

## **BACKGROUND NOTE ON ACTION PLANS**

Action Plans are developed by IFAC members and associates to address policy matters identified through their responses to the IFAC Compliance Self-Assessment Questionnaires. They form part of a continuous process within the IFAC Member Body Compliance Program to support the ongoing development and improvement of the accountancy profession around the world.

Action Plans are prepared by members and associates for their own use based on the national frameworks, priorities, processes and challenges specific to each jurisdiction. As such, they will vary in their objectives, content and level of detail, consistent with their differing national environments and stages of development, and will be subject to periodic review and update.

Refer to responses to the Part 1 Assessment of the Regulatory and Standard-Setting Framework Questionnaire and Part 2 SMO Self-Assessment Questionnaire for background information on each member and associate their environment and existing processes. These responses may be viewed at: [http://www.ifac.org/ComplianceAssessment/published\\_surveys.php](http://www.ifac.org/ComplianceAssessment/published_surveys.php)

### **Use of Information**

Please refer to the Disclaimer published on the Compliance Program website.

## **ACTION PLAN**

<b>IFAC Member/Associate :</b>	Arab Society of Certified Accountants (ASCA)
<b>Approved by Governing Body:</b>	ASCA Board
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## **GLOSSARY**

<b>ACPA</b>	Arab Certified Professional Accountant
<b>ASCA</b>	Arab Society of Certified Public Accountants
<b>BOD</b>	Board of Directors
<b>CPD</b>	Continuous Professional Development
<b>ED</b>	Executive Director
<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>IAESB</b>	International Accounting Education Standards Board
<b>IASB</b>	International Accounting Standards Board
<b>IES</b>	International Education Standards
<b>IESBA</b>	International Ethics Standards Board for Accountants
<b>IFAC</b>	International Federation of Accountants
<b>IFRS</b>	International Financial Reporting Standards
<b>IPSAS</b>	International Public Sector Financial Reporting Standards
<b>IPSASB</b>	International Public Sector Accounting Standards Board
<b>ISA</b>	International Standards on Auditing
<b>ISQC</b>	International Standards on Quality Control
<b>IT</b>	Information Technology
<b>PAO</b>	Professional Accountancy Organization
<b>QA</b>	Quality Assurance
<b>QCC</b>	Quality Control Committee
<b>R&amp;D</b>	Research and Development
<b>SMEs</b>	Small and Medium-sized Entities
<b>SMO</b>	Statement of Membership Obligations

**Action Plan Subject:** Statement of Membership Obligation (SMO) 1 - Quality Assurance (QA)  
**Action Plan Objective:** Development of ASCA's Quality Assurance Program

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
<p>At present, Arab Society of Certified Public Accountants (ASCA) does not maintain a quality assurance program for its members. As its members reside in a number of different countries with different statutory requirements, rules and legislation, ASCA does not maintain legal jurisdiction over its members in the area of quality assurance. Maintaining a membership with members in a variety of countries in the region and throughout the world makes maintaining its own system of quality assurance relatively impossible.</p> <p>As such, ASCA utilizes best endeavors to address SMO 1 through the development of formal communication and education programs to communicate the importance of quality assurance and quality control (including the requirements of International Standards on Auditing ISA 220 and ISQC 1) to ASCA's members. In this way, ASCA supports the development of systems of quality assurance by Professional Accountancy Organizations (PAOs) with national jurisdiction.</p>					
<i>Promoting External Quality Assurance Review for Members</i>					
1.	Ongoing	Continue implementation of ASCA program to communicate the importance of QA (SMO 1) and quality control (including the requirements of ISA 220 and International Standards on Quality Control ISQC 1) to ASCA Members who are auditors.	Ongoing	ASCA Executive Director (ED)	ASCA Board of Directors (BOD)
2.	Ongoing	To ensure a wide understanding of these standards, continue offering considerable discounts on the sale of translated standards to ASCA Members.	Ongoing	ASCA ED	ASCA BOD
<i>Maintaining Ongoing Processes</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
3.	Ongoing	Continue the promotion of knowledge and understanding of ISQC 1 and SMO 1 through the development and provision of training courses to members on the importance of quality matters and new trends and standards on quality control and assurance.	Ongoing	ASCA Training Department	ASCA ED
4.	Ongoing	Continue the promotion of knowledge and understanding of ISQC 1 and SMO 1 through the development and provision of quality related matters as part of the formal ACPA exam.	Ongoing	ASCA Training Department	ASCA ED
<i>Review of ASCA's Compliance Information</i>					
5.	Ongoing	Perform periodic review of ASCA response to SMO 1 Section of the IFAC Compliance Self-Assessment questionnaire and update the response as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	ASCA QA Department	ASCA Members of Quality, Training and Education Committee

**Action Plan Subject:** SMO 2 - International Education Standards (IESs)  
**Action Plan Objective:** Development and Implementation of the Final Assessment Requirement and CPD Program

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>The provision of accountancy education is conducted at the university level by both national and international universities with programs in accountancy. To further this, ASCA maintains a strategic partnership and alliance with several prestigious universities including Cambridge University, German Jordan University, Jordanian Universities and several others throughout Arab countries.</p> <p>ASCA maintains two levels of membership: <u>ASCA Associate Member</u> and <u>ASCA Fellows</u>:</p> <p>To be registered as an <u>ASCA Associate Member</u>, generally speaking, the applicant should pass the accountant and professional examinations prescribed by the Board and should have practical experience in accounting acceptable by the Board of not less than three years. Additionally, ASCA recognizes and accepts individuals with prestigious international qualifications (e.g., Association of Chartered Certified Accountants ACCA, Institute of Chartered Accountants in England &amp; Wales ICAEW, and Institute of Chartered Accountants of Scotland ICAS) who have also met citizenship requirements or the requirement for two years of related work experience in an Arab country. ASCA has developed and implemented a formal process to monitor the attainment of appropriate professional experience.</p> <p>To be registered as an <u>ASCA Fellow Member</u>, generally speaking, an individual must be an ASCA Associate Member with continuous membership for a period of five consecutive years OR an individual member of an accepted international professional association (e.g. ICAEW, ACCA, ICAS) with continuous membership for a period of five consecutive years.</p> <p>In addition to offering these two levels of membership, ASCA has begun offering a new level of professional designation to address the needs of the market and to allow for greater professional development and achievement. The Arab Certified Professional Accountant (ACPA) designation is aimed at providing Arab Accountants with the highest form of qualification. ASCA is presently working on updating the ACPA material to be more practical and aligned with IAESB International Education Standards. ACPA certification scheme includes eight main topics with eight exams. The exams are offered once a year for eligible candidates. ACPA covers several topics in Business, Accounting, Auditing, Taxes and Laws, and Information Technology. In addition, to ensure that ASCA Members' skills are kept up to date and relevant to the market, ASCA is developing Continuing Professional Development (CPD) requirements and a CPD program to keep ACPA holders' skills and knowledge up to date with recent trends in the fields of accounting and auditing and with international standards.</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Development and Implementation of CPD Program</i>					
6.	April 2011	Review SMO 2 and IAESB IESs to guide discussions and program design of CPD requirements.	October 2011	ASCA Members of Quality, Training and Education Committee	ASCA ED
7.	October 2011	Develop requirements regarding the number/type of CPD which is required to be completed by ACPA Members. Ensure alignment with IAESB IESs and SMO2.	Nov. 2011	ASCA Members of Quality, Training and Education Committee	ASCA ED
8.	Dec. 2011	Conduct discussions and develop a system for monitoring the attainment of CPD by ACPA Members.	Dec. 2011	ASCA Members of Quality, Training and Education Committee	ASCA ED
9.	Nov. 2011	Communicate new CPD requirements to members to ensure their understanding and enhance their compliance with this component of membership.	Dec. 2011	ASCA Members of Quality, Training and Education Committee	ASCA ED
<i>Future Improvements on the Final Assessment Requirements</i>					
10.	Apr. 2011	Review IAESB IESs and SMO 2 and reflect on ACPA examination and areas where further improvements to the examination may be helpful to enhance compliance with SMO.	Jun. 2011	ASCA Members of Quality, Training and Education Committee	ASCA ED
11.	Ongoing	Monitor activities of IAESB and ensure that recent changes and updates to IES and embodied in training and educational materials and are reflected in the final assessment.	Ongoing	ASCA QA Department	ASCA ED

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Future Improvements on CPD program</i>					
12.	2010	<p>Conduct a review of potential third party providers of CPD for ACPA designated members to determine those providers who are suitable for provision of CPD.</p> <ul style="list-style-type: none"> <li>• Develop a list of potential providers.</li> <li>• Develop criteria for reviewing and accepting providers.</li> <li>• Conduct initial reviews of providers to ascertain their ability to provide CPD at a high level of quality.</li> <li>• Notify suitable providers and communicate this information to ACPA Members so that they may be aware of which providers may grant CPD.</li> </ul>	Dec. 2011 Ongoing	ASCA Training and Education Committee	ASCA ED
13.	Ongoing	Utilizing experience gained from conducting the initial review of third party providers of CPD develop a sustainable process for ensuring annually that third party providers are conducting high quality educational programs in-line with ASCA beliefs.	Ongoing	ASCA Training and Education Committee	ASCA ED
<i>Review of ASCA's Compliance Information</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
14.	Ongoing	Perform periodic review of ASCA response to SMO 2 Section of the IFAC Compliance Self-Assessment questionnaire and update the response as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	ASCA QA Department	ASCA Members of Quality, Training and Education Committee

**Action Plan Subject:** SMO 3 - International Auditing and Assurance Standards  
**Action Plan Objective:** Promoting an Ongoing Convergence Process and Implementation with IAASB Pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>As the sole organization in the Arab region for the translation of English language international accountancy standards into Arabic, the Arab Society of Certified Accountants (ASCA) is responsible for translating the IAASB pronouncements into Arabic language. Through translation, publication and promotion, ASCA uses best endeavors to encourage the adoption and implementation of IAASB standards by countries throughout the Arab region.</p> <p>ASCA keeps its members (Professional Accountants) educated on international standards through its certification, education and CPD programs to ensure that they understand the standards and apply them appropriately. Additionally, ASCA provides its members with the latest versions of Arabic language publications of the IAASB standards.</p>					
<p><i>Promoting an Ongoing Convergence Process and Implementation with IAASB</i></p>					
15.	Ongoing	Monitor changes to IAASB standards and communicate these changes to the ASCA Training and Education Committee so that they may appropriately update certification, education and CPD materials.	Aug. 2011	ASCA Translation and Quality Department	ASCA ED
16.	2001	Continue translation of IAASB standards and guidance.	Ongoing	ASCA Translation and Quality Department	ASCA ED

#	Start Date	Actions	Completion Date	Responsibility	Resource
17.	2001	Continue collaboration with professional organizations in the region to ensure the highest quality of translation and understandability of the Arabic translation in all relevant countries.  Continue collaborative activities to attain one common Arabic language translation. Include maintenance of the regional Quality Review Committee which works to review the glossary and the basic modifications to standards.	Ongoing	ASCA Quality Review Committee	ASCA ED
<i>Training Courses and Awareness Sessions</i>					
18.	Ongoing	Investigate changes to ISAs and IAASB standards and modify and update certification, education and CPD training courses.	Ongoing	ASCA Training and Education Committee	ASCA BOD
19.	Ongoing	Continue developing and delivering training courses in the field of IFRS on Small and Medium Enterprises (SMEs) for the targeted groups of SMEs in Jordan.	Ongoing	ASCA Training and Education Committee	ASCA BOD
<i>Review of ASCA's Compliance Information</i>					
20.	Ongoing	Perform periodic review of ASCA response to SMO 3 Section of the IFAC Compliance Self-Assessment questionnaire and update the response as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	ASCA QA Department	ASCA Members of Quality, Training and Education Committee

**Action Plan Subject:** SMO 4 - IESBA Code of Ethics  
**Action Plan Objective:** Effective Adoption and Implementation of the IESBA Code of Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Ethical requirements are established by Jordanian Law through the Public Accountant Act of 2003. This Act regulates, supervises and monitors the audit and accounting profession in Jordan. It regulates the work of auditors and accountants, creates new criteria for licensing, and forms new Committees.</p> <p>In an effort to raise awareness of the IESBA Code of Ethics, enhance compliance with IFAC SMO 4 and improve alignment with the IESBA Code of Ethics, ASCA has started the process of documenting the difference between the national ethics requirements in Jordan and the IESBA Code of Ethics to provide accountants and auditors with a better understanding of the modifications required for the local environment.</p>					
<p><i>Effective Adoption and Implementation of the IESBA Code of Ethics</i></p>					
21.	2010	Review ethical requirements contained in the Public Accountants Act of 2003 and other legislation regarding ethical requirements for accountants and compare requirements with those included in the IESBA Code of Ethics. Identify areas of deviation which may need to be modified.	Nov. 2011	ASCA ED	ASCA BOD
22.	Oct. 2011	Begin dialogue with government representatives to raise their awareness of IESBA Code of Ethics and its requirements. Additionally, raise awareness of the areas where the current Act and legislation may fall short of IESBA requirements.	Dec. 2011 Ongoing	ASCA ED	ASCA BOD

#	Start Date	Actions	Completion Date	Responsibility	Resource
23.	Nov. 2011	<p>Review ACPA syllabus and compare ethical aspects, lessons and examples included the syllabus with those presently required by:</p> <ul style="list-style-type: none"> <li>• Government regulation bodies in Jordan;</li> <li>• Jordanian law regulating professional accountants and/or auditors;</li> <li>• Securities regulations; and</li> <li>• ASCA ethical requirements (this is the same as the IESBA Code of Ethics).</li> </ul> <p>Identify areas for modification to improve alignment of syllabus with current ethical requirements.</p>	Apr. 2012	ASCA ED	ASCA BOD
<i>Ethical Requirements Awareness Sessions According to the IESBA Code of Ethics</i>					
24.	Apr. 2011	Develop and deliver specialized training courses which focus on the modifications and differences between the national ethical requirements and the IESBA Code of Ethics to ASCA Members. Use these trainings to raise awareness among Membership regarding current areas for improvement of ethical requirements.	Dec. 2011 Ongoing	ASCA Training and Education Committee	ASCA ED
25.	Apr. 2011	Create a web based resource on ASCA website about the ethical requirements. Continuously update web resource to include most up to date materials and resources on the application of ethical requirements.	Sept. 2011	ASCA Staff	ASCA ED
<i>Expanding ASCA's Continuing Education Program with Code of Ethics Revisions</i>					

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<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
26.	Ongoing	Monitor IESBA for changes to Code of Ethics. Investigate changes to IESBA standards and modify and update certification, education and CPD training courses accordingly to ensure relevant and current information.	Ongoing	ASCA QA Department	ASCA ED
<i>Review of ASCA's Compliance Information</i>					
27.	Ongoing	Perform periodic review of ASCA response to SMO 4 Section of the IFAC Compliance Self-Assessment questionnaire and update the response as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	ASCA QA Department	ASCA Members of Quality, Training and Education Committee

**Action Plan Subject:** SMO 5 - International Public Sector Financial Reporting Standards  
**Action Plan Objective:** Ensure using the best endeavors to promote use of IPSASs to the relevant Government Ministry/ Agency

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>ASCA will use best endeavors to promote the use of IPSASs and IPSASB and encourage the relevant Jordanian government ministry and agency to adopt IPSAS. ASCA furthers the adoption and implementation of the standards through the translation of these documents into Arabic language. This raises awareness and understanding of the standards and also makes them readily available for government ministry and agency usage not only by the Jordanian government, but by the several governments throughout the region. Through translation, publication and promotion, ASCA uses best endeavors to encourage the adoption and implementation of IPSAS by countries throughout the Arab region. ASCA has most recently published the IPSAS 2010 Handbook in Arabic language.</p> <p>ASCA publicizes and communicates any new and updated IPSAS activities through the ASCA website.</p>					
<i>Ensure using the best endeavors to promote use of IPSASs to the relevant Government Ministry/ Agency</i>					
28.	Apr. 2011	Communicate the completion of the 2010 version of Arabic IPSAS Handbook to Jordanian government ministries/ agencies.	Jun. 2011	ASCA Translation and Quality Department	ASCA ED
29.	Jun. 2011	Begin dialogue with countries/PAOs in the region which have adopted and implemented IPSAS. Consider what lessons learned may be taken away from their experiences and applied to Jordanian situation.	Oct. 2011 Ongoing	ASCA Translation and Quality Department	ASCA ED
30.	Apr. 2011	Continue dialogue with relevant Jordanian government ministries/agencies on the benefits for IPSAS adoption and implementation.	Dec. 2011 Ongoing	ASCA Translation and Quality Department	ASCA ED

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
31.	Mar. 2011	ASCA has received approval from IPSASB, and will start working on translating and publishing the 2011 Arabic version of IPSAS.	Dec. 2011	ASCA Translation and Quality Department	ASCA ED
<i>Review of ASCA's Compliance Information</i>					
32.	Ongoing	Perform periodic review of ASCA response to SMO 5 Section of the IFAC Compliance Self-Assessment questionnaire and update the response as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	ASCA QA Department	ASCA Translation and Quality Department

**Action Plan Subject:** SMO 6 - Investigation and Discipline  
**Action Plan Objective:** Establishment of a System of Investigation and Discipline for ASCA Membership

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
The Jordanian government is the external body responsible for investigation and discipline mechanism in Jordan. Presently, ASCA does not maintain a system of I&D for its membership. Therefore, over the next 12 months, ASCA will work to establish an internal mechanism to promote the investigation and discipline.					
<i>Establishment of an Internal Investigation and Discipline Mechanism</i>					
33.	Apr. 2011	Review IFAC SMO 6 requirements to gain understanding of key components of a system of investigation, discipline, and appeals.	Jun. 2011	ASCA ED	ASCA BOD
34.	Jun. 2011	Begin discussions on how a system of I&D could function within ASCA. Reflect on implications for constitution and by-laws, committee structure and organization of ASCA, human and financial resources and other considerations.	Sept. 2011	ASCA ED	ASCA BOD
35.	Sept. 2011	Develop a plan for operationalizing system of I&D which addresses issues of non-compliance of members with professional and ethical requirements.	Feb. 2012	ASCA ED	ASCA BOD
<i>Review of ASCA's Compliance Information</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
36.	Ongoing	Perform periodic review of ASCA response to SMO 6 Section of the IFAC Compliance Self-Assessment questionnaire and update the response as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	ASCA QA Department	ASCA ED

**Action Plan Subject:** SMO 7 - International Financial Reporting Standards

**Action Plan Objective:** Ensure using the best endeavors to promote ongoing convergence and Implementation of IFRS

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background:</i>					
<p>Being the sole organization representing Arab states, ASCA has obtained a license from the IASB and IFRS Foundation to translate and publish IFRSs and the XRBL Project into Arabic language to be published around the world. Additionally, ASCA has published the International Financial Reporting Standard for Small and Medium-sized Entities (IFRS for SMEs) into Arabic language. Through translation, publication and promotion, ASCA uses best endeavors to encourage the adoption and implementation of IFRS and IFRS for SMEs by countries throughout the Arab region.</p>					
<i>Ensure using the best endeavors to promote ongoing convergence and Implementation of IFRS</i>					
37.	2009	Publish the IFRS for SMEs for the purpose of fulfilling the requirements and capabilities of small and medium entities estimated to account for more than (95%) of all companies around the world.	May 2010	ASCA Translation and Quality Department	ASCA ED
38.	May 2010	Monitor IFRS for SMEs for changes and translate and incorporate changes into the Arabic language version of IFRS for SMEs.	Ongoing	ASCA Translation and Quality Department	ASCA ED
39.	Ongoing	Continue developing and delivering training courses in the field of IFRS on Small and Medium Enterprises (SMEs) for the targeted groups of SMEs in Jordan.	Ongoing	ASCA Training and Education Committee	ASCA BOD
<i>Maintaining Ongoing Processes</i>					

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<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
40.	Ongoing	Continue collaborate with IASB to ensure the support of ongoing convergence of the international standards in the Arab countries.	Ongoing	ASCA ED	ASCA ED
<i>Review of ASCA's Compliance Information</i>					
41.	Ongoing	Perform periodic review of ASCA response to SMO 7 Section of the IFAC Compliance Self-Assessment questionnaire and update the response as necessary. Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	ASCA QA Department	ASCA Translation and Quality Department