

Trade Strategy

Comments from ACCA to the UK Department for Business & Trade

17 January 2025

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About ACCA:

We are ACCA (the Association of Chartered Certified Accountants), a globally recognised professional accountancy body providing qualifications and advancing standards in accountancy worldwide.

Founded in 1904 to widen access to the accountancy profession, we've long championed inclusion and today proudly support a diverse community of over **252,500 members** and **526,000 future members** in 180 countries.

Our forward-looking qualifications, continuous learning and insights are respected and valued by employers in every sector. They equip individuals with the business and finance expertise and ethical judgment to create, protect, and report the sustainable value delivered by organisations and economies.

Guided by our purpose and values, our vision is to develop the accountancy profession the world needs. Partnering with policymakers, standard setters, the donor community, educators and other accountancy bodies, we're strengthening and building a profession that drives a sustainable future for all.

Find out more at: www.accaglobal.com

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Introduction

Accountancy is a cornerstone profession of international trade, and we welcome the opportunity to provide feedback to government on the UK's trade strategy.

ACCA was pleased to see the inclusion of professional and business services (PBS), of which accountancy is an important sub-sector, as a key sector outlined in the modern industrial strategy¹. Our comments in this response build on the feedback of the PBS sector, including the PBSC of which ACCA is a member, to the development of the industrial strategy.

The UK exported £4 billion in accounting services in 2022 – a doubling in the value of accounting services exports since 2016.² Indeed, the UK had a trade surplus in accounting services of £1.7 billion. Combined with our globally respected accountancy services, the UK is also home to world-leading accountancy professional bodies, such as ACCA, who provide global educational expertise. Similarly, our members operate across the UK economy providing vital advice to businesses large and small on exports and gathering unique insight that we share with policymakers and government. Further, our international membership enables us to provide a network of international connections, helping us contribute to the UK's soft power advantages.

Taking measures to boost the UK's international trade opportunities will be key to addressing the recent decline in business confidence. ACCA's most recent Global Economic Conditions Survey, due to be published later this month, highlights that our key confidence index is at its lowest level in the decade-long survey, with the new orders index sitting at a negative number and below its long-term average, which remains in negative territory. Businesses need confidence to invest, grow and to progress to trade internationally, especially if they have little to no expertise in trading internationally.

In considering how the accountancy profession can support the UK's trade strategy, we have focused our comments and recommendations on the following areas:

- Supporting businesses in the UK to reach new markets and increase international sales;
- Increasing opportunities to expand the reach of our world-leading accountancy training to more international markets;
- Growing the export of accountancy services from the UK; and,
- Contributing to the UK's influence and connections around the world.

¹ [ACCAs Response to the Industrial Strategy Consultation](#)

² [The Accounting Profession in the UK and Ireland](#), Oxford Economics, 2024

Supporting international trade

In an everchanging geopolitical landscape professional business services firms, including accountants, play a crucial role supporting international trade through their role as key advisors enabling growth and entrepreneurship to organisations of all sizes and sectors.

Research published recently by Intuit QuickBooks³ highlighted the transformative impact of professional accounting and bookkeeping services in UK SMEs. This research underlines the crucial role of the accountancy profession in transforming outcomes for enterprises of every size and demonstrates that more data-driven decision making can lead to growth in revenue for SMEs of 11.5%. Similarly, through the provision of financial management, reporting, audit and assurance, the profession provides the foundation for confidence of investors and markets, ensuring the success of effective investment and efficient financial flows.

Recommendations:

- Ensure there is sufficient access to finance, particularly for SME exporters. Utilise the experience of the British Business Bank on the provision of their programmes and build market capacity to provide cost effective insurance for SME exporters, for example considering how a pooled arrangement might be more effective.
- Ensure a balanced regulatory environment in the UK to enable us to maintain our world-leading high standards, while ensuring appropriate alignment with key and emerging markets. Such an approach is important to support businesses to understand their obligations and operate in a safe and secure manner as well as contributing to the UK's reputation as a trusted and respected standard-setting market. This needs to be considered alongside the need to maintain the UK's competitiveness and to ensure ease of trade of goods and services. Key to this is minimising regulatory divergence with key markets for the UK, especially in emerging areas of regulation, including sustainability or AI, as well as practical requirements such as labelling requirements, data sharing, international reporting.
- Adopt continuous improvement on trade guidance, so that the production and promotion of guidance aimed at business on international trade opportunities in general is regularly reviewed, but also kept up to date to take advantage of new market opportunities. Particular attention should be given to ensuring the guidance works for SMEs and is updated to embrace new opportunities, such as navigating CPTPP. We have seen some examples of this in practice, but we believe further investment is needed in this area to ensure it is available in a timely manner and appropriately targeted.

³ [Intuit Accounting for the SMB economy](#)

- Modernise the UK's R&D and innovation ecosystem to further encourage firms to experiment and develop new forward-thinking solutions, boost productivity and encourage investment.

Maximising the UK's world-leading financial and accountancy training

Building on the UK's strengths in the education and finance sectors, our accountancy qualifications are sought out by students, employers and learning providers around the world. Key to the value of our training, such as the ACCA Qualification (and our protected title 'Chartered Certified Accountant'), is the recognition of qualifications in different jurisdictions.

However, irrespective of high employer recognition and demand for a global qualification, such as ACCA's, there will be a requirement to comply with the relevant jurisdiction's regulation of accounting services. For example, recognition and membership of the national Professional Accountancy Organisation (PAO) can sometimes be one of the requirements for access to certain roles, such as 'Statutory Auditor', in that country. This necessitates 'mapping' and agreement of recognition between the qualifications of professional bodies and PAOs. This process can be both enabled and fast-tracked via trade agreements.

ACCA believes that mutual recognition of professional qualifications drives up the value of our qualification amongst employers and students in markets around the world, thereby improving the opportunity for exports for our education sector.

Recommendations:

- Ensure that mutual recognition of professional qualifications and trade in services are at the heart of ongoing and future trade agreement negotiations between the UK and other nations.
- In particular, given the importance of the accountancy profession to all sectors of the economy, consider the opportunity for specific mutual recognition agreements relating to accountancy.

Supporting the expansion and export of accountancy services

As outlined above, our accountancy expertise is a UK success story. This could be further enhanced by addressing skills shortages experienced by employers across the UK, as well as ensuring professionally qualified accountants are able to operate in more markets.

ACCA's 2024 Global Talent Trends research surveyed almost 10,000 professional accountants from 157 countries to ask about the concerns they held around the future of work and aspirations for their careers. Our data indicates that global economic pressures continue to place a huge strain on talent attraction and retention. While this creates an ongoing retention puzzle for employers, it presents opportunities for the UK to demonstrate it is open to attract professionally qualified expertise from around the world.

As referenced above, key to boosting our export of services is expanding the mutual recognition of professional qualifications. This not only benefits our education sector but opens up opportunities for professionals around the globe to work in different markets, both enabling UK employers to recruit appropriately qualified accountancy staff and UK professionals the ability to deliver services or practice in other markets.

Where mutual recognition does not exist, or has been lost, professionals may still work for their employer in different locations, subject to visa requirements, but would not be qualified to deliver certain services, and their experience will not be relevant for the purposes of maintaining their qualification, making such employment mobility unattractive for employer and employee alike.

Mutual recognition for UK qualifications is also important as regulation relevant to accounting evolves at pace to adapt to a changing world. For example, where jurisdictions, such as the EU, introduce new statutory requirements in relation to sustainability reporting, potential new opportunities for UK firms or professionals to be the leading providers of such services outwith the UK, will be limited.

- Ensure that mutual recognition of professional qualifications and trade in services are at the heart of ongoing and future trade agreement negotiations between the UK and other nations.
- Build UK skills capability – ensure that businesses are able to access and develop a skilled workforce, and all citizens are assisted to gain the skills required by future PBS firms, thereby enabling businesses to thrive and allowing citizens to have successful careers.

Soft power

At the heart of what ACCA does is the belief that the accountancy profession can make the societies we live in fairer and more transparent. Through our global footprint, collaborations with governments, employers and the international donor community we work together to boost trade, grow the investment ecosystem, and make sure accountants all over the world are working to the same high international standards. Moreover, the role that ACCA plays in providing global

leadership to the accountancy profession, enables us to build capacity, share expertise and collaborate on research and insights. This supports governments, regulators and PAOs to strengthen public value, address skills development and sustainability goals around the world.

To support this work, we rely on partnerships with organisations with similar goals, including the UK government and its agencies. We believe that key organisations in this ecosystem, including the British Council, the UK-ASEAN Business Council and the UK India Business Council play a critical role in amplifying the UK's strengths and opportunities.

ACCA is also proud to be a member of the UK Soft Power Group (UKSPG), a group of the UK's leading soft power organisations, co-convened by the British Foreign Policy Group and the British Council. We will continue to engage with government departments to maximise the UK's soft power in supporting the UK's international objectives in addition to supporting the work of the new Soft Power Council.

Recommendations:

- The UK government should commit to funding of relationship building entities with a long-term settlement to allow these bodies to focus on long-term relationship building.