

The Institute of Chartered Accountants in Ireland

Response to the Exposure Draft entitled Explanatory Memorandum on IAESB Drafting Conventions

Introduction

The Institute of Chartered Accountants in Ireland welcomes the opportunity to comment on the Drafting Conventions exposure draft. We believe that the proposed structure enables the IAESB to reflect on the experience of other IFAC Boards and also responses and comments that have arisen from the existing International Education Standards and other IAESB pronouncements.

Whilst we recognise the merits of the document and the hoped for benefits which may accrue from more tightly constructed documents we believe that the variety of education practice and systems worldwide may reduce the hoped for benefit of the proposed developments.

In terms of the specific questions asked we have the following comments:

Question 1: Do you agree with the proposed structure for the Standards (*Introduction, Objectives, Requirements and Explanatory Materials*)? If you do not agree, what changes would you suggest and why?

The proposed change of structure is similar to other IFAC pronouncements. As such we support the proposed changes. Whilst we recognise the benefits of this the nature and variety of education practice worldwide (much of which is outside the control of the member body) may limit the impact of the change.

Question 2: Do you agree with the proposed categories of *requirements* and *presumptive requirements*, and the related obligations they would impose on member bodies? Please state the reasons that support your response.

We consider that the distinction between “shall” and “should” might benefit from the inclusion of an example. The existence of a presumptive requirement where “the presumptive requirement exists” appears to be a circular argument. This area may also pose difficulty for non English speakers.

The guidance of the expectations around such terms as “consider”, “evaluate” and “determine” are helpful and should be of benefit to the compliance programme. The creation of additional member body requirements will need to be carefully assessed in terms of costs and benefits.

Question 3: The following terms have been proposed in this explanatory memorandum:

“shall”
“should”
“consider”
“evaluate” and
“determine.”

Do you agree that these terms (as explained) are understandable? If you disagree, please indicate what alternatives would you propose and why?

Subject to clarification of what a 'presumptive requirement' might be, as indicated above, we believe that the additional terms are a helpful clarification.

Question 4: Do you agree with the proposed implementation approach? If you disagree, please indicate what changes you would make and why?

The proposed revision of standards planned is ambitious. Given the expected "tightening" of requirements implied by the process sufficient time needs to be given to allow due process to take place as there is will be a considerable amount of discussion and potential for delay.

A reconciliation of revised requirements with intended results might easily result in a radically different set of standards – or perhaps a composite standard? This might be difficult to achieve in the indicated timescale.

Question 5: Do you agree that these proposals will help the IAESB to achieve its objective of improving clarity in its pronouncements? If you disagree, please indicate what changes you would make and why?

The ICAI supports the desired aim of the proposals.

Question 6: Are there any additional steps or actions that the IAESB could take to make their pronouncements easier to (i) translate into other languages, (ii) understand, or (iii) implement?

ICAI supports the IAESB efforts to promote the pronouncements internationally. This includes the translation of the standards into other languages. We do not have expertise or resources to offer to this important work. We have a number of observations:

- The resource implications of translation are likely to be significant and these need to be considered at an institutional level.
- The length of some of the IAESB guidance in a number of areas is quite long and there may be merit in seeking to consider the impact on translation of having such lengthy practice statements.
- Additionally having specific processes and inputs at the time of the development of documentation might overcome unforeseen translation difficulties which may arise later.