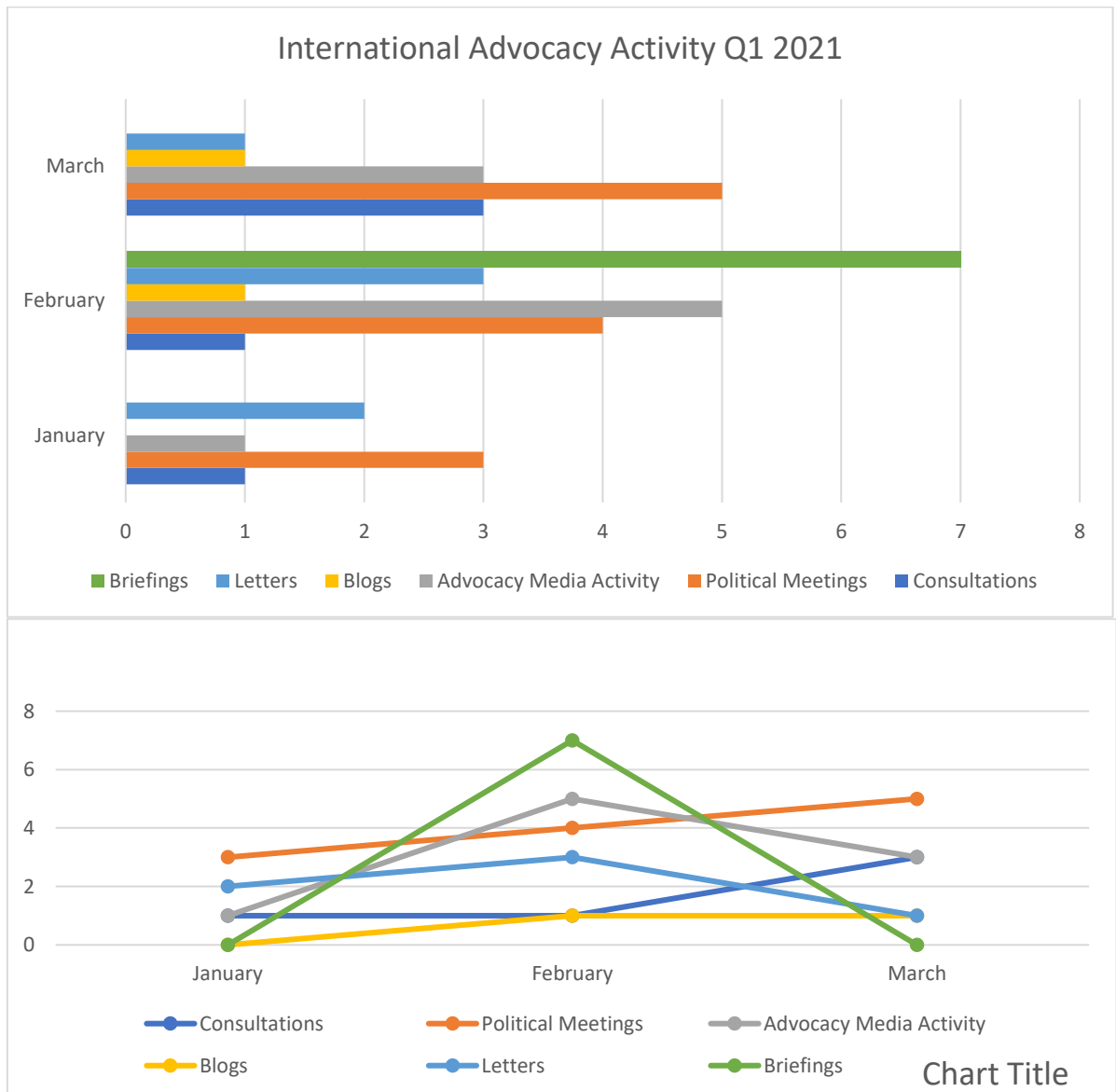




## UK and Global Advocacy Quarterly Roundup (Q1)

The global economy is climbing out from the depths to which it plummeted earlier in the year. But with the COVID-19 pandemic continuing to spread, many countries have slowed reopening, and some are reinstating partial lockdowns to protect susceptible populations. Businesses still face uncertainty. Recovery from the COVID-19 pandemic will be a marathon not a sprint and the only true exit depends on an effective vaccine. Until then, Government's continue to tackle the economic and social challenges brought on by the pandemic and we continue to focus our advocacy efforts on providing them with constructive ideas for how they could support and help businesses navigate the pandemic and keep cash flowing through the economy.

Below, we outline our activities in Q1.



## CIMA Letters and Briefings to Parliament

CIMA continues to call on Government to put in place measures to drive long term economic recovery from the global pandemic. We are advocating for policies that will rebuild confidence, create jobs and allow businesses to look ahead with a degree of certainty.

CIMA has written the following letters to Government:

UK	<a href="#"><u>Congratulations Letter to new BEIS Secretary</u></a>	21 Jan
UK	<a href="#"><u>Letter raising points from our meeting</u></a>	21 Jan
UK	<a href="#"><u>Letter to Lord Taylor - Mind the Skills Gap Report and PQ</u></a>	21 Feb
UK	<a href="#"><u>Letter to Gillian Keegan MP Thanking for Apprenticeship Week video</u></a>	21 Feb
UK	<a href="#"><u>Spring Budget 2021</u></a>  <a href="#"><u>Media advisory: Spring Budget 2021 – What could it mean for the business community?</u></a>  <a href="#"><u>Media advisory: Spring Budget 2021 – What could it mean for skills and productivity?</u></a>  <a href="#"><u>Spring Budget 2021 – What could it mean for the SME community?</u></a>  <a href="#"><u>Spring Budget 2021 – What could it mean for personal finance?</u></a>	21 Feb
UK	<a href="#"><u>Letter to Alex Stafford MP regarding bonds</u></a>	21 Mar

## Events

### Chairmen's Forum

The Chairmen's Forum is an independent, not-for-profit forum run by the Association that provides an opportunity for chairmen to share experiences, ideas and views to improve corporate performance, boardroom experience, skills and knowledge. It seeks to identify best practices in areas such as corporate governance; board performance evaluation; the recognition of shareholder and employee expectations; and our responsibility to other stakeholders and wider society.

UK	11 <sup>th</sup> June 2021	Chairmen's Forum in discussion with Lord Callanan – Corporate Governance and reporting reform in the UK
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## Blogs

UK	<a href="#">Blog on UK needs a reskilling revolution</a>	21 Feb
UK	<a href="#">Blog on Spring Budget 2021</a>	21 Mar

## Reports/Bitesize briefings

UK	<a href="#">Ideas to help pay for the costs of the pandemic</a>	21 Feb
UK	<a href="#">Launch a bond to help pay for the cost of the pandemic</a>	21 Feb
UK	<a href="#">Providing SMEs with the support they need to succeed</a>	21 Feb
UK	<a href="#">How the UK government can support businesses by providing more certainty in uncertain times</a>	21 Feb
UK	<a href="#">Helping build more resilient businesses</a>	21 Feb
UK	<a href="#">Ideas to help young savers in the UK</a>	21 Feb
UK	<a href="#">Productivity and Skills</a>	21 Feb

## Advocacy Related Media and Press Activity

CIMA placed 18 news articles with a reach of 22,505,170 during Q1. Additionally, they distributed eight press releases featuring Andrew Harding. Topics primarily focused on the Spring Budget for 2021. Please find below the most relevant ones:

<i>(OLDEST TO NEWEST) #</i>	<i>Title</i>	<i>Date</i>
1	<a href="#">Media comment: Building back better requires systemic shifts</a>	Jan 5
2	<a href="#">CIMA calls on the UK Government to do more to reskill and upskill the country's workforce</a>	Feb 8
3	<a href="#">Spring Budget 2021 – What could it mean for the business community?</a>	Feb 24
4	<a href="#">Spring Budget 2021 – What could it mean for skills and productivity?</a>	Feb 24
5	<a href="#">Spring Budget 2021 – What could it mean for the SME community?</a>	Feb 24
6	<a href="#">Spring Budget 2021 – What could it mean for personal finance?</a>	Feb 24
7	<a href="#">Media comment: A Budget for a sustainable today and an optimistic tomorrow</a>	Mar 3
8	<a href="#">Media comment: We can't build back better without government commitment</a>	Mar 9
9	<a href="#">Holding statement: Restoring trust in audit and corporate governance consultation</a>	Mar 18

## Government Inquiries and Consultations

CIMA has participated in the following inquiries:

EU	<a href="#">DST – Submitted to the EU on Feb 21st</a>
South Africa	<a href="#">Critical skills list – Submitted to the Department of Home Affairs on Mar 21st</a>
South Africa	<a href="#">Skills Development – Submitted to the National Youth Development Agency on Mar 21st</a>
South Africa	<a href="#">Public Sector Professionalisation – Submitted to the National School of Government on</a>
UK	<a href="#">Services following Brexit – Submitted to the House of Lords EU Services Committee</a>



## Ongoing/future consultations

UK	<a href="#">BEIS mandatory climate-related financial disclosures</a>	05/05/2021
UK	<a href="#">BEIS Restoring Trust in Audit and Corporate Governance</a>	08/07/2021
UK	<a href="#">HM Treasury: R&amp;D Tax Reliefs</a>	02/06/2021

UK	<a href="#">HM Treasury: the tax administration framework: supporting a 21st century tax system</a>	13/07/2021
UK	<a href="#">HM Treasury: raising-standards-in-the-tax-advice-market</a>	15/06/2021
UK	<a href="#">Treasury Select Committee: jobs-growth-and-productivity-after-coronavirus</a>	17/05/2021

## Political and Stakeholder Meetings

The international advocacy team met with the following:

UK	Kemi Badenoch MP - Treasury Minister 	Following Budgeting for Recovery Report. Minister took an interest in our policy areas
UK	Call with PM and Business Secretary	Call with PM about Economic Recovery
UK	Centre for Cities	Regular catch up - discussed productivity and economic recovery and importance of cities
UK	Chartered Body Group and HM Treasury	Introductory meeting with HM Treasury to discuss skills
UK	Meetings with civil servants from the Department for Business, Energy and Industrial Strategy (BEIS)	Regular catch up with BEIS
UK	John Howell MP	Regular catch up and discuss launch of APPG
UK	Lord Grimstone 	Andrew Harding invited to fortnightly calls with Lord Grimstone, Minister for our sector at BEIS
UK	DIT	Catch up with DIT
UK	Centre for Policy Studies	Catch up discuss potential collaboration on trade research
UK	SME4Labour	Discuss work with SME4Labour

## Ongoing Research

CIMA is conducting the following:

UK	<a href="#">Value of Values Research:</a>  The brief, compiled by Black Sun and the International Integrated Reporting Council (IIRC) in collaboration with the Association of International Certified Professional Accountants (the Association), seeks to analyze
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	trends and challenges in measuring, disclosing and understanding the value that companies create. It is a brief update of the current business environment and links its findings to previous editions in the <i>Value of Value</i> reporting series to illustrate change in thinking over time.
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## Upcoming Research

UK	<p><b>Productivity Research:</b></p> <p>The primary purpose of this research is to inform and provoke CIMA members to develop a holistic approach towards analysing and managing productivity. On the basis of the gathered evidence, the research will generate specific proposals to inform CIMA's advocacy strategy towards productivity.</p>
UK	<p><b>Trade Research</b></p> <p>Trade is an area of increasing importance in the UK as it sets an independent path as a trading nation since leaving the EU. For the Association and our members trade is crucial too. It could impact them directly as the organisation's they work for rely on international trade and as the trade in financial and professional services is either liberalised or faces greater protectionist controls.</p> <p>Trade is also key for the association business model as we operate in 165 countries and have a number of global offices. Issues such as qualification recognition also rely heavily on trade agreement and policies and this has a direct impact on our model.</p>

## Policy Wins

Below we outline our policy wins for Q1. Our list of wins will be updated as more information becomes available.

	Country	Issue	Wins
1	UK	<a href="#"><u>Restoring Trust in Audit and Corporate Governance White Paper</u></a>	<ul style="list-style-type: none"> <li>• FRC needs to be renamed and established as an independent statutory body, with powers to look at management of a company as well as accountants and auditors.</li> <li>• Review the future role and structure of the FRC including relationships with other regulatory bodies.</li> <li>• Extension of the FRC's monitoring and enforcement powers</li> <li>• FRC should have powers to look at management of a company as well as accountants and auditors.</li> <li>• FRC needs to work closely with the FCA and Insolvency Service</li> <li>• Revised public interest test needed for FRC new mandate</li> <li>• Funding of the new regulate should be made transparent</li> <li>• Support the Stewardship Code</li> <li>• A strengthened framework around internal controls on a similar basis to the Sarbanes-Oxley regime in the US</li> <li>• What is meant by the public interest needs a more specific description</li> </ul>

			<ul style="list-style-type: none"> <li>• The statement 404 required by the Sarbanes Oxley legislation may be worthy of consideration in the UK</li> <li>• Integrated reporting should be more widely adopted to help bring greater assurance.</li> <li>• Review of the viability statement and definition of 'going concern'</li> <li>• In CIMA Budgeting for Recovery and a Long-Term Economic Future of the UK we called on the Government to pause planned to business regulation to allow for economic recovery. The Government have said many of the proposals will be staged in and not all at once and have listened to this messaging.</li> <li>• We believe that if an entity's management is required to describe its systems to prevent and detect fraud in a report, then auditors could be required to evaluate and report on the entity's system</li> <li>• We do not believe an audit can be designed to address the specific concerns of individual shareholders.</li> </ul>
2	UK	<b>Issue:</b> <a href="#">Spring Budget 2021</a>  <b>What we called for:</b>	<b>Wins:</b>
		Continue Job Support Schemes to tackle Covid crisis	Coronavirus Job Support Scheme extension until September 2020 + Announcement of fourth and fifth grant of Self-Employed Income Support Scheme.
		Introduce a new Covid-19 loan support scheme for micro businesses and company directors	The Government announced a new Recovery Loan Scheme for businesses.
		Ensure Limited Company Directors are not forgotten in COVID-19 support measures this time around	Self-Employed Income Support Scheme Fourth and Fifth Grants now have new eligibility criteria + A new package of business grants to help with the restart of the economy was announced + Local Authorities given new funding for discretionary business support grants
		Corporation Tax – Ensure SMEs don't pay full rate in any rise and	Corporation Tax to increase to 25% from 2023. +SME rate of 19% has been

		have an SME rate and a big corporation rate + Outline tax plans for the next two years.	announced + Announced Corporation Tax Plans taking effect in two years' time.
		Keep VAT at 5% for leisure and hospitality sectors + Reduce employer's National Insurance Contributions	VAT cut has been extended for the hospitality and tourism sectors +New freeports areas announced, and employers will be able to pay reduced employer's National Insurance Contributions in these areas.
		Ensure any changes to pension tax relief and savings are well-considered	The Government froze the Pensions Lifetime Allowance but did not introduce a single rate of tax relief for pensions
		Introduce a Growth Accelerator Scheme for SMEs.	Two schemes announced for SMEs: Help to Grow – Management & Help to Grow Digital
		Introduce a Digital Voucher Scheme for SMEs +Focus on productivity and upskilling + Investing in skills development and retraining to plug the UK skills gap.	Help to Grow Digital Scheme announced with digital voucher element for SMEs + The Chancellor announced a series of measures focused on increasing productivity and upskilling. +The Chancellor announced a series of measures focused on skills and upskilling.
		Investing in skills development and retraining to plug the UK skills gap.	The Chancellor announced a series of measures focused on skills and upskilling
		Review R&D incentives against rest of the world to enhance productivity + Create a new National Infrastructure Bank based outside London.	New review of R&D tax reliefs announced. + A new National Infrastructure Bank was announced. It will be based in Leeds + New funding announced for green infrastructure and technology.
		Investing in green infrastructure and technology to support growth and job creation + Review Development Corporations and whether schemes like these can help generate economic growth.	New funding announced for green infrastructure and technology. + The Chancellor announced eight new freeport areas based on previous Development Corporations.
		Review Development Corporations and whether schemes like these can help generate economic growth	The Chancellor announced eight new freeport areas based on previous Development Corporations.



3	UK	<p><b>What we called for:</b></p> <p>Training should be mandatory within furlough scheme and job support measures</p>	<p><b>Wins:</b></p> <p>Labour Party adopted this as a policy proposal and pushed the government to implement this.</p>	<p><b>Who adopted:</b></p> <p>Labour Party - Shadow Chancellor Anneliese Dodds called for our measures in a series of radio and interviews</p>
4	UK	<p><b>What we called for:</b></p> <p>Chartered Body Education should be an aim in future trade deal</p>	<p><b>Wins:</b></p> <p>The policy proposal was put as an action point in UK International Education</p> <p>Strategy Paper jointly done by DIT and DFE</p>	<p><b>Who adopted:</b></p> <p>UK DIT</p>
5	UK	<p><b>What we called for:</b></p> <p>Introduce a Pandemic Bond</p>	<p><b>Wins:</b></p> <p>Labour party and the Labour Leader, Sir Keir, Starmer called for this proposal.</p>	<p><b>Who adopted:</b></p> <p>Labour Party called for this proposal.</p>