESs)³⁸ that cover pre-qualification of members and CPD, along with extensive background guidance. Statement of membership obligation 2 requires member bodies to use their best endeavours to achieve these standards.

In addition, PAOs normally require candidates to meet certain education and qualification levels. These would cover:

- Entry requirements;
- Counselling candidates;
- Professional-level examinations;
- Ethical rules;
- Professional skills;
- Tuition and training facilities;
- Certification of members; and
- Ongoing professional development.

Professional-level examinations and training require:

- A professional-level curriculum;
- Practical experience requirements for the professional-level qualification;
- Systems for monitoring training within firms;
- Exam systems that ensure the exams are assessed at the professional level;
- Tutorial support and study materials.

Within the European Union, the eighth Company Law Directive on Statutory Audit lays down education and training requirements for statutory auditors in the European Union. These are similar to and do not contradict the IFAC education standards, for example IES 8, which deals with requirements for audit professionals.

Continuing professional development systems also require rules for how much CPD members have to undertake, methods of ensuring these rules are complied with, and provision for access to CPD courses and materials. International Education Standard 7 sets out the IFAC rules on CPD.

³⁶ See http://www.unctad.org/en/docs/iteteb20039_en.pdf (see chapter VIII starting on page 200).

³⁷ See <http://www.commoncontent.com/> (accessed 18 June 2015).

³⁸ See <http://www.ifac.org/publications-resources/2014-handbook-international-education-pronouncements> (accessed 18 June 2015).

Other sources of reference/guidance include:

- IFAC guidance of technician-level qualifications;
- The Bologna agreement on the criteria for defining degrees at different levels;³⁹
- The Dublin descriptors that elaborate on and extend the Bologna criteria;⁴⁰
- The National Recognition Information Centre database, which helps to recognize degrees at different levels worldwide;⁴¹
- World of Learning, which identifies recognized academic institutions;⁴²
- Guidance issued by professional and oversight bodies in countries that have well-developed capabilities and organizations of such entities and other participants in the financial reporting chain.

Pillar D: Capacity-building process

An important part of a capacity-building framework is the capacity-building process itself. It includes the main elements such as a capacity-building strategy and a realistic action plan, which in turn includes identifying priorities, time frames, human resources, financial resources, identification of the main stakeholders and allocation of responsibilities between them. Specific steps therefore can include:

- Understanding the scope of the project, that is, the framework of the capacity-building challenge;
- Assessing the current situation, taking into account cultural, political and socioeconomic conditions and key stakeholders;
- Identifying the gaps between the current situation and relevant international norms and best practice;
- Developing a strategy and action plan relevant to the country's needs, identifying priorities, defining resources needed, agreeing to a realistic time frame, and identifying counterparties and strategic partners;
- Communicating the action plan to all the key stakeholders;
- Implementing the plan;
- Assessing the action plan and progress made;
- Beginning next stage of the capacity-building process.

In relation to establishing a professional body, the IFAC/Developing Nations Committee guide *Establishing and Developing a Professional Accountancy Body*⁴³ provides a considerable amount of information that is useful in preparing action plans in relation to this pillar. Also, reference could be made to formulation and agreement on IFAC Compliance Programme action plans,⁴⁴ which IFAC member bodies have developed based on IFAC SMOs.

³⁹ For an explanation and text of the Bologna agreement, see http://ec.europa.eu/education/policy/higher-education/bologna-process_en.htm (accessed 19 June 2015).

⁴⁰ For a complete set of the Dublin descriptors, see <http://www.nqai.ie/documents/bolognasummary.pdf> (accessed 18 June 2015).

⁴¹ For information about charges and the services offered by United Kingdom NARIC, see www.naric.org.uk (accessed 18 June 2015).

⁴² The Europa World of Learning is available on subscription; see www.worldoflearning.com (accessed 18 June 2015).

⁴³ Available at <http://www.ifac.org/publications-resources/establishing-and-developing-professional-accountancy-body> (accessed 18 June 2015).

⁴⁴ See <http://www.ifac.org/about-ifac/membership/compliance-program/compliance-responses> (accessed 18 June 2015).

Some member bodies of IFAC are also prepared to twin with or mentor other professional bodies to assist them with developing systems to meet international norms. This can be by way of technical assistance, jointly organized examination schemes and CPD events or train the trainer programmes. In some cases, this can lead to reciprocity of membership, for instance through common examinations.

As discussed above, the capacity within a country to deliver high-quality corporate reporting depends on many interlocking key elements. It is unlikely that any one project can address all these areas, but it is important to understand the scope of the challenges at the start to identify priorities.

Developing a strategy and an action plan to facilitate capacity requires a realistic assessment of factors affecting the process. These include:

- Political goodwill at the highest level;
- Cultural and socioeconomic climate;
- Relevant intellectual and technical expertise;
- Financial backing over a long period of time, including the ongoing sustainability phase;
- Buy-in by the key stakeholders, including government, regulators, PAOs and market participants;
- Effective communication and publicity about potential benefits to the country and economy of the changes, to support all of the above.

While developing a national plan on capacity-building based on international standards and benchmarks, it is important to consider specific country needs and good practices of technical assistance and capacity-building programmes. To facilitate efficiency of capacity-building efforts, a number of activities could be considered, such as sharing good practices and lessons learnt by other countries, participation in international benchmarking exercises, exchange programmes, cooperation with major international bodies, regional coordination, and twinning arrangements. In this regard, evaluation of the position of a country in comparison to international standards and codes in ROSC reports developed by the World Bank provides a good starting point for action plans in relevant cases.

In developing a capacity-building strategy, the following points should be borne in mind:

- Activities must be planned not only with a view to short-term objectives but also to the longer-term strategy of the host country or organization;
- In the case of implementation of international standards, full account of cultural differences in language and business should be taken into consideration;
- Political considerations should not lead to unrealistic timescales for outcomes of projects;
- Allocation of resources should be made to ensure the sustainability of any project after the initial funding phase has been completed.

It is crucial to identify financial resources needed for capacity-building. Sources of funding could include government revenues, donor agencies, national and international non-governmental organizations, listed companies and large accounting firms.

Lack of local expertise is a major restraint in most developing countries and countries with economies in transition, and training suitable experts is a long-term project. Some national regulatory and oversight organizations also offer training and expertise to counterparts in developing countries. The time frame should not be underestimated either. The set-up phase may take two or three years if all goes according to plan. There then needs to be provision made to sustain the new structures indefinitely.

B.2. Assessment questionnaire and indicators

The assessment questionnaire is the quantitative measurement component of the ADT, encompassing a list of indicators and appropriate methodology for estimation of the country's current accounting position and its progress towards convergence with the international high-quality standards.

The questionnaire is structured according to the pillars defined in the capacity-building framework and covers all areas of financial and non-financial reporting (the latter including standards on ESG reporting). In relation to each pillar of the capacity-building framework, UNCTAD-ISAR has developed a subset of indicators that provide quantitative measurement of a country's existent accounting environment and its capacity for high-quality corporate reporting. All indicators are based on a set of related questions, and some of these questions have an associated checklist.

The questionnaire includes a comments column encouraging respondents to give additional information on a specific question when clarification becomes necessary. There is also a source of information column in which respondents are required to provide, for example, the related laws, standards or regulations. The indicated sources support the answer provided and give users the option to consult the main sources for further information. For illustrative purposes the following table presents indicator C1, which is similar to other indicators of the questionnaire. The full version of the questionnaire can be found on the e-ADT website.⁴⁵

An example of an indicator

PILLAR C – HUMAN CAPACITY			YES	NO	SOURCE OF INFORMATION	COMMENTS
INDICATOR	C.1	C.1 PROFESSIONAL EDUCATION AND TRAINING				
		Professional accountancy education programme entry requirements				
Questions		Are entry requirements ¹ to professional accountancy education programmes in compliance with the current version of the International Education Standards (IES) issued by IAESB that are effective at this time?	■	■		
		Content of professional accountancy education programmes				
		Is there a coordination of curriculum and knowledge requirements between general education providers and institutions that provide professional training?	■	■		
		Does accounting, finance and related knowledge component of the education programme ² include the following topics as required by IES issued by IAESB?				
Checklist for 1.3		Financial accounting and reporting	■	■		
		Management accounting and control	■	■		
		Taxation	■	■		
		Business and commercial law	■	■		
		Audit and assurance	■	■		
		Finance and financial management	■	■		
		Professional values and ethics	■	■		
		Does the organizational and business-knowledge component of the education programme include the following topics?				

/...

⁴⁵ Available at <http://adt.unctad.org/wp-content/uploads/2014/01/ADT-18-March2013-final.pdf> (accessed 18 June 2015).

PILLAR C – HUMAN CAPACITY			YES	NO	SOURCE OF INFORMATION	COMMENTS
INDICATOR	C.1	C.1 PROFESSIONAL EDUCATION AND TRAINING				
Checklist for 1.4		Economics	■	■		
		Business environment	■	■		
		Corporate governance	■	■		
		Business ethics	■	■		
		Financial markets	■	■		
		Quantitative methods	■	■		
		Management and strategic decision-making	■	■		
		Marketing	■	■		
		International business and globalization	■	■		
		Organizational behaviour	■	■		
		Does the information technology (IT) component of the education programme include the following?				
Checklist for 1.5		General knowledge of IT	■	■		
		IT control knowledge	■	■		
		IT control competencies	■	■		
		IT user competencies	■	■		
		One competency, or a mixture of the competencies of the roles of manager, evaluator or designer of information systems	■	■		
		Do education programmes for auditors contain a component on the audit of historical financial information at an advanced level that includes the following?				
Checklist for 1.6		Best practices in the audits of historical financial information, including relevant current issues and developments	■	■		
		ISAs and international auditing practice statements	■	■		
		Any other applicable standards or laws	■	■		
		Do education programmes for auditors contain a component on financial accounting and reporting at an advanced level that includes the following?				
Checklist for 1.7		Financial accounting and reporting processes and practices, including relevant current issues and development	■	■		
		IFRS and/or other applicable standards or laws	■	■		
		Do education programmes for auditors contain a component on information technology systems for financial accounting and reporting, including relevant current issues and developments?	■	■		
		Do education programmes for auditors contain a component on frameworks for evaluating controls and assessing risks in accounting and reporting systems as appropriate for the audit of historical financial information?	■	■		
		TOTAL FOR INDICATOR C.1				

¹ It is possible that in a given country there could be multiple institutions that provide professional training in accounting. These institutions could have a wide range of entry requirements. In responding to this question, please consider entry requirements that are applicable to the majority of candidates. You may disregard certain exceptionally high or low entry requirements that apply only to a small percentage of candidates.

² In responding to this question, please consider requirements in place in the country that are applicable to the majority of candidates working towards qualification in accountancy.

More specifically, the questionnaire has the following indicators:

Pillar A: Legal and regulatory framework, includes the following eight indicators:

- Indicator A.1 – Financial reporting and disclosure
- Indicator A.2 – Audit
- Indicator A.3 – ESG reporting
- Indicator A.4 – Corporate reporting requirements: enforcement, monitoring of implementation and compliance
- Indicator A.5 – Licensing of auditors
- Indicator A.6 – Corporate governance
- Indicator A.7 – Ethics
- Indicator A.8 – Investigation, discipline and appeals

Pillar B: Institutional framework, includes eight indicators as follows:

- Indicator B.1 – Financial reporting standards – institutional aspects
- Indicator B.2 – Audit standards – institutional aspects
- Indicator B.3 – ESG reporting – institutional aspects
- Indicator B.4 – Compliance, monitoring and enforcement – institutional aspects
- Indicator B.5 – Audit regulation – institutional aspects
- Indicator B.6 – Coordination
- Indicator B.7 – Ethics – institutional aspects
- Indicator B.8 – Accountancy profession – institutional aspects

Pillar C: Human capacity, includes eight indicators as follows:

- Indicator C.1 – Professional education and training
- Indicator C.2 – Professional skills and general education
- Indicator C.3 – Assessment of accountancy capabilities and competencies
- Indicator C.4 – Practical experience requirements
- Indicator C.5 – CPD
- Indicator C.6 – Advanced-level and specialized training after initial professional development
- Indicator C.7 – Regulators and others in the reporting supply chain
- Indicator C.8 – Requirements for accounting technicians

In developing the questionnaire, ISAR and the consultative group considered the following important aspects:

- Based on existing good practices the questionnaire identifies different types of entities (for example, listed and non-listed companies, SMEs and public interest entities) to which the legal and regulatory framework applies. For example, requirements for listed companies are usually more stringent than those requirements for privately held companies. This distinction was included in the questionnaire with a view to more accurately assessing the corporate reporting infrastructure in a country as it applies to different types of entities. The questionnaire has been designed by taking into consideration the different approaches that countries have been taking towards implementing IFRS. For example, in certain countries the requirement of full IFRS is applicable only to listed companies, while the remaining entities use another set of standards
-

but may be permitted to apply full IFRS if they wish to do so. Certain countries apply IFRS for consolidated financial statements only. Others apply them in the case of separate financial statements as well. In certain countries IFRS are not required for listed companies but entities are permitted to apply them if they wish to do so. The relevance of IFRS and IFRS for SMEs has been questioned depending on the relative economic development of a country; the same questioning can be raised for ISAs. In this sense, the questionnaire intends to accommodate a variety of scenarios with a view to providing for a fair benchmarking on harmonization towards the international requirements for high-quality corporate reporting.

- The concept of “public interest entities” was included in the questionnaire with a view to inquiring not only about the situation in the countries related to listed companies, but also to other entities that are of significant public relevance such as banks and insurance companies, and companies of major national interest because of the nature of their business, impact on the economy, size or the number of employees. A definition of “public interest entity” has been provided within the questionnaire since some countries do not have a national definition of the term.
 - During the debates, views were expressed indicating a need for clearly differentiating in the questionnaire indicators related to adoption of standards and codes from activities dealing with implementation, in addition to the approach where implementation issues are addressed by questions related to enforcement, monitoring and compliance. In this regard it was noted that it would be difficult to measure in an objective manner a level of implementation other than by surveys or other studies to be done by respondents, which can become costly and time consuming. A related challenge was addressed on how to reflect the transitional nature of accounting systems in some countries and their ongoing efforts towards implementation of international standards that have not yet yielded measurable results but could do so at some point in the future. In this relation it was agreed that the objective of the exercise is to assess the progress made over time rather than for it to be made as a one-off effort, and therefore it would inevitably reflect such progress when the assessment done is dynamic.
 - Another challenge was determining which standards would be used as benchmarks in the assessment exercise. Key references were identified depending on the subject area and the questionnaire makes reference to a range of international standards and widely accepted benchmarks on financial and non-financial reporting. Suggestions were made to use also some regional and national codes and guidance. However it was felt that at a global level for the purpose of international harmonization existing international benchmarks would be more appropriate, unless some national requirements of a particular national financial market were of such significance and scope that would make it useful to be referred to as a good practice to consider for national capacity-building efforts. Thus, in a few cases, examples of good practices from certain countries are provided as a reference.
 - When referring to a particular standard, the questionnaire makes reference to the most recent version of that standard. There were suggestions that stating the specific version per standard would improve the clarity of the tool. However, the questionnaire is intended to be used in several evaluations in order to assess progress over time; this would imply that the questions would need to be modified each time a standard is issued. Given that the respondent group is intended to be composed of specialists from all areas covered in the questionnaire, it is reasonable to assume that they will be aware of the current version of the standards to be used related to their respective areas of specialization.
 - Due to the variety of institutional frameworks in place in countries around the world, it was decided to avoid making explicit references to specific institutions in the questionnaire. Instead,
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the questions are focused on the existence of key functions/activities required along the reporting chain to ensure high-quality corporate reporting and on clarity of related responsibilities.

- A definition of the term “independence” as it concerns institutions was included. “Independence” in this context is intended to verify that the institutions are able to keep their objectivity and perform their duties without being forced to take a certain approach or benefit a certain party. One possible assessment of independence could be done by considering the source of funding of the institution and any conflict of interest on the side of those organizations or persons providing the funding.
 - In addition, reflections were made on deciding how to obtain a fair feedback when multiple potential respondents for a certain section may exist. One way to address this issue may be to invite all of the possible respondents to complete the questionnaire and then average the score of their answers. Alternatively, the country could decide which one of the institutions involved is the most competent considering different aspects. For example, in the case of several PAOs aspects such as: size of membership, IFAC membership, regional association membership, certification programme, and the like, could be considered.
 - When considered necessary, the questionnaire makes a distinction between accountants and auditors despite the fact that in many countries such distinction is not made and an auditor has to be an accountant. The process to become an accountant or auditor varies from country to country; in some cases countries require a degree in accountancy at a university level, in others the degree of accountant is reached at the advanced level (master’s degree), while in others qualification requirements are fulfilled through enrolment in a PAO without a need for attending university courses. In addition, IFAC refers to the accountancy profession in general without differentiating between accountants and auditors. For instance, the Code of Ethics is applicable to all professional accountants; this term is defined according to IFAC as “an individual who is a member of an IFAC member body”. The questionnaire allows countries to reflect on such differences while still responding in a consistent and a comparable manner.
 - One of the issues discussed was the weighting of the pillars. The measurement approach gives equal weight for pillars A, B and C. In reaction to this, it was commented that since the number of questions and checklists in each pillar varies, it was felt to be inadequate to assign the same value (weight) to all pillars as this mechanism might distort the assessment of capacity. Some commenters felt that certain questions are more relevant than others and therefore they should have a bigger impact on the result. However, it was noted that different countries, and different stakeholders within countries, can have very different views on what is more relevant and how questions should be weighted. This is a common challenge faced by many international benchmarks. While agreement by all stakeholders on an appropriate variable weighting scheme presents practical difficulties, an equal weighting scheme nevertheless achieves the purpose of demonstrating progress over time and does so without the complexities of a variable weighting scheme.
 - In the case of pillar D, it was decided to avoid determining a score even though an assessment of the current status of capacity-building activities at the country level could be carried out. However, in most cases activities addressed by this pillar will be planned and conducted once a diagnostic of the other three pillars has been obtained. In other cases, results could be counter-intuitive for certain countries. In particular, most developed countries will score low in pillar D because they will probably already have covered all main areas of corporate reporting and in most cases will not require action plans except when a significant new change has been introduced. Nevertheless, there is a list of questions associated with pillar D in order to gauge information concerning issues such as the existence of national action plans, funding and coordination.
-

- The relevance of the public sector entities was highlighted during discussions encouraging UNCTAD to further develop the section of the questionnaire that assesses capacity needs to improve reporting of these entities. However, some countries were not supportive of a view to include this area into the questionnaire. The current version of the questionnaire takes into account such feedback and has an addendum containing relevant indicators for those countries who wish to consider this area of accounting and reporting in the assessment exercise. However, at this stage the related questions are limited to the adoption of IPSAS formulated by IFAC and auditing standards issued by the International Organization of Supreme Audit Institutions. Further work on other matters on capacity-building for high-quality reporting for public sector entities will be needed to identify international benchmarks and good practices as it relates to IPSAS implementation, monitoring, quality control and other aspects of capacity-building in this important area in a manner consistent with the framework used for corporate reporting.
- Development of a quantitative measurement tool is a challenging exercise, particularly at a global level. It is challenging to find a common international denominator for all diverse and complex national systems of corporate reporting. However, another challenging issue is a need to measure progress towards harmonization in accordance with international requirements in a consistent and comparable manner. Therefore, suggested quantitative analysis should be used as a complementary tool to projects aimed at the qualitative aspects of accounting reforms and improvements, related surveys and discussions, such as World Bank ROSC, international and national surveys and other important initiatives that aim to provide a qualitative analysis of high-quality corporate reporting

B.3. Measurement methodology

The ADT allows countries to have an overall picture by calculating a total score, including all results from pillar A to C. It also permits the analysis of results in detail by looking at scores obtained at the pillar, indicator, question and checklist level.

In an effort to be as objective as possible, and to provide a common framework at the global level, the questionnaire uses a binary “yes = 1” and “no = 0” style of questions based on observable facts about a country’s accounting and reporting capacity. There are no options for “not applicable” and the questions are focused on core issues that should be relevant to any country. In rare exceptions, where there is a clear case for a responding “not applicable”, the formula will be adjusted for a decreased number of questions (see formula below). Likewise, there are no open-ended questions that might introduce subjective assessments that would reduce the tool’s usefulness in providing comparable measurements of progress over time.

The questionnaire contains a number of questions that cover a similar area where some respondents can answer “yes” to nearly the same question more than once. For example, respondents are asked whether IFRS are required and whether they are permitted. In countries where they are required, respondents would answer “yes” to both of these questions, whereas in countries where IFRS are permitted, respondents would only answer “yes” to the second question. This approach to questions allows more detailed responses indicating the exact circumstances of individual countries, while also differentiating those countries that have made more progress than others in implementing international standards and codes of corporate reporting.

The statistical methodology for the assessment of the ADT questionnaire provides a consistent benchmark of 100 per cent for each of the assessed areas. The calculation of the indicator score is based on a simple formula, contributing to the clarity and transparency of the assessment

process. All the questions have an equal numerical contribution towards the score of the associated indicator. Also, all the checklist subquestions equally contribute to the cumulative value of the corresponding question.

The value of an indicator is calculated as an average of the responses given for all the questions associated with that particular indicator, implying that all the questions are assigned equal weight:

$$I = \frac{\sum R}{Q} \left(\frac{\text{sum of all responses for indicator I}}{\text{number of questions for indicator I}} \right)$$

The response to a question can have value 1 or 0; however, some of the questions are represented by an associated checklist of subquestions. In the latter case, the response is calculated as an average of the answers to all the subquestions from the corresponding checklist (and can obtain a non-integer value between 0 and 1). In the case of no checklist, it can be assumed that, since there is a single question associated to that particular matter. Therefore:

$$R = \frac{\sum Y}{L} \left(\frac{\text{sum of all answers to the subquestions}}{\text{number of subquestions in the checklist}} \right)$$

Note that all the subquestions in the checklist are assigned equal weight in the calculation of the response value for the corresponding question.

Here:

L_j denotes the number of checklist subquestions related to the j^{th} question. $L_j = 1$ when there is no associated checklist;

Y_{jk} is the response to the k^{th} checklist subquestion associated to the j^{th} question. It is a binary variable assuming a value of 1 in the case of a positive answer or 0 otherwise.

Finally, the total score for the pillar A (and similarly for pillars B and C) is:

$$\left(\sum_{i=1}^8 A_i \right) / 8.$$

A_i is a level of capacity for each of the indicators in pillar A and 8 is the number of indicators for pillar A. The formulas and calculations for pillars B and C are performed in a similar manner.

C. STAKEHOLDERS AND CONSENSUS-BUILDING

The assessment questionnaire comprehensively encapsulates various technical and compliance aspects of high-quality corporate reporting, including qualitative observations and reflections on the national accounting system. Therefore, the ADT, as explained earlier, can be used as a platform for dialogue among various finance and accounting stakeholders, inviting them to express different views, understanding interpretations of the various elements, aspects and nuances of the national accounting architecture. Involvement of all stakeholders in the process is crucial, and could range from active participation to communicating progress through participation in round tables and discussions. Countries can benefit from approaching the ADT assessment as an integrated, consensus-building exercise among their key stakeholders. This, in turn, can lead to development of a stronger national strategy for accounting development, based on accurate and realistic assessment.

When assembling the team of experts who will complete the questionnaire, it is useful to bear in mind possible biases that could result from over- or under-representation of experts in a particular area, and the advantages of involving multiple experts in the assessment of same parts of the questionnaire. Encouraging some overlap ensures inclusion of all viewpoints, based on experience, opinion or differences in practice. It may therefore be beneficial to assign same part of the questionnaire to multiple experts for the purpose of securing validity and reliability in the answers, as well as consideration of a variety of possible answers. Also, clarifications and referencing the answers to the correct sources of information provides substantive backstopping to each focal point during the data collection process.

To facilitate the process of reaching consensus, proper comprehension of the statistical methodology behind the assessment is essential. This enables the participants to understand the implication of a single negative response in the final score. This is true both with respect to the calculation of a particular indicator value and a final numerical result for each of the pillars A, B and C. Detailed explanation of the methodology and an elaborated example were provided in section C3.

D. THE SPIDER GRAPH

The ADT results can be illustrated in the form of a spider graph that provides a strong and appealing graphical representation of a country's position at a point in time and its convergence trajectory. It engages the analyst in a process of clear identification of the main areas in each pillar requiring further development. The ideal target position is found along the outermost boundary of the graph's concentric circles (indicating 100 per cent compliance with the international standards). The graph pictorially discloses both strengths and weaknesses, enabling the analyst to see the road map towards complete agreement with the international benchmarks, thus fostering strategic change.

The generated ADT summary report and the spider graph allow absolute and relative benchmarking on the country's accounting environment at the time of the assessment. On one hand, the results provide numerical feedback (for each of the 24 indicators and an integrative score for each of the pillars A, B and C) that can be used to quantify the level of compliance with international high-quality standards and practices (figure 1). On the other hand, the spider graph can also be applied to compare the status of a country's accounting environment at two different periods in time (figure 2). This approach enables the country to assess the progress achieved in strengthening each of the pillars of its accounting architecture in the process of convergence towards international high-quality standards, codes and good practices in corporate financial and non-financial reporting. Optionally, countries can cooperate and bilaterally share the results of their ADT assessments. A spider graph similar in structure to that shown in figure 2 would enable them to do this in a comparable manner.

FIGURE 1. SPIDER GRAPH ILLUSTRATING THE RESULTS OF A COUNTRY'S ADT ASSESSMENT

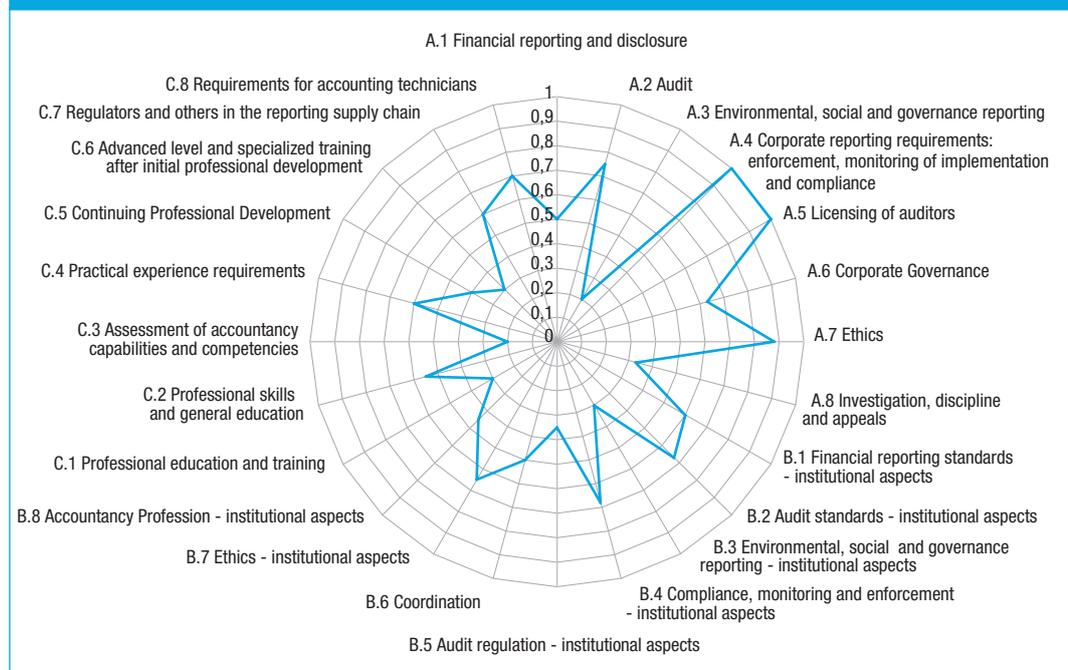
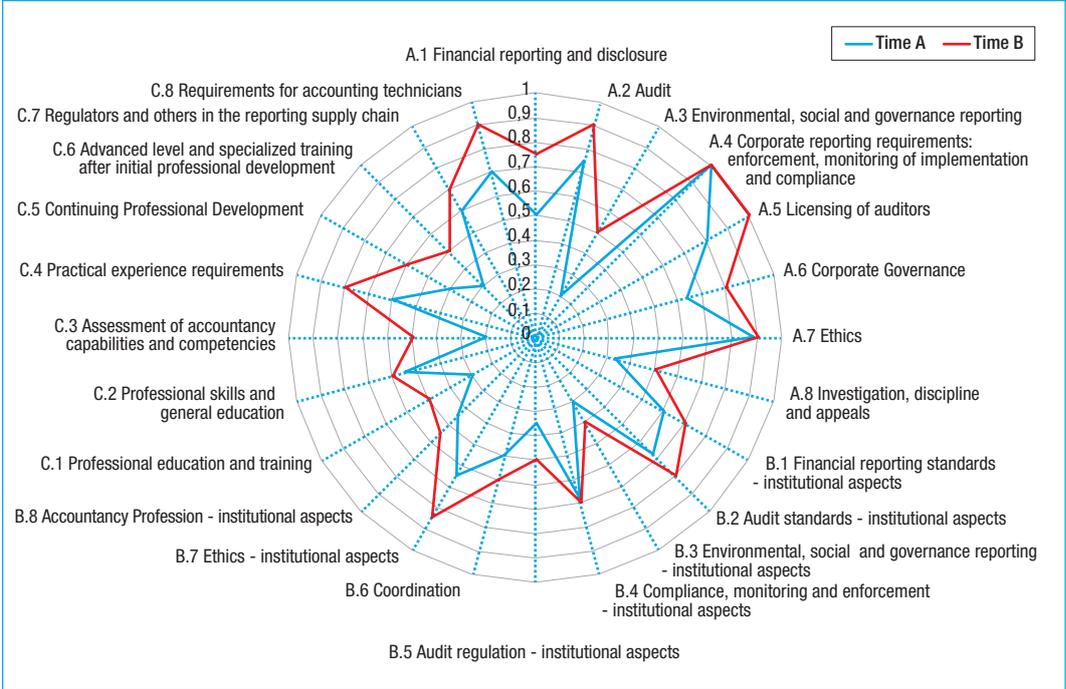


FIGURE 2. SPIDER GRAPH COMPARING THE ASSESSMENT RESULTS OF A COUNTRY AT TWO DIFFERENT TIMES



E. MAP OF COUNTRIES THAT HAVE RUN THE ADT

During 2012 UNCTAD-ISAR pilot tested the ADT in nine countries: Brazil, China, Côte d'Ivoire, Croatia, Mexico, the Netherlands, the Russian Federation, South Africa and Viet Nam. During 2013, the ADT was pilot tested (or the process was initiated) in six countries: Belgium, Brazil, Ecuador, the Netherlands, the Russian Federation and Ukraine, with some countries conducting an assessment exercise for the second year. Figure 3 shows the map of all the member States that have participated in the ADT pilot tests.

The pilot tests were performed with the following objectives for the participating country:

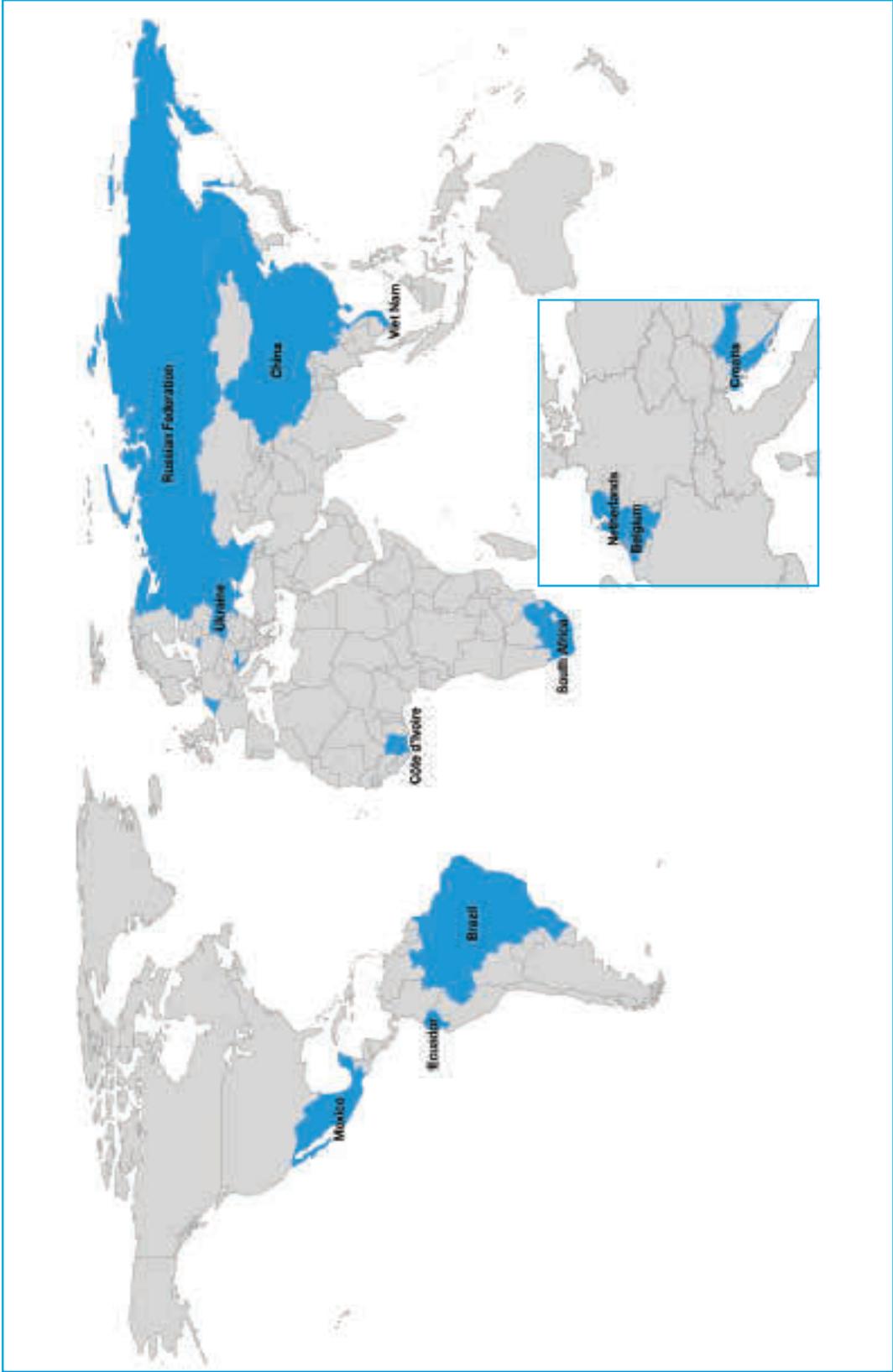
- Ensure the participation of all key stakeholders involved in the national issuance of high-quality corporate reports;
- Identify challenges in the preparation of high-quality corporate reporting based on the methodology developed by UNCTAD;
- Create awareness of such challenges among participants;
- Test and discuss the results obtained with a view to providing useful feedback to stakeholders and determine the effectiveness of this methodology to present a fair picture of the national accounting capacity;
- Facilitate exchange of views and coordination among participants;
- Contribute to attaining consensus-building at the national level;
- Identify main gaps, propose possible improvements and determine priorities for capacity-building at the country level;
- Identify possible needs of assistance in capacity-building;
- Collect comments and observations to improve the methodology.

In early November 2012, representatives from the participating countries shared at the twenty-ninth session of ISAR their results of the pilot test exercises and experiences. In particular, they emphasized findings, challenges and lessons learned related to regulatory and institutional issues. Special attention was given to the main results and the possible follow-up steps and ways to improve the gaps identified through the application of the ADT.

During the thirtieth session of ISAR, held in November 2013, discussions focused on the human capacity pillar of the ADT. The countries that have completed the ADT assessment emphasized the facilitation role that the pilot tests have played in supporting stakeholder dialogue. They affirmed that the ADT helped them raise awareness of good practices and international benchmarks, and expedited development of national strategies for capacity-building in the regulatory, institutional and human-capacity pillars of the national accounting architectures. The e-ADT portal was officially launched on this occasion.⁴⁶ Since then, ADT assessments can be conducted using this online tool.

⁴⁶ See UNCTAD (2013a).

FIGURE 3. MAP OF THE COUNTRIES PARTICIPANTS IN THE ADT PILOT TESTS



PART II.

APPLYING THE ACCOUNTING
DEVELOPMENT TOOL:
THE APPLICATION PROCESS
AND OUTPUTS



Part II explains the process and procedures of the ADT application, including operating the e-ADT, its online version.

A. DETAILED DESCRIPTION OF THE PROCESS

The main activities to be performed are as follows:⁴⁷

- (a) Contact the countries interested in the ADT application (or countries contact UNCTAD, if interest is expressed by the country);
- (b) UNCTAD provides supervision and substantive support throughout the process and recruits a national consultant; the consultant identifies and decides on the key local organizations that should be involved in the ADT application, ensures their active participation during the whole process, keeping in mind that the questionnaire is a comprehensive tool that requires experts with different backgrounds.⁴⁸ The target group to participate in the ADT application process normally includes, but is not restricted to, representatives from the following:
 - Government authorities responsible for issuing and trading of securities;
 - Banking sector;
 - Insurance sector;
 - Stock exchange;
 - Standard setters in various areas of corporate reporting;
 - Audit chamber;
 - Accounting firms;
 - PAOs;
 - Academia;
 - Public sector accounting authorities;
 - SME regulator and/or associations;
 - Institutes of directors;
 - Authorities or experts in the corporate social responsibility area.

It is possible that some institutions will be participating under observer status (for example, the World Bank) without filling in the questionnaire, since the assessment exercise aims to create awareness in a comprehensive manner.

The list of organizations is then revised by UNCTAD and the peer reviewers and changed by the national consultant according to their comments;

- (c) The national consultant identifies up to two focal points (representatives) in each one of the organizations. The focal points will fill in the questionnaire as representatives of the organization. The organization should be represented at the appropriate technical and management levels.

⁴⁷ For the process elements overview see the flow chart figure 4.

⁴⁸ A peer review committee will be involved in the process from the beginning to provide advice concerning the organizations participating.

For the whole ADT application there should be up to 25 national experts (or focal points) in the field of accounting and reporting, but this depends on a country's system on corporate reporting.

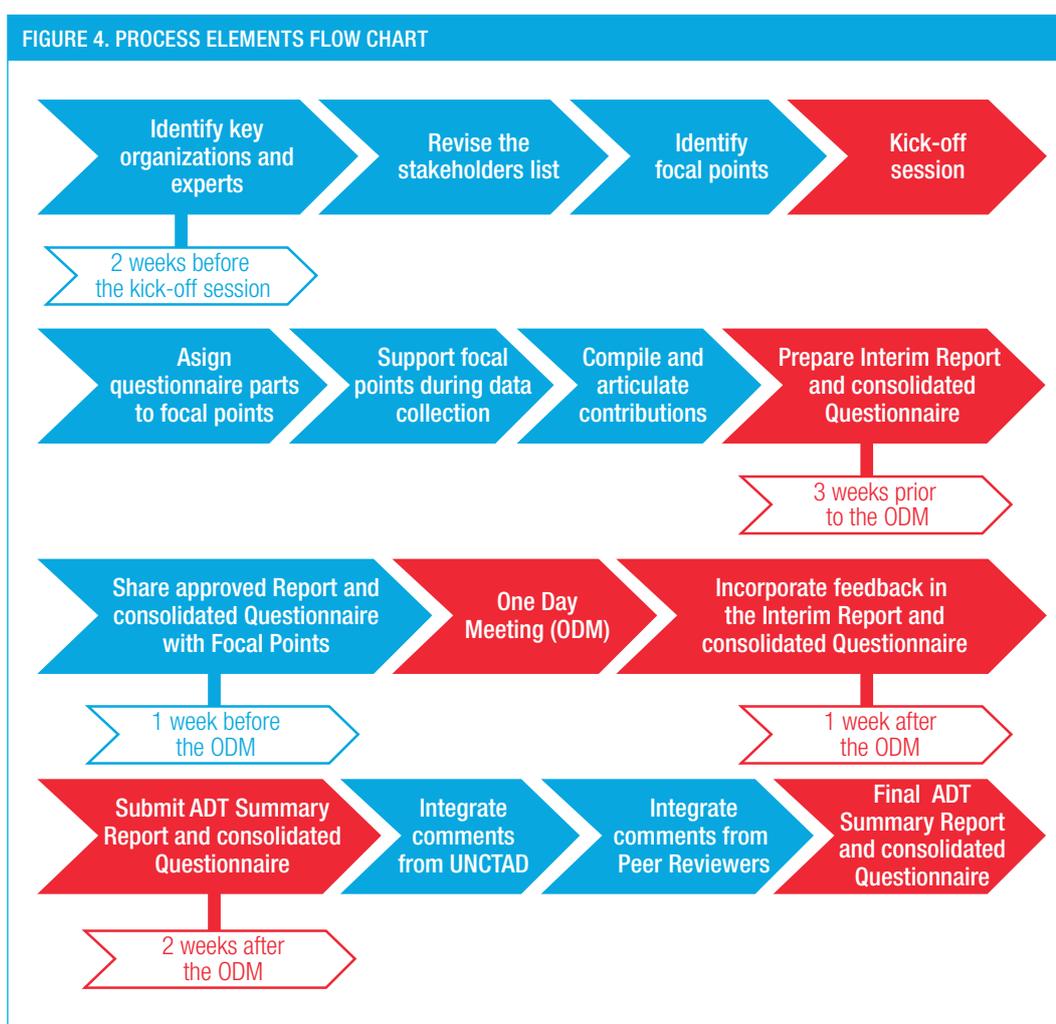
In specific cases, more than one organization⁴⁹ could be in charge of responding to the same indicator. Therefore, the national consultant will have to consolidate the responses received for the same indicator from different organizations;

- (d) The national consultant organizes, and UNCTAD provides support to, a kick-off session with the focal points to brief them on:
 - The different steps to be followed during the ADT application;
 - How they are expected to contribute along this process;
 - The expected outcomes;
- (e) The national consultant sends out the questionnaire to all focal points and assigns different sections (indicators) of the questionnaire to the organizations according to their areas of expertise;
- (f) Focal points complete the questionnaire;
- (g) The national consultant provides substantive backstopping to each focal point during the data collection process if needed;
- (h) The national consultant collects and articulates contributions from all focal points;
- (i) The national consultant prepares an ADT interim report and a consolidated questionnaire with all questions completed, including pillar D; a summary (about 3,000 words) of key findings, written in English, highlighting main areas that require attention based on the responses received and on his/her expertise and knowledge of the local situation, and a section with recommendations concerning next steps;
- (j) The national consultant shares the ADT interim report and consolidated questionnaire in English with UNCTAD for comments three weeks before the meeting;
- (k) The national consultant shares the ADT interim report and consolidated questionnaire approved by UNCTAD to all focal points (stakeholders) one week before the one-day meeting;
- (l) The national consultant and UNCTAD organize and conduct a one-day meeting with all focal points and other stakeholders to present the ADT interim report and consolidated questionnaire, and discuss and validate the findings and responses. At the end of the one-day meeting all stakeholders will be asked to fill in the feedback survey concerning the process of the assessment exercise;
- (m) The national consultant integrates points of discussion as well as feedback received during the meeting by preparing an ADT summary report and a revised consolidated questionnaire including additional commentary on the usefulness of the UNCTAD questionnaire;
- (n) The national consultant sends the ADT summary report and revised consolidated questionnaire to all focal points for validation, providing one week for additional comments;
- (o) The national consultant finalizes the ADT summary report and the consolidated questionnaire and submits them to UNCTAD in English;

⁴⁹ This procedure applies if (a) there is more than one institution representing a certain stakeholder (for example, two PAOs in the country; several universities in charge of education, and the like); (b) there are different stakeholders working in the same area and therefore offering a similar level of expertise to respond to the same indicators (for example, representatives from academia and audit chambers).

- (p) UNCTAD will review the ADT summary report and consolidated questionnaire for their completeness and due process;
- (q) UNCTAD may return the ADT summary report and consolidated questionnaire to the national consultant for additional work;
- (r) Once finalized, UNCTAD will send the ADT summary report and the consolidated questionnaire to the peer review committee (see below); each peer reviewer will provide an individual review report for each country revised to UNCTAD within two weeks after the ADT summary report and consolidated questionnaire are received;
- (s) The national consultant incorporates comments from the peer review committee and submits a final version of both documents to UNCTAD in English.

The questionnaire and the ADT summary report are stored within the e-ADT platform. Information will be considered confidential, unless a country agrees to have the information issued publicly.



Note: ODM = one-day meeting. The time periods indicated to accomplish activities are estimations and can vary.

The respondent teams should be coordinated by a national consultant or counterpart such as the responsible government authority or a national accounting body. Requirements for the national consultant are:

- An advance university degree or master's degree in accounting and reporting or a background in finance, business, and the like, with a specialization in accounting and reporting, or a national accounting qualification;
- A proven record of experience on corporate reporting and good knowledge of related international benchmarks and trends in this area;
- Specific knowledge of the national infrastructure necessary for high-quality corporate reporting, as well as an established contact network of relevant national experts;
- At least five years of professional experience;
- The consultant must be fluent in spoken and written English and the local language.

The ADT summary reports from the national consultants will be subject to a peer review. The peer review committee is comprised of two to three international experts each of whom will review the assessment exercise independently. As a final outcome, each peer reviewer will prepare an individual review report (for each pilot test country revised). The peer review committee will verify that all steps have been followed by each country in order to ensure consistency among all assessment exercises. It aims to add value to national findings on the assessed country's capacity level in high-quality corporate reporting. The peer review committee will interact with UNCTAD and not directly with the country.

B. OUTPUTS OF THE ADT APPLICATION

The following are the principle outputs:

- Kick-off session organized;
- An ADT interim report (expected length of 3,000 words in English);
- A one-day meeting for invited experts organized;
- A consolidated questionnaire integrating feedback from discussions held during and after the one-day meeting;
- An ADT summary report assessing major issues arising from the ADT application and providing recommendations in relation to the key findings and results obtained, that should also include feedback from the one-day meeting;
- A final ADT summary report and consolidated questionnaire integrating answers to comments from UNCTAD and the peer review committee;
- Established network of contacts relevant to the project.

All documents have to be written in or translated to English (the ADT interim report, ADT summary report, as well as the consolidated questionnaire).

C. OPERATING THE E-ADT

C.1. What is the e-ADT?

The electronic ADT (e-ADT) is an Internet information system interface of the ADT. It combines:

- A web version of the ADT questionnaire and ADT summary reports;
- A web portal that describes the ADT.

The web portal is available for public access at the homepage <http://adt.unctad.org/>:



The part of the system that contains the ADT questionnaire and ADT summary reports is reserved for users that UNCTAD authorizes according to their role (country user or peer reviewer).

THE ADT QUESTIONNAIRE:

Pillar A - Legal and regulatory framework
Indicator A1 - Financial reporting and disclosure

Question 1:
Are IFRS⁰ in full⁰, unmodified form required as part of the national regulatory system for:

Notes:

- 2. Please provide specific reference to the legislation, regulation, decree or other similar instrument that brought into effect this requirement.
- 3. The term "All IFRS" refers to the complete version of IFRS, excluding IFRS for SMEs.
- 4. Other public-interest entities are entities other than listed companies, banks and insurance companies, that due to the nature of their business, their size or the number of their employees are of national interest.

1.1 Domestic listed companies
 Yes No

1.2 Foreign listed companies
 Yes No

The e-ADT, including its descriptive web pages, the questionnaire, the ADT summary report and the survey forms, is available in English, French, Russian and Spanish. To select a language, position the mouse pointer over the language selection control on the left side of the window and click on the language that you wish to use:



In the left-hand side menu, users can access information under five sections: “About the tool”,

C.2. Who does what in the e-ADT?

The country user of the e-ADT is the national consultant recruited by the ADT pilot country in cooperation with UNCTAD or directly by UNCTAD to conduct the pilot test of the country.

The country user, in cooperation with an UNCTAD coordinator, uses the e-ADT to enter and update the ADT assessment questionnaire and to enter the ADT summary report.

A peer reviewer of the e-ADT is an international consultant who reviews the pilot test of a country.

Peer reviewers, in cooperation with an UNCTAD coordinator, use the e-ADT to enter and update review comments on the ADT assessment questionnaire and the ADT summary report filled in by the country user and to enter their peer review reports.

C.3. Detailed e-ADT workflow

- (a) Country user enters the draft questionnaire in the e-ADT;
- (b) Country user submits a questionnaire draft in the e-ADT;
- (c) Country user discusses the questionnaire draft with the UNCTAD coordinator;
- (d) Country user submits a revised questionnaire and the ADT summary report draft in the e-ADT;

(Steps (c) and (d) can be repeated as needed)

- (e) UNCTAD coordinator approves the questionnaire draft and the ADT summary report and submits them for review in the e-ADT;
- (f) Peer reviewers receive a notification e-mail from the e-ADT that a country questionnaire and ADT summary report are ready for review;
- (g) Peer reviewers submit a report with their comments on the questionnaire and ADT summary report in the e-ADT;
- (h) Peer reviewers submit revised draft review comments in the e-ADT;
- (i) Peer reviewers submit the final version of the peer review report in the e-ADT;
- (j) UNCTAD coordinator prepares a consolidated version of the peer review reports.
- (k) Country user receives an e-mail notification about review feedback and downloads the review feedback from the e-ADT;
- (l) Country user discusses the reviewed questionnaire and ADT summary report with the UNCTAD coordinator;
- (m) Country user submits a revised questionnaire and ADT summary report in the e-ADT;

(Steps (l) and (m) can be repeated as needed)

- (n) Country user confirms and submits the final version of the questionnaire and ADT summary report in the e-ADT;
 - (o) UNCTAD coordinator approves the completed questionnaire and ADT summary report.
-

C.4. Logging in and out of the e-ADT

Logging into the e-ADT

You will receive an e-mail from “UNCTAD Accountancy Development” with your user name and password:

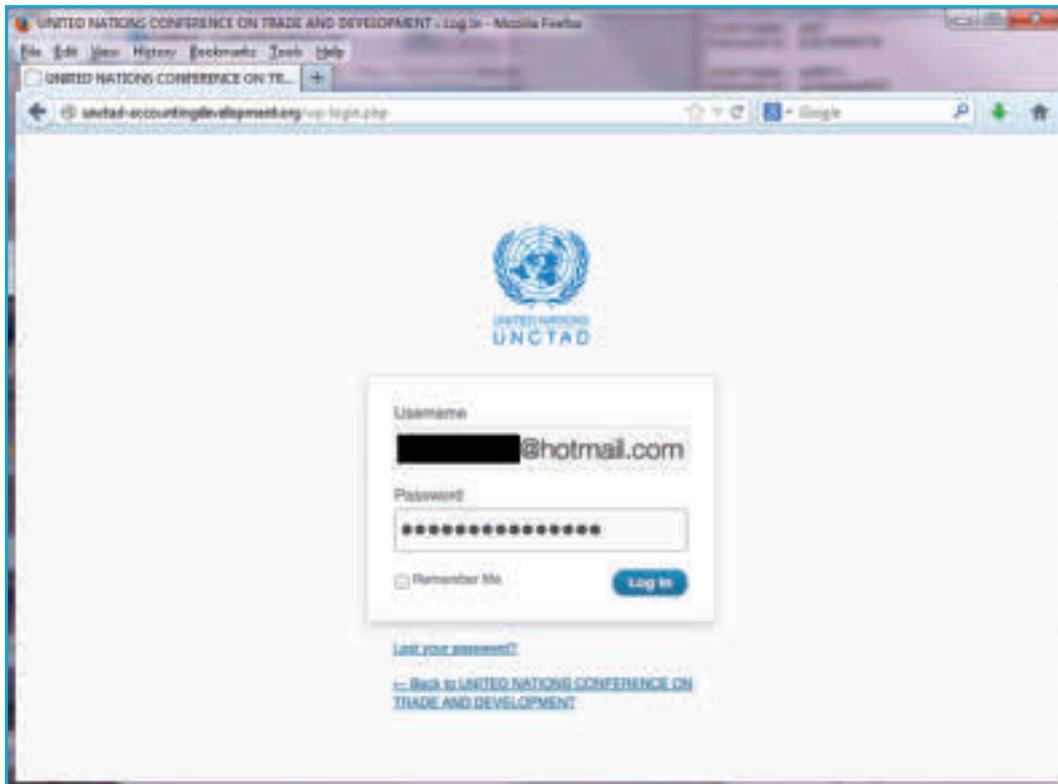


Visit the homepage <http://adt.unctad.org>.

Click on the link: “**LOG IN TO GET STARTED NOW**”:

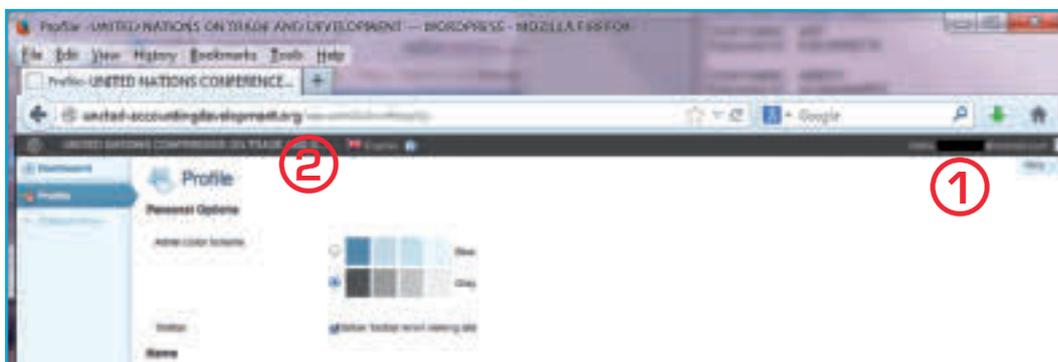


In the log-in screen that appears, enter your user name and password:



The “profile” page will appear, where the password can be (optionally) reset if required. The user name (e-mail address) appears in the upper right corner of the page (1).

Then, click on the link (2) “UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT” in the upper left corner of the page:



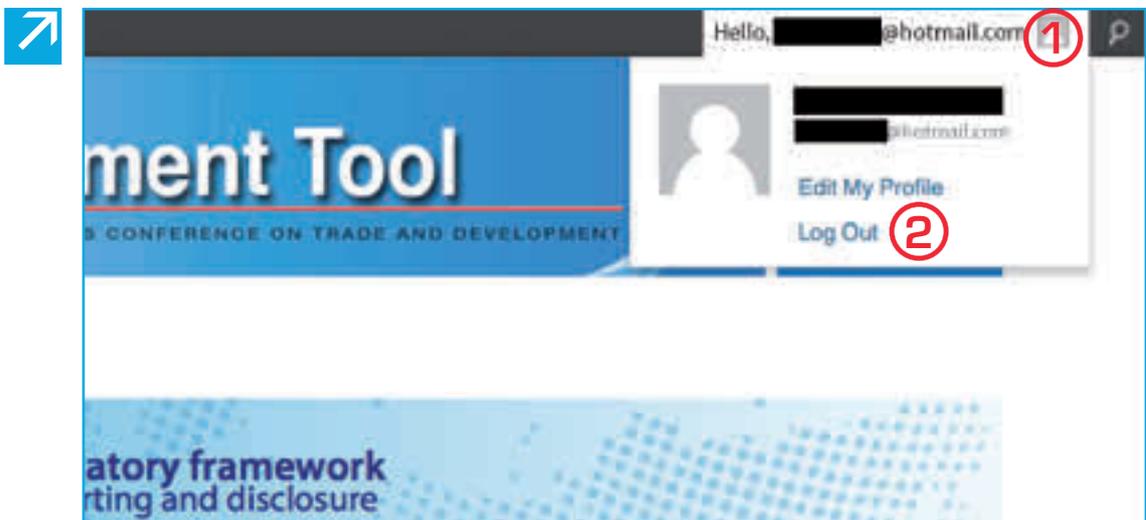
The homepage appears again. This time, the user name (1) appears on the homepage and the link (2) is “**GET STARTED NOW**”. Click on this link to get to the questionnaire:



Logging out of the e-ADT

When you finish your work with the e-ADT, please log out of the e-ADT system. To do so:

- (a) Position the mouse pointer over the “**Hello, <user name>**” text (1) in the upper right corner of the window;
- (b) A menu with a “**Log out**” link appears. Click on the “**Log out**” link (2):



A “You are now logged out” message will appear:



The screenshot shows the UNCTAD login interface. At the top center is the United Nations logo with the text 'UNITED NATIONS UNCTAD' below it. A yellow message box contains the text 'You are now logged out.' Below this is a white login form with two input fields labeled 'Username' and 'Password'. There is a 'Remember Me' checkbox and a blue 'Log In' button. At the bottom of the form, there is a link for 'Lost your password?' and a link to '← Back to UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT'.

C.5. Country user guide

Entering and updating the questionnaire

The e-ADT questionnaire is displayed and can be completed one question at a time. The window is divided into four sectors:

- (1) An information area that shows the country name, the current pillar, indicator and question;
- (2) An area for responses; click into the small circles to select “Yes” or “No” and type the source and comments into the corresponding boxes;
- (3) An area for moving to the next question (right arrow) or to the previous question (left arrow); when you move to the next or previous question, your responses to the current question are automatically entered into the e-ADT (saved);
- (4) An area for moving to other indicators or pillars; it displays the number of questions answered and the total number of questions per indicator and per pillar:



Some questions contain explanatory “Notes” that correspond to the footnotes in the paper format questionnaire:



Pillar A - Legal and regulatory framework
Indicator A1 - Financial reporting and disclosure

Question 1:
Are IFRS⁰ in full⁰, unmodified form required as part of the national regulatory system for:

Notes:

- 2. Please provide specific reference to the legislation, regulation, decree or other similar instrument that brought into effect this requirement.
- 3. The term “full IFRS” refers to the complete version of IFRS, excluding IFRS for SMEs.
- 4. Other public interest entities are entities other than listed companies, banks and insurance companies, that due to the nature of their business, their size or the number of their employees are of national interest.

1.1 Domestic listed companies
 Yes No

1.2 Foreign listed companies
 Yes No

You can respond to the questions in any order, completely or partially, and return to the unanswered questions later.

Submitting a consolidated questionnaire

When you are ready to submit the questionnaire draft, navigate to the last question of the questionnaire and click on the “Finish” button:



The screenshot displays the Accounting Development Tool interface. At the top, the logo for IDAR (International Development Accounting Review) and UNCTAD (United Nations Conference on Trade and Development) are visible. The main content area shows a navigation menu on the left with sections like 'ABOUT THE TOOL', 'TESTIMONIALS', 'STARTING TO ASSESS', 'ASSESSMENT RESULTS', and 'ADDENDUM'. The 'ADDENDUM' section is expanded, showing 'Indicator P4 - Institutional aspects' selected. The main content area displays 'Question 10: Is there a formal due process to ensure that funding arrangements for public sector accounting standard-setter do not affect its independence?'. Below the question, there are radio buttons for 'Yes' and 'No'. There are also two text input fields labeled 'SOURCE OF INFORMATION' and 'COMMENTS'. At the bottom of the interface, there is a 'FINISH' button with a red arrow pointing to it.

If you click “**Finish**” before answering all the required questions, a “System message” will tell you to answer them:



The screenshot shows the 'Accounting Development Tool' interface. At the top, there is a header with the IDAR logo and the UNCTAD logo. A navigation menu on the left lists sections like 'ABOUT THE TOOL', 'TESTIMONIALS', 'STARTING TO ASSESS', and 'ASSESSMENT RESULTS'. The main content area displays a 'System Message' box with the text: 'A question need to be answered before Finish'. Below the message, a list of assessment items is shown, including 'Yemen Pillar A: legal and regulatory framework indicator A1 - Financial reporting and disclosure' and 'Yemen Pillar C: human capacity indicator C1 - Continuing Professional Development (CPD)'. At the bottom of the message box, a 'CONTINUE' button is visible.

In that case, click on “**Continue**” at the bottom of the page and answer the unanswered questions. Then, the left and right arrows will move you to the previous/next unanswered question.



This screenshot shows a list of unanswered questions in the tool. The questions are related to 'Yemen Pillar C: human capacity indicator C1 - Continuing Professional Development (CPD)'. The list includes items such as 'Advanced level and specialist training after initial professional development', 'Regulations and ethics in the reporting supply chain', and 'Requirements for accounting technicians'. At the bottom of the list, a 'CONTINUE' button is highlighted.

When all the required questions are answered, click on **“Finish”**. A **“System message”** will tell you that you have submitted a questionnaire draft:



Click on the **“Summary report”** link to fill in the ADT summary report.

After submitting a questionnaire draft, you may discuss the draft with the UNCTAD coordinator and update and resubmit the questionnaire draft as necessary. After these discussions and revisions, the UNCTAD coordinator will approve the questionnaire draft in the e-ADT and send the questionnaire to the peer reviewers. After this, the questionnaire draft can no longer be modified:

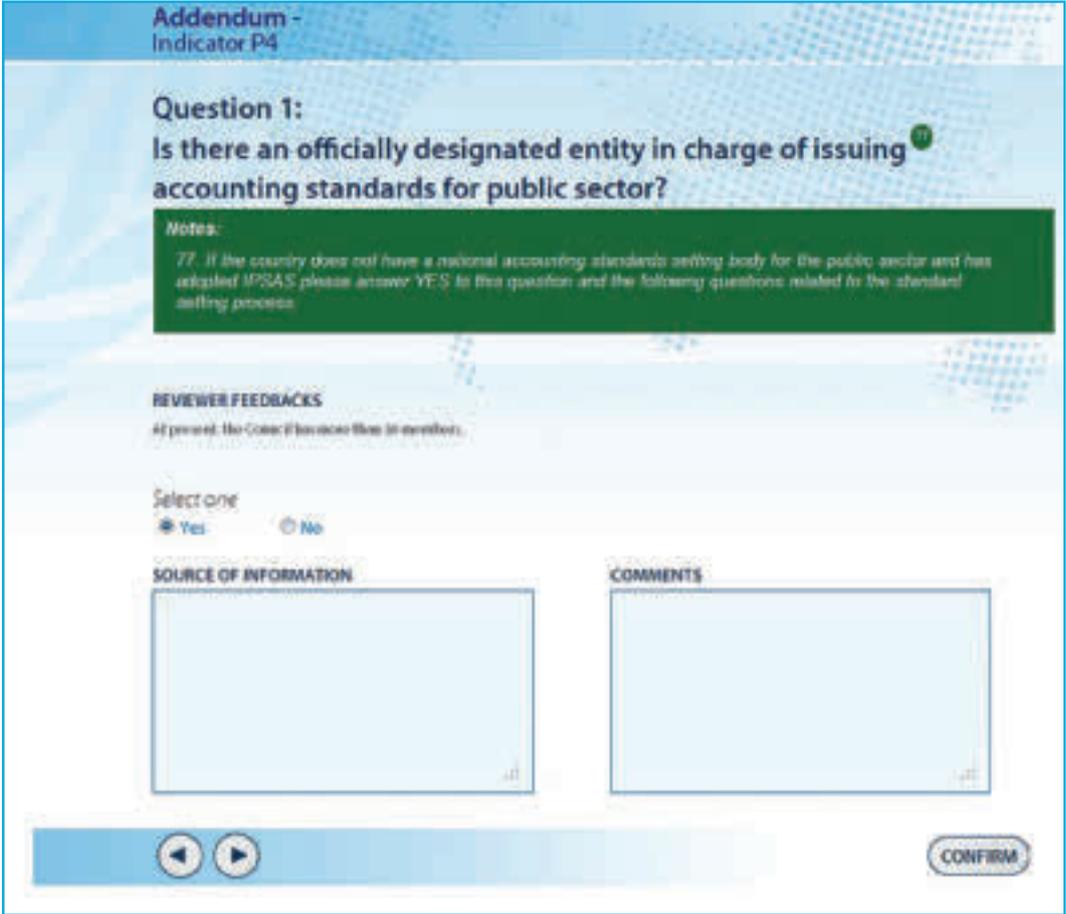


Receiving the review feedback

During the review process, peer reviewers will make their comments on your country questionnaire draft. The UNCTAD coordinator will consolidate these comments into a single, anonymous review feedback. You will receive an e-mail from “UNCTAD Accounting Development” when this feedback is ready:

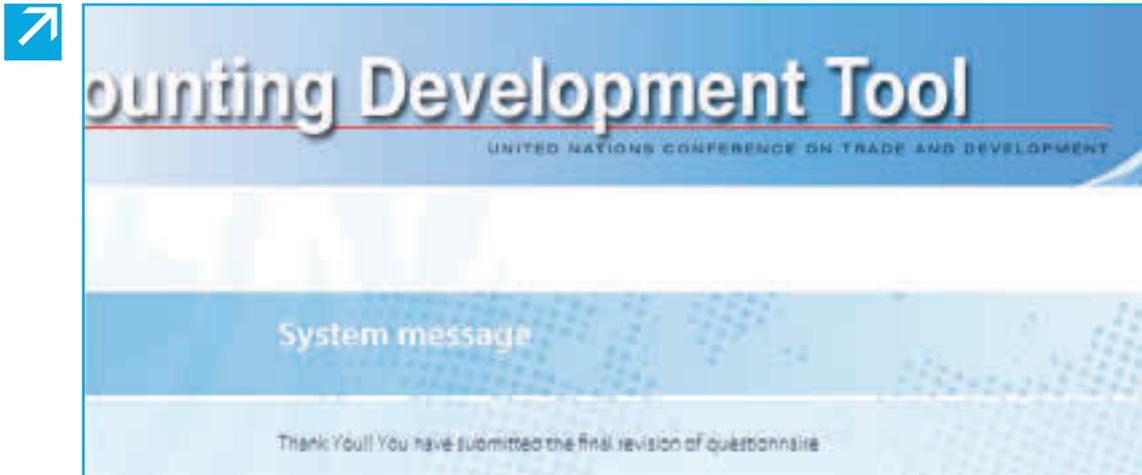


Now you can log in to the e-ADT website, view the review feedback, discuss the questionnaire with your UNCTAD coordinator and modify your answers, sources of information and comments:



When all modifications of the questionnaire following the review feedback and discussions with your UNCTAD coordinator are completed, click on the “**Confirm**” button to submit the final version of the questionnaire.

A “**System message**” will confirm that you have submitted the final version of the questionnaire:



The questionnaire will now be sent to UNCTAD.

Submitting the ADT summary report

The first screen of the ADT summary report provides background information:



Accounting Development Tool

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

About the tool

Step 1 of 11

0%

Background

At the twenty-seventh session of ISAR, the Group of Experts identified the need for high-quality corporate reporting to facilitate the mobilization of domestic and international financial resources and to foster investor confidence. Therefore, the UNCTAD secretariat developed the Accounting Development Tool (ADT) for a coherent approach to capacity-building in this area.

The ADT is a quantitative measurement tool as well as a user guide providing guidance for stakeholders to assess and benchmark countries' existing capacity for high-quality corporate reporting. It will help the assessed countries to identify gaps and decide on further actions by offering suggestions on what needs to be done at the country level to ensure high-quality corporate reporting.

Summary report – Definition

At the bottom of this screen, enter your name and click “Next”:



Key findings and provides substantive insights on the local situation of the assessed country's capacity for high-quality corporate reporting.

National consultant *

First Last

Country

Surname

Date assessment started

2013-September-18 09:21:31

Date summary report was sent to the UNCTAD secretariat

2013-September-18 11:48:10

Date comments from peer reviewers received

2013-October-22 08:53:02

Date final report was completed

2013-October-22 09:32:08

 GET STARTED NOW

On the following screens of the ADT summary report, answer the questions and click “Next” at the bottom of the screen:



About the tool
Score

Step 2 of 11
18%

Background information
Please provide the following information concerning the country that will carry out the

Assessment exercise:

Number of listed companies

Number of companies that are required to have an audit report

Stock exchange data:



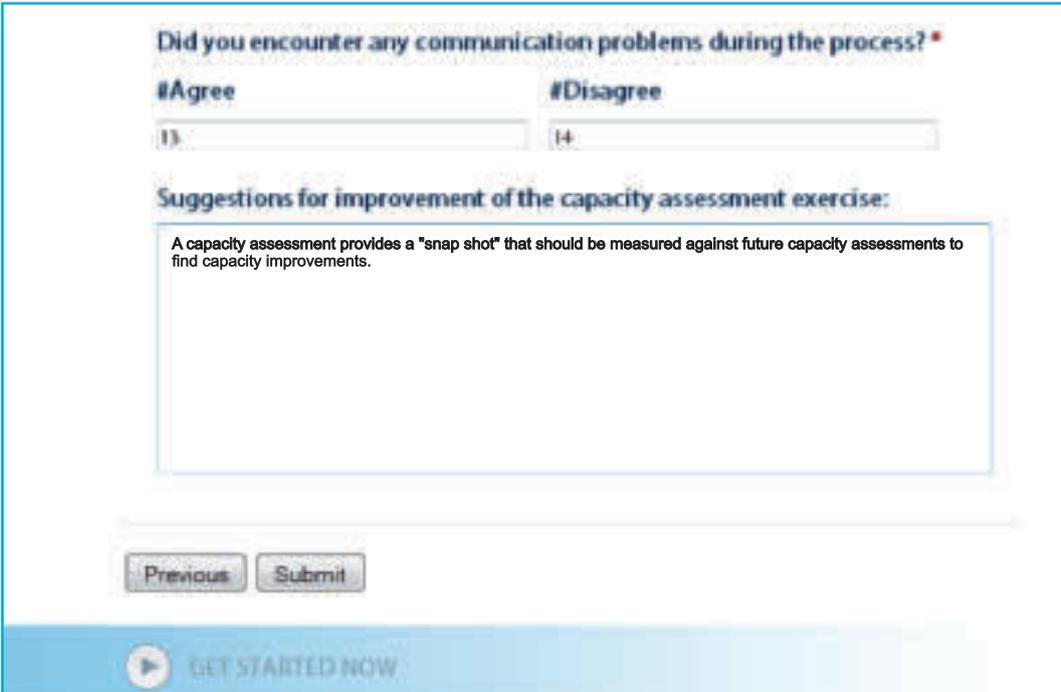
How does the country classify other p

The questions to which answers are required are marked with an asterisk (*). If these questions are not answered, a “**This field is required**” message will appear:



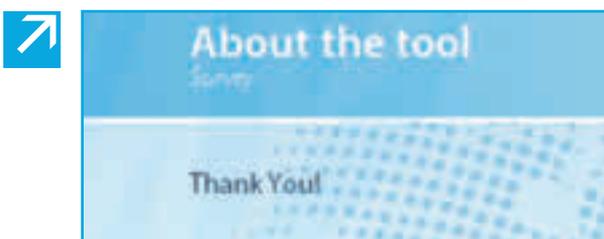
A screenshot of a form field titled "National consultant *". Below the title are two input fields labeled "First" and "Last". A red error message "This field is required" is displayed below the input fields. A blue arrow icon is positioned to the left of the form.

On the final screen of the ADT summary report, after answering all questions, click on “**Submit**”:



A screenshot of the final screen of the ADT summary report. The main question is "Did you encounter any communication problems during the process? *". Below this question are two radio button options: "#Agree" and "#Disagree", each with a corresponding input field. Below the radio buttons is a section titled "Suggestions for improvement of the capacity assessment exercise:" followed by a text area containing the text: "A capacity assessment provides a 'snap shot' that should be measured against future capacity assessments to find capacity improvements." At the bottom of the form are two buttons: "Previous" and "Submit". A blue bar at the very bottom contains a play button icon and the text "GET STARTED NOW". A blue arrow icon is positioned to the left of the form.

After submitting your ADT summary report, the “**Thank you**” message will appear:



The ADT summary report will now be submitted to UNCTAD.

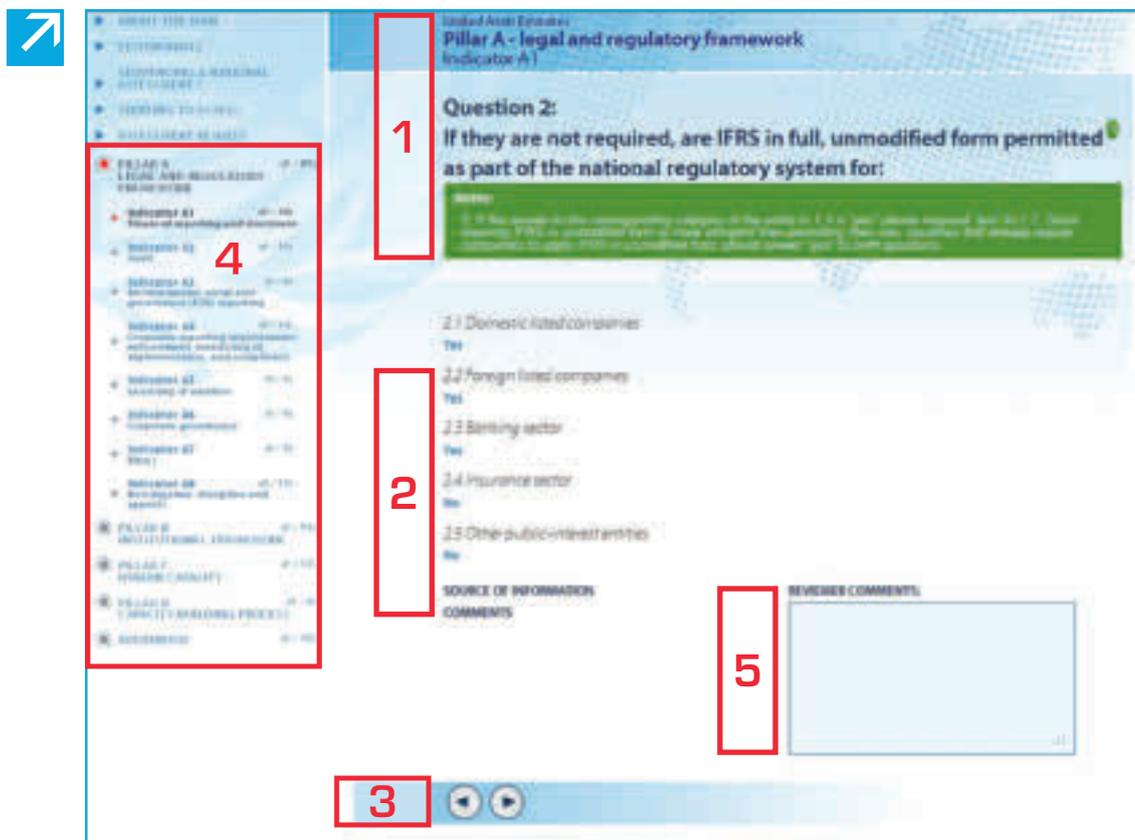
C.6. Peer reviewer guide

Entering and updating the questionnaire review comments

The peer reviewer is notified by UNCTAD through a notification e-mail from the e-ADT that a country questionnaire and the summary report are ready for review. The peer reviewer will access e-ADT and log in following the same procedure explained in the chapter on logging in and out of the e-ADT user manual.

The e-ADT questionnaire is displayed and review comments can be completed one question at a time. The window is divided into:

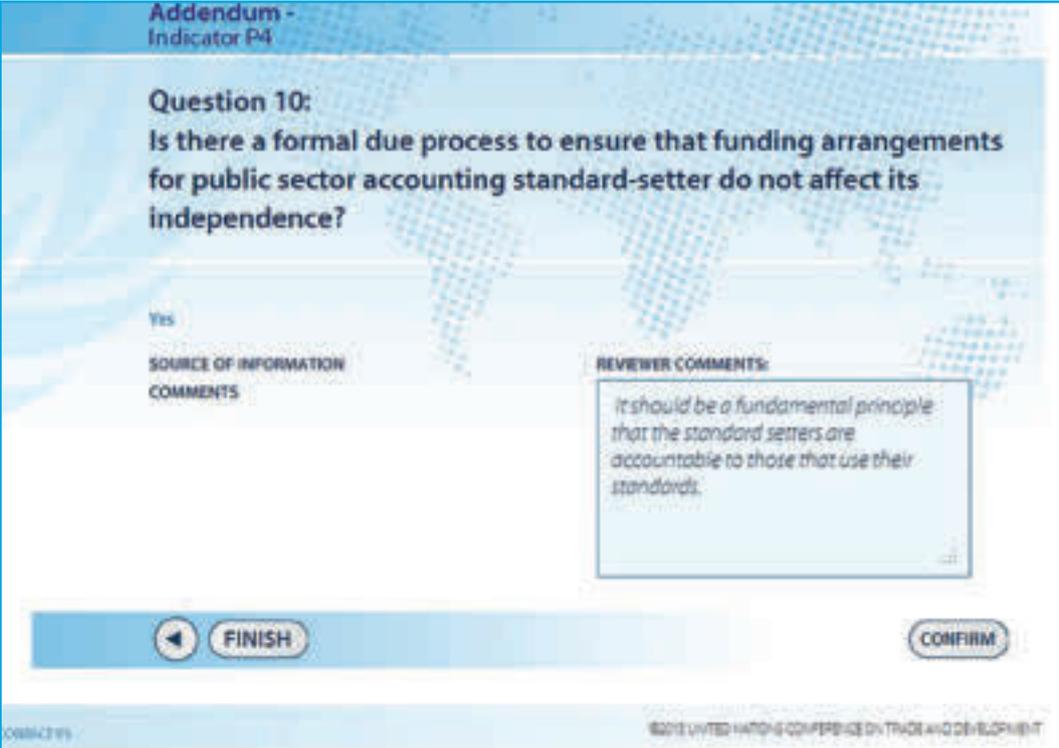
- (1) An information area that shows the country name, the current pillar, indicator and question;
- (2) An area showing the draft responses filled in by the country user;
- (3) An area for moving to the next or previous question (right or left arrows) – when you move to the next or previous question, your review comments to the current question are automatically entered into the e-ADT (saved);
- (4) An area for moving to other indicators or pillars;
- (5) An area with a comment box for entering and updating your review comments for the current question:



You can enter your review comments to the questions in any order, completely or partially, and return to uncommented questions later.

Submitting your review comments draft

When you are ready to submit your review comments draft, navigate to the last question of the questionnaire and click on the “**Finish**” button:



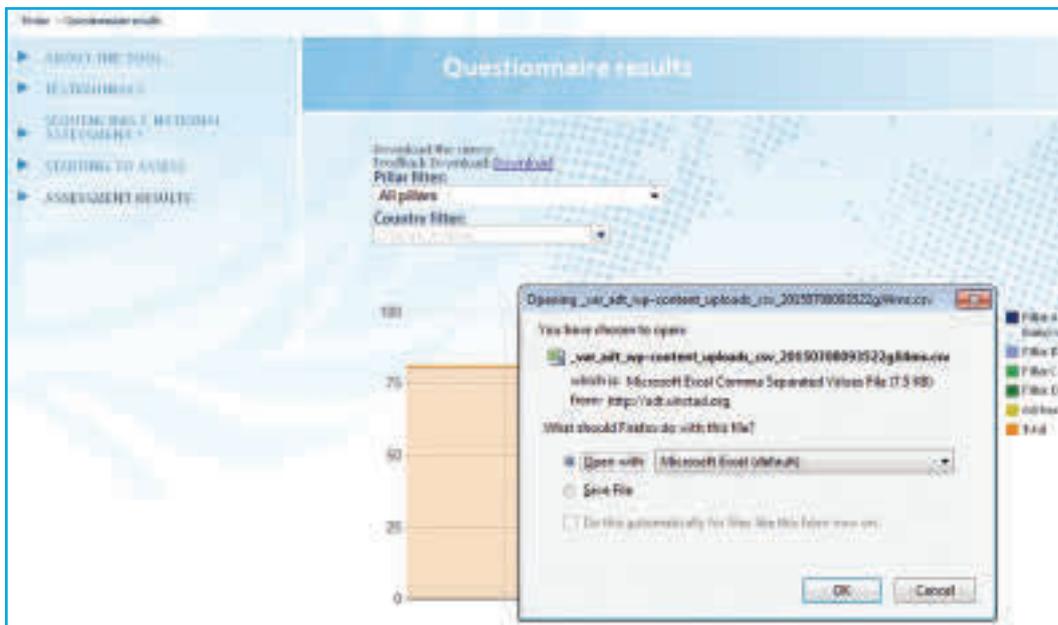
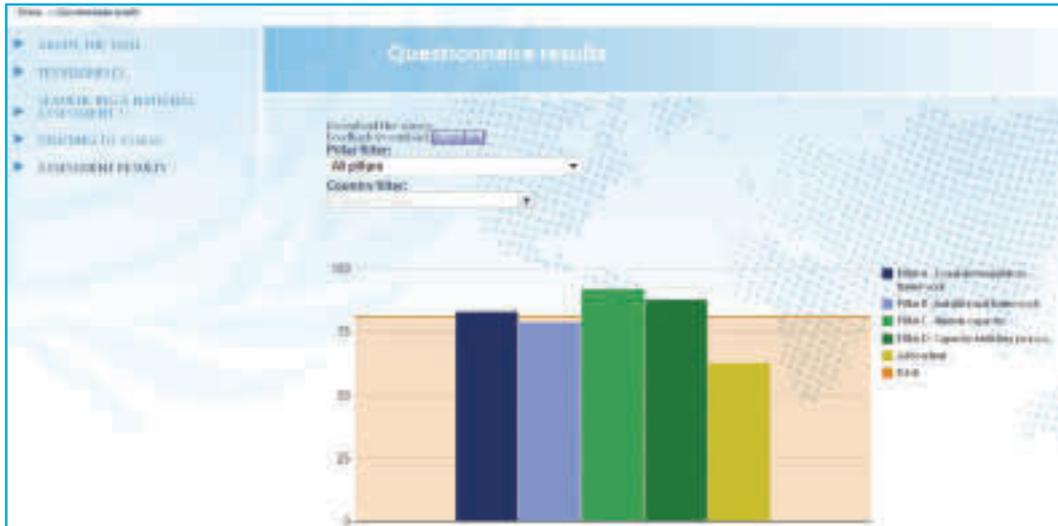
The screenshot shows a questionnaire interface for 'Addendum - Indicator P4'. The question is: 'Question 10: Is there a formal due process to ensure that funding arrangements for public sector accounting standard-setter do not affect its independence?'. Below the question, there are two input fields: 'SOURCE OF INFORMATION COMMENTS' and 'REVIEWER COMMENTS:'. The 'REVIEWER COMMENTS' field contains the text: 'It should be a fundamental principle that the standard setters are accountable to those that use their standards.' At the bottom of the form, there is a 'FINISH' button with a left arrow and a 'CONFIRM' button. The footer of the page reads '©2013 UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT'.

A “**System message**” will tell you that you have submitted your review comments draft:



The screenshot shows the home page of the 'Accounting Development Tool' by IDAR. The page features a navigation menu on the left with options: 'HOME THE TOOL', 'FEEDBACKS', 'GOVERNING & REGULATORY ASSISTANCE', 'SENDING TO ASSES', and 'SYSTEM MESSAGES'. A 'System message' box is displayed in the center, stating: 'Your review comments have been submitted'. The footer of the page reads 'UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT'.

After submitting your review comments draft, you may still update and resubmit it. Under **“Assessment results”**, the graphs of scores per pillar and indicator may be viewed and the review comments draft may be downloaded in a spreadsheet format:



To submit an updated draft of your review feedback, click on the “Finish” button:

The screenshot displays the 'Addendum - Indicator P4' section of the tool. It features a question titled 'Question 10: Is there a formal due process to ensure that funding arrangements for public sector accounting standard-setter do not affect its independence?'. Below the question, there are two main input areas: 'SOURCE OF INFORMATION COMMENTS' and 'REVIEWER COMMENTS'. The 'REVIEWER COMMENTS' area contains the text: 'It should be a fundamental principle that the standard setters are accountable to those that use their standards.' At the bottom of the interface, there is a navigation bar with three buttons: a back arrow, a 'FINISH' button (which is highlighted with a red arrow), and a 'CONFIRM' button. The footer of the interface includes the text '©2013 UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT'.

Submitting the peer review report

The first screen of the peer review report provides background information:



The screenshot displays the 'Accounting Development Tool' interface. At the top, the title 'Accounting Development Tool' is prominently displayed in a large, bold, blue font, with the subtitle 'UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT' in a smaller font below it. The main content area is titled 'About the tool' and includes a progress indicator showing 'Step 1 of 2' with a 50% completion bar. The 'Background' section explains that the tool is used to support UNCTAD's Intergovernmental Working Group of Experts in International Standards of Accounting and Reporting (ISAR) and under overall supervision of UNCTAD, the peer reviewer will work as a member of an ISAR peer review committee in charge of validating the process of pilot studies and related summary reports received from the exercises conducted by UNCTAD in beneficiaries' countries, using the Accounting Development Tool (ADT). Each country assessment will be facilitated and conducted by a national consultant working in close cooperation with UNCTAD. Below this text, the heading 'Peer review report (PRR) – Definition' is visible.

At the bottom of this screen, enter your name and click “Next”:



In relation to the key findings and the results obtained, the peer reviewer will give recommendations for next steps.
The peer reviewer will fill in a feedback survey concerning the peer review process.

The following sections serve as a template to structure the PRR and to ensure comparability among all PRRs:

Name of the peer reviewer: *

First Last

Country under review:

Surname

Date peer review process started: *

2013-October-14 13:44:52

Date peer review process was completed: *

2013-October-16 09:20:05

Next

▶ GET STARTED NOW

CONTACT US ©2013 UNITED NATIONS

On the second screen of the peer review report, answer the questions:

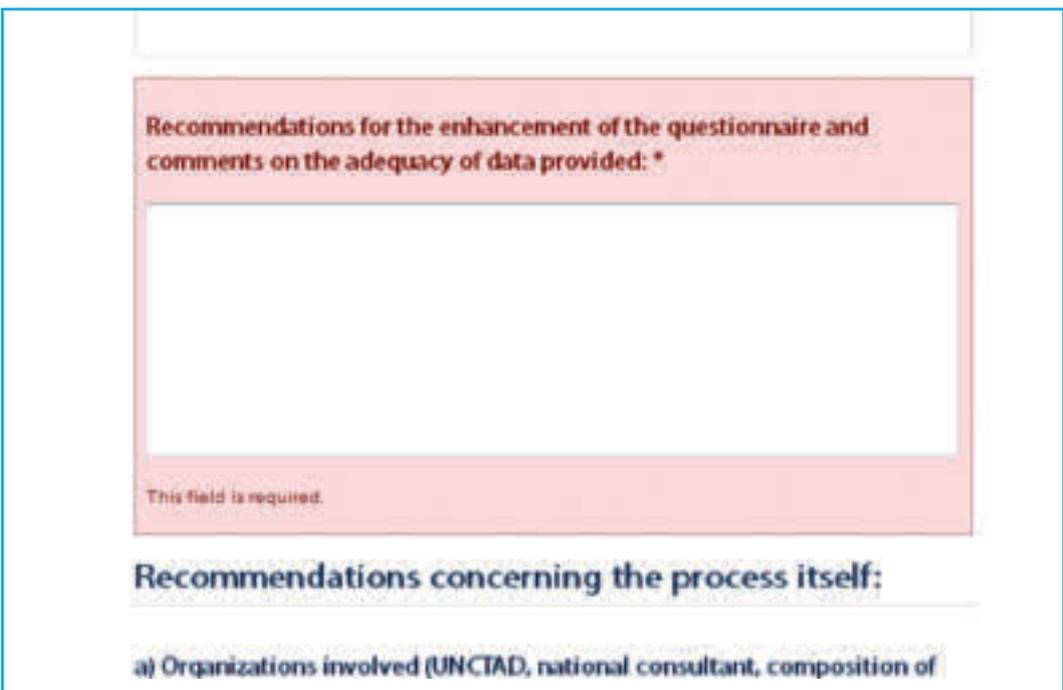


The screenshot shows a web interface titled "About the tool" with a sub-header "Survey". A progress bar indicates "Step 2 of 2" and is filled to "100%". Below the progress bar, there are two sections for input:

- Section 1: Overall opinion on the country assessment exercise *** (marked with an asterisk)
- Section 2: The peer reviewer revises that all steps required by the due process have been followed by the country under review *** (marked with an asterisk)

Each section has a large empty text box for input.

The questions to which answers are required are marked with an asterisk (*). If these questions are not answered, a "This field is required" message will appear:



The screenshot shows a form field with a red border and a red background. The text inside the field reads:

Recommendations for the enhancement of the questionnaire and comments on the adequacy of data provided: *

Below the text, there is a large empty text box for input. At the bottom of the red area, the message "This field is required." is displayed.

Below the red area, the text reads:

Recommendations concerning the process itself:

a) Organizations involved (UNCTAD, national consultant, composition of

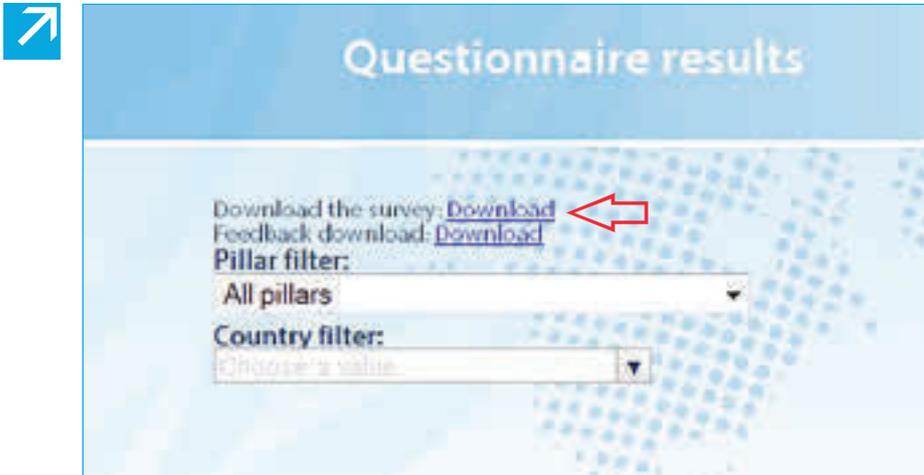
After answering the questions, click on “Submit”:



After submitting your peer review report, a “Thank you” message will appear:



Under “**Assessment results**”, in addition to the review comments (“Feedback”), you can now download the peer review report (“Survey”):

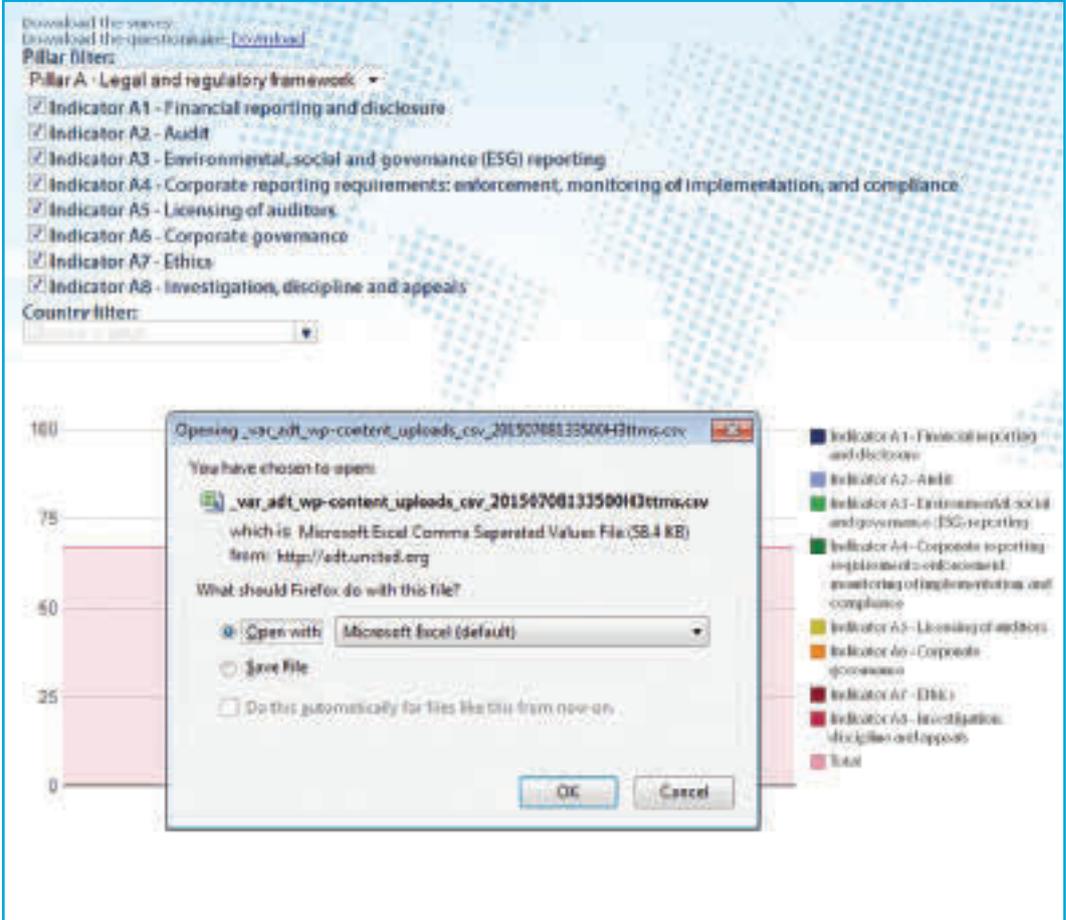


C.7. The ADT summary reports and generated charts

Under “**Assessment results**”, the country user can view the graphs of scores per pillar and indicator:

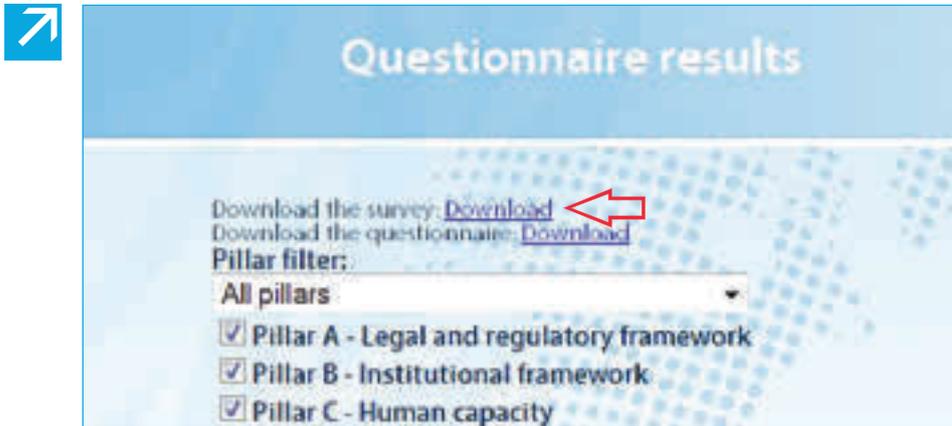


The submitted questionnaire draft can be downloaded as a spreadsheet (CSV format file):



The comments from the peer reviewers will be consolidated by UNCTAD, and a peer review report will then be made available to the country. The country user can access the peer review report after receiving an e-mail from UNCTAD with instructions.

Upon receiving this feedback, the country user modifies the questionnaire and submits the final version and the ADT summary report. After this step, under “**Assessment results**”, the country user can now download both the consolidated questionnaire and the ADT summary report (“Survey”):



The country user can only see the data of his/her country.

SUGGEST FURTHER READING

Krylova T (2013). Accounting and financial reporting needs of SMEs. Opening remarks presented at the UNCTAD–ISAR and IFRS Foundation joint workshop. Geneva. 5 October. Available at http://unctad.org/meetings/en/Presentation/ciisar30_WSO_TKrylova_en.pdf (accessed 19 June 2015).

UNCTAD (2004). *A Manual for the Preparers and Users of Eco-efficiency Indicators*. United Nations publication. Sales No. E.04.II.D.13. New York and Geneva. Available at http://unctad.org/en/docs/iteipc20037_en.pdf (accessed 18 June 2015).

UNCTAD (2006). *Guidance on Good Practices in Corporate Governance Disclosure*. United Nations publication. Sales No. E.06.II.D.12. New York and Geneva. Available at http://unctad.org/en/docs/iteteb20063_en.pdf (accessed 18 June 2015).

UNCTAD (2008a). *Guidance on Corporate Responsibility Indicators in Annual Reports*. United Nations publication. Sales No. 08.II.D.8. New York and Geneva. Available at http://unctad.org/en/docs/iteteb20076_en.pdf (accessed 18 June 2015).

UNCTAD (2008b). *Practical Implementation of International Financial Reporting Standards: Lessons Learnt*. United Nations publication. Sales No. E.08.II.D.25. New York and Geneva. Available at http://unctad.org/en/docs/diaeed20081_en.pdf (accessed 19 June 2015).

UNCTAD (2010a). Capacity-building framework for high-quality corporate reporting. TD/B/C.II/ISAR/56. 3 August. Available at http://unctad.org/en/docs/ciisard56_en.pdf (accessed 19 June 2015).

UNCTAD (2010b). Capacity-building framework for high-quality corporate reporting. TD/B/C.II/ISAR/56/Add.1. 20 August. Available at http://unctad.org/en/docs/ciisard56a1_en.pdf (accessed 18 June 2015).

UNCTAD (2010c). Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting on its twenty-seventh session. TD/B/C.II/ISAR/57. 11 November. Available at http://unctad.org/en/Docs/ciisard57_en.pdf (accessed 19 June 2015).

UNCTAD (2011a). Capacity-building framework for high-quality corporate reporting: Assessment questionnaire. TD/B/C.II/ISAR/59. 3 August. Available at http://unctad.org/en/docs/ciisard59_en.pdf (accessed 7 December 2013).

UNCTAD (2011b). *International Accounting and Reporting Issues: 2011 Review*. United Nations publication. Sales No. E.12.II.D.15. New York and Geneva. Available at http://unctad.org/en/PublicationsLibrary/diaeed2012d4_en.pdf (accessed 19 June 2015).

UNCTAD (2012a). Regulatory and institutional foundations for high-quality corporate reporting: Main trends and challenges TD/B/C.II/ISAR/63. 3 August. Available at http://unctad.org/meetings/en/SessionalDocuments/ciisard63_en.pdf (accessed 19 June 2015).

UNCTAD (2012b). Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting on its twenty-ninth session. TD/B/C.II/ISAR/64. 23 November. Available at http://unctad.org/meetings/en/SessionalDocuments/ciisard64_en.pdf (accessed 19 June 2015).

UNCTAD (2013). Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting on its thirtieth session. TD/B/C.II/ISAR/68. 27 November. Available at http://unctad.org/meetings/en/SessionalDocuments/ciisard68_en.pdf (accessed 19 June 2015).

Zhan J (2013). Introductory remarks. Presented at the thirtieth session of UNCTAD–ISAR. Geneva. 6 November. Available at http://unctad.org/meetings/en/Presentation/ciisar30_611_0JZhan_en.pdf (accessed 19 June 2015).

