



Key Changes as a Result of Stakeholder Consultation

1. Below is an overview of key changes as a result of stakeholder consultation.

Introduction

2. Additional emphasis added to highlight:
 - (a) the impact of the profession which includes decision makers that advise and lead organizations; and
 - (b) the Plan is designed to respond the needs of all professional accountants, including those in public practice, especially small and medium practitioners, small and large businesses, and the public sector – in an integrated way across the entire organizational reporting landscape.

IFAC's Vision for the global Accountancy Profession

3. IFAC's Vision
 - (a) Edited language to reflect that IFAC's Strategic Objectives and Actions reflect and respond to the needs of all professional accountants and their accountancy organizations in an integrated and ***comprehensive*** way.
4. IFAC's Strategic Objectives
 - (a) Additional emphasis added in the introductory text to highlight that human interface as the core value of the profession, which defines and reflects the public interest with an emphasis on human connections and puts a face to the influential voice which IFAC embraces.

Economic and Societal Benefits

5. As noted in the cover memo, there was no clear consensus on the presentation of SDGs, though a number of respondents thought there were SDGs where IFAC can make a more direct linkage to our work. Management has highlighted, both in the introductory text and visually, that IFAC's strategy directly contributes to SDGs 4, 5, 8, 10, 13, 16 and 17.
6. Key Outcomes
 - (a) Ethics was added to the list of traits for professional accountants as the achievement of SDGs will be a matter of ethical choices as it would be of information, investment, and regulation.

Scanning the Horizon, Embracing the Future

7. Introduction
 - (a) Added emphasis on the urgent need to constantly anticipate change to acknowledge the urgency of anticipating changes, recognizing the possible disruption, and thinking "out of the box" about how the role of the profession might evolve and change to meet future needs of society.
8. Trend: Friction in the Global Economy
 - (a) Added language to:
 - (i) clarify the types of momentous decisions being made (i.e., trade and public policy); and



- (ii) acknowledge that large scale stimulus and rescue spending by governments will have a long-lasting impact on public finances and taxation

(b) *Opportunities:*

- (i) Edited language to reflect that the profession can meet growing challenges and expectations by further demonstrating its ability to master cross-border technical, language, and cultural issues to work for greater global consistency.

9. Trend: Importance of Trust

In response to several comments received, the implications and opportunities for this trend has been significantly modified to enhance its prominence.

(a) *Implications:*

Current Plan	June 2020 Draft
<p>The loss of trust has raised issues around conflicts of interest, suitability of business models, and the attractiveness of the profession.</p> <p>The public and regulatory reaction to high-profile corporate failures in many jurisdictions has made clear that the stakes for public trust in the profession are extremely high, and the margin for error is shrinking, as a global recession looms.</p> <p>Many aspects of public and private sector transparency, integrity, and prosperity depend on the profession's contributions.</p>	<p>The loss of trust has raised issues around conflicts of interest, suitability of business models, and the attractiveness of the profession.</p>

(d) *Opportunities:*

Current Plan	June 2020 Draft
<p>By focusing on the importance of ethical behavior and conduct, governance, and value creation the profession can raise awareness of its critical role, improve its reputation, and establish a fundamental position for itself alongside of other players in the business ecosystem.</p> <p>Professional accountants who materially and vocally stand up for the public interest can make exceptionally large contributions to public trust in an environment of great economic uncertainty. The urgent demand for public trust will reward those who serve the public interest.</p> <p>Public trust is a pivotal issue for all actors in the public and private sector, from political leaders to corporate board members. The profession can advance its standing as a leader in entire ecosystems of governance by building trust in a system that is under stress, and in which most other actors are struggling greatly to build or maintain trust.</p>	<p>With a focus on the importance of ethical behavior and conduct, governance, and value creation the profession can raise awareness of its critical role, improve its reputation, and put itself at an advantage among other players in the business ecosystem.</p>



10. Trend: Increased Focus on Sustainability

(a) *Implications:*

- (i) Added language to include **forecasted estimates** as part of holistic reporting
- (ii) Added additional implication to reflect that action on climate change will be an even more dominant priority for governments and organizations as the pandemic recedes.

(b) *Opportunities:*

- (i) Added language to note that professional accountants can deliver value in **both decision making and** reporting by providing a holistic, timely view of organizational performance and sustainability.

11. Trend: Future of Work and Education

(a) *Opportunities:*

- (i) Added language to clarify that the profession can offer a digital work environment for **both the current professional accountants and** next generation talent.

12. Trend: Ubiquitous Technology

(a) *Opportunities:*

- (i) Added opportunity to note that the profession can deliver greater value through real-time reporting of performance data by companies, including both traditional financial and non-financial data.

13. Trend: Increased Focus on Audit and Assurance (Previously *Future of Audit and Assurance*)

In response to several comments received, the title of this trend has been amended to an **increased focus on** as opposed to the *future of*, audit and assurance. Furthermore, the language of this trend has been edited to highlight greater scrutiny and regulatory oversight of the profession's role in audit quality and auditor performance is increasing. Calls for the expansion in the scope of audit and more informative assurance products are also noted.

(a) *Opportunities:*

- (i) Added reference to internal audit to reflect that the accounting profession is not the sole source of assurance, including closer working relationships with other providers of assurance, especially internal audit as it is independent from management and management decisions, which is essential for organizational cohesion and success.
- (ii) Added opportunity to highlight the need for proportionate audit standards for less complex entities must also be addressed by standard setters.

IFAC's Global Stakeholders

14. Introduction

- (a) In response to several comments received, language has been added to reflect IFAC's aim to be a driver of collaborative thinking needed to shape the multi-dimensional solutions necessary to achieve our goals. Our relationships with these key stakeholders are core to our collective success.



15. Our Core Partners (Previously Our Funders)

- (a) In responses to several comments received, language has been amended to reflect that Members, Associates, Affiliates, and Forum of Firms are IFAC's core partners and an asterisk has been added to acknowledge these organization's financial contribution to support the work of IFAC.

The Risks IFAC Monitors and Mitigates

16. Introduction

- (a) In response to a comment received, language has been amended to indicate that each identified risk is mapped to IFAC's Strategic Actions and management monitor the extent to which those actions mitigate the identified risks over time.

Structures, Resources, and Process to Support Strategy Implementation and IFAC's Funding

17. In response to several comments received to enhance the linkage between these two sections, management have visually rearranged these sections to be presented on the same page.

Defining Success & Performance Measurement

18. This section has been drafted to align with the initial discussions between management and the PFC with respect to the proposed 2021 Key Performance Indicators as presented in Agenda Item 6.1 for the Board's consideration and approval.
19. Similar with the above, In response to several comments received to enhance the linkage between these two sections, management have visually rearranged these sections to be presented on the same page. Additionally, further linkage has been added by including a section on IFAC's integrated annual review as noted below.

"[IFAC's integrated annual reviews](#) should be viewed as companion pieces for IFAC's Strategic Plan, as they measure and report on our performance against the Objectives presented within this Strategic Plan. IFAC's integrated annual reviews detail our Key Performance Indicators as well as select achievements. Along with our Strategic Plan, annual reviews help us remain accountable to our member organizations, the Forum of Firms and other key stakeholders."

20. For Successes Related to IFAC's Strategic Objective in:

- (a) Contributing to and promoting the development, adoption, and implementation of high- quality international standards: Added language to clarify that improvements for standard-setting boards includes **agreed Monitoring Group recommendations**.
- (b) Leading and developing a future-ready profession: Added language to include **enhancing the attractiveness of the profession** in addition to the development of professional accountants to meet the needs of organization and society