Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR)

32nd SESSION
4 - 6 November 2015
Room XVIII, Palais des Nations, Geneva

Friday, 6 November 2015
Afternoon Session

Updates by international and regional organizations

Presented by

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Update from the World Bank

Natalie Manuilova, Senior Financial Management Specialist, CFRR, the World Bank

November 6, 2015
UNCTAD –ISAR, Geneva
Accounting & Auditing at the WB
### Governance at the Core of Development

The World Bank’s 14 Global Practices: 4 Cross Cutting Solution Areas

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Sound governance and effective institutions are essential to achieve shared prosperity and sustained reductions in poverty.

Public accountability and proper governance contribute to better delivery of public services, support competition and growth, including through cooperation with private sector.

Quality information helps governments property analyze the risks and play their essential roles in resolving the complex and interconnected challenges in variety of sectors, incl in health, social protection and education.
Accounting & Auditing: Key Development Benefits

- Adequate Requirements & Capacity Enforcement
- Reliable Financial Information
- Access to finance & new business opportunities
- Sustainable Private Sector Development

TRUTH

Useful for:
- Investors & Owners
- Banks
- Regulators

Expansion of credit
Lower cost of credit
Enhanced supervision
Development of capital markets

Increased competitiveness
Increased trade
Job creation
Strengthening governance and accountability

GROWTH AND SHARED PROSPERITY
WB Activities in Accounting & Auditing

» Policy advice and tailored TA for client governments:
  » Global Initiative for Fiscal Transparency;
  » PEFA;
  » Anti-corruption Authorities Portal;
  » Reports on Observance of Standards and Codes (ROSC) on Accounting & Auditing (A&A);
  » Global Forum on Law, Justice and Development; and
  » Sharing in Governance of Extractive Industries.

» Tailored TA activities on CFR:
  » regional programs on CFR (FRTAP, EU REPARIS, STAREP);
  » specific in-country programs (few in progress);
  » SOE Financial Accountability & Transparency (SOE FACT);
  » individual assistance to SOEs through WB lending projects; and
  » regional knowledge sharing events.
A New ROSC Accounting & Auditing

“ROSC AA 2.0” in progress

» Update diagnostic tool

» Clear guidelines to assess corporate-sector accounting and auditing practices

» Consistent, comprehensive, and comparable over time

» Measurable results

» Additional modules added

» Greater emphasis on capacity and enforcement v-à-v requirements) (expanded assessment of education)

- Commercial Entities
- Banking and Insurance
- Listed Companies
- Accounting Profession
- Education
- Accounting Standards as Designed / as Practiced; Standard-Setting
- Auditing Standards as Designed /as Practiced; Standard-Setting

Additional Modules (tentative)
- Quality Assurance & Public Oversight
- Pension funds
- SOEs
- Microfinance / Access to Finance*
- SMEs*
- Internal Controls*
Accountancy Development for Results (ADR) 2014

» Half-day event on the eve of the WCOA 2014 in Rome
» 160 PAO Leaders from 60 countries
» IFAC’s Past President, CEO, PAODC Chair, and Sr. Director, and FEE President
» To raise awareness on emerging issues in accountancy and help the profession “frame the future” in our partner countries
» 2016 Conference to be held in the Fall
Transformation of PAOs: Four Priority Areas

- Public-Private Sectors
- Strong Governance Systems
- People – Developing Talents
- Tools and Technology
World Bank Programs in A&A
WB Programs in A&A - Overview

» Over 100 *country-level* TA projects in the last 10 years

» Regional initiatives
Our Mission:

“To build strong institutional frameworks and develop capacity in financial reporting in support of private and financial sector development, sustainable growth and shared prosperity.”
CFRR Programs

- One-stop shop for financial reporting reforms
- Focus on ECA: EU REPARIS, STAREP, national projects
- By now:
  - 30 countries,
  - 60 regional workshops,
  - 6,000 participants

Country-specific projects in Central Asia

Work with Turkish POA
Support to PAFA
Support to OHADA
Regional and country specific assistance
ROSC A&A Diagnostics
Public Financial Management interventions
South Asia:

» FRED: Financial Reporting for Economic Development
» A&A ROSCs completed: Bangladesh, Sri Lanka

East Asia & Pacific:

» Engagement with ASEAN Federation of Accountants
» A&A ROSCs in progress for: Papua New Guinea, Vietnam
Flagship initiative to support economic growth and development in LAC through improvement of financial reporting and accountability in the public and private sectors

Under the collaborative leadership of the 4 Global Partners – World Bank Group, Inter-American Development Bank, IFAC, and Global Public Policy Committee
Connecting Voices of MENA

» Financial Management for the People of the Middle East & North Africa:

THE EXCHANGE
Annual forum

BOOT CAMP
Technical Topical Workshops

SOLUTIONS LAB
Digital Workshops (GDLN)

MAAREFAH
Community of Practice
Ministerial Conference 2016
27 April
Hofburg Palace - Vienna

"Gearing up for Growth: Using Financial Information for Sound Business Decisions"
Thank you!

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