



STATE OF ACCOUNTING IN AFRICA

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ICGFM CONFERENCE MAY 2017

OVERVIEW

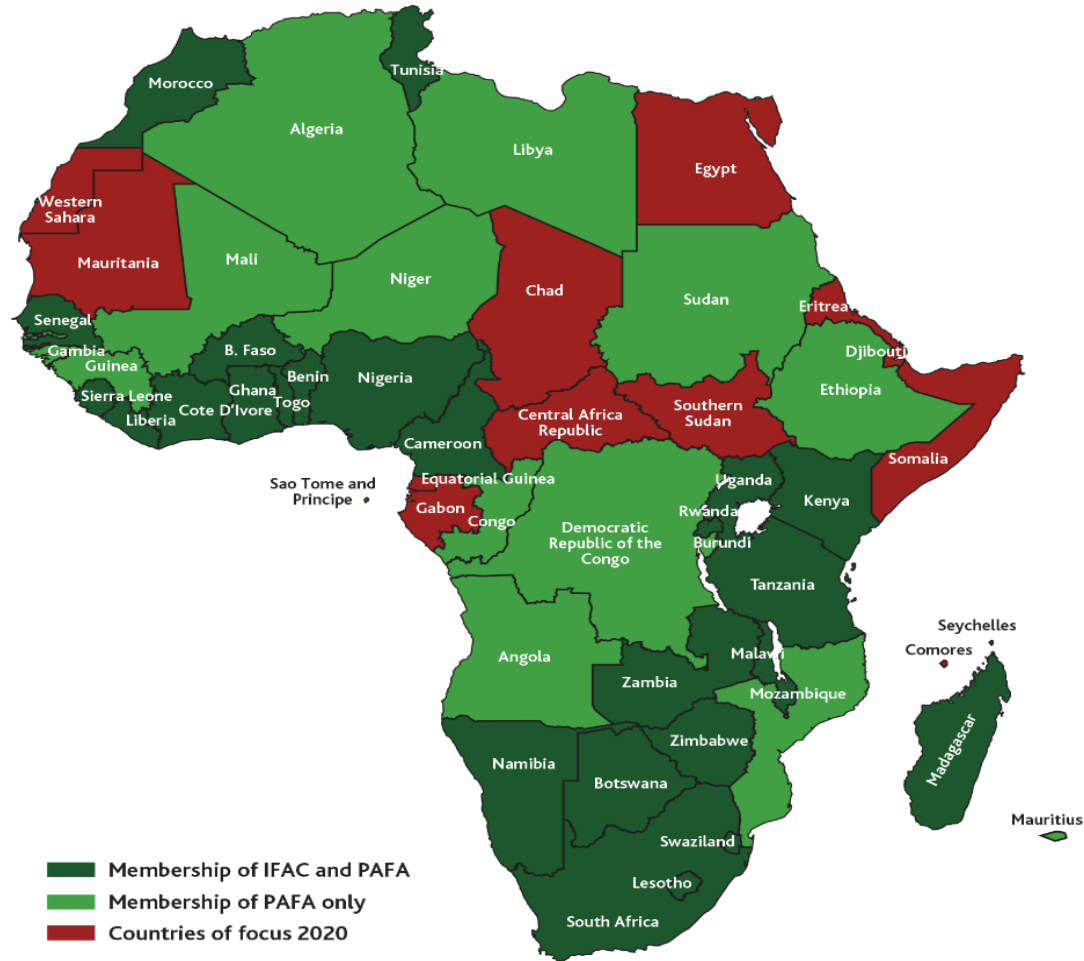
- PAFA & IFAC coverage in Africa
- Accounting Frameworks
- Resources
- Accounting in Africa – Challenges and questions

PAFA

- Launched May 2011
- Work in public interest developing / leading profession
- 49 PAOs, 41 countries, ± 100 000 professionals

PAFA / IFAC MEMBERSHIP

1/2

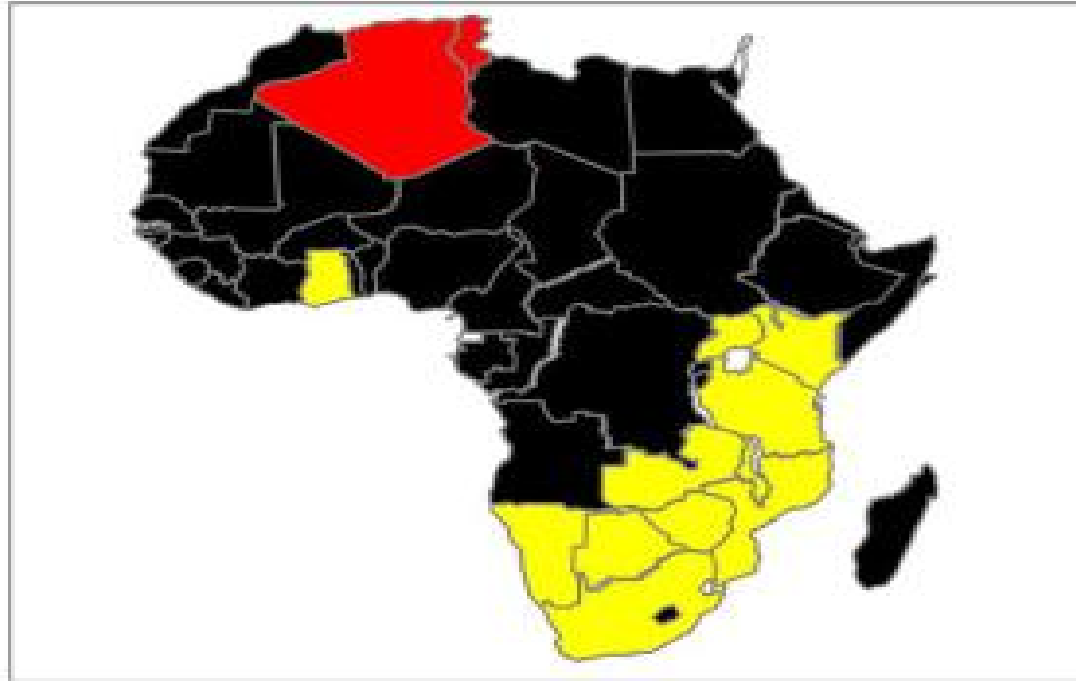


PAFA PAO MEMBERSHIP

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- ANGLOPHONE – 29 members
 - FRANCOPHONE – 16 members
 - LUSOPHONE – 4 members
- ➔ challenges due to diversity of basic legal and commercial frameworks
- ➔ challenges in capacity and maturity of PAOs

FRAMEWORKS: IFRS IMPLEMENTATION IN AFRICA



KEY



Countries that have adopted IFRS without any major modifications

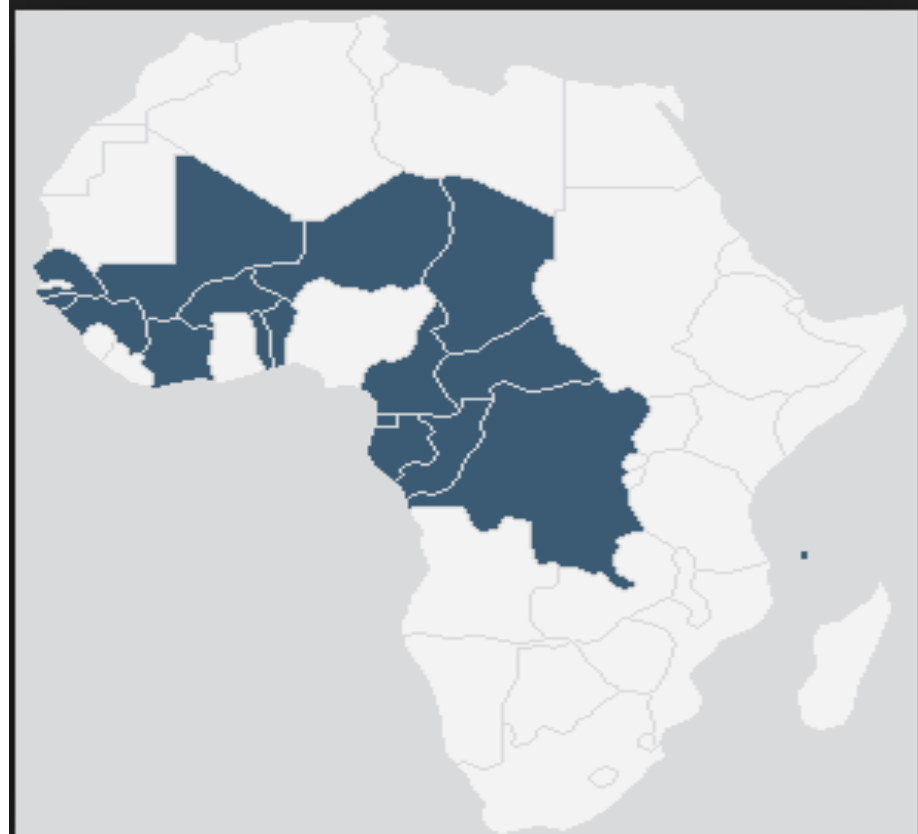
Non-Adopters

Countries that adapted to IFRS

Source: Solomon Zori 2012 <https://governancexborders.com/2012/01/11/the-state-of-ifrs-in-africa-is-ifrs-in-disarray/>

FRAMEWORKS: OHADA – 10/2016

ADOPTION OF IFRS FOR LISTED COs



<https://commons.wikimedia.org/w/index.php?curid=6312835>

FRAMEWORKS: UNDERSTANDING ACCOUNTING IN AFRICA

- Differentiate adoption and implementation
- Depth of implementation:
 1. IFRS for listed entities
 2. IFRS for SMEs
 3. What about the rest?Leads to the question:



What resources are available for implementation?

ANGLOPHONE AFRICA

Accounting Capacity on the Ground (2015)

Country	Pop Mill	PAO Members	Per Capita
MAURITIUS	1 200 000	2 588	1: 464
SOUTH AFRICA	54 400 000	33 311	1: 1 603
BOTSWANA	2 300 000	1 061	1: 1 979
NAMIBIA	2 400 000	615	1: 3 902
SWAZILAND	1 200 000	89	1: 13 483
MALAWI	17 200 000	675	1: 25 557
UGANDA	39 000 000	1 478	1: 26 387

FRANCOPHONE AFRICA

Accounting Capacity on the Ground

Country	Pop Mill	PAO Members		Per Capita
Guinea-Bissau	1.6	25	1	64 000
Senegal	15.1	200	1	75 500
DR Congo	4.7	42	1	111 905
Togo	7.3	61	1	119 672
Burkino Faso	18.6	102	1	182 353
Cote d'Ivoire	23.3	121	1	192 562
Cameroun	24	106	1	226 415
Congo	4.8	20	1	340 000
Mali	17.5	50	1	350 000
Niger	20.8	19	1	1 094 737

ACCOUNTING IN AFRICA – CHALLENGES

1/2

FRANCOPHONE PAO BUSINESS MODEL

- Only auditors are allowed to be members
- What about the rest?
 - What training model?
 - What code of ethics?
 - CPD?
- ➔ Madagascar Oct 2016 – PAFA / FIDEF / IFAC
Call to action to review business model

- ***GOAL: Increase development impact of public expenditure***

- Requires political will + required resources
- Requires political financial literacy
- Requires credible timeous financial information

“Strong PFM requires end-to-end financial literacy.”

Dr. S Felicianantonio, Head EU Public Affairs ICEAW, 17/03/2017

CLOSING QUESTION: IMPROVING ACCOUNTING IN AFRICA, WHERE DO WE START?

IFRS, IPSAS OR ACCOUNTANTS?

FRAMEWORKS OR PEOPLE?

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