



Association
of International
Certified Professional
Accountants®

UK and Global Advocacy Quarterly Roundup

Quarter 3, 2021

In the UK, with 68.1% ([Our World in Data](#)) of the population fully vaccinated, softer travel restrictions and a semi-total lift of the COVID-19 measures, the main challenge posed by the pandemic now is the restoration of business activities as pre-March 2020. The government clearly grasps the magnitude of the COVID-19 challenge and has used the full weight of the state to preserve jobs and businesses during the pandemic. The UK government has a policy platform to 'level up' left-behind areas of the country and restore productivity and create real wage growth. It also has policy priorities around the economic importance of technology as well as decarbonising the economy and society.

Following the results of the recent Cabinet reshuffle, it is clear that Levelling Up is still the key focus for the Government agenda, which we expect might further push productivity and economic recovery agendas. In addition, the gender balance is improving in Johnson's government, as for only the second time in history, women occupy two of the great offices of state: Truss at the Foreign Office, and Priti Patel at the Home Office.

The UK hosted the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow on 31 October – 12 November 2021. The COP26 summit brought parties together to accelerate action towards the goals of the Paris Agreement and the UN Framework Convention on Climate Change. The UK is committed to working with all countries and joining forces with civil society, companies and people on the frontline of climate change to inspire climate action ahead of COP26.

Across the globe, we are seeing more economies open up and reduce pandemic restrictions as vaccination programmes accelerate. Following the announcement that the US will reopen its borders to fully vaccinated travelers on the 8th of November, the UK will now be able to strengthen ties with its most important economic partner, the US, boosting trade and tourism.

Finally, we should expect soon the final arrangements of the UK-Canada International Trade Deal, which it has been billed it will include, among other benefits, free movement of persons and mutual recognition of professional qualifications. Similarly, with the UK-Australia Free Trade Agreement, UK citizens aged under 35 will be able to travel and work in Australia more easily.

During this quarter we have continued to work on issues of sustainability, audit and corporate governance reform, economic recovery, fraud and AML, skills and other issues of importance to the profession and membership.

Below, we outline our activities in Q3



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:

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|--------|---|---------|
| Poland | <u>Letter to Polish Prime Minister Mateusz Morawiecki on suggestions to help with economic recovery and sustainability.</u> | 30 July |
| UK | Letters to 23 MPs to congratulate on reshuffle outcomes and build relationships with new Ministers | 21 Sep |

Events

Chairmen's Forum

Jul 2021



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.

On this occasion our guest speaker was Lord Callanan who, in an engaging discussion with our CEO Andrew Harding, shared his ministerial knowledge and expertise on Corporate Governance and reporting reform in the UK.



Purpose Beyond Profit Webinar

Jul 2021

Event on the importance of understanding the value creation potential of organisations to build relationships with stakeholders and improve integrated thinking and strategic decision-making.

SME Webinar - SME and Advocacy

Jul 2021

Andrew has discussed how advocacy is supporting our members and the wider public interest, including the role of advocacy, the needs of SMEs and how CIMA through its advocacy efforts supported SMEs and its members. The main learning outcomes from the webinar were:

- Issues SMEs faced during the pandemic
- How CIMA Advocacy Team supported
- Results of CIMA Advocacy Work
- Why Advocacy is important
- How advocacy related to you and how you can get involved.

CF Forum Advisory Group Meeting

Aug 21

The Chairmen's Forum advisory group exists to provide guidance and oversight of the Chairmen's Forum activities. There are currently 13 members on the advisory group, including a chairman.

The Chairmen's Forum activity has been discussed, including the below:

Reports

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| UK | <u>Purpose Drives Profit Report</u> | Jul 21 |
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Advocacy Related Media and Press Activity

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| 1 | <u>APPG launches call for evidence into boosting financial and professional skills in the UK</u> | Jul 21 |
| 2 | <u>Businesses still struggle to close the gap between purpose and action</u> | Jul 21 |
| 3 | <u>Media comment: We must avoid throwing older workers on the scrap heap</u> | Aug 21 |
| 4 | <u>Media comment: The UK must wean itself off its dependence on lower-skilled workers</u> | Sep 21 |
| 5 | <u>Association of International Certified Professional Accountants appoints Michelle Mullen as Vice President – Global Advocacy</u> | Sep 21 |

Government Inquiries and Consultations

CIMA has participated in the following inquiries:

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| UK | <u>BEIS Audit and Corporate Governance Reform White Paper</u> |
| UK | <u>Response to the IFRS Foundation consultation on International Sustainability Standard</u> |
| South Africa | <u>Submission to the South African Department of Higher Education and Training on RLP Policy</u> |
| UK | Submitted further evidence to BEIS on Audit and Corporate Governance following a request from the Department |
| UK | <u>Spending Review Response - Restoring the Public Finances and boosting resilience Post Pandemic</u> |
| EU | <u>Response letter to EFRAG on EU sustainability reporting standard-setting</u> |
| Canada | <u>DIT- UK/Canada Trade Agreement</u> |

Political and Stakeholder Meetings

The international advocacy team met with the following:

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| UK | Mark Holmes - Deputy Director Audit Reform at BEIS | Meeting to discuss audit reform white paper and where we support and have concerns, |
| UK | BEIS - Help to Grow Management Civil Servant Meeting | Meeting to discuss Help to Grow Management scheme and explore opportunities of the Association to be involved in it and support the campaign |
| UK | BEIS PBS Ministerial Sector Call | Regular call with Lord Grinstone to discuss issues within the profession, sector and wider economy |
| UK | Christian Wakeford MP | Meeting to discuss Levelling Up briefing and support for SMEs with economic recovery |
| UK | Nick Fletcher MP | Meeting to discuss Levelling Up briefing and Northern Research Group, APPG and apprenticeships. |
| UK | Saqib Bhatti MP | Meeting on corporate governance, apprenticeships and accounting for growth APPG. |

Policy Wins

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| Beijing (China) | CGMA city recognition |
| Shanghai (China) | CGMA city recognition |

Ongoing Research

CIMA is conducting the following:

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| UK | UK Audit Reform Bitesize Briefing: For distribution to UK MPs and key stakeholders based on our consultation response. |
| UK | Productivity Research: 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. |

Future consultations

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| EU | <u>Audit reform:</u> Current EU rules on Audit were adopted in 2014 and the EU Commission have announced they will propose an initiative on Corporate Reporting and Enforcement before end of 2022. We expect a consultation this year and we are already meeting key stakeholders and attending events on this topic. |
| UK | <u>Levelling up:</u> In CIMA's Budgeting for Recovery report, CIMA recommended a series of policies designed to contribute to the Levelling Up Agenda of the U.K. Government, detailed in the briefing. We now welcome comments. |

Future events

SME4Labour Gala

November 2021



Senior Labour figures including Angela Rayner and the party's top officials will join hundreds of activists, MPs and councillors to celebrate the best small business and community work at a gala awards ceremony.

Rayner, the deputy leader, and David Evans, the general secretary, Sadiq Khan, Mayor of London will be among the speakers at the SME4Labour and Labour Excellence Awards.

The flagship event, which takes place in London on Monday 8th of November, is a chance to recognise the work carried out by innovative small and medium-sized enterprises (SMEs).

The Labour Excellence Awards will highlight the work of the most successful trade unions, shadow cabinet ministers, MPs, peers, councils and party affiliates.

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December 2021

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Our speaker will be Simon Henry, the Independent Non-Executive Director at Rio Tinto plc. Simon has kindly accepted our invitation to share his expertise on the subject of ESG, with a particular focus on financial sustainability.



Simon, a British citizen, has significant global experience in the oil and gas industry, having spent more than 30 years at Royal Dutch Shell plc, most notably as Chief Financial Officer, a position that he held from 2009-17. He was Chief Financial Officer and Executive Vice President, Finance, Exploration & Production from 2004-09, and prior to this he was head of Group Investor Relations from 2001-04. Simon brings extensive

financial expertise to the board and is a fellow of the Chartered Institute of Management Accountants (CIMA) and has a BA in Mathematics and an MA from the University of Cambridge.



Future meetings planned

1) Meeting with Lucy Frazer, the Financial Secretary to the Treasury of the United Kingdom



2) Meeting with David Johnston, Conservative Party MP

