



PAFA

PAN AFRICAN FEDERATION
OF ACCOUNTANTS

Building A Bridge To A Brighter Africa

Technical and Standard Setters Forum

Charter

Contents

1.	THE PURPOSE OF THE CHARTER	3
2.	PAFA CONTEXT	3
2.1	PAFA's Vision	3
2.2	PAFA's Mission.....	3
2.3	PAFA's strategic themes.....	3
3.	PURPOSE AND OBJECTIVES.....	3
4.	ROLE OF THE FORUM.....	4
5.	THE ROLE OF THE SECRETARIAT.....	4
6.	OVERARCHING PRINCIPLES.....	4
7.	A SHARED COMMITMENT.....	5
8.	THE FORUM'S WORK PROGRAMME.....	6
9.	MEMBERSHIP	7
10.	MEETINGS AND COMMUNICATION.....	7
11.	VOTING.....	7
12.	COOPERATION AMONG STAFF	8
13.	STRUCTURE OF THE FORUM	8
14.	ETHICS	9
15.	CONFLICTS OF INTERESTS	9

1. THE PURPOSE OF THE CHARTER

The purpose of this document is to set out the objectives and the operating procedures of the PAFA Technical and Standard-setters Forum (Forum).

2. PAFA CONTEXT

2.1 PAFA's Vision

Globally recognised as the influential voice of the accountancy profession from Africa.

2.2 PAFA's Mission

To work in the public interest by leading and developing the accountancy profession in Africa and delivering value to its members.

The Forum operates to support the vision, mission and overall objectives of PAFA, as amended from time to time.

2.3 PAFA's strategic themes

PAFA will:

Lead and facilitate the development of a strong, sustainable accountancy profession in Africa that will contribute to the professional, economic and social development of the continent.

Enhance the reputation of the accountancy profession in Africa by facilitating the formal adoption and implementation of international standards and best practice, in both the private and public sector, within a strong regulatory and legislative framework.

Raise the presence and profile of the accountancy profession from Africa through effective advocacy, communication and influence.

Leverage partnerships, communication and technology tools to prioritise service excellence to its members and achieve the objectives of the Federation through a strong, well-resourced and trained secretariat.

3. PURPOSE AND OBJECTIVES

3.1 The purpose of this Charter is to establish some key principles of co-operation between the Forum and members of the Forum.

3.2 This Charter reflects the partnership between PAFA members and other bodies with interest in Africa standard setting who all operate in the public interest. It draws from the commonality of their constituents, goals and activities whilst also building on their complementary differences and competencies.

3.3 This Charter describes the spirit and the manner by which the development of global standard-setting activities is most likely to meet the shared goals of the Forum and its members and to maximise the satisfaction of the needs and requirements of each of the parties involved from their respective perspectives.

3.4 This Charter describes a shared understanding of the commitments and expectations of the Forum and its members. As such it is a statement of co-operation that relies on the good faith and best endeavours of the parties rather than abiding contractual arrangement. The principles set out here focus on the practical aspects of the Forum and its members working co-operatively. They describe the actions and procedural matters that deserve the most care.

3.5 This Charter will be reviewed as experience or circumstances require.

3.6 This Charter and any updates made thereto shall be approved by PAFA Board.

4. ROLE OF THE FORUM

4.1 To enhance the efficiency and effectiveness of African influence on international standard-setting.

4.2 To encourage the adoption of international standards.

4.3 To facilitate capacity building in the development of standards and the implementation of the international standards.

4.4 To facilitate learning and development across African states.

5. THE ROLE OF THE SECRETARIAT

5.1 The secretariat function of the Forum shall be provided by PAFA.

5.2 The secretariat shall be responsible for:

5.2.1 Scheduling meetings of the Forum including sub-committee meetings.

5.2.2 Preparing the agenda and ensure timely circulation of the agenda and supporting agenda papers in order to ensure that members of the Forum have the opportunity to be fully prepared and capable of actively and constructively participate in all the Forum discussions and work.

5.2.3 To provide the necessary resources to support the work of the Forum.

6. OVERARCHING PRINCIPLES

6.1 The Forum and its members are committed to working:

- 6.1.1 in close cooperation, while respecting independence;
- 6.1.2 transparently and openly, including the sharing of non-confidential information and, where deemed necessary, of resources;
- 6.1.3 with mutual trust and respect; and
- 6.1.4 with a sense of duty, responsibility and accountability for achieving the shared goal in the public interest.
- 6.1.5 The Forum and its members have their respective due processes. Co-operation entails working together as much as possible in search of increased transparency, better mutual understanding and reduced costs for constituents whilst respecting each other's independent decision-making and specific responsibilities.

7. A SHARED COMMITMENT

- 7.1 The Forum commits to:
 - 7.1.1 actively engage with PAFA member countries standard-setters and regulatory bodies and ensure that their views and feedback are faithfully and fully presented to the International standard-setting bodies;
 - 7.1.2 provide the necessary liaison, communication and support between the Forum and its members.
 - 7.1.3 respect the independence of PAFA members, recognising that they operate under their own specific jurisdictional mandates; and
 - 7.1.4 pro-actively identify opportunities and assist PAFA to drive initiatives for capacity building in Africa.
- 7.2 The members of the Forum commit to:
 - 7.2.1 support and contribute to the Forum's role in the development of high quality, understandable, enforceable and globally accepted financial reporting in public and private sector, auditing and assurance, sustainability, education, integrated reporting and ethical standards both in public and private sector;
 - 7.2.2 encourage input from constituents within their jurisdiction/regions, either to themselves or to the Forum directly, on the technical standard-setting activities of the Forum;
 - 7.2.3 exchange information on the progress in adoption and implementation of International Standards within jurisdictions in Africa, to sustain a credible updated database; and
 - 7.2.4 respect independence of the individual members of the Forum, by ensuring that their activities do not compromise or challenge the independence and integrity of the Forum.

The Forum also recognises its members in jurisdictions that have not chosen to adopt International Financial Reporting Standards (IFRSs) or other International Standards may still make substantial contributions to improve financial reporting internationally.

8. THE FORUM'S WORK PROGRAMME

Agenda Consultation

8.1 Every three years the Forum undertakes a review of its priorities in a public consultation on its work programme. Members of the Forum have an important role in assisting the Forum to identify areas where International Standards should be to be improved. Both the Forum and its members will need to discuss priorities with constituents, including through, but not limited to, co-ordinated formal due process. The first agenda consultation will commence in 2015.

Research Programme

8.2 The Forum will aim to maintain a research programme and will actively seek its members to work on the individual projects. In working together it is important that the Forum and its members have clear and shared project expectations. It is particularly helpful if the parties agree on:

- 8.2.1 the nature of the project, including its objectives;
- 8.2.2 the project scope;
- 8.2.3 the responsibilities and expectations of each party involved, including expectations about Forum's use of the project output;
- 8.2.4 the process (including timing, milestones and formulation);
- 8.2.5 whether the project will contain views or recommendations, or whether it will present only an analysis of the facts; and
- 8.2.6 the output, including deliverables and who will own and/or publish the output, and what will be done with the output.

8.3 It is acknowledged that other members of the Forum are free to choose to engage in research activities independently of the Forum, including research that may be intended to influence the Forum's agenda and that of the International Standard-setting bodies.

8.4 Some International Standard-setting bodies provide an opportunity for participants to share research they have initiated. This may assist those carrying out research by identifying views and approaches that can be developed further. The Forum also supports research initiated by its members and will promote, via its website, research papers they produce.

Standards Programme

8.5 The Forum will aim to provide input to the International standard-setting process through:

- 8.5.1 Identifying candidates for various International Standard-setting bodies
- 8.5.2 Comment letters;
- 8.5.3 Focus groups, discussion forums and round table meetings;
- 8.5.4 Working groups and expert panels;
- 8.5.5 Academic and other independent research and surveys
- 8.5.6 Fieldwork with stakeholders; or
- 8.5.7 Consistent application and implementation of International Standards in Africa.

9. MEMBERSHIP

9.1 The forum shall have the following membership categories:

9.1.1 Members shall be representatives appointed by PAFA members and associates.

9.1.2 Official standard-setters from any jurisdiction within the African continent.

Each PAFA member or associate or official standard-setter is entitled to appoint no more than two representatives to the Forum. In order to ensure continuity and effectiveness of the Forum, the representatives nominated shall be regarded as core members and will be expected to attend all meetings. Any changes to representatives should be formally communicated to the PAFA secretariat and new representatives nominated. There is no limit on the number of delegates the PAFA members can appoint to attend Forum meetings in addition to core members.

The chairperson of the Forum shall be appointed by the Forum to serve a term of three years, renewable once, at discretion of the Forum. The deputy chairperson of the Forum may be appointed by the Forum to serve a term of three years, renewable once, at discretion of the Forum. At the discretion of the Forum, other bodies with interest in standard-setting may attend meetings of the Forum. To enhance the skills base of the Forum, the Forum may also co-opt individuals/bodies to the Forum.

10. MEETINGS AND COMMUNICATION

10.1 20% percent of the voting members of the Forum represents a quorum.

10.2 The Forum may also conduct business between meetings by electronic or non-electronic correspondence, for example, to draft comment letters, to confirm drafting changes of a proposed exposure draft or any other pronouncement, or for the Secretariat staff to poll initial views on a proposed topic in order for it to be developed appropriately for future discussion.

11. VOTING

11.1 A consensus is deemed to have been achieved when a majority of members of the Forum exercise their votes at the meeting have voted in favour of a proposal.

11.2 Each core member of the Forum including the Chairperson and Deputy Chairperson of the Forum, is entitled to one vote.

10.3 Non-core members do not have voting rights.

12. COOPERATION AMONG STAFF

12.1 Formal and informal contact at the staff level throughout all aspects of the development and implementation of International Standards is very helpful to the Forum.

12.2 Regular contact between the Forum and its members, both on a bilateral and multilateral basis can help increase understanding and awareness and provide all participants with the opportunity to contribute to debates and the development of Standards. For example, having accounting standard-setters from a range of regions participate on calls with the Forum, such as part of a post-implementation review or discussion of a potential divergence in practice, can increase awareness of jurisdictional differences or differences in thinking.

12.3 The Forum welcomes offers of staff assistance from its members. To be effective, from both the Forum's perspective and that of the participating member, this involvement needs to be undertaken with a clear understanding of the staff member's role and responsibilities.

13. STRUCTURE OF THE FORUM

To facilitate efficient working of the Forum and due to the distinct nature of the International standards, the Forum would establish Technical Committees that would have focus on various disciplines including:

Financial Reporting for Public Interest Companies and SME Financial reporting standards

13.1.2 Public sector Accounting standards

13.1.3 Integrated Reporting;

13.1.4 Education;

13.1.5 Auditing and assurance;

13.1.6 Sustainability reporting; and

13.1.7 Ethics.

A representative from the Forum will be appointed as the Chairman of each sub-committee.

Sub-committees

From time-to-time, it may be necessary to establish a sub-committee on a project. These may include, but are not restricted to, investigating the practicality of specific reporting matters, setting of, and providing guidance, to members on specific reporting topics.

A representative from the Forum will be appointed as the Chairman of the sub-committee.

At least 1 other member from the Forum should serve on the sub-committee based on an area of expertise and the objectives of the sub-committee.

14. ETHICS

14.1 The members of the Forum behaviour should reflect the following principles:

14.1.1 Affirmation and acknowledgement of all stakeholder contributions.

14.1.2 Integrity in maintaining confidences and being trustworthy with information.

14.1.4 Fairness in the treatment of stakeholders, such as respecting viewpoints and in the allocation of tasks.

14.1.5 Efficiency in the use of resources.

15. CONFLICTS OF INTERESTS

In the case where a member of the Forum becomes aware of any conflict of interest or any perceived conflict of interest, such a member is required to declare that interest. If any member is uncertain on whether or not they have a conflict of interest they should declare such uncertainty and the Forum members present at the meeting can vote on whether they believe there to be a conflict of interest. The declaration will be considered by the Forum and will also be recorded in the minutes of the relevant meeting at which the declaration was made. The meeting should be quorate, with the member concerned not being counted. The member concerned may not vote on any decisions made regarding the declaration.