Global Fight, Local Actions:
Anti-Corruption Advocacy Workbook for PAOs

April 2023
Corruption, economic crimes, and their related illicit financial flows are significant obstacles to achieving the UN Sustainable Development Goals (SDGs) and a sustainable future more broadly. The global accountancy profession is well placed in business, public practice, the public sector, and society to fight these crimes directly. We can also fight them indirectly by supporting an ecosystem of key actors and policymakers, thereby serving the public interest by enabling every country to advance the UN SDGs.

In IFAC’s Action Plan for Fighting Corruption and Economic Crime, we set the tone for the global profession to have anti-corruption conversations with stakeholders at the international level.

At the regional and local level, PAOs have a critical role in setting the tone in their jurisdiction, emphasizing their role as committed partners with external stakeholders and being clear with their members about the importance of their public interest responsibility.
This workbook provides a framework that PAOs can use to develop their own engagement plan for anti-corruption. It recommends stakeholders PAOs should engage, key messages, and practical tools to take these messages to stakeholders.

**Engagement Goal**
Position and empower the accountancy profession (PAOs and individual professional accountants) as impactful players in the fight against corruption

**Stakeholders**
- Accountants and reporting organizations
- Partners in the fight
- Key institutions & agencies
- Policymakers & enablers

**KEY MESSAGES**

- Individual professional accountants are part of the solution.
- We can be your institutional partners.
- Accountants must act in the public interest with the highest levels of integrity.
- Accountancy professionals and other role players should collaborate.
- Ethical foundations and regulatory oversight ensure the accountability of accountants.
- It is important to protect whistleblowers and effectively handle protected disclosures.
- The regulatory perimeter should be broadened to cover all accountants.
- Public and private sector transparency is key to deterring and uncovering corruption.
BACKGROUND

For PAOs to engage as central allies, it is essential to understand the current situation in your jurisdiction. PAO leadership can come up to speed quickly by reviewing the UNCAC IRM and FATF Mutual Evaluation Reports, and OECD Anti-Bribery Convention Implementation Reports (if applicable).

UNCAC IRM Reports

The United Nations Convention Against Corruption (UNCAC) is a legally binding treaty signed by 189 UN Member States. The UNCAC provides a global baseline for anti-corruption legislation and requires jurisdictions to criminalize corruption. More broadly, the UNCAC addresses preventive measures, law enforcement, international cooperation, asset recovery, technical assistance, and information exchange.

As a legally binding treaty, signatories’ implementation is subject to peer review via the Implementation Review Mechanism (IRM). Peer reviews identify successes and good practices, challenges in implementation, and technical assistance needs to improve implementation.

A jurisdiction’s IRM Report should be a foundational document for PAO engagement with stakeholders, and PAOs should familiarize themselves with the findings.

UNCAC IRM Reports are available on the UN Office on Drugs and Crime website.

FATF Mutual Evaluation

The Financial Action Task Force (FATF) is the global anti-money laundering standard setter. FATF maintains the FATF Recommendations, a set of 40 standards aimed at combatting money laundering. 206 jurisdictions worldwide have committed to implementing the FATF Recommendations through national legislation.

The FATF Recommendations have grown over time to include significant coverage of the accountancy profession, making implementing FATF Recommendations directly relevant to PAOs and individual professional accountants. The FATF Recommendations address issues such as regulatory supervision of accountants (R28), customer due diligence (R22), suspicious activity reporting (R23), and beneficial ownership transparency (R24-25).

Jurisdictions’ progress in implementing the FATF Recommendations is assessed in a mutual evaluation process. The direct link to the regulation of the accountancy profession means that PAOs must understand their jurisdiction’s most recent FATF Mutual Evaluation. PAOs should be in frequent contact with relevant stakeholders and their members about the findings.
OECD Anti-Bribery Convention

The Anti-Bribery Convention (and accompanying implementation Recommendation) from the Organisation for Economic Cooperation and Development (OECD) is an essential component of the global anti-corruption policy framework. It predates the UNCAC and provides more detailed requirements for the criminalization of bribery in international business transactions.

As an OECD instrument, it has less broad reach than the UNCAC or FATF Recommendations—it is currently ratified in 44 jurisdictions. That said, it is an important legal instrument in these jurisdictions and can be seen as a “best practice” for other jurisdictions worldwide.

Like the UNCAC and FATF Recommendations, the OECD Anti-Bribery Convention is subject to a mutual evaluation mechanism. For PAOs in the 44 signatory jurisdictions, reviewing these implementation reports completes the background on the anti-corruption and AML framework. The text of the convention itself is also worth a review for other PAOs.

Importantly, the implementation Recommendation makes specific reference to the importance of professional bodies—including PAOs—enforcing strong ethical codes on their members as a crucial part of the fight against corruption (see Annex II.B). This is powerful support for PAOs as institutional partners against corruption.

IESBA International Code of Ethics for Professional Accountants

The International Code of Ethics for Professional Accountants (including International Independence Standards), issued by the International Ethics Standards Board for Accountants (IESBA), sets out fundamental principles of ethics for professional accountants, reflecting the profession’s recognition of its public interest responsibility. The Code also provides a conceptual framework to identify, evaluate and address threats to compliance with the Code’s principles, and where applicable, to independence.

The Code represents the accountancy profession’s ethical foundation and is an essential component in explaining the professional accountants’ role in the fight against corruption.
# ACCOUNTANTS AND REPORTING ORGANIZATIONS

There is work needed to convince accountants, auditors, and reporting organizations of the role they should be playing.

<table>
<thead>
<tr>
<th>Your members (accountancy professionals)</th>
<th>List the relevant accounting &amp; reporting organizations in your jurisdictions</th>
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<tbody>
<tr>
<td>Accountancy firms</td>
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<td>Companies</td>
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<td>Public sector entities</td>
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<td>Audit committees</td>
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<td>Unregulated accountants</td>
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# PARTNERS IN THE FIGHT

PAOs can develop strong relationships with partners who are working towards similar objectives.

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<th>Civil society organizations</th>
<th>List the relevant partners in your jurisdictions</th>
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<tr>
<td>Media</td>
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<td>Other regulated professions</td>
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<td>Technology companies</td>
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### KEY INSTITUTIONS AND AGENCIES

PAOs can work to ensure linkages between the profession and institutions and agencies whose mandate includes anti-corruption functions.

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<th>Anti-corruption Authorities</th>
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<td>Supreme audit institution</td>
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<td>Central bank</td>
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<td>Financial Intelligence unit</td>
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<td>Law enforcement bodies</td>
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<td>Judiciary</td>
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List the relevant institutions and agencies in your jurisdictions.

### POLICYMAKERS AND ENABLERS

PAOs can advocate for needed legislative and regulatory change and the funding to implement these changes.

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<th>Political leaders/ministries</th>
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<td>Financial regulators</td>
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<td>Donor agencies</td>
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List the relevant policymakers and enablers in your jurisdictions.
Individual professional accountants are part of the solution. Accountants are well placed within, and as advisors to, businesses, the public sector, and society to help fight corruption. The overwhelming majority of accountants in your jurisdiction use these positions to make daily positive contributions. It is important to demonstrate to external stakeholders that professional accountants are essential and competent role players in the anti-corruption ecosystem. This message is even more important given there may be some with the perception that accountants have contributed to the corruption in your jurisdiction.

We can be your institutional partners. PAOs have a crucial role in setting the tone for the profession, emphasizing their role as committed partners to external stakeholders, and being clear to their members about the importance of their public interest responsibility. As a PAO, all stakeholders must understand how important this is to your institute.

How can this message be expanded or customized for your jurisdiction?

Your key messages for your stakeholders will depend on your local context and your PAO's mandate as it relates to the regulation of the profession. The following ideas will get you started in crafting your messages.
Accountants must act in the public interest with the highest levels of integrity. Your members need to be continuously reminded of the public interest nature of their career choice and the importance of conducting their work with integrity. It is not sufficient to only teach this during an accountant’s initial education. It needs to be reinforced by your PAO consistently and compellingly. This messaging can extend to accountants who are not members of your PAO, emphasizing the value of being covered by the public interest mandate of the profession.

How can this message be expanded or customized for your jurisdiction?

Accountancy professionals and other role players should collaborate. Effectively working with your stakeholders is part of supporting collaboration at the institutional level. But it is equally important to ensure that individual accountants collaborate with peers from other disciplines, such as lawyers, internal auditors, or fraud examiners. No stakeholder group can solve corruption independently, and accountants and PAOs can demonstrate strong leadership by bringing together other key professions.

How can this message be expanded or customized for your jurisdiction?
**SECTION 3: CRAFTING YOUR MESSAGES**

**Ethical foundations and regulatory oversight ensure the accountability of accountants.** Accountants are sometimes perceived as part of the problem. While it can take time, PAOs can change this narrative by emphasizing their members’ accountability and the consequences for bad actors. More attention can be drawn to stories of accountants who stayed true to their ethical principles when faced with corrupt actors. PAOs can also promote the level of integration of **professional values, ethics, and attitudes** in accountancy education.

How can this message be expanded or customized for your jurisdiction?

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**It is important to protect whistleblowers and effectively handle protected disclosures.** Whistleblowing is an essential component of a robust anti-corruption ecosystem. The accountancy profession is doing its part with the adoption and implementation of the IESBA Code’s NOCLAR provision (*non-compliance with laws and regulations*). At the same time, whistleblowing cannot reach its full potential without clear and effective whistleblower protection legislation. Professional accountants and others who report wrongdoing must know they are protected from retaliation.

How can this message be expanded or customized for your jurisdiction?
SECTION 3 CRAFTING YOUR MESSAGES

Act on FATF Mutual Evaluation / UNCAD IRM Report findings.
PAOs can advocate with policymakers and regulators for appropriate action to be taken on the findings of these reports. Nearly every jurisdiction has committed to implementing the UNCAC and the FATF Recommendations. Try to understand what is holding your jurisdiction back from complying and consider how your PAO and the profession can be a problem solver.

The regulatory perimeter should be broadened to cover all accountants. In some jurisdictions, accountancy services may be provided by non-PAO members who are not subject to regulation. This limits the ability of your PAO to have its full positive effect in the fight against corruption, especially with respect to the enforcement of ethical codes and role as a self-regulator. PAOs can advocate for widening the regulatory perimeter to ensure more individuals are included, such as professional accountants in business and accounting technicians.

How can this message be expanded or customized for your jurisdiction?
Public and private sector transparency is key to deterring and uncovering corruption. Adopting high-quality reporting standards plays a foundational role in supporting transparency in both the public and private sectors and enabling the fight against corruption. In particular, adopting accrual accounting in the public sector, specifically the International Public Sector Accounting Standards, can make a meaningful difference in supporting a robust anti-corruption ecosystem. Where IPSAS have not fully been adopted, PAOs should look to connect the dots for policymakers between reporting and anti-corruption.

How can this message be expanded or customized for your jurisdiction?
As a PAO, you already have established relationships with many stakeholders and existing advocacy strategies and plans. These relationships and plans can be leveraged as part of your anti-corruption engagement. Below are additional ideas to help expand your focus on anti-corruption and put commitment into action.

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<th>ENGAGEMENT TOOLS AND METHODS</th>
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**Direct engagement** in planned meetings, especially with policymakers and enablers

**Open channels of communication**, especially with key institutions and agencies

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**One-to-One Engagements**

One-to-one engagement is when PAO leaders or management work directly with their counterparts in other organizations. It is often best suited for policymakers and enablers and key institutions and agencies.

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**Are there other engagement opportunities in your jurisdiction?**
One-to-Many Engagements

One-to-many engagements allows your PAO to reach multiple stakeholders at once. This can include all stakeholder groups but will usually focus on getting key messages to large audiences of stakeholders.

- **Media campaigns** to position accountants as part of the fight
- **Publicize success stories** (case studies); for example, when accountants identified or prevented corrupt activities
- **Speaking opportunities** for PAO leaders at events where anti-corruption stakeholders are present
- **Create local versions of IFAC publications**; for example, your PAO could issue its own *Action Plan for Fighting Corruption & Economic Crime*

### Are there other engagement opportunities in your jurisdiction?

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Many-to-Many Engagement

Many to many engagements allow your PAO to use its convening power to bring together all anti-corruption stakeholders.

Convene conferences or roundtables bringing together anti-corruption stakeholders in your jurisdiction to engage with accountants.

Establish PAO working groups/committees focused on anti-corruption and include key external stakeholders.

Are there other engagement opportunities in your jurisdiction?
Your PAO will want to find ways to engage with your members to ensure they understand and are equipped for their role as key players in the anti-corruption ecosystem.

**Communications campaigns** to remind professional accountants of their anti-corruption responsibilities and reinforce their public interest mandate.

**Toolkits for professional accountants** to support implementing anti-corruption legislation. These toolkits can also empower professional accountants to carry the key messages to their stakeholders.

**Mandatory post-qualification education and development** for professional accountants to ensure they continue developing their anti-corruption knowledge and skills and professional ethics.

**Training courses or workshops** for your members on anti-corruption issues. Consider including other anti-corruption stakeholders to provide external perspectives.

Are there other engagement opportunities in your jurisdiction?
Want to know more?

The IFAC Global Knowledge Gateway is a digital hub where professional accountants, students, professional accountancy organizations, firms, regulators, standard setters, academics, and others can easily access accountancy news, views, resources, and thought leadership. We invite you to showcase your work in the fight against anti-corruption.

Got stories?

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