

# AFIAAR STRATEGY: 2024 - 2026

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**“Vision without action is a daydream. Action without vision is a nightmare.”**  
— Japanese Proverb



## **AFIAAR**

African Forum of Independent  
Accounting and Auditing Regulators

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## **Agenda Item 4: Presentation of AFIAAR Strategy 2024-2026**

Mr Viswajithsing Tuhobol – AFIAAR Chairman

Mr Admire Ndurunduru – AFIAAR CEO



# Strategy 2024-2026: Context



The Strategic Plan sets out the strategic direction that AFIAAR will pursue throughout the two-year period beginning July 2024 through June 2026.



The Strategic Plan has been developed in collaboration with AFIAAR Members who have contributed invaluable perspectives on prevailing global trends relevant to audit and accounting oversight.



The Strategic Plan sets forth a vision for the organisation's future with objectives that remain focused on proactively promoting sustainable improvements in audit quality by advancing the regulatory oversight capabilities of its members and by leveraging its scale to enhance its collective beneficial impact and influence on its various stakeholders, including the Multinational Audit Firm Networks and Associations and the international standards setting boards.



AFIAAR is a member-driven organisation. It will achieve its strategic objectives through the continued collaborative engagement of its members in working groups and task forces, supported by the Secretariat, and overseen by the Officers and AFIAAR Board, with the support of the Chief Executive Officer.

# Strategy 2024-2026: Context

- ✓ AFIAAR is evolving to better fulfil its mission, including a new pillar on sustainability reporting and assurance, an expanded governance structure, an extended membership, establishment of a secretariat, and new topics in the work plan.
- ✓ This poses new challenges and opportunities for AFIAAR and sets new conditions for the success of AFIAAR, including:
  - a) attracting sufficient and qualified staff resources in a tight market, for AFIAAR to be able to fulfil its mission.
  - b) ensuring sufficient and stable funding for AFIAAR's structure while preserving its independence.
  - c) ensuring a sound governance structure that is fit for purpose based on a continuous assessment of potential improvements to AFIAAR's governance.
  - d) engaging with a wide range of relevant stakeholders and ensuring proper internal processes to know and interact with these stakeholders.
- ✓ AFIAAR envisages to establish a stable secretariat platform of approximately:
  - 2 Full time staff, 1.5 Full-Time Equivalent (FTE) in financial reporting and sustainability reporting, 1.0 FTEs in auditing standards and ethics, and FTEs in Inspections and Enforcement (of which 50% could be secondments in kind).

# Strategy 2024-2026: Vision& Mission

## Vision

- To be a Pan-African forum of independent regulators of accountants and auditors, backed by national legislation to enforce high-quality standards and create a platform for continental integration of the activities of regulators to protect the investing public.

## Mission

- To provide security and stability for economic investment, build investor confidence and serve the public interest through the effective regulation of the accounting and audit professions on the continent, with the aim of promoting market integrity, transparency and ethical business practices that conform to evolving international norms, standards, and best practices.

## Value Proposition

- Providing a forum for them to collaborate, share knowledge and learn about accounting and auditing regulatory practices, experiences, challenges, and developments — helping to advance their oversight capabilities and effectiveness

# Strategy 2024-2026: The Core Strategies



Harmonising regulatory approaches.



Sustained collaboration, sharing expertise and experience between members.



Further foster effective engagement with relevant stakeholders in the financial and non-financial reporting ecosystem.



Contributing to policy making via regular dialogue with International Standards Setters.



Maintain outreach to members as a priority, and secondly, to prospective members

# Strategy 2024-2026: Strategic Objectives

The AFIAAR Strategy is divided into two main areas:

a) Strategic objectives and priorities related to AFIAAR's technical work

- ✓ Strategic objective 1: Build member capabilities.
- ✓ Strategic objective 2: Advocacy and Outreach
- ✓ Strategic Objective 3: Promote sustainable improvement in quality.
- ✓ Strategic objective 4: Influence the international standard setting process so that the resulting IFRS Accounting Standards, IFRS Sustainability Disclosure Standards, ISAs and Ethics Standards are fit for use in Africa.

b) Objectives and Priorities on Governance, Funding and Administration as conditions for AFIAAR's Work

# Strategy 2024-2026: Strategic Objective 1

## ***Strategic Focus Area 1: Build member capabilities***

### **Objectives**

- ✓ Establish platforms for data and knowledge management and information exchange
- ✓ Establish the status of regulatory legislation across the continent
- ✓ Establish centralised source to efficiently develop, accumulate, and disseminate tools and knowledge of good practices for implementation and operation of audit

### **Key Activities**

- ✓ Establish a Market Intelligence Working Group.
- ✓ Establish an audit oversight capability development initiative.
- ✓ Enter into memoranda of understanding.
- ✓ Gather comparative data on regulatory roles and powers among the members.
- ✓ Assist with building the capacity of recently established audit oversight boards in African countries.
- ✓ Assist with training, advice, and capacity development.
- ✓ Establish an interactive website.



# Strategy 2024-2026: Strategic Objective 2

## ***Strategic Focus Area 2: Advocacy and Outreach***

### **Objectives**

- ✓ Advocate independent oversight and a strengthened regulatory environment in African states.
- ✓ Raise awareness of the AFIAAR and independent accounting and audit regulation.
- ✓ Grow the membership

### **Key Activities**

- ✓ Develop a stakeholder engagement and communication plan.
- ✓ Develop an outreach plan.
- ✓ Develop a communications and media relations plan.
- ✓ Develop a user-friendly website.

# Strategy 2024-2026: Strategic Objective 3

## **Strategic Focus Area 3: Promote sustainable improvement in Audit Quality**

### **Objectives**

Improve audit quality.

- ✓ Guide members on using root cause analyses and remedial action processes to improve audit quality and drive compliance with standards.
- ✓ Collate inspections findings and feed this back into the international standard-setting process.
- ✓ Share best practices on enforcement by regulators through investigations and sanctions.
- ✓ Drive appropriate sanctions to change behaviour and improve quality.

### **Key Activities/ Output**

- ✓ *Establish an Inspections Working Group.*
- ✓ *Harmonise inspections and enforcement methodologies across member jurisdictions (regulatory approaches).*
- ✓ *Collaborate on remedial actions across the region.*
- ✓ *Harmonise training of inspectors.*
- ✓ *Conduct annual inspection workshops*

# Strategy 2024-2026: Strategic Objective 4

***Strategic Focus Area 4: Influence the international standard setting process so that the resulting IFRS Accounting Standards, IFRS Sustainability Disclosure Standards, IPSAS Standards, ISAs and Ethics Standards are fit for use in Africa***

## **Objectives**

- ✓ *Influence the international setting process so that the resulting IFRS Accounting Standards are fit for use in Africa.*
- ✓ *Influence the international setting process so that the resulting IFRS Sustainability Disclosure Standards are fit for use in Africa.*

## **Key Activities**

- ✓ Active Engagement with Standard Setting Bodies
- ✓ Establishment of a Platform for the Collaboration of National Standard Setters



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## **Agenda Item 5: Presentation of AFIAAR Strategy 2024-2026 – Governance & Administration**

Dr Rabi Olowo – AFIAAR Vice Chairman  
Mr Admire Ndurunduru – AFIAAR Chairman

# Strategy 2024-2026: Governance, Funding & Administration

## Ensure Proper Funding while remaining independent:

- a) Public-private partnership, member Organisations provides the public sector funding, which is the primary source of funding, and partner organisations provide the private sector funding.
- b) Actively seek to secure sufficient funding in order to preserve long-term funding stability and guarantee the feasibility of fulfilling the AFIAAR mandate as per Charter.
- c) Actively seek sufficient funding through seeking:
  - opportunities for AU grant funding.
  - new member organisations at national level (i.e., countries - national standard setters) amongst African countries to expand the geographical coverage of AFIAAR and be representative of Africa;
  - subsidies /grant funding from member bodies government (s) including donor funding.
  - developing the official supporters of AFIAAR funding model and possible funding through charities.
  - other funding activities.
- d) AFIAAR needs to remain independent from those that provide funding, and this is achieved through the diverse composition of its structures and a rigorous governance, ensuring that no single funding group dominates the decision-making process.
- e) AFIAAR proactively communicates the importance of obtaining adequate funding and resources, how entities can contribute, and the different forms of contribution and memberships and their related benefits. Such information will be publicly available on AFIAAR's website.

# Strategy 2024-2026: Governance, Funding & Administration

**Ensure AFIAAR is an attractive organisation to work for and has sufficient human resources.**

- AFIAAR should be competitive in the recruitment market in terms of remuneration and career development perspective.
- AFIAAR should offer an attractive and inclusive working environment and aim at ensuring an adequate number of human resources to achieve a reasonable workload and an appropriate work-life balance.
- AFIAAR should also develop a robust career development policy with the objective of providing opportunities for the AFIAAR Secretariat to progress in their careers.

# Strategy 2024-2026: Governance, Funding & Administration

**Ensure AFIAAR's governance and due process is fit for AFIAAR's mission.**

- a) AFIAAR aims to be a high-reputation organisation that is well-managed, cost-effective, transparent, independent and to be a key enabler of a sustainable and attractive place to work.
- b) The AFIAAR Governance Board ensures effective oversight over AFIAAR's governance, governance activities and a robust due process.
- c) AFIAAR continues to strengthen its governance and its capacity to execute. This is achieved by ensuring that the implemented structure works well and planning a post-implementation review of the governance to assess which elements of AFIAAR's governance structure work well or less well and whether and where changes are needed.

# Strategy 2024-2026: Governance, Funding & Administration

## Ensure AFIAAR's administration is fit for AFIAAR's mission.

- AFIAAR's administration to inform strategic underpinning functions which support the delivery of AFIAAR's objectives through strong governance, project and portfolio management, and impactful and influential stakeholder engagement and communications.
- Support AFIAAR's governance framework with a high-quality secretariat.
- Embed enhanced leadership capabilities and more innovative project management discipline across AFIAAR. AFIAAR will be seeking deliverables including:
  - ✓ Leading on a high-level strategy from 2024 onwards.
  - ✓ Delivering appropriate organisation reporting of AFIAAR's performance.
  - ✓ Executing improvements to AFIAAR's governance approach, including through taking forward actions from board performance reviews, and enhancing opportunities for members and advisors to contribute their skills.
  - ✓ Delivering a focused yet impactful, integrated stakeholder engagement, public affairs, and communications programme.

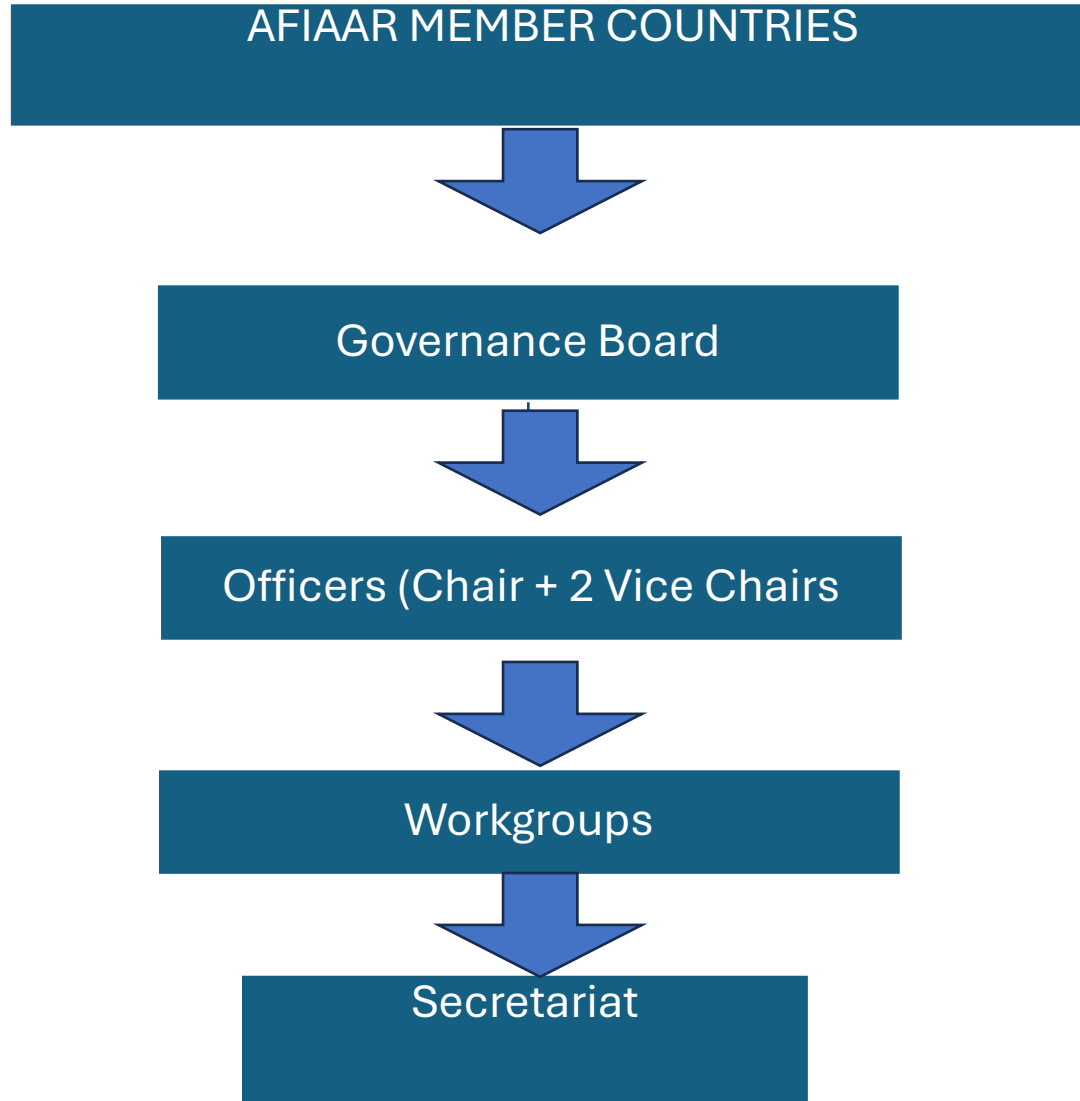


# Strategy 2024-2026: Governance, Funding & Administration

**Ensure AFIAAR's communication is fit for AFIAAR's mission.**

- a) We recognise that public awareness of our work, especially of the results achieved, and regular engagement of our partners are critical ingredients for successful implementation of this Strategic Plan. This entails disseminating accurate and timely information on our operations using multiple communication channels.
- b) Our communications effort will not only showcase what makes AFIAAR unique and the results it has achieved but also articulate what we will do to support our member countries according to their current and emerging regulatory challenges.
- c) A Stakeholder Engagement and Communications Strategy will be developed to support the implementation of this Strategic Plan. It will target specific audiences with tailored messaging.

# Strategy 2024-2026: Governance Structure





## Agenda Item 6: Presentation of AFIAAR Strategy 2024-2026 – **AFIAAR Funding Model**

Mr Viswajithsing Tuhobol – AFIAAR Chairman  
Mr Admire Ndurunduru – AFIAAR CEO

# Strategy 2024-2026: Governance, Funding & Administration

## Funding Sources:

- ✓ Membership Fee
- ✓ Additional Contributions by members
- ✓ Grants from Donors and Partners
- ✓ Resources from Calls for Proposals
- ✓ Internally generated resources
- ✓ Supporters of AFIAAR
- ✓ Major Project Supporters
- ✓ Mission Supporters

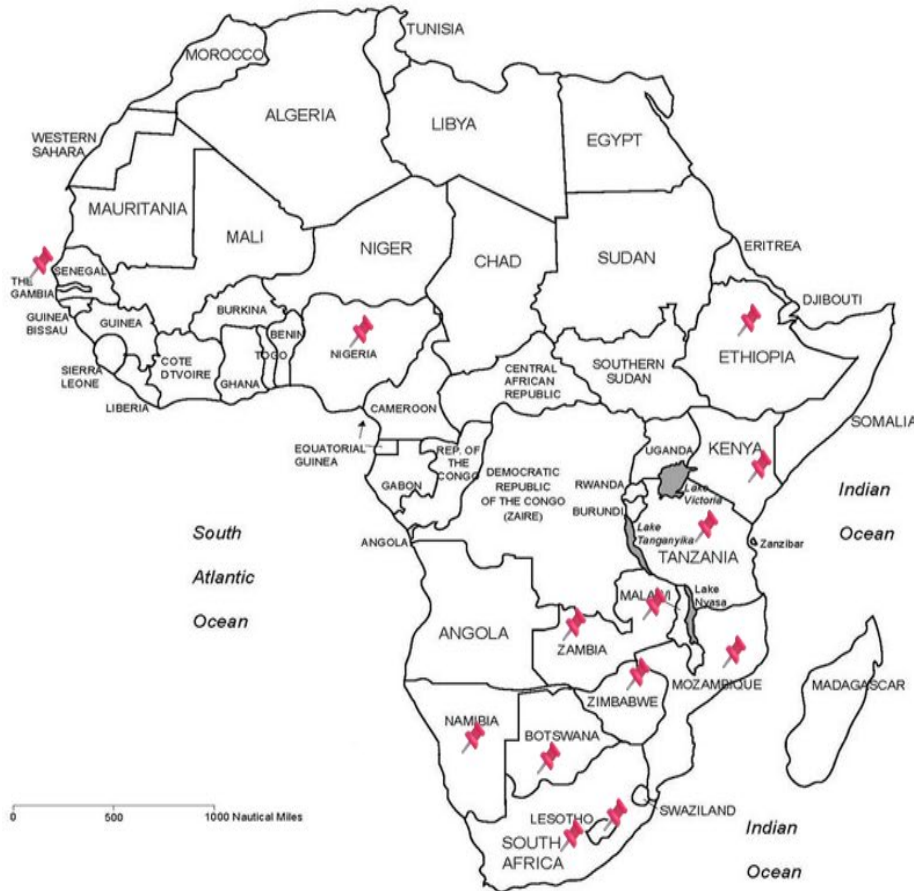


# Strategy 2024-2026: Governance, Funding & Administration

Funding sources	2024	2025	2026
	Budget \$000	Budget \$000	Budget \$000
AFIAAR Member Contributions			
Member contributions	75	190-75	190
Other sources of Funds			
Workshops/events	-	20	30
Grants and Donor Funding	-	75	150
Contribution by International PAOs	-	-	-
Contribution by mission supporters of AFIAAR sustainability reporting and assurance	-	50	75
Contribution by Mission supporters of AFIAAR corporate reporting	-	-	50
Grant from AU /member countries			
<b>Total</b>	<b>75</b>	<b>260</b>	<b>495</b>

# Strategy 2024-2026: Governance, Funding & Administration

## Africa



### **Independent Regulators:**

1. BAOA – Botswana
2. PAAB – Zimbabwe
3. IRBA – South Africa
4. PAAB – Namibia
5. MAB - Malawi
6. FRC – Mauritius
7. FROB Gambia
8. FRC – Nigeria
9. AABE Ethiopia

### **PAOs with Statutory Audit Oversight:**

1. LIA – Lesotho
2. NBAA - Tanzania
3. ICPAK - Kenya
4. ZICA – Zambia
5. OCAM – Mozambique

# Strategy 2024-2026: Governance, Funding & Administration

## Member Contributions:

### PAOs with Statutory Accounting and Auditing Regulatory Function

Percentage of Annual Revenue	Minimum Amount
2.75%	USD 5 000

### Independent Regulators

Percentage of Annual Revenue	Minimum Amount
3.75%	15 000

# Strategy 2024-2026: Governance, Funding & Administration

## Business Model:



### **AFIAAR Academy (AA)**

– a partnership  
with selected  
training  
institutions for  
humancapital  
development



### **Member Development Model (MDM)**

– an optimized and  
innovated version of  
our institutional  
development  
methodologies  
– for institutional  
strengthening



### **AFIAAR Knowledge Hub (AKH)**

– our repository of  
Accounting and  
Auditing regulatory  
knowledge, for our  
knowledge  
generation and  
sharing services

- ✓ Under this strategy, AFIAAR will package its support and tools into three client-facing services: one for human capital development, the second for institutional building/strengthening and the third for knowledge collection, generation and sharing.
- ✓ Our business model has four core elements: Who we support; Our service offering; Our revenue model; and Our unique strategic position.



# Strategy 2024-2026: Governance, Funding & Administration

## Key Risks

- Quality Governance
- Funding
- Global challenges and funding partner fatigue
- Limited capacity to implement the strategy
- Mandate Drift
- Relevance to Stakeholders
- Regulatory and compliance
- Environmental