

# TAG-Audit Newsletter

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*Talal Abu-Ghazaleh & Co. International (TAG-Audit) is a leading global accounting and auditing firm. It is considered as an independent member company of Talal Abu- Ghazaleh organization (TAG-Org). TAG-Audit provides a complete range of internal auditing, external auditing, taxation, and other financial services based on international professional standards.*

## During a Seminar at the Qatar Association of Certified Public Accountants Abu-Ghazaleh Urges Arab Countries to Benefit from the Upcoming Economic Crisis

DOHA - HE Dr. Talal Abu-Ghazaleh, founder and chairman of Talal Abu-Ghazaleh Global (TAG.Global), sounded the alarm of an impending major economic crisis that may hit global economy. That was during a seminar held under the title 'Talal Abu-Ghazaleh and the Upcoming Financial Crisis: A Reality not a Fiction' at the Qatar Association of Certified Public Accountants (QACPA). The seminar was moderated by Dr. Hashim Al Sayed, chairman of the Association.

Contrary to reports by some analysts and experts, Dr. Abu-Ghazaleh said that he has good reasons and clear indications that the crisis will occur, affirming that his national and Arab belonging and keenness led him to publish his knowledge in this regards to urge the Arab countries to take precautionary measures and also to benefit from the crisis to achieve successes, reminding that great people emerge in crises.

Furthermore, Dr. Abu-Ghazaleh predicted that the world would enter a new phase in 2021; a new global system will be bilaterally



led by the US and China. However, China will be the greatest power which will strive to implement its 'Silk Road Project'. Yet, the US will not accept this approach. As a result, the two powers will sit together and agree on a New World Order which will bring prosperity. Dr. Abu-Ghazaleh emphasized that this prosperity will start from the Arab region which although suffered the greatest amount of destruction, the process of reconstruction will kick off in it as it owns the world's largest oil and gas reserves.

Dr. Abu-Ghazaleh said that he has good reasons to believe that the new crisis is going to be more devastating than the last one in 2008.

“Similar to the previous one, the new crisis will start in the United States and will last longer with far more devastating impact on Western economies, causing stagflation and leading to bankruptcies,” Abu-Ghazaleh added.

Dr. Abu-Ghazaleh believes that the global economic crisis will cause inflation and economic depression, adding that the upcoming crisis and emerging conflict will lead to a World War III between the US and China. As a result, the two great powers will be forced to sit on the same table and conclude agreements on ending the wars. Accordingly, a new world order governed by the two Giants (G2) will emerge instead of the (G20) and the current global system.

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## **During the 10th Professional Accounting and Auditing Conference Abu-Ghazaleh Affirms Continuous Support to Accounting Profession in the Arab Region through IASCA**

CAIRO - The International Arab Society of Certified Accountants (IASCA) took part in the 10th Professional Conference organized by the Arab Federation of Accountants and Auditors (AFAA) on ‘Accounting and Auditing Profession: Reality and Challenges, Digital Transformation, International Financial Reporting Standards (IFRS), Corporate Governance and Internal Control related the field of Accounting and auditing



The Conference was held under the auspices of: the Arab Economic Unity Council (AEUC), the League of Arab States, the Secretary General of the AEUC, Ambassador Mohammad El-Rabie, and the Egyptian Ministry of Planning. Executive directors of organizations, commissions, and professional associations who are members of the Council took part in the gathering along with around 250 prominent personalities in the field of economics, business and management from the Arab countries.

On behalf of HE Dr. Talal Abu-Ghazaleh, chairman and founder of IASCA, Mr. Jamal Milhem, IASCA Board member, delivered a speech at the opening session affirming the continuous support of IASCA to the accounting profession in the Arab region.

In the said speech, Dr. Abu-Ghazaleh underlined the supportive role of the IASCA since its

establishment in 1984 for the development of accounting and auditing practices in the Arab world as well as for building the capacity of the profession in local organizations in these countries so that they can implement the international standards and comply with the best practices of the International Federation of Accountants (IFAC); ultimately contributing to the economic and social development of the Arab states.

Moreover, Milhem gave a presentation on the latest updates and amendments relating to the International Standards of Auditing among other standards issued by the International Auditing and Assurance Standards Board (IAASB) for the upcoming three years as well as the projects and initiatives currently under consideration by IFAC, calling on all professionals to participate by submitting their feedback and comments on the drafts of published standards.

Meanwhile, Milhem reviewed the accomplishments of the MENA Working Group in the International Federation of Accountants, IFAC for which he was selected as chair in (Mid 2019) announcing that it is working on conducting a comprehensive study on the current state of the profession in the Middle East and North Africa, exploring the challenges and proposing appropriate solutions that the Group is expected to submit in its report to IFAC by 2020.

The Conference aims at developing skills and exchanging knowledge and expertise using ICT in the field of accounting and auditing for enhancing professional relationships among

Arab accountants and auditors in order to enable them to meet the requirements of economic development and leading to the promotion of investment in the Arab world.

IFAC, the global organization for the accounting profession and the Pan African Federation of Accountants (PAFA) also participated in the event.

It is worth mentioning that the Arab Federation of Accountants and Auditors is one of the specialized federations affiliated with the Arab Economic Unity Council within the League of Arab States. Its membership is comprised of Arab organizations concerned with the auditing profession in the Arab world.

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## **New Report Highlights Accountancy Profession as Key Driver of Progress in Adoption of International Standards**

NEW YORK - Since 2000, IFAC member organizations have been instrumental in the adoption and implementation process, driving further economic growth and stability.

In celebration of the World Standards Day, IFAC (International Federation of Accountants) released a new report detailing how and where international accountancy standards—which focus on audit and assurance, ethics, education, and private and public sector accounting—are being adopted and implemented globally.

The report, which includes data from the more than 170 professional accountancy organizations that comprise IFAC's membership, shows strong and sustained support for both the adoption and implementation of international standards, especially in areas where IFAC member organizations are involved in the process from start to finish.

The International Standards: 2019 Global Status Report reveals:

- 90% of jurisdictions examined use International Standards on Auditing, International Financial



Reporting Standards, and the International Code of Ethics for Professional Accountants.

- 80% of jurisdictions examined have monitoring & enforcement mechanisms for quality assurance and investigation and discipline.
- 76% of IFAC member organizations have some level of authority in adopting international standards and best practices.
- IFAC member organizations are instrumental in ensuring high-quality standards' implementation through advocacy, raising awareness, technical support, translation, training and enforcement.

The report also shines a light on the important and often untold story of how standards are adopted and implemented—a process that can be as complex as developing a standard.

“Since there are no international laws requiring nations to adopt and implement international standards, support from IFAC’s member organizations for these dual objectives is critically important to progress,” according to IFAC CEO, Kevin Dancey. “This new report reinforces the impact of standards in driving transparency and creating a common language for high-quality financial information.”

According to the new report, there is a positive trend in international standards’ usage where IFAC member organizations have at least some authority in the standard-setting and regulatory environment. However, additional multi-stakeholder support from international policymakers and regulatory organizations, as well as leaders from government, academia, and business, is required to extend the adoption

success story by creating the right conditions for implementation.

“International standards have come a long way since 2000 when there was little to no global adoption. While there is always more to be done, IFAC member organizations play a vital role in ensuring the successful implementation of international accountancy standards, which ultimately help drive sustainable economic growth and financial market stability in their respective jurisdictions,” said Dancey.

### **About the Report**

The International Standards: 2019 Global Status Report’s data comes from the IFAC Member Compliance Program and covers 173 IFAC member organizations and the 130 jurisdictions in which they operate. The report establishes a baseline on international standards’ adoption and implementation and explores how accountancy best practices and IFAC member organizations have a positive impact.