
Accountancy Development Index UPDATE - 25 AUG 2009

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Representatives from over 40 countries from around the world are in the process of evaluating their country's level of accountability and transparency as part of the Accountancy Development Index (ADI) Initiative. Developed by USAID's Benchmarking International Standards of Transparency and Accountability (BISTA) project and designed in collaboration with Leiden University and Royal NIVRA and with the assistance of an international Steering Council comprised of scholars, practitioners and academics from around the world, the ADI assists in monitoring country progress as it relates to a country's financial sector enabling environment. Leveraging Public Private Partnerships with representatives from over 40 professional accountancy associations world-wide, the ADI's broad reach and application allows donor agencies, government officials, regulators, academics and professional accountancy associations the ability to understand a country's current position and progress over time as it works to implement financial sector international standards and best practices, helps to identify strategic imperatives for technical assistance activities, and aids in the analysis of impact and outcomes of financial sector reform initiatives.

recognized standards and best practices such as the International Federation of Accountants (IFAC) Statements of Membership Obligations (SMOs), OECD Corporate Governance Principle on disclosure, and the USAID NGO Sustainability Index and includes such subject areas as corporate governance, institutional sustainability, statutory framework, ethics and accountancy. Participants answer an ADI Questionnaire comprised of a series of indicators, noting not only the adoption of various indicators, but also their country's level of implementation of standards as they are generally practiced in their country.

Responses are currently being aggregated, analyzed and compiled into an index. In September 2009, the BISTA Project and its key Public Private Partners, the Royal NIVRA, the Professional Accountancy Association of the Netherlands and The Center for Business Studies at Leiden University will unveil the results of its ADI Initiative at a conference of stakeholders in Amsterdam, the Netherlands.

The ADI Project Team has met with a variety of interested individuals and organizations from around the globe that have provided positive support for the ADI and its research. Those who have reviewed and given feedback on the ADI note its potential importance in development activities and in furthering financial sector reform around the world. They have also noted ADI's potential for providing important information in financial sector global risk assessment models. Professional accountancy organizations also like ADI's ability to allow associations to better assess and determine adequate twinning partners and provide more informed compliance action plans.

