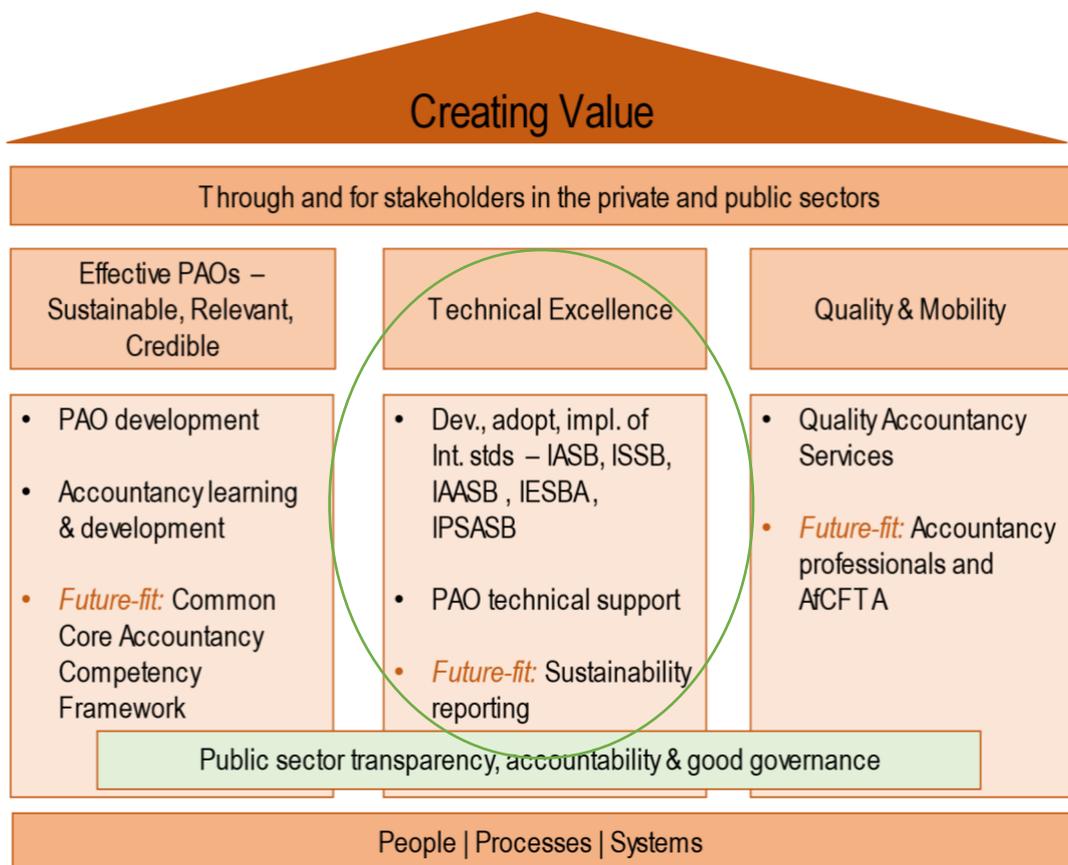




Supplement to the Plan for 2022
Technical Excellence Activity – 2022 and Beyond (Updated)¹
Reset. Reignite. Refocus.



¹ This plan was approved by the PAFA Board in 2021 and updated in the first quarter of 2022 to consider the outcomes of the PAFA 10-Year Review.

This workplan demonstrates how PAFA will aim in 2022 and beyond to achieve the strategic objectives and implement the strategic actions through the established mechanisms set out below.

Strategic Objectives	Strategic Actions	Mechanisms
Promoting the development, adoption and implementation of international standards	Contribute to the development of the international standards – IASB, ISSB, IAASB, IESBA, IPSASB ² : <ul style="list-style-type: none"> • Advocate for international SSB membership from Africa and engage with / support such members. • Participate in international consultations on topics relevant to Africa. 	<ul style="list-style-type: none"> • (Multi-stakeholder) Forum to Advance Technical Excellence in Africa • Corporate Value Reporting Technical Advisory Group • Ethics, Audit & Assurance Technical Advisory Group • Public Value Management Technical Advisory Group³ • Africa Integrated Reporting Council • Liaison relations with staff of the IASB, ISSB, IAASB, IESBA, IPSASB⁴ and IFAC, as well as the Africa Forum of Independent Audit Regulators
	Facilitate the adoption and implementation of the international standards – IASB, ISSB, IAASB, IESBA, IPSASB ⁵ : <ul style="list-style-type: none"> • Create awareness of new and revised standards. • Provide technical support to PAOs, including co-branded technical updates and deep dives on topics relevant to Africa. 	
	Advance the adoption and implementation of accrual-based International Public Sector Accounting Standards (IPSAS) in Africa: ⁶ <ul style="list-style-type: none"> • Influence the development of accrual-based IPSAS. • Promote and support the adoption of the reform by governments. 	
	Advance sustainability and integrated reporting in Africa: <ul style="list-style-type: none"> • Promote and support the adoption of the reform by regulators. • Promote and support accountancy learning and development that include integrated thinking, sustainability reporting and integrated reporting. 	

² Refer to the Public Value Management Activity Plan.

³ Refer to the Public Value Management Activity Plan.

⁴ Refer to the Public Value Management Activity Plan.

⁵ Refer to the Public Value Management Activity Plan.

⁶ Refer to the Public Value Management Activity Plan.

<p><i>Background</i></p>	<p>The accountancy profession is anchored on international standards which serve as best practice on:</p> <ul style="list-style-type: none"> • how to report on the activities of a business, from both a financial and non-financial perspective, in a manner that is relevant, transparent and comparable; • how to provide assurance over this information; and • how accountancy professionals should conduct themselves as guardians of this information. <p>To achieve the above and—ultimately—protect the public interest, widespread adoption of these standards is necessary to ensure that all accountancy professionals are acting in a consistent manner. It is therefore incumbent upon accountancy professionals to not only comply with the various standards but to also play an active role in developing these standards. PAFA represents the voice of the accountancy profession in Africa in international standard setting and achieves this with the support of Technical Advisory Groups and the Forum to Advance Technical Excellence in Africa.</p>
<p><i>Impact we sought to achieve</i></p>	<ul style="list-style-type: none"> • Improved reporting and transparency in the public and private sectors to enhance the efficient allocation of resources and the growth prospects for countries • Improved reporting and transparency in the public and private sectors that contribute to increased FDI • Enhanced trust in information used by investors and the capital markets (and public accounts committees and development partners in the public sector) • Enhanced reporting and assurance on public and private sector value creation across the continent
<p><i>Outcomes we sought to achieve</i></p>	<ul style="list-style-type: none"> • Increased participation of the accountancy profession in Africa in international standard setting. • International standards that are developed with Africa in mind, thereby enhancing their adoption and implementation. • Adoption and implementation of the international standards across the continent. • Consistent application of the international standards across the continent. • PAOs that can support the technical needs of their members across all sectors. • Accountancy professionals who: <ul style="list-style-type: none"> ○ Through their involvement in the development of the international standards, is committed to the standards, advocate for their adoption, and support their implementation ○ Understand and appropriately apply the international standards in their day-to-day functions, thereby contributing to quality information ○ Contribute to transparency, accountability and good governance in the public and private sectors
<p><i>Planned outputs</i></p>	<ul style="list-style-type: none"> • Coordinated efforts to raise awareness of developments in international standards • Coordinated efforts to solicit input into international standard setters' consultations • Submissions of responses to international standard setters' consultations that are representative of the wider PAFA membership / Africa • Advocacy and support for the adoption and implementation of the international standards most relevant to the accountancy profession in Africa

SWOT	<p><i>Strengths</i>⁷</p> <ul style="list-style-type: none"> • Brand recognition • Reach across Africa • Strong relationship with standard-setting board members and key stakeholders • Affiliates with global reach and quality resources interested in supporting PAFA • Ability to convene and influence 	<p><i>Weaknesses</i>⁸</p> <ul style="list-style-type: none"> • Limited financial and human resources • Slow to market
	<p><i>Opportunities</i>⁹</p> <ul style="list-style-type: none"> • Strengthening transparency, accountability, and good governance • Enhancing relevance of PAOs to key stakeholders, i.e., businesses, governments, etc. • Enhancing the relevance of accountancy professionals in the market 	<p><i>Threats</i>¹⁰</p> <ul style="list-style-type: none"> • PAOs have limited financial and human resources to participate in international standard-setting processes • Disengaged PAOs
Potential risks	<ul style="list-style-type: none"> • Resistance or lack of PAO interest / resources / know-how to participate in international-standard setting processes • Lack of Africa representation on international standard-setting boards / international standard-setting boards not “hearing” the voice of Africa • Resistance to the adoption of the international standards • Adopted international standards are not being implemented / low quality implementation of the international standards • Insufficient awareness of work of PAFA and therefore low participation in planned initiatives • Lack of international standard-setting board / IFAC interest to partner with PAFA 	
Partners	<ul style="list-style-type: none"> • International standard-setting boards and their subgroups, i.e.: <ul style="list-style-type: none"> ○ International Accounting Standards Board (IASB) ○ International Sustainability Standards Board (ISSB) ○ International Audit and Assurance Standards Board (IAASB) ○ International Ethics Board for Accountants (IESBA) ○ International Public Sector Standards Board (IPSASB)¹¹ • PAFA Members, Associates, and Affiliates • Firms • Regulators 	
PAFA groups	<ul style="list-style-type: none"> • Corporate Value Reporting Technical Advisory Group (see Appendix A) • Ethics, Audit and Assurance Technical Advisory Group (see Appendix B) 	

⁷ Factors that contribute to the continued success of PAFA and assist in achieving its mission.

⁸ Factors that hamper PAFA's success and growth and prevent it from achieving its mission and full potential.

⁹ The environment within which PAFA operates offers opportunities. Which opportunities could PAFA harness to benefit its stakeholders?

¹⁰ Factors that exist in the external environment that are not within PAFA's control and pose risks to its stability and sustainability.

¹¹ Refer to the Public Value Management Activity Plan.

- Public Value Management Technical Advisory Group¹²
- Forum for the Advancement of Technical Excellence in Africa (see **Appendix C**)

PAFA'S PLANNED ACTIVITIES FOR 2022

<i>Institution building</i>	Establish Technical Advisory Groups and a Forum comprising international, regional, and national experts to contribute to the development of an effective technical knowledge centre that can be harnessed to contribute to the agendas and processes of the international standard-setting boards
<i>Raising awareness</i>	<ul style="list-style-type: none"> • Host international standard-setting board chairpersons, members, and staff at PAFA Technical Events¹³ to provide updates on developments • Harness the <i>PAFA Webinar Series: International Consultations</i>¹⁴ to inform PAOs and their members and other key stakeholders of new pronouncements most relevant to the accountancy profession in Africa and to seek their input
<i>Developing / sharing knowledge</i>	<ul style="list-style-type: none"> • Host events¹⁵ to inform PAOs and their members and other key stakeholders of new pronouncements most relevant to the accountancy profession in Africa • Issue the PAFA Technical Bulletin every second month to update members on developments in international standard setting • Harness the new PAFA website to help PAOs and their members to navigate developments in international standard setting • Respond to consultations deemed most relevant and impactful to Africa

¹² Refer to the Public Value Management Activity Plan.

¹³ PAFA Member Organisations can co-brand these events with PAFA.

¹⁴ PAFA Member Organisations can co-brand these events with PAFA.

¹⁵ PAFA Member Organisations can co-brand these events with PAFA.

Appendix A

CORPORATE VALUE REPORTING TECHNICAL ADVISORY GROUP

TERMS OF REFERENCE AND OPERATING PROCEDURES

In 2021, the Secretariat developed a new approach to advancing technical excellence in Africa. This new approach includes the following mechanisms through which to implement PAFA's strategy as it relates to the development, adoption and implementation of international standards and best practices:

- **Corporate Value Reporting Technical Advisory Group**
- Ethics, Audit and Assurance Technical Advisory Group
- Public Value Management Technical Advisory Group
- Forum to Advance Technical Excellence in Africa (replacing the Technical Standard Setters Forum)

The Technical Advisory Groups, which are small groups made up of technical experts, are informed by and inform the Forum to Advance Technical Excellence in Africa, which is a larger group of PAFA stakeholders interested international standards and best practices.

As the CEO is accountable to the Board for the implementation of the strategy, the functionality of these mechanisms is overseen by the CEO.

Purpose

1. The purpose of the Corporate Value Reporting Technical Advisory Group (CVR_TAG) is to support the Secretariat to implement PAFA's strategy as it relates to the development, adoption and implementation of international standards and best practices.

Responsibilities

2. The CVR_TAG is responsible for supporting the Secretariat—in the context of corporate value reporting and with primary focus on IFRS, IFRS for SMEs, and International Sustainability Reporting Standards—by:
 - 2.1. Drawing on input from the Forum to Advance Technical Excellence in Africa to:
 - a) Advise on the development of PAFA's strategy as it relates to the development, adoption and implementation of international standards and best practices.
 - b) Advise on and support the Secretariat's technical excellence activities to implement the strategy.
 - 2.2. Contributing to activities to create awareness, influence the development, or support the adoption and implementation of relevant pronouncements, including events and tools such as Frequently Asked Questions.
 - 2.3. Contributing to activities aimed at strengthening Africa's voices in relevant regional and international structures (including the IFRS Foundation structures and similar global bodies, e.g., the International Forum of Accounting Standard-Setters and the Emerging Economies Group of the International Accounting Standards Board) by:
 - a) Identifying ideal candidates to represent Africa in these structures.
 - b) Informing participation in these structures.
 - c) Contributing to consultations issued by these structures.

2.4. Advising on thought leadership and research opportunities.

Composition and Membership

3. The CVR_TAG is comprised of not less than 5 members. Members have relevant expertise and experience and are well suited to fulfil the responsibilities set out above. Members are diverse and geographically balanced.
4. The Secretariat issues a call for nominations for membership on 1 July every year¹⁶. Such membership commences on 1 January in the following year.
5. Until such time as PAFA has established a Nominating Committee, the Technical Director and chairperson and deputy chairperson of the Forum to Advance Technical Excellence in Africa (Nominations Panel) consider the nominations and identify a chairperson and members for recommendation to the Board.

Term of Office

6. The members serve for three years, renewable once¹⁷. The chairperson serves for three years, renewable once (irrespective of his/her service as member).
7. The Nominations Panel reviews the participation and contribution of individual members (with reference to their annual performance evaluations—see paragraph 9) along with the overall membership size and composition as a basis for membership renewal. Vacancies arise when a member's term comes to an end, the member resigns or—based on the Nomination Panel's assessment—is no longer able to commit, participate, or contribute at the expected level. Members who wish to resign does so in writing to the Technical Director.
8. Members promptly advise the Technical Director if their role and affiliation change.

Performance Evaluation

9. The CVR_TAG evaluates its performance annually in the spirit of continuous improvement. In addition, the chairperson evaluates the performance of the members, and the members evaluate the performance of the chairperson on an annual basis.

Periodic Review of the Terms of Reference

10. These terms of reference will be reviewed in 2024 and thereafter every three years.

Transitional Arrangements

11. To establish the CVR_TAG, the Secretariat will issue a call for nominations for 2022 membership on 15 January 2022. The members will be selected and the CVR_TAG established by 1 April 2022.
12. The first term of the members selected in 2022 will end on 31 December 2024. Their second term will be three years and staggered to ensure a one-third rotation every year. That is, one-third of the members will rotate off in 2025, 2026 and 2027. The Secretariat will issue a call for nominations for 2026 membership on 1 July 2025.
13. Any vacancies arising between 1 April 2022 and 1 July 2025 will be filled by the Secretariat reaching out to the PAFA Member Organisations. Nominations so received will be reviewed by the Nomination Panel and a recommendation made to the Board for approval. After 1 July 2025, such vacancies will be filled through the normal nominations process.

¹⁶ See Transitional Arrangements.

¹⁷ See Transitional Arrangements.

APPENDIX—OPERATING PROCEDURES

Meeting Procedures

1. The number and format of (in-person or virtual) meetings are commensurate with the CVR_TAG fulfilling its responsibilities. At a minimum, the CVR_TAG meets once per year. Each meeting requires the presence of at least two-thirds of the members, either in person or virtual.
2. The CVR_TAG chairperson convenes the meeting. In his/her absence, the members present elect another member to convene the meeting.
3. All members are expected to prepare for and participate in the deliberations at the meeting. Decisions will be made by consensus.
4. The Secretariat develops and distributes the agenda and material for each meeting at least two weeks in advance of the meeting. The Secretariat prepares brief notes indicating the names of those present and summarising key points or decisions made at the meeting.
5. The CVR_TAG also engages between meetings as necessary to fulfil its responsibilities.

External communication

6. As ambassadors of PAFA, the members use their networks and communication channels to promote the technical excellence activities of PAFA.
7. The members provide the Secretariat with a short biography and photo to post on the website to communicate the credibility and accountability of the CVR_TAG to stakeholders.

Accountability

8. The CEO reports progress regarding implementation of PAFA's strategy to the Board on a quarterly basis.

Appendix B

ETHICS, AUDIT & ASSURANCE TECHNICAL ADVISORY GROUP

TERMS OF REFERENCE AND OPERATING PROCEDURES

In 2021, the Secretariat developed a new approach to advancing technical excellence in Africa. This new approach includes the following mechanisms through which to implement PAFA's strategy as it relates to the development, adoption and implementation of international standards and best practices:

- Corporate Value Reporting Technical Advisory Group
- **Ethics, Audit & Assurance Technical Advisory Group**
- Public Value Management Technical Advisory Group
- Forum to Advance Technical Excellence in Africa (replacing the Technical Standard Setters Forum)

The Technical Advisory Groups, which are small groups made up of technical experts, are informed by and inform the Forum to Advance Technical Excellence in Africa, which is a larger group of PAFA stakeholders interested international standards and best practices.

As the CEO is accountable to the Board for the implementation of the strategy, the functionality of these mechanisms is overseen by the CEO.

Purpose

1. The purpose of the Ethics, Audit & Assurance Technical Advisory Group (EAA_TAG) is to support the Secretariat to implement PAFA's strategy as it relates to the development, adoption and implementation of international standards and best practices.

Responsibilities

2. The EAA_TAG is responsible for supporting the Secretariat—in the context of ethics, audit, and assurance with primary focus on the pronouncements of the International Ethics Standards Board for Accountants and International Auditing and Assurance Standards Board—by:
 - 2.1. Drawing on input from the Forum to Advance Technical Excellence in Africa to:
 - a) Advise on the development of PAFA's strategy as it relates to the development, adoption and implementation of international standards and best practices.
 - b) Advise on and support the Secretariat's technical excellence activities to implement the strategy.
 - 2.2. Contributing to activities to create awareness, influence the development, or support the adoption and implementation of relevant pronouncements, including events and tools such as Frequently Asked Questions.
 - 2.3. Contributing to activities aimed at strengthening Africa's voices in relevant regional and international structures by:
 - a) Identifying ideal candidates to represent Africa in these structures.
 - b) Informing participation in these structures.
 - c) Contributing to consultations issued by these structures.

2.4. Advising on thought leadership and research opportunities.

Composition and Membership

3. The EAA_TAG is comprised of not less than 5 members. Members have relevant expertise and experience and are well suited to fulfil the responsibilities set out above. Members are diverse and geographically balanced.
4. The Secretariat issues a call for nominations for membership on 1 July every year¹⁸. Such membership commences on 1 January in the following year.
5. Until such time as PAFA has established a Nominating Committee, the Technical Director and chairperson and deputy chairperson of the Forum to Advance Technical Excellence in Africa (Nominations Panel) consider the nominations and identify a chairperson and members for recommendation to the Board.

Term of Office

6. The members serve for three years, renewable once¹⁹. The chairperson serves for three years, renewable once (irrespective of his/her service as member).
7. The Nominations Panel reviews the participation and contribution of individual members (with reference to their annual performance evaluations—see paragraph 9) along with the overall membership size and composition as a basis for membership renewal. Vacancies arise when a member's term comes to an end, the member resigns or—based on the Nomination Panel's assessment—is no longer able to commit, participate, or contribute at the expected level. Members who wish to resign does so in writing to the Technical Director.
8. Members promptly advise the Technical Director if their role and affiliation change.

Performance Evaluation

9. The EAA_TAG evaluates its performance annually in the spirit of continuous improvement. In addition, the chairperson evaluates the performance of the members, and the members evaluate the performance of the chairperson on an annual basis.

Periodic Review of the Terms of Reference

10. These terms of reference will be reviewed in 2024 and thereafter every three years.

Transitional Arrangements

11. To establish the EAA_TAG, the Secretariat will issue a call for nominations for 2022 membership on 15 January 2022. The members will be selected and the EAA_TAG established by 1 April 2022.
12. The first term of the members selected in 2022 will end on 31 December 2024. Their second term will be three years and staggered to ensure a one-third rotation every year. That is, one-third of the members will rotate off in 2025, 2026 and 2027. The Secretariat will issue a call for nominations for 2026 membership on 1 July 2025.
13. Any vacancies arising between 1 April 2022 and 1 July 2025 will be filled by the Secretariat reaching out to the PAFA Member Organisations. Nominations so received will be reviewed by the Nomination Panel and a recommendation made to the Board for approval. After 1 July 2025, such vacancies will be filled through the normal nominations process.

¹⁸ See Transitional Arrangements.

¹⁹ See Transitional Arrangements.

APPENDIX—OPERATING PROCEDURES

Meeting Procedures

9. The number and format of (in-person or virtual) meetings are commensurate with the EAA_TAG fulfilling its responsibilities. At a minimum, the EAA_TAG meets once per year. Each meeting requires the presence of at least two-thirds of the members, either in person or virtual.
10. The EAA_TAG chairperson convenes the meeting. In his/her absence, the members present elect another member to convene the meeting.
11. All members are expected to prepare for and participate in the deliberations at the meeting. Decisions will be made by consensus.
12. The Secretariat develops and distributes the agenda and material for each meeting at least two weeks in advance of the meeting. The Secretariat prepares brief notes indicating the names of those present and summarising key points or decisions made at the meeting.
13. The EAA_TAG also engages between meetings as necessary to fulfil its responsibilities.

External communication

14. As ambassadors of PAFA, the members use their networks and communication channels to promote the technical excellence activities of PAFA.
15. The members provide the Secretariat with a short biography and photo to post on the website to communicate the credibility and accountability of the EAA_TAG to stakeholders.

Accountability

16. The CEO reports progress regarding implementation of PAFA's strategy to the Board on a quarterly basis.

Appendix C

FORUM TO ADVANCE TECHNICAL EXCELLENCE IN AFRICA

TERMS OF REFERENCE AND OPERATING PROCEDURES

In 2021, the Secretariat developed a new approach to advancing technical excellence in Africa. This new approach includes the following mechanisms through which to implement PAFA's strategy as it relates to the development, adoption and implementation of international standards and best practices:

- Corporate Value Reporting Technical Advisory Group
- Ethics, Audit & Assurance Technical Advisory Group
- Public Value Management Technical Advisory Group
- **Forum to Advance Technical Excellence in Africa (replacing the Technical Standard Setters Forum)**

The Technical Advisory Groups, which are small groups made up of technical experts, are informed by and inform the Forum to Advance Technical Excellence in Africa, which is a larger group of PAFA stakeholders interested international standards and best practices.

As the CEO is accountable to the Board for the implementation of the strategy, the functionality of these mechanisms is overseen by the CEO.

Purpose

1. The Forum to Advance Technical Excellence in Africa provides a platform for engagement and the exchange of knowledge and experience among a wide range of stakeholders interested in the development, adoption, and implementation of international standards and best practices in Africa.

Commitment

2. Forum members are committed to:
 - 2.1. Engage with PAFA to advance the development, adoption, and implementation of the pronouncements of the following international standard-setting boards:
 - a) International Accounting Standards Board;
 - b) International Sustainability Standards Board;
 - c) International Ethics Standards Board for Accountants;
 - d) International Audit and Assurance Standards Board; and
 - e) International Public Sector Accounting Standards Board.
 - 2.2. Exchange knowledge and experience and facilitate capacity building in the adoption and implementation of the above pronouncements.
 - 2.3. Strengthen the participation and influence of the accountancy profession in Africa in international standard setting.

Membership

3. The Forum has the following membership categories:
 - 3.1. PAFA Members and Associates
 - 3.2. Official standard-setting bodies from any Africa jurisdiction

4. The Secretariat issues an annual call for PAFA Members and Associates and standard-setting bodies to join the Forum.²⁰
5. Each PAFA Member and Associate and standard-setting body appoints one representative and one alternate.
6. The Secretariat maintains a database of Forum members and their representatives and alternates. Forum members communicate any changes in representatives or alternates to the Technical Director without delay.
7. Until such time as PAFA has established a Nominating Committee, the chairperson and deputy chairperson of the Forum are selected by the Board based on a recommendation from the CEO and Technical Director.²¹

Term of Office

8. The member term of office unlimited. The chairperson term of office is three years.

Performance Evaluation

9. The Forum evaluates its performance annually in the spirit of continuous improvement.

Periodic Review of the Terms of Reference

10. These terms of reference will be reviewed in 2024 and thereafter every three years.

APPENDIX—OPERATING PROCEDURES

Meeting Procedures

1. The Forum meets in person or virtually once per year.
2. The Forum chairperson convenes the meeting. In his/her absence, the deputy chairperson convenes the meeting. If both the chairperson and deputy chairperson are absent, the members present elect another member to convene the meeting.
3. All members are expected to prepare for and participate in the deliberations at the meeting.
4. The Secretariat develops and distributes the agenda and material for each meeting at least two weeks in advance of the meeting.

Accountability

5. The CEO reports progress regarding implementation of PAFA's strategy to the Board on a quarterly basis.

²⁰ The first call will be issued on 15 January 2022.

²¹ The first chairperson and deputy chairperson of the Forum will be the current chairperson and deputy chairperson of the Technical Standard Setters Forum.