

Project: IFAC COMPLIANCE PART 2
 Questionnaire: IFAC - Statistics Update and Compliance Program Questionnaires
 Report: **Answer set report (All SMO's)**
 Report date: 10/23/2013

 Answer Set: **ITALY - Consiglio Nazionale dei Dottori Commercialisti**

Number	Question Title/Text/Help text	Answer	Comments
IFAC Part 2 SMO Self-Assessment			
1.	SMO 1		
1.1.	Quality Assurance Program		
1.1.1.	<p><i>Quality Assurance Review Program</i></p> <p>In your jurisdiction is there a mandatory quality assurance review program in place for members of your organization performing audits of financial statements of listed companies?</p>	1 <input checked="" type="radio"/> Yes	<p>Currently a structured quality control program is mandatory only for audit firms auditing listed companies. The system is managed by (CONSOB) the Italian regulator for stock exchange and financial markets. Following implementation of the European audit directive (2006/43/CE), by means of the delegate decree Nr. 39 dated 29 January 2010, a quality control system has to be implemented for all audits and for all registered auditors. The final oversight authority is placed with the Ministry of Finance and Economics. A</p>

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		2○ No	further decree, expected already in 2012, will define the Quality Control System (QCS), by specifying competencies, procedures and reporting lines.
1.2.	Responsibility for Quality Assurance - Overview		
1.2.1.	<i>Responsibility for Quality Assurance</i> Within your jurisdiction, is your organization responsible for monitoring the quality of the work of your members performing audits of financial statements? Select the answer option that is most appropriate.	1○ Yes - for all audits of financial statements 2○ Yes - for all audits except those of listed entities 3○ Our organization shares responsibility for the quality assurance program with another body 4⊙ No, responsibility for quality assurance for all audits rests with another body 5○ Other (please describe) 6○ Not applicable - no members of our organization perform audits of listed entities	
1.2.2.	<i>Name of Other Body Responsible for QA</i> State the name of the other body that is	CONSOB - for audit of PIE.	

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	responsible for quality assurance review for all audits.	Ministry of Finance and Economics (MEF) - for audit of non-PIE.	
1.2.4.	<i>Quality Assurance (Other Body) - Scope</i> Is the scope of the of the quality assurance review program implemented by another body materially narrower than the scope of the requirements of SMO1?	1 <input type="radio"/> Yes 2 <input checked="" type="radio"/> No	The CONSOB QC system is currently the only one foreseen by the law as mandatory. Within the implementation process of the new eu audit directive the system may change.
1.3.	<i>Activities to promote SMO 1</i> Please describe what activities your organization undertakes to promote obligations set in SMO 1 Quality Assurance.	activities will depend on the implementation of audit directive	
2.	SMO 2		
2.1.	<i>MB Membership Requirements</i> Which of the following are required for individuals to be admitted as members in your organization? Select all the options that are appropriate.	1 <input checked="" type="checkbox"/> Complete a program of professional accountancy education 2 <input checked="" type="checkbox"/> Complete a practical experience requirement 3 <input checked="" type="checkbox"/> Complete a final assessment of the individual's professional capabilities and competencies 4 <input type="checkbox"/> None of the above	A specific university degree is required in accordance with the professional activities which are intended to be practiced.

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2.2.	<p><i>Continuous Professional Development</i> Is there a requirement for your members to develop and maintain competence through continuous professional development (CPD)?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	<p>CPD Regulation completely complies with requirements established by the International Education Standard n. 7, as an input-based approach.</p>
2.3.	Professional Accountancy Education		
2.3.1.	<p><i>Professional Accountancy Education Program</i> Who delivers the professional accountancy education program for your members? Select all the answer options that are appropriate.</p>	<p>1 <input type="checkbox"/> Our organization</p> <p>2 <input type="checkbox"/> Another IFAC member body</p> <p>3 <input checked="" type="checkbox"/> Universities</p> <p>4 <input type="checkbox"/> Approved training institutions</p> <p>5 <input type="checkbox"/> Government bodies</p> <p>6 <input type="checkbox"/> Other organizations</p>	<p>University degree is required. It can be a BA or MBA according to the level and range of professional activities that are to be exercised.</p>
2.3.2.	<p><i>Describe Other Organizations</i> Where your response in question 2.3.1 indicates another IFAC member body, universities, approved training institutions, and / or other organizations deliver the professional accountancy education program, describe these organizations and their legal authority to deliver the program.</p>	<p>There are about 100 universities in Italy that are authorized by law to deliver accountancy education.</p>	

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	(Include the name of the other IFAC member body where relevant).		
2.3.3.	<p data-bbox="353 352 853 419"><i>Prof Accountancy Education Program Follow Up</i></p> <p data-bbox="353 427 931 603">Please describe how your organization ensures the professional accountancy education program, delivered by the organization in response to question 2.3.1., meets the required content.</p> <p data-bbox="353 647 931 791">Include in your description the specific activities your organization undertakes with regards to the necessary content requirements.</p>	<p data-bbox="958 427 1397 1046">Since the formal competency is of the Universities CNDCEC has promoted the establishment of a dedicated forum in which the education program proposed by universities is discussed and analyzed in order to allow universities to propose to their students the education that the market demands. The forum is participated by the professional body, CNDCEC, the Ministry of University, and representatives of the national conference of the Deans of the Faculties of Economics, Business administration and statistics.</p>	
2.11.	IES 5 Practical Experience Requirement		
2.11.1.	<p data-bbox="353 1094 607 1126"><i>Approved Provider</i></p> <p data-bbox="353 1134 931 1238">Section 2.11 deals with the practical experience requirement established by your organization.</p> <p data-bbox="353 1283 931 1383">Does the practical experience requirement have to be obtained with approved providers or employers?</p>	1 ☉ Yes	

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		2○ No	
2.11.2.	<i>Provider Characteristics</i> Please describe the characteristics set by your organization for recognizing approved providers.	They have to be natural persons and registered members of CNDCEC for at least five years.	
2.11.4.	<i>Length of Practical Experience</i> What is the required length of pre-qualification practical experience? Select the answer option that is most appropriate.	1○ Three years 2⊙ Less than three years 3○ More than three years	The legislation has changed in 2012 and now a period of 18 month is set as mandatory instead of the previous three years.
2.11.5.	<i>Length of Practical Experience Follow Up</i> Describe the length of the practical experience requirement and what special conditions or factors were relevant in establishing the length.	Practical experience is 18 months. The previous requirement was of 3 years. The reasoning of shortening the period was to provide young students the opportunity to be integrated in the labor market at an earlier stage.	
2.11.6.	Practical Application SMO 2		
2.11.6.1.	<i>Practical Application</i> Where relevant graduate (beyond under-graduate, e.g., masters) professional education has a strong element of practical accounting application, may any portion of the professional education be contributed to the practical experience requirement?	1⊙ Yes 2○ No	Only if this special education is achieved abroad (in the EU).

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2.11.6.2.	<i>Practical Application Recognized</i> How many months of the practical accounting component may be contributed towards the practical experience requirement?	1 <input checked="" type="radio"/> One to twelve months 2 <input type="radio"/> Thirteen or more months 3 <input type="radio"/> Other	
2.11.7.	Timing of Experience		
2.11.7.1.	<i>Pre or Post Qualification Experience</i> The practical experience for accountants may be obtained (select all the answer options that are appropriate):	1 <input type="checkbox"/> Before the professional accountancy education program of study 2 <input checked="" type="checkbox"/> At the same time as the professional accountancy education program of study 3 <input checked="" type="checkbox"/> After the professional accountancy education program of study	The professional activities are divided in two levels: the first one can be accessed with BA degree, with the training period of three years starting after the BA, and then the passing of the State examination. For the higher level the requirement is to possess a master's degree of five years. In this case the training period of three years can start after the BA, and partly coincide with the two last academic years.

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2.11.7.2.	<i>Describe Pre or Post Experience</i> Describe the length of practical experience that may be obtained pre-qualification and / or post-qualification.	The length is three years. A maximum of two years can coincide with the university period, but only if the length of studies is five years university, for the purpose of being registered at the higher level.	
2.12.	IES 5 Monitoring of Practical Experience Requirement		
2.12.1.	<i>Monitoring of Practical Experience</i> Is the period of practical experience monitored?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
2.12.3.	<i>Monitoring Practical Experience</i> How is the practical experience requirement (or practical application) monitored and assessed? Select all the answer options that are appropriate.	1 <input checked="" type="checkbox"/> Mentoring system 2 <input checked="" type="checkbox"/> Approved training employers and organizations 3 <input checked="" type="checkbox"/> Self-declaration required from the candidate 4 <input checked="" type="checkbox"/> Record of the practical experience is kept and submitted to the member body when applying for membership 5 <input type="checkbox"/> An assessment is made by the mentor or employer	An assessment is made periodically by the professional body, at a local branch level.

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2.13.	IES 6 Assessment of Prof Capabilities and Competence	6 <input checked="" type="checkbox"/> Other (please describe)	
2.13.1.	<p data-bbox="353 395 813 422"><i>Assessment by IFAC Body or Other</i></p> <p data-bbox="353 432 931 531">Section 2.13 deals with the final assessment requirements established by your organization.</p> <p data-bbox="353 579 853 643">Select all the organizations involved in conducting the final assessment.</p> <p data-bbox="353 691 931 906">If the final assessment is conducted jointly between various organizations, select all those that have some responsibility for conducting the final assessment and in the Comment Box, describe the nature of their respective roles and responsibilities.</p>	1 <input type="checkbox"/> Our organization (including training entities that are affiliated with our organization or a subsidiary of our organization).	<p data-bbox="1451 432 1843 1383">The formal competency for organizing the State examination to access the profession of Dottore Commercialista and esperto contabile is of the Universities. Each university (about 100 in all Italy) publishes the regulation of the State examination and appoints the examination committee. The committee is composed by university professors, a magistrates and a dottore commercialista (as representative of the profession and not as representative of the professional body). The concrete management of the examination is a competency of universities as well. It is important to highlight that in Italy all members of the professional body can be directly registered in the</p>

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		2 <input type="checkbox"/> Another IFAC member body 3 <input type="checkbox"/> Government or regulatory body 4 <input checked="" type="checkbox"/> Other	<p>auditors role, under the oversight of the Ministry of Justice and therefore the State examination for Dottore Commercialistas is valid also for registration as auditors. But the law consents also to follow a separate route to become auditor, without registration in the professional body. In that case the requirements are : a university degree of three years (BA), a training period of three years under the supervision of an auditor and the Ministry of Justice and a special State examination: this dedicated state examination is managed directly by the Ministry of Justice and not by universities.</p>
2.13.2.	<i>Assessment - Name of IFAC Organization SMO 2</i> State the name of the IFAC member body,	Universities.	

Number	Question Title/Text/Help text	Answer	Comments
	government or regulatory body, or other organization that conducts the final assessment.		
2.13.3.	<i>MB Input Follow Up</i> Please describe how does your organization provide input into the government or regulatory body or other organization's assessment activities?	The examination committee is composed of five persons, of which at least two are registered members.	
2.13.4.	<i>Characteristics of Assessment</i> Which of the following characteristics are applicable to the final assessment process? Select all the answer options that are appropriate.	<p>1 <input type="checkbox"/> Uniform for all students</p> <p>2 <input checked="" type="checkbox"/> Given simultaneously where it is being held in more than once location in the country</p> <p>3 <input checked="" type="checkbox"/> Assessment is set and assessed only by qualified or approved individuals</p> <p>4 <input type="checkbox"/> None of the above</p>	The exam is organized by universities and each university decides its own content of examination, however the day is the same in all Italy because it is decided by a decree of the Ministry. The exam to become dottore commercialista is held twice a year (autumn and spring) while the exam to become auditor is held only once a year (autumn).

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2.13.5.	<p><i>Qualifying for Final Assessment</i> What requirements must the candidate satisfy to take the final assessment? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Specified pre-qualification requirements relating to professional knowledge, professional skills, and professional values, ethics, and attitudes</p> <p>2 <input checked="" type="checkbox"/> Specified practical experience requirements</p> <p>3 <input type="checkbox"/> Other (please describe)</p> <p>4 <input type="checkbox"/> None of the above</p>	
2.13.6.	<p><i>Timing Considerations for Final Assessment</i> Is there a requirement or restriction for completing the final assessment? For example, some organization may require the candidate to take the final examination within a specified number of years of meeting the pre-assessment requirements.</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	<p>There are two sessions of examination per year. The exam can be repeated.</p>
2.13.7.	<p><i>Requirement or Restrictions</i> Describe the requirements or restrictions relating to when the final assessment must be undertaken.</p>	<p>The final assessment can be taken only with the possession of an academic title and only after the certification of the three years of professional training.</p>	
2.13.8.	<p><i>Assess Professional Knowledge</i> Describe in general terms how required professional knowledge (e.g. technical knowledge about accounting, finance, audit, financial reporting, legislative requirements,</p>	<p>There are four sets of examinations, 3 written examinations and an oral one. The written ones are on: - Accounting, auditing and other</p>	

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	information technology etc.) is assessed during the final assessment.	technical disciplines; - Legislation; - Technical essays.	
2.13.9.	<i>Assess Professional Skills</i> Describe in general terms how required professional skills (e.g. ability to solve problems, make decisions, exercise judgment, personal skills, interpersonal and communication skills, organizational and business management skills etc.) are assessed during the final assessment.	These skills may be assessed when they are features or topics of the written examination related on the audit case or technical aspects.	
2.13.10.	<i>Assess Professional Values, Ethics, Attitudes</i> Describe in general terms how required professional values, ethics, and attitudes are assessed during the final assessment.	It is one of the subjects on which the oral examination focuses.	
2.13.11.	<i>Recorded or Oral Format</i> Is the final assessment conducted through:	<input type="radio"/> Recorded format with recorded (e.g. written) response required <input type="radio"/> Oral format with oral responses <input checked="" type="radio"/> Both recorded and oral response formats	There are three written examination: one on technical issues, one on legal issues and one on IT and case study. The written examinations are an essay or a case study; no use of multiple choice.
2.13.12.	<i>Recorded Proportion</i> Approximately what proportion of the final assessment requires candidates' responses to	<input type="radio"/> Less than 25%	

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	be in recorded form?	2○ 25% 3○ 50% 4⊙ 75% 5○ 100%	
2.13.13.	<i>Assessment Formats</i> What formats are used in conducting the final assessment (select all the answer options that are appropriate)?	1□ Multiple choice questions 2☑ Case studies 3☑ Technical questions 4☑ Thesis 5□ Other (please describe) 6□ None of the above	
2.13.14.	<i>Reliability and Validity</i> Describe in general terms the procedures in place to ensure the final assessments are reliable and valid. Include a description of how the assessment questions are set and by whom and also how reviewers / assessors are selected.	- There are three different kits, for each of the written examinations. At the beginning of the examination each candidate may choose one of the kits. - The written examination has a special code but no personal sign that may allow recognition of the candidate is allowed.	
2.13.15.	<i>Frequency of Final Assessments</i> How many times in a year is the final assessment offered? Select the answer option that is the most appropriate.	1○ Yearly (or once a year) 2⊙ Half yearly (or twice a year) 3○ Three sessions a year	

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		4○ Four sessions a year 5○ Five sessions a year 6○ Other (please describe the frequency of the examinations)	
2.14.	IES 7 Continuing Professional Development - CPD		
2.14.1.	<p><i>Responsibility for CPD Requirements</i> Section 2.14 deals with the continuous professional development requirements established by your organization.</p> <p>Who establishes the continuous professional development requirements applicable to your members? Select all the answer options that are appropriate.</p>	1☑ Our organization 2☐ Another organization (state the name of the organization including whether it is an IFAC member body) 3☑ Law and / or regulation (state the name of the law / regulation) 4☐ Other (please describe)	Delegated Decree n. 139/2005; CNDC Regulation on CPD.
2.14.2.	<p><i>CPD and Professional Accountants</i> Which membership categories are required to maintain professional competence through continuous professional development? Select all the answer options that are appropriate.</p>	1☑ All our qualified members	All members have to comply with CPD requirements except members who: - do not practice, neither occasionally, professional

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		<p>2 <input type="checkbox"/> Qualified members who perform audits of listed entities</p> <p>3 <input type="checkbox"/> Qualified members who perform audits of entities other than listed entities</p> <p>4 <input type="checkbox"/> Qualified members who provide services (other than audit) to the public</p> <p>5 <input type="checkbox"/> Qualified members who are employed in business</p> <p>6 <input type="checkbox"/> Other (please describe)</p>	<p>activities; - are 65 years or older; - come under specific/identified categories provided by CPD Regulation.</p>
2.14.3.	Requirement - CPD		
2.14.3.1.	<p><i>Type of CPD Requirement</i></p> <p>Which of the following answer options describes the way the continuous professional development is structured? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Members must satisfy a number of hours of continuous professional development a year or over a number of years</p> <p>2 <input checked="" type="checkbox"/> All members are to satisfy specified content requirements (e.g. specified courses or knowledge content)</p>	

Number	Question Title/Text/Help text	Answer	Comments
		3 <input type="checkbox"/> Members working in specialist areas or areas of high risk to the public are to satisfy specified content requirements (e.g. specified courses or knowledge content) 4 <input checked="" type="checkbox"/> Other	
2.14.3.2.	<i>Other Type of Requirement</i> Please describe the continuous professional development requirement.	- Participation in technical committees; - Publishing of technical papers or articles;	
2.14.3.3.	<i>Hours of Continuous Professional Development</i> Which one of the following answer options best describes the continuous professional development hours required?	1 <input type="radio"/> Members have to complete a minimum of 120 hours or equivalent learning units of relevant professional development activity over a three-year rolling period. 2 <input type="radio"/> Members have to complete a minimum of 20 hours or equivalent learning units in each year 3 <input checked="" type="radio"/> Other	Members have to complete: - a minimum of 90 learning units of relevant professional development activity over a three-year rolling period; and - a minimum of 20 learning units in each year.
2.14.3.4.	<i>Other Hours Follow Up</i> Describe the continuous development hours	Minimum of 90 credits (usually	

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	required by members.	equivalent to an hour) over three years, and at least 20 each year. At least three annual credits should be focused on: Ethics, regulation of the profession, organization of the professional activity.	
2.14.3.5.	<i>Describe Content Requirement</i> Describe the content requirement applicable to all members.	At least 3 learning units per year have to be acquired through training activities on the following subjects: - Professional Code; - Retirement benefits for professional accountants; - Ethic Code; - Professional fees; - Professional firm/office organization.	
2.14.3.8.	<i>Monitoring of CPD</i> Is there a process to monitor whether your members who are qualified as professional accountants meet the continuous professional development requirements?	1 <input checked="" type="radio"/> Yes, there is a monitoring process for CPD requirements 2 <input type="radio"/> No, there is no monitoring process for CPD requirements	Local branches shall identify and implement the most effective monitoring process, in relation with the specific features of their environment, the organizational capability, their human and financial resources, and the number of members.

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2.14.4.	Monitoring of CPD Requirement		
2.14.4.1.	<p><i>Monitoring Process SMO 2</i></p> <p>Which of the following elements does the monitoring process include? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Professional accountants are required to submit a declaration</p> <p>2 <input type="checkbox"/> Professional accountants are required to submit evidence</p> <p>3 <input checked="" type="checkbox"/> Our organization audits a sample of professional accountants to check compliance</p> <p>4 <input type="checkbox"/> Compliance is monitored through firm quality control standards</p> <p>5 <input type="checkbox"/> Compliance is monitored through a quality assurance review program</p> <p>6 <input checked="" type="checkbox"/> Other (please describe)</p> <p>7 <input type="checkbox"/> None of the above</p>	<p>Generally speaking, the monitoring process will be implemented by each Local Branch as one of the following methods:</p> <ul style="list-style-type: none"> - sample survey; - random survey; - total control/verification on each member.
2.14.4.2.	<p><i>Declaration and CPD SMO 2</i></p> <p>Describe the matters addressed in the declaration (select all that apply):</p>	<p>1 <input type="checkbox"/> Professional accountant's obligation to meet ethical obligations</p> <p>2 <input type="checkbox"/> Professional accountant's</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>obligation to maintain knowledge</p> <p>3 <input type="checkbox"/> Professional accountant's obligation to maintain skills to perform competently</p> <p>4 <input checked="" type="checkbox"/> Compliance with CPD requirement</p> <p>5 <input type="checkbox"/> Other (please describe)</p>	
2.14.4.3.	<i>Sanctions SMO 2</i> Where a professional accountant does not satisfy the CPD requirements (within a reasonable period of encouraging the professional accountant to meet the requirements), are sanctions or other non-compliance actions, such as expulsion or denial of the right to practice, imposed?	<p>1 <input checked="" type="radio"/> Yes, sanctions or actions for non-compliance are imposed</p> <p>2 <input type="radio"/> No, sanctions or other non-compliance actions are not imposed</p>	<p>Each Local Order verifies the CPD compliance of members enrolled in the register it holds. A member who does not comply with CPD requirements in the last three-year period may incur in one of the disciplinary measures provided by the law (among which the censure and suspension). Those sanctions could be inflict only as the result of a disciplinary proceeding instituted against him before the Local Order. Member has the right of appealing disciplinary measures before CNDCEC.</p>

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2.14.4.4.	<p><i>Sanction Types and CPD</i> Describe the nature and extent of the sanction, expulsions or denial of the right to practice.</p>	<p>A member can be subject to a disciplinary procedure and the possible sanctions, according to the professional law are: a censure, a suspension for a maximum of two years or radiation.</p>	
2.15.	<p><i>Activities to Promote IESs SMO 2</i> Please describe the activities your organization undertakes to promote and assist in implementing the pronouncements issued by IFAC's International Accounting Education Standards Board.</p>	<p>Analysis and assessment of documents within the Education Committee, translations of some of them and circulating.</p>	
3.	SMO 3		
3.1.	<p><i>Auditing Standards in Law/Regulation</i> Does law or regulation establish the set of auditing standards to be used in the audit of private sector listed entities and non-listed entities? Select all the answer options that are appropriate.</p> <p>Where the law / regulation establishes the auditing standards to be used by reference to the set of standards to be used by their name or by including the text of the standards in the law / regulation, please respond "yes" to this question. Section 3.8. of this module includes questions about the law / regulation.</p> <p>Where the law / regulation gives authority to</p>	<p><input type="checkbox"/> Yes for audits of listed entities</p>	<p>The Legislative Decree 39/2010, implementing the audit directive, foresees that until the auditing standards are adopted by the European Commission, statutory audit (of PIEs and non-PIEs) is performed in compliance with standards developed by professional bodies and associations (which have subscribed a special agreement with the Italian Ministry of Economy and Finance, MEF) and by the</p>

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	<p>a national standard-setter to establish the auditing standards, please respond "no".</p> <p>Section 3.2. of this module includes questions about the standard-setter and the auditing standards that are established.</p>		<p>Commissione Nazionale per le Società e la Borsa (Consob) and adopted by means of an administrative provision to be issued by the MEF.</p> <p>The professional bodies and associations that have subscribed this agreement develop standards that are based on the standards issued by the international bodies.</p> <p>The agreement was established on 15 December 2011 by ASSIREVI (Italian statutory auditors association), Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili (CNDCEC), and Istituto Nazionale Revisori Legali (National Institute of statutory auditors – Trade Union). MEF and Consob participate to the meeting of the above mentioned advisory panel on behalf of regulators.</p> <p>The members of the Convention have decided to adopt the International Standards on Auditing ISAs</p>

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			<p>(in the Clarified version), already translated by CNDCEC, introducing in the text of the standards some application/interpretation notes useful to localize ISA in respect of Italian Laws and Regulations.</p> <p>The above mentioned process should be completed by the end of 2013, in order to allow the application of the standards for the audit of financial statements beginning on or after the 1st January 2014.</p> <p>Until the above mentioned adoption process of the Clarified ISAs is completed, for listed entities and other PIEs the national auditing standards remain in force. These national standards, adopted by CONSOB after consulting the Consiglio Nazionale Dottori Commercialisti (CNDCEC) are based on the pre-clarified ISAs.</p> <p>For non-listed entities the</p>

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		2 <input type="checkbox"/> Yes for audits of non-listed entities 3 <input checked="" type="checkbox"/> No for audits of listed entities 4 <input checked="" type="checkbox"/> No for audits of non-listed entities	CNDCEC recommends these standard to its members, until the above mentioned adoption process is completed.
3.2.	Responsibility for Private Sector Auditing Standards		
3.2.1.	<i>Auditing Standards - Private Sector</i> Is there only one set of auditing standards or are the auditing standards applicable to listed entities different from non-listed entities?	1 <input checked="" type="radio"/> The auditing standards for listed entities and non-listed entities are the same set of standards 2 <input type="radio"/> The auditing standards for listed entities and non-listed entities are not the same set of standards	
3.2.6.	<i>Responsibility for Auditing Standards</i> Who has the authority for establishing the auditing standards for listed and non-listed entities?	1 <input type="radio"/> Our organization 2 <input type="radio"/> Another IFAC member body 3 <input checked="" type="radio"/> Joint process between our organization and another IFAC member body or other organization 4 <input type="radio"/> Another organization	See comment on question 3.1

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3.3.	Member Body SMO 3		
3.3.1.	<i>MB Convergence Objective SMO 3</i> Has convergence with IAASB pronouncements been established as an objective?	1Ⓐ Yes 2Ⓐ No	The Italian Auditing Standards are strictly based on the pre-clarified ISAs and contain some minor adaptations related to national regulation and limited additional audit procedures. See also comment on question 3.1
3.3.3.	<i>MB Convergence Implemented SMO 3</i> Has the convergence objective for auditing standards been implemented?	1Ⓐ Yes 2Ⓐ No	
3.6.	Incorporation of Auditing Standards		
3.6.1.	<i>Incorporation Approach SMO 3</i> Where your response indicates that convergence with IAASB pronouncements has been implemented, which of the following best describes the approach is used to incorporate the IAASB pronouncements into national standards? Select the answer option that is most appropriate. Help text: Answer Option 1 and reference to "adopted without amendment" Select this option where IAASB	1Ⓐ IAASB pronouncements are adopted as drafted without amendments (refer Help Text) 2Ⓐ IAASB pronouncements are adopted as national standards and amended as necessary to address differences due to	National standards (ISA Italia) are based on the ISAs and contain some application/interpretation notes useful to localize ISA in respect of Italian Laws and Regulations. See also comment on question 3.1

Number	Question Title/Text/Help text	Answer	Comments
	<p>pronouncements are adopted as drafted except for changes to: Rename the IAASB pronouncement to a national standard name; Translate the IAASB pronouncement into another language; Apply an effective date that differs from the IAASB pronouncement.</p> <p>Answer Option 2 and 3 reference to "Differences" In responding to this question, "differences" may include: Requirements in addition to those specified in the IAASB pronouncement or ISA; Deletion of a basic principle, essential procedure, and / or related guidance specified in the IAASB pronouncement or ISA; Modification of a requirement specified in the IAASB pronouncement or ISA (e.g. an ISA requirement was not deleted in full because a similar requirement was included).</p>	<p>conflicts with legal or regulatory requirements (refer Help Text)</p>	<p>3○ Existing national standards are compared with IAASB pronouncements to eliminate to the extent possible differences between the national standard and the IAASB pronouncement (refer Help Text)</p>

Number	Question Title/Text/Help text	Answer	Comments
		4○ Other	
3.6.3.	Adoption with Amendments SMO 3		
3.6.3.1.	<i>IAASB Pronouncements with Amendments</i> Which of the following IAASB pronouncements have been adopted or incorporated? Select all the answer options that are appropriate.	1□ International Standard on Quality Control 1 2☑ International Standards on Auditing 3□ International Auditing Practices Statements 4□ International Standards on Assurance Engagements 5□ International Standards on Review Engagements 6□ International Standards on Related Services	
3.6.3.2.	<i>Name of Standards SMO 3 - Amendments</i> When the IAASB pronouncements are adopted, are the IAASB pronouncements renamed as national standards and pronouncements?	1☉ IAASB pronouncements are adopted without changes to the pronouncement's name 2○ IAASB pronouncements are adopted with changes to their names	ISAs Italia contain some application/interpretation notes useful to localize ISA in respect of Italian Laws and Regulations.
3.6.3.4.	<i>Adopted with Amendments SMO 3</i> Is information publicly available describing: The IAASB pronouncements that have been adopted;	1☉ Yes	

Number	Question Title/Text/Help text	Answer	Comments
	<p>Whether the adopted IAASB pronouncement is the version in effect as at September 30, 2005; The effective date set by your organization where it differs from the IAASB pronouncement; The differences between the IAASB pronouncement and what was adopted; The reasons for the differences?</p>	<input type="radio"/> No	
3.6.3.5.	<p><i>Submit Information - Amendments SMO 3</i> If the standard-setter has issued information about the status of adopted ISAs and other IAASB pronouncements and it is available in English, indicate this in your response and submit a copy of the information to Compliance Staff.</p> <p>If this information is not available, complete the SMO 3 Comparison with IAASB Pronouncements.doc SMO 3: Comparison with IAASB Pronouncements report by clicking on the link and submit it in Word format to Compliance Staff.</p> <p>Indicate whether your organization will be submitting available information or the "SMO 3: Comparison with IAASB Pronouncements" report.</p>	<input type="radio"/>	The information is available and in English and will be submitted to Compliance Staff

Number	Question Title/Text/Help text	Answer	Comments
	Help text:	2Ⓐ	The "SMO 3: Comparison with IAASB Pronouncements" report will be completed and submitted to Compliance Staff
3.10.	Translation SMO 3		
3.10.1.	<i>Translation of IAASB Pronouncements</i> Are the IAASB pronouncements translated into a national language?	1Ⓐ	No as English is the national language or a widely spoken language
2Ⓐ	Yes, the IAASB pronouncements are translated	3Ⓐ	No and English is not an official language or is not widely spoken
3.10.2.	<i>IFAC Translation Policy SMO 3</i> Is the IFAC Translation Policy followed?	1Ⓐ	Yes
2Ⓐ	No	3.10.3.	<i>Principal Translator SMO 3</i> Who is the principal translator? Select the answer option that is most appropriate.
1Ⓐ	Our organization is the principal translator	2Ⓐ	The government or another organization is the principal translator
3Ⓐ	Our organization and the government or another organization are the principal translators		

Number	Question Title/Text/Help text	Answer	Comments
3.10.4.	<i>Key Words SMO 3</i> Does the translation process include a list of key words?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
3.10.5.	<i>Faithful Translation SMO 3</i> What processes are in place to ensure a faithful translation of the IAASB pronouncements?	There are various steps of translation and review, and the adoption of a glossary which assures a uniformity of translations and is continuously updated.	
3.11.	<i>Activities to Promote IAASB Pronouncements</i> Please describe the activities your organization undertakes to promote and assist in the implementation of IAASB pronouncements and other IAASB activities.	Translation of ISA Guide; development of implementation material (for example a practical case); organization of courses and conference for CPD purpose; development of ISA software (ongoing).	
4.	SMO 4		
4.1.	Responsibility and National Ethical Requirements		
4.1.1.	<i>IFAC MB and Ethical Requirements</i> Does your organization establish ethical requirements (e.g. code of ethics, code of conduct, ethics rules, member regulations, etc.) to be complied with by your members? Help text: In some countries, ethical requirements may	1 <input checked="" type="radio"/> Yes, our organization does establish ethical requirements 2 <input type="radio"/> No, our organization does not establish ethical requirements	The code is adopted by the National Council, but the compliance with the rules, on behalf of members, are monitored by local branches.

Number	Question Title/Text/Help text	Answer	Comments
	<p>be established on a regional, provincial, or state basis. Where this is the case in your country for the ethical requirements that apply to your members, please contact Compliance Staff for further instruction.</p>		
4.1.2.	<p><i>IFAC MB and Convergence with IFAC Code</i> Has your organization implemented convergence with the IFAC Code of Ethics as an objective?</p>	1 <input checked="" type="radio"/> Yes	<p>CNDC assures compliance with IFAC rules on independence. The code itself (art. 9) recalls relevance of IFAC code. The general approach is coherent with the Italian legislative technique, which is based on general principles. Furthermore, the Italian ethics code deals with additional aspects which are not dealt with in the IFAC code. This derives from two facts:</p> <ul style="list-style-type: none"> - Italian professionals are organized mostly as SMPs; - Italian professionals are involved in the Judiciary and legal field and not only in audit/accountancy field; <p>For example the code contains recommendations about modalities of accepting the professional mandate, the</p>

Number	Question Title/Text/Help text	Answer	Comments
		2○ No	change of the professional in case of disease or death, the relationship with public authorities, judiciary system, media, and advertising.
4.1.9.	<p data-bbox="353 501 741 528"><i>IFAC MB Approach to Ethics</i></p> <p data-bbox="353 539 887 639">Which of the following options best describes your organization's activities to incorporate the IFAC Code?</p> <p data-bbox="353 687 936 1050">For the purposes of the Part 2 SMO 4 module, modifications include: Deletion/omission of concepts, principles, or guidance that are established in the IFAC Code; Inclusion of concepts, principles, or guidance that are not in the IFAC Code; Other amendments that give rise to differences between your organization's ethical requirements and the IFAC Code.</p>	<p data-bbox="958 539 1413 639">1○ Our organization adopted the IFAC Code as issued without modifications</p> <p data-bbox="958 1094 1413 1195">2○ Our organization adopted the IFAC Code but with modifications</p> <p data-bbox="958 1206 1413 1380">3○ Our organization has developed our own ethical requirements with a process to eliminate differences between our ethical requirements and</p>	<p data-bbox="1451 539 1823 863">The Italian code makes an explicit reference to IFAC Code and the need to consider its relevance. Especially with regard to independence it is foreseen that the stricter rule, between the national code and the IFAC provisions, be applied;</p>

Number	Question Title/Text/Help text	Answer	Comments
		<p>the IFAC Code</p> <p>4Ⓐ Our organization develops our own ethical requirements and uses another approach to incorporate the IFAC Code of Ethics</p>	
4.1.11.	<p><i>IFAC MB and Other - Describe</i></p> <p>Describe the approach used by your organization to incorporate the IFAC Code of Ethics.</p>	<p>Requirements of the Italian Code of Ethics are principle based. Requirements of IFAC Code relating to accountants in public practice are compared with the Italian Code and if some IFAC Code principles are innovative with respect to the Italian Code, the principles are adopted. However the drafting style is the one generally adopted in the Italian legislation, where general rules are set and single cases are examined in the light of the general principles.</p>	
4.2.	<p>MB and Version of IFAC Code</p>		
4.2.1.	<p><i>Version of IFAC Code</i></p> <p>Which version of the IFAC Code was adopted or used as the basis for your organization's ethical requirements?</p>	<p>1Ⓐ The IFAC Code currently in effect, revised and issued in June 2004</p> <p>2Ⓐ A version issued prior to 2004</p> <p>3Ⓐ The revised IFAC Code issued and in effect June 30, 2006</p>	<p>The IFAC code is referenced to in the code but it is not taken as a structure.</p>

Number	Question Title/Text/Help text	Answer	Comments
4.3.	<p><i>Ethical Requirements by Gov / Reg Bodies</i> In addition to the ethical requirements established by your organization, are there also laws or regulations that set out ethical requirements to be complied with by your members?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	<p>Both the civil code and the financial act (d.lgs 58/98 and successive amendments) include provisions about auditors' independence.</p>
4.4.	<p>Gov / Reg Bodies and Ethical Requirements</p>		
4.4.1.	<p><i>Gov/Reg Bodies - Ethical Requirements</i> Where ethical requirements applicable to your members are established in law or regulation, do they include any of the following types of laws and regulations? Select all the answer options that are appropriate.</p>	<p>1 <input type="checkbox"/> There is a law / regulation (e.g. Audit Law, Accountants Law) that sets out ethical requirements to be complied with by all professional accountants</p> <p>2 <input checked="" type="checkbox"/> There is a law / regulation that sets out ethical requirements to be complied with by professional accountants who audit listed entities</p> <p>3 <input checked="" type="checkbox"/> There is a law / regulation that sets out ethical requirements to be complied with by professional accountants who audit entities other than listed entities</p> <p>4 <input checked="" type="checkbox"/> There is a law / regulation that</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>sets out ethical requirements to be complied with by professional accountants who provide services to the public (other than as auditors of listed or other entities)</p> <p>5 <input type="checkbox"/> There is a law / regulation that sets out ethical requirements for professional accountants employed in business</p> <p>6 <input type="checkbox"/> None of the above</p>	
4.4.4.	<p><i>Describe Law / Reg - Audit</i></p> <p>Regarding your response to question 4.4.1 and professional accountants who audit listed entities and / or other entities, please: State the law / regulation's name; Provide a general description of the law / regulation; Describe how the law / regulation sets out the scope of professional accountants that it applies to.</p>	Civil code + d.lgs 58/98	
4.4.5.	<p><i>Describe Law / Reg - Other Services</i></p> <p>Regarding your response to question 4.4.1 and professional accountants who provide services to the public (other than as auditors or listed or other entities) please: State the law / regulation's name; Provide a general description of the law / regulation; Describe how the law / regulation sets out the</p>	civil law	

Number	Question Title/Text/Help text	Answer	Comments
	scope of professional accountants that it applies to.		
4.4.7.	<p><i>Gov/Reg and Convergence</i></p> <p>Please explain whether your organization has undertaken any activities to promote the IFAC Code of Ethics to the relevant government or regulatory body that sets ethical requirements. Include in your explanation descriptions of any specific activities and the outcome or the reasons why such activities have not been undertaken.</p>	combined code for public entities	
4.5.	<p><i>Comparison of Requirements SMO 4</i></p> <p>Does your organization have information that identifies any differences between the IFAC Code of Ethics currently in effect or the revised Code and the national ethical requirements? In responding to this question, differences include:</p> <p>Principles, concepts, and guidance in the IFAC Code that are not addressed in the national ethical requirements;</p> <p>Principles, concepts, and guidance in the IFAC Code that are not equivalent to the national ethical requirements;</p> <p>Principles, concepts, rules, regulations, laws, or other mandatory ethical requirements in national ethical requirements that are not addressed in the IFAC Code.</p>	<p>1 <input type="radio"/> Yes, our organization has this information and it will be submitted</p>	<p>The information is available but is not a detailed, article by article analysis.</p>

Number	Question Title/Text/Help text	Answer	Comments
	<p>The phrase "national ethical requirements" as used in this questionnaire refers to the totality of ethical requirements established by your organization and others including government and regulatory bodies that are applicable to your members.</p>	<p>2 <input type="radio"/> This information will be submitted by another IFAC member body</p> <p>3 <input checked="" type="radio"/> No, the information is not available</p>	
4.6.	Fundamental Principles - National		
4.6.1.	Integrity - Principle		
4.6.1.1.	<p><i>Integrity</i></p> <p>Do the national ethical requirements require professional accountants to comply with the fundamental principle "integrity" as described in the revised IFAC Code?</p>	<p>1 <input type="radio"/> Yes, professional accountants are required to comply with the same principle</p> <p>2 <input checked="" type="radio"/> Yes, professional accountants are required to comply with a similar or equivalent principle</p> <p>3 <input type="radio"/> The same or similar / equivalent principle has not been established</p>	
4.6.1.2.	<p><i>Integrity Requirement</i></p> <p>Is the principle set out in your organization's ethical requirements and / or in laws and regulations? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Our organization's ethical requirements</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<input type="checkbox"/> Law that regulates professional accountants and / or auditors <input type="checkbox"/> Securities regulation <input type="checkbox"/> Other laws and / or regulation	
4.6.1.3.	<i>Integrity - Other</i> Please state the term used to describe this principle and how this principle is defined.	Section 6 - Integrity The professional accountant shall behave with integrity, honesty and correctness in all its activities and relations, both professional and non; He shall not in any way be associated with declarations, communications or information, addressed to anyone, which are not truthful, or are misleading or omit fundamental information. He shall avoid to pursue benefits which are not due and he will regularly absolve all his obligations.	
4.6.2.	Objectivity - Principle		
4.6.2.1.	<i>Objectivity</i> Do the national ethical requirements require professional accountants to comply with the fundamental principle "objectivity" as described in the revised IFAC Code?	<input type="radio"/> Yes, professional accountants are required to comply with the same principle <input checked="" type="radio"/> Yes, professional accountants are required to comply with a similar or equivalent principle <input type="radio"/> The same or similar /	

Number	Question Title/Text/Help text	Answer	Comments
		equivalent principle has not been established	
4.6.2.2.	<p><i>Objectivity Requirement</i> Is the principle set out in your organization's ethical requirements and / or in laws and regulations? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Our organization's ethical requirements</p> <p>2 <input checked="" type="checkbox"/> Law that regulates professional accountants and / or auditors</p> <p>3 <input type="checkbox"/> Securities regulation</p> <p>4 <input type="checkbox"/> Other laws and / or regulation</p>	
4.6.2.3.	<p><i>Objectivity - Other</i> Please state the term used to describe this principle and how this principle is defined.</p>	<p>Objectivity The professional accountant shall act with no prejudice, conflict of interests or undue pressure that may influence his professional judgment or activity. He shall provide his opinions without being influenced by the client's expectations, highlighting with objectivity on the formulated hypothesis and conclusions reached.</p>	
4.6.3.	<p>Professional Competence / Due Care - Principle</p>		
4.6.3.1.	<p><i>Prof Competence / Due Care</i> Do the national ethical requirements require professional accountants to comply with the fundamental principle "professional</p>	<p>1 <input type="radio"/> Yes, professional accountants are required to comply with the same principle</p>	

Number	Question Title/Text/Help text	Answer	Comments
	competence and due care" as described in the revised IFAC Code?	<p>2Ⓒ Yes, professional accountants are required to comply with a similar or equivalent principle</p> <p>3Ⓒ The same or similar / equivalent principle has not been established</p>	
4.6.3.2.	<p><i>Prof Competence / Due Care Req</i></p> <p>Is the principle set out in your organization's ethical requirements and / or in laws and regulations? Select all the answer options that are appropriate.</p>	<p>1<input checked="" type="checkbox"/> Our organization's ethical requirements</p> <p>2<input type="checkbox"/> Law that regulates professional accountants and / or auditors</p> <p>3<input type="checkbox"/> Securities regulation</p> <p>4<input type="checkbox"/> Other laws and / or regulation</p>	
4.6.3.3.	<p><i>Prof Competence / Due Care - Other</i></p> <p>Please state the term used to describe this principle and how this principle is defined.</p>	<p>professional competency</p> <p>the article deals with the following:</p> <ul style="list-style-type: none"> - acceptance of engagement -CPD and update -client information -professional diligence -involvement of other collaborators 	
4.6.4.	Confidentiality - Principle		
4.6.4.1.	<p><i>Confidentiality</i></p> <p>Do the national ethical requirements require</p>	<p>1Ⓒ Yes, professional accountants</p>	

Number	Question Title/Text/Help text	Answer	Comments
	professional accountants to comply with the fundamental principle "confidentiality" as described in the revised IFAC Code?	<p>are required to comply with the same principle</p> <p>2○ Yes, professional accountants are required to comply with a similar or equivalent principle</p> <p>3○ The same or similar / equivalent principle has not been established</p>	
4.6.4.2.	<p><i>Confidentiality Requirement</i></p> <p>Is the principle set out in your organization's ethical requirements and / or in laws and regulations? Select all the answer options that are appropriate.</p>	<p>1☑ Our organization's ethical requirements</p> <p>2☑ Law that regulates professional accountants and / or auditors</p> <p>3☐ Securities regulation</p> <p>4☐ Other laws and / or regulation</p>	
4.6.5.	Professional Behavior - Principle		
4.6.5.1.	<p><i>Professional Behavior</i></p> <p>Do the national ethical requirements require professional accountants to comply with the fundamental principle "professional behavior" as described in the revised IFAC Code?</p>	<p>1⊙ Yes, professional accountants are required to comply with the same principle</p> <p>2○ Yes, professional accountants are required to comply with a similar or equivalent principle</p> <p>3○ The same or similar /</p>	

Number	Question Title/Text/Help text	Answer	Comments
		equivalent principle has not been established	
4.6.5.2.	<p><i>Professional Behavior Requirement</i></p> <p>Is the principle set out in your organization's ethical requirements and / or in laws and regulations? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Our organization's ethical requirements</p> <p>2 <input checked="" type="checkbox"/> Law that regulates professional accountants and / or auditors</p> <p>3 <input type="checkbox"/> Securities regulation</p> <p>4 <input type="checkbox"/> Other laws and / or regulation</p>	
4.7.	Threats and Safeguards - National		
4.7.1.	<p><i>Threats and Safeguards</i></p> <p>Do the national ethical requirements establish a framework or principle similar or equivalent to the threats and safeguards framework as described in the revised IFAC Code (effective June 30, 2006)? Select the answer option that is the most appropriate.</p>	<p>1 <input type="radio"/> Yes, our organization has a threats and safeguards framework or similar / equivalent framework in our ethical requirements</p> <p>2 <input checked="" type="radio"/> Yes, a threats and safeguards framework or similar / equivalent framework is in the ethical requirements established in law and / or regulation</p> <p>3 <input type="radio"/> No, a threats and safeguards framework, or similar / equivalent framework has not</p>	

Number	Question Title/Text/Help text	Answer	Comments
		been established in the national ethical requirements	
4.7.3.	<p><i>Threats and Safeguards - Other</i> Please describe the threats and safeguards framework or similar requirement established by your organization or law / regulation.</p>	Mainly with reference to audit activity, the framework is based on the EU Recommendation, and the IFAC code.	A new set of independence rules is being drafted for auditors, based on the IFAC code of ethics.
4.7.4.	<p><i>Application of Framework SMO 4</i> Which of the following does the threats and safeguards framework, or similar / equivalent requirement, apply to? Select the answer option that is the most appropriate.</p>	<p>1 <input checked="" type="radio"/> All professional accountants</p> <p>2 <input type="radio"/> Only to independence requirements relating to professional accountants in public practice.</p> <p>3 <input type="radio"/> Other</p>	
4.8.	Ethical Behavior Resolution		
4.8.1.	<p><i>Identifying and Resolving Unethical Behavior</i> Are there specific requirements and guidance provided to assist your members in identifying and resolving ethical matters? Select all of the answer option that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Yes, our organization has developed requirements for identifying and resolving ethical matters</p> <p>2 <input type="checkbox"/> Yes, government, regulatory, or oversight bodies have developed requirements for identifying and resolving</p>	

Number	Question Title/Text/Help text	Answer	Comments
		ethical mattes 3 <input type="checkbox"/> No, there is no such requirements or guidance	
4.8.2.	<i>MB and Ethical Conflict Resolution</i> Are the ethical conflict resolution requirements and guidance adopted from the IFAC Code or similar / equivalent to the guidance in the Code? Select the answer option that is the most appropriate.	1 <input type="radio"/> Yes, the requirements and guidance are adopted from the IFAC Code 2 <input type="radio"/> Yes, the IFAC Code was used as a model in developing the requirements 3 <input checked="" type="radio"/> Yes, the requirements are similar / equivalent to the IFAC Code 4 <input type="radio"/> No, the requirements differ from the IFAC Code	
4.9.	Independence and Threats So Significant		
4.9.1.	<i>Provisions and Threats to Independence</i> The "SMO 4: Provisions Relating to Threats to Independence" report refers to specific provisions of Section 290 of the revised IFAC Code of Ethics that are currently in effect. Section 290 requires members of assurance teams, firms, and when applicable, network firms be independent of assurance clients and describes specific circumstances that may give rise to threats to independence. Where Section 290 is applicable to your	1 <input checked="" type="radio"/> Our organization will complete the "SMO 4: Provisions Relating to Threats to Independence" report	CNDC will complete the information during the Part 3 phase of the Compliance Program.

Number	Question Title/Text/Help text	Answer	Comments
	<p>members, the SMO 4: Provisions Relating to Threats to Independence report should be completed and submitted to Compliance Staff. Alternatively, where this information is available in another format it can be submitted instead of the report. Select the option below to confirm the information to be submitted.</p> <p>Help text: Section 290 of the revised Code of Ethics is currently in effect. Section 290 describes specific provisions that may give rise to threats to independence that are so significant, no safeguards are available to reduce the threat to an acceptable level. For some provisions the Code describes the actions that are available to address the threat.</p>	<p>2○ Our members provide assurance services; however, another IFAC member body will complete the "SMO 4; Provisions Relating to Threats to Independence" report or provide the relevant information to Compliance Staff.</p> <p>3○ Our members do not provide assurance services; therefore, Section 290 and the Provisions Relating to Threats to Independence is not applicable to our organization.</p>	
4.10.	National Ethical Requirements - Other		
4.10.1.	National - Prof Accountants		
4.10.1.1.	<i>National Additional - Prof Accountants</i>		

Number	Question Title/Text/Help text	Answer	Comments
	Are there rules, regulations, laws, or other mandatory ethical requirements established by your organization, government, regulatory or other bodies that your members must comply with but are not addressed in the revised IFAC Code (effective June 30, 2006)?	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	
4.10.1.2.	<i>National Conflicts - Prof Accountants</i> Are there principles, concepts, and guidance in the revised IFAC Code (effective June 30, 2006) that conflict with national ethical requirements applicable to your requirements?	1 <input type="radio"/> Yes 2 <input checked="" type="radio"/> No	
4.10.1.3.	<i>National Comparison - Prof Accountants</i> Please provide a general description about the additional national ethical requirements or conflicts with the revised IFAC Code. This information may be submitted as a separate document to Compliance Staff.	- Relationships with trainees; - relationships with colleagues; - Relationships with media; -relationships with judicial authorities	
4.10.2.	National - Public Practice	1 <input type="radio"/> Not applicable as our members do not operate as professional accountants in public practice	
4.10.2.1.	<i>National Additional - Public Practice</i> Are there rules, regulations, laws, or other mandatory ethical requirements established by your organization, government, regulatory or other bodies that are applicable to your members who are professional accountants in public practice that are not addressed in the revised IFAC Code	1 <input type="radio"/> Not applicable as our members do not operate as professional accountants in public practice	

Number	Question Title/Text/Help text	Answer	Comments
	(effective June 30, 2006)?	<input checked="" type="radio"/> Yes <input type="radio"/> No	
4.10.2.2.	<i>National Conflicts - Public Practice</i> Are there principles, concepts, and guidance in the revised IFAC Code (effective June 30, 2006) that conflict with national ethical requirements applicable to your members who are professional accountants in public practice?	<input type="radio"/> Not applicable as our members do not operate as professional accountants in public practice <input type="radio"/> Yes <input checked="" type="radio"/> No	
4.10.2.3.	<i>National Comparison - Public Practice</i> Please provide a general description about the additional national ethical requirements or conflicts with the revised IFAC Code. This information may be submitted as a separate document to Compliance Staff.	CNDC has adopted its code of ethics in 1987; the code combined with the legal requirements exceeds requirements of the IFAC Code.	
4.10.3.	National - Business		
4.10.3.1.	<i>National Additional - Business</i> Are there rules, regulations, laws, or other mandatory ethical requirements established by your organization, government, regulatory or other bodies that are applicable to your members who are professional accountants in business that are not addressed in the revised IFAC Code (effective June 30, 2006)?	<input checked="" type="radio"/> Not applicable as our members do not operate as professional accountants employed in business <input type="radio"/> Yes <input type="radio"/> No	

Number	Question Title/Text/Help text	Answer	Comments
4.10.3.2.	<p><i>National Conflicts - Business</i> Are there principles, concepts, and guidance in the revised IFAC Code (effective June 30, 2006) that conflict with national ethical requirements applicable to your members who are professional accountants employed in business?</p>	<p>1 <input checked="" type="radio"/> Not applicable as our members do not operate as professional accountants employed in business</p> <p>2 <input type="radio"/> Yes</p> <p>3 <input type="radio"/> No</p>	
4.11.	<p><i>Translation of IFAC Code</i> Has your organization or others (e.g. government or regulatory body) translated the IFAC Code (in effect) or earlier versions of the Code? Select all the answer options that are appropriate.</p>	<p>1 <input type="checkbox"/> No, as English is an official language or widely spoken language</p> <p>2 <input checked="" type="checkbox"/> Yes, our organization has translated the IFAC Code</p> <p>3 <input type="checkbox"/> Yes, a government, regulatory, or other body has translated the IFAC Code</p> <p>4 <input type="checkbox"/> No, the IFAC Code has not been translated and English is not an official language or widely spoken language</p>	<p>The code has been translated in order to be addressed to dottori commercialisti and esperti contabili, as also the national code recalls the IFAC code. It is also in process of adaptation to the audit activity, in order to satisfy the provisions set in the decree 39/2010 implementing the audit directive.</p>

Number	Question Title/Text/Help text	Answer	Comments
4.14.	IFAC Code Translated SMO 4		
4.14.1.	<i>IFAC Translation Policy SMO 4</i> Was the IFAC Translation Policy followed?	<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> It was translated by a government or regulatory body and the information is not available	
4.14.2.	<i>Principal Translator SMO 4</i> Who was the principal translator? Select the answer option that is the most appropriate.	<input checked="" type="radio"/> Our organization is the principal translator <input type="radio"/> The government or another organization is the principal translator <input type="radio"/> Our organization and the government or another organization are the principal translators <input type="radio"/> It was translated by a government or regulatory body and the information is not available	For the adaptation to the auditors - translation and review is shared by different organization, based on a specific MUO with the ministry of finance.
4.14.3.	<i>Key Words SMO 4</i> Does the translation process include a list of key words including terms defined within the IFAC Code?	<input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
		<input type="radio"/> No <input type="radio"/> It was translated by a government or regulatory body and the information is not available	
4.14.4.	<p><i>Faithful Translation SMO 4</i></p> <p>What processes are in place to ensure a faithful translation of the IFAC Code? If it was translated by a government or regulatory body and the information is not available, please state this in the response.</p>	The transaction has been reviewed by professionals with specific experience in the ethics area.	
4.15.	<p><i>Activities to Promote IFAC Code of Ethics</i></p> <p>Please describe the activities your organization undertakes to promote and assist in implementing the pronouncements (e.g. IFAC Code of Ethics) and work of IFAC's International Ethics Standards Board for Accountants.</p>	When applicable, information through news is provided to members, and is discussed in the ethics committee to verify if already included in the national code.	
5.	SMO 5		
5.1.	<p><i>Public Sector Accounting Standards - Objective</i></p> <p>Has the federal government / national government established convergence with International Public Sector Accounting Standards (IPSASs) as an objective?</p>	<input checked="" type="radio"/> Yes	<p>The Italian regulator declared its intention to harmonize the public sector accounting rules and IPSASs should be the tool to support this project. Changes in public sector legislation, both in 2009 and in 2013 are in this direction.</p>
		<input type="radio"/> No	

Number	Question Title/Text/Help text	Answer	Comments
		3 <input type="radio"/> Information is not available or not known	
5.3.	Convergence and IPSASs		
5.3.1.	<p><i>Convergence Approach - IPSASs</i></p> <p>Which of the following best describes government's convergence objective? Select the answer option that is the most appropriate.</p>	<p>1 <input type="checkbox"/> IPSASs are adopted as drafted without amendments</p> <p>2 <input type="checkbox"/> IPSASs are adopted with amendments</p> <p>3 <input type="checkbox"/> National public sector accounting standards are developed with a process to eliminate differences between the national standards and IPSASs</p> <p>4 <input checked="" type="checkbox"/> IPSASs are incorporated using another approach</p>	IPSASs are taken into account in preparing national public sector accounting standards
5.3.2.	<p><i>Other Basis of Incorporation SMO 5</i></p> <p>Please provide a description about the approach used to incorporate IPSASs.</p>	see answer 5.3.1	
5.3.3.	<p><i>Comparison Information SMO 5</i></p> <p>Is information about the IPSASs that have been incorporated (e.g. by adoption or other approaches) publicly available? Information should include the IPSASs issued and in effect that have been incorporated and differences between the IPSASs and national public sector accounting standards where differences exist.</p>	1 <input type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
		<p>2 <input checked="" type="radio"/> No</p> <p>3 <input type="radio"/> Our organization is not aware of such information</p>	
5.4.	<p><i>Activities to Promote IPSASB Pronouncements</i></p> <p>Please describe the activities your organization undertakes to promote pronouncements issued by the International Public Sector Accounting Standards Board. Please provide an explanation where such activities have not been undertaken because they are not within the scope of your organization's objectives or work program.</p>	<p>In order to promote the diffusion of IPSASs, the CNDCEC has been the first institute in the world to provide their official translations.</p> <p>These translations are currently being updated; also to include new IPSASs, will be a vehicle of diffusion for experts and operators of the sectors.</p> <p>These translations have been carried out before the development of the Italian Accounting Standards in order to compare international technical organizational models. Therefore IPSASs have been the basis of the Italian Accounting Standards.</p> <p>The CNDCEC has moreover promoted several international meetings, which have seen the participation of IFAC's official representatives.</p>	
6.	SMO 6		
6.1.	<p><i>Investigation and Discipline Program</i></p> <p>In your jurisdiction is there a program for</p>	1 <input checked="" type="radio"/> Yes	

Number	Question Title/Text/Help text	Answer	Comments
	<p>investigating and disciplining members of your organization for misconduct, including breaches of professional standards and rules?</p>	<p>2○ No</p>	
6.3.	<p>Responsibility for Investigation and Discipline</p>		
6.3.1.	<p><i>Body Responsible for Investigation and Discipline</i></p> <p>Is your organization responsible for investigation and discipline of misconduct, including breaches of professional standards and rules by its individual members (and, if local laws and practices permit, by firms)? Select the answer option that is most appropriate.</p>	<p>1⊙ Yes, our organization has this responsibility</p> <p>2○ No, responsibility for investigation and discipline rests solely with an external body</p> <p>3○ Our organization shares responsibility for investigation and discipline with an external body</p> <p>4○ Other</p>	<p>The member body can apply disciplinary measures, whereas the Court applies administrative, civil or criminal penalties if the misconduct has a legal civil administrative or criminal relevance.</p>
6.5.	<p>SMO 6 - Detailed Assessment</p>		
6.5.1.	<p>Rules and Procedures for Investigation and Discipline</p>		

Number	Question Title/Text/Help text	Answer	Comments
6.5.1.1.	<p><i>Rules and Procedures</i> Does your organization establish in its constitution or rules the provisions and processes for the investigating and disciplining your members?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	<p>The final regulation is based on approval of the text by the Ministry of Justice.</p>
6.5.1.3.	<p><i>Misconduct</i> In your jurisdiction, which of the following are considered "misconduct" as described in SMO 6 paragraph 4? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Criminal activity</p> <p>2 <input checked="" type="checkbox"/> Acts or omissions likely to bring the accountancy profession into disrepute</p> <p>3 <input checked="" type="checkbox"/> Breaches of professional standards</p> <p>4 <input checked="" type="checkbox"/> Breaches of ethical requirements</p> <p>5 <input checked="" type="checkbox"/> Gross professional negligence</p> <p>6 <input checked="" type="checkbox"/> A number of less serious instances of professional negligence that, cumulatively, may indicate unfitness to exercise practicing rights</p> <p>7 <input checked="" type="checkbox"/> Unsatisfactory work</p> <p>8 <input checked="" type="checkbox"/> Other (please describe)</p>	<p>noncompliance with CPD requirements</p>
6.5.2.	<p><i>Types of Sanctions</i> Which of the following actions can be imposed by those who judge such issues: Select all the answer options that are</p>	<p>1 <input checked="" type="checkbox"/> Reprimand</p>	

Number	Question Title/Text/Help text	Answer	Comments
	appropriate.	<input checked="" type="checkbox"/> 2 Loss or restriction of practice rights <input type="checkbox"/> 3 Fine/payment of costs <input type="checkbox"/> 4 Loss of professional title (designation) <input checked="" type="checkbox"/> 5 Exclusion from membership <input type="checkbox"/> 6 Other (please describe)	
6.5.3.	Provision of Information and Guidance to Members		
6.5.3.1.	<i>Information and Guidance</i> Does your organization make each member fully aware of: - All provisions of the ethical code and other applicable professional standards, rules and requirements (and any amendments), whether issued by IFAC or at the national level by the member body and - Consequences of non-compliance?	1 <input checked="" type="radio"/> Yes	
		2 <input type="radio"/> No	
6.5.3.2.	<i>Information and Guidance Description</i> Provide a brief description of how your organization meets this requirement of SMO 6.	Ethics code is handed out already in the pre-qualification stage to trainees and there are also mandatory requirements on CPD in the ethics field.	

Number	Question Title/Text/Help text	Answer	Comments
6.5.4.	Obligations to Report to Outside Bodies		
6.5.4.1.	<p data-bbox="353 320 719 347"><i>Reporting to Outside Bodies</i></p> <p data-bbox="353 355 927 571">Is your organization obligated under local laws to report possible involvement in serious crimes and offences by its individual members or member firms to the appropriate public authority and disclose related information to that authority?</p>	1 <input checked="" type="radio"/> Yes	<p data-bbox="1451 355 1834 975">If misconduct has legal (criminal, civil or administrative) relevance then a parallel procedure in court is activated according to the nature of the failure (civil, criminal, and administrative). The local branch has a public duty to protect the general interest and if a member has failed in its professional duties and these duties are also considered by the law than the professional body has not only the right to be part to a procedure but also a duty to do so.</p>
		2 <input type="radio"/> No	
6.5.5.	<p data-bbox="353 1098 680 1125"><i>Approach to Proceedings</i></p> <p data-bbox="353 1133 927 1278">What type of approach does your organization use to initiate investigation and discipline proceedings? Select all the answer options that are appropriate.</p>	<p data-bbox="958 1133 1263 1160">1 <input checked="" type="checkbox"/> Information-based</p> <p data-bbox="958 1278 1263 1305">2 <input checked="" type="checkbox"/> Complaints-based</p> <p data-bbox="958 1313 1330 1340">3 <input type="checkbox"/> Other (please describe)</p> <p data-bbox="958 1348 1263 1375">4 <input type="checkbox"/> None of the above</p>	

Number	Question Title/Text/Help text	Answer	Comments
6.5.6.	Investigative Powers and Processes		
6.5.6.1.	<p data-bbox="353 320 450 347"><i>Powers</i></p> <p data-bbox="353 355 882 459">Does your organization have all required powers so that authorized personnel can carry out an effective investigation?</p>	1 <input checked="" type="radio"/> Yes	<p data-bbox="1451 355 1823 608">the profesisonal body can ask for documentary evidence. It cannot directly operate inspections as it is in the interest of the profesisonal to provide evidence to defend his position.</p>
		2 <input type="radio"/> No	
6.5.6.3.	<p data-bbox="353 655 674 683"><i>Cooperation of Members</i></p> <p data-bbox="353 691 860 831">Do the powers to carry out an effective investigation include: Select all the answer options that are appropriate.</p>	1 <input checked="" type="checkbox"/> A requirement for members (and member firms) to co-operate in the investigation of complaints and to respond promptly to all communications from the member body	<p data-bbox="1451 691 1823 1278">Although the requirement for members to co-operate is not directly stated, members should be interested to provide evidence of their non misconduct. The law and regulation adopts an approach of stating the right of the professional to be defended and not his obligation to cooperate. Members that are subject to disciplinary procedures have the right to defend themselves and to provide evidence of not being guilty.</p> <p data-bbox="1451 1318 1823 1382">If a person does not appear then the territorial council can</p>

Number	Question Title/Text/Help text	Answer	Comments
			<p>adopt sanctions in his regards due to its disciplinary powers attributed by the law. The sanctions are provided because the member failed to comply with ethics and professional rules and are based on a criteria of proportionality.</p> <p>The right to be defended is secured by the following means:</p> <ul style="list-style-type: none"> - right to be heard; - right to appeal to a higher level of judiciary authority; - right to provide written evidence and to be assisted. <p>The basic system is the following:</p> <ul style="list-style-type: none"> - territorial council decides sanctions at first level; - against the decision of the territorial council any interested party can appeal to the national council (CNDCEC); - against the decision of CNDCEC any interested party can appeal to the

Number	Question Title/Text/Help text	Answer	Comments
		2 <input checked="" type="checkbox"/> Provision for sanctions in the event of failure to comply 3 <input type="checkbox"/> None of the above	administrative tribunal.
6.5.6.6.	<i>Expertise and Resource</i> Does your organization maintain appropriate expertise and adequate financial and other resources to enable timely investigative and disciplinary action?	1 <input checked="" type="radio"/> Yes (please describe) 2 <input type="radio"/> No	Necessary expertise on professional issues is possessed by council members. If a specific legal expertise is required a legal opinion can be also requested by the institute's specialists.
6.5.6.8.	<i>Independence and Subject of Investigation</i> Does your organization in all cases, confirm at the start of the investigation that any individual chosen to assist in an investigation is independent from (a) the subject of the investigation, and (b) anyone connected with or interested in the matter investigated? Help text: If a conflict exists at the start of an investigation, or arises during the investigation, the chosen individual should immediately withdraw. Similar considerations apply equally to anyone else connected with the investigation and hearing of cases.	1 <input checked="" type="radio"/> Yes 2 <input type="radio"/> No	

Number	Question Title/Text/Help text	Answer	Comments
6.5.6.10.	<p><i>Infrastructure</i> Which of the following best describes your organization's investigation and discipline infrastructure? Select all the answer options that are appropriate.</p>	<p>1 <input type="radio"/> One committee/panel to investigate the complaint and a separate committee/tribunal to administer disciplinary action</p> <p>2 <input checked="" type="radio"/> A single committee/panel to conduct the investigation and administer disciplinary action.</p> <p>3 <input type="radio"/> Other</p>	
6.5.6.12.	<p><i>Independent Review</i> Has your organization established and does it maintain a process for the independent review of complaints by clients and others where it has been decided by the investigation committee that the matter will not be referred to a disciplinary hearing?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	<p>There is a second stage of procedure . While at the first stage the competency is of the local branch, at the second stage the competency is of the national Council.</p>
6.5.7.	The Disciplinary Process		
6.5.7.1.	<p><i>Composition of Tribunal</i> Does the tribunal responsible for the disciplinary hearing contain a balance of professional expertise and outside judgment (e.g., composed of accountants and non-accountants)?</p>	<p>1 <input checked="" type="radio"/> Yes (please describe)</p> <p>2 <input type="radio"/> No</p>	<p>The Judiciary Panel is separated from the council. It is appointed by the president of the competent local court, based on list of proposed persons - both professional accountants or judges.</p>

Number	Question Title/Text/Help text	Answer	Comments
6.5.7.3.	<p><i>Conflicts</i> Are members of the investigation committee or the disciplinary tribunal permitted to serve on both at the same time, or in relation to the same case?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
6.5.7.4.	<p><i>Conflicts Follow Up</i> What plans do you have for introducing requirements to prevent an individual from serving as a member on both the investigation committee and the disciplinary tribunal or serving in relation to the same case, or if you do not have those plans, what special reasons or conditions for that fact exist?</p>	<p>Investigation implies an activity which consists in examining the case, and does not imply any inspections. There are no plans to introduce the distinction because the investigation is conducted by one delegated member but the procedure is formally managed by the entire council. In case of disagreement or doubts on independence the professional can apply to the national council to re-verify the correctness of the procedure.</p>	
6.5.7.5.	<p><i>Independence of Tribunal</i> Briefly describe how the disciplinary tribunal exhibits independence.</p>	<p>At the first stage, if a member is suspected to be not independent that a motion to change the judging panel can be presented. Also if the judgment regard one of the members of the council than the national council is requested to nominate another local council how</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>will be the competent authority. At the second stage, at the national level, the Council member who is from the same region of the professional under procedure has to abstain and does not participate to the vote.</p>	
6.5.7.6.	<p><i>Appeals Process</i> Does your organization's rules:</p> <p>Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Permit a qualified lawyer or other person chosen by the defendant to accompany and represent the defendant at all disciplinary hearings and to advise him or her throughout the investigative and disciplinary process</p> <p>2 <input checked="" type="checkbox"/> Permit the defendant to appeal the conviction and any imposed sanction</p> <p>3 <input checked="" type="checkbox"/> Permit any order made against the defendant to be suspended by the tribunal that convicted the defendant, pending the hearing of that appeal</p> <p>4 <input checked="" type="checkbox"/> Prohibit the appeal tribunal from including a prosecutor or a member of the first tribunal, or any other individual who was concerned with the original conviction</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>5 <input checked="" type="checkbox"/> Require that the same procedures apply to the appeal process as apply to hearings before the disciplinary tribunal</p> <p>6 <input type="checkbox"/> None of the above</p>	
6.5.8.	Administrative Processes		
6.5.8.1.	<p><i>Elements of Administrative Processes</i> As a part of Investigation and Discipline administrative processes does your organization:</p> <p>Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Establish time limits for disposal (completion) of all cases</p> <p>2 <input checked="" type="checkbox"/> Maintain and operate tracking mechanisms, to ensure that all investigations and prosecutions are promptly handled, and that all necessary action is taken at the appropriate stage</p> <p>3 <input checked="" type="checkbox"/> Maintain a procedure requiring (a) notification to all persons employed or otherwise participating in the investigative and disciplinary processes (or having access to information concerning such processes) of the importance of maintaining confidentiality,</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>and (b) a binding agreement to maintain that confidentiality</p> <p>4 <input checked="" type="checkbox"/> Maintain secure and confidential facilities for the storage of case papers and other evidence</p> <p>5 <input checked="" type="checkbox"/> Maintain records of all investigation and disciplinary proceedings</p> <p>6 <input type="checkbox"/> None of the above</p>	
6.5.8.3.	Case Numbers		
6.5.8.3.1.	<p><i>2005 Heard Case Numbers</i></p> <p>Indicate the number of cases heard in 2005.</p>	192	<p>This data refers to approximate number of disciplinary procedures heard that year in all local branches.</p> <p>Number of disciplinary procedures treated at second level in the year 2012:</p>
6.5.8.3.2.	<p><i>2004 Heard Case Numbers</i></p> <p>Indicate the number of cases heard in 2004.</p>	171	This data refers to approximate number of disciplinary procedures heard that year in all local branches.
6.5.8.3.3.	<p><i>2003 Heard Case Numbers</i></p> <p>Indicate the number of cases heard in 2003.</p>	139	This data refers to approximate number of disciplinary procedures heard that year in all local branches.

Number	Question Title/Text/Help text	Answer	Comments
6.5.8.3.4.	<i>2005 Completed Case Numbers</i> Indicate the number of cases completed in 2005.	0	Aggregated data is not available because each of the 132 local branches is an independent body. Only in case of appeal do we have evidence of a procedure.
6.5.8.3.5.	<i>2004 Completed Case Numbers</i> Indicate the number of cases completed in 2004.	0	
6.5.8.3.6.	<i>2003 Completed Case Numbers</i> Indicate the number of cases completed in 2003.	0	Aggregated data is not available because each of the 132 local branches is an independent body. Only in case of appeal do we have evidence of a procedure.
6.5.8.3.7.	<i>Average time required for disposal of cases</i> Indicate the average time (in months) required for the disposal (completion) of a case. This number should include both the time spent on (a) the investigation of the complaints and (b) the disciplinary proceedings.	0	Official data is not available because each of the 132 local branches is an independent body. usually it takes some months but there is not a specific indication. Only in case of appeal to the national council do we detailed evidence of a procedure. A procedure may last even years if a criminal investigation is involved.

Number	Question Title/Text/Help text	Answer	Comments
7.	SMO 7		
7.1.	<p data-bbox="353 320 931 571"><i>Accounting Standards in Law/Regulation</i> Does law or regulation establish the set of accounting standards to be used for preparation of financial statements of private sector listed entities and non-listed entities? Select all the answer options that are appropriate.</p> <p data-bbox="353 616 931 866">Where the law / regulation establishes the accounting standards to be used by reference to the set of standards to be used by their name or by including the text of the standards in the law / regulation, please respond "yes" to this question. Section 7.8. of this module includes questions about the law / regulation.</p> <p data-bbox="353 911 931 1123">Where the law / regulation gives authority to a national standard-setter to establish the accounting standards, please respond "no". Section 7.2. of this module includes questions about the standard-setter and the accounting standards that are established.</p>	<p data-bbox="958 352 1402 419">1 <input checked="" type="checkbox"/> Yes, for financial statements of listed entities</p> <p data-bbox="958 1129 1402 1197">2 <input checked="" type="checkbox"/> Yes, for financial statements of non-listed entities</p> <p data-bbox="958 1206 1402 1273">3 <input type="checkbox"/> No, for financial statements of listed entities</p> <p data-bbox="958 1283 1402 1342">4 <input type="checkbox"/> No, for financial statements of non-listed entities</p>	<p data-bbox="1451 352 1836 938">It is important to observe that for non-listed companies the law requires the application of correct accounting Standards. In Italy for 30 years all non listed companies have been applying the Italian accounting Standards issued previously by CNDC and CNR, now by OIC (Organismo Italiano di Contabilità). In addition the accounting doctrine considers that the correct accounting Standards named in law are the ones now issued by OIC.</p>

Number	Question Title/Text/Help text	Answer	Comments
7.8.	Law/Reg and Accounting Standards		
7.8.1.	<i>Law/Reg Accounting Standards - Private Sector</i> Is there only one group of accounting standards or are the accounting standards applicable to listed entities different from non-listed entities?	<p>1○ The accounting standards for listed entities and non-listed entities are the same set of standards</p> <p>2⊙ The accounting standards for listed entities and non-listed entities are not the same set of standards</p>	
7.8.3.	<i>Accounting Standards for Listed</i> Does the law/regulation require the use of International Financial Reporting Standards issued by the International Accounting Standards Board for preparation of financial statements of listed entities? Select the answer option that is most appropriate.	<p>1○ The law/regulation simply refers to International Financial Reporting Standards as the accounting standards (without bringing in the full or partial text of individual IFRSs)</p> <p>2⊙ For listed entities, the law/regulation contains the full text of each IFRS</p> <p>3○ For listed entities, the law/regulation contains the main principles of the IFRSs</p> <p>4○ For listed entities, the law /</p>	The European Regulation requires the listed companies to prepare the consolidated financial statements according the IAS/IFRS. In addition the full text of IAS/IFRS is included in the European Regulation. At national level the Italian legislative decree contains only the references to IAS/IFRS.

Number	Question Title/Text/Help text	Answer	Comments
		<p>regulation has a requirement to use IFRSs using another approach (please describe)</p> <p>5○ For listed entities, the law / regulation requires the use of national standards with no reference to IFRSs</p>	
7.8.4.	<p><i>Accounting Standards for Non-Listed</i></p> <p>Does the law/regulation require the use of International Financial Reporting Standards issued by the International Accounting Standards Board for preparation of financial statements of non-listed entities? Select the answer option that is most appropriate.</p>	<p>1○ The law/regulation simply refers to International Financial Reporting Standards as the accounting standards (without bringing in the full or partial text of individual IFRSs)</p> <p>2○ For non-listed entities, the law/regulation contains the full text of each IFRS</p> <p>3○ For non-listed entities, the law/regulation contains the main principles of the IFRSs</p> <p>4○ For non-listed entities, the law / regulation has a requirement to use IFRSs using another approach (please describe)</p> <p>5⊙ For non-listed entities, the law / regulation requires the use of national standards with no reference to IFRSs</p>	<p>The Italian Legislative decree 38/2005 requires that also the banks and the assurance companies have to prepare the financial statements according the IAS/IFRS.</p> <p>The term PIEs is more precise than "listed"</p>

Number	Question Title/Text/Help text	Answer	Comments
7.8.7.	<p><i>National Accounting Standards - Non-Listed</i> Provide the name of the national accounting standards for non-listed entities and other authoritative pronouncements established by law/regulation.</p>	Organismo Italiano di COntabilità (OIC)	
7.8.8.	<p><i>MB Responsibilities National Standards SMO 7</i> Does your organization have responsibility for any of the following activities? Select all the answer options that are appropriate.</p>	<p>1 <input checked="" type="checkbox"/> Develop or assist in developing the proposed standards as law / regulation</p> <p>2 <input type="checkbox"/> Develop other authoritative pronouncements</p> <p>3 <input type="checkbox"/> Promulgate the accounting standards (e.g. by publishing or communicating the standards to the public)</p> <p>4 <input type="checkbox"/> Other (please describe)</p> <p>5 <input type="checkbox"/> None of the above</p>	
7.8.9.	<p><i>MB Responsibilities and IASB SMO 7</i> Does your organization have responsibility for any of the following activities? Select all the answer options that are appropriate.</p>	<p>1 <input type="checkbox"/> Develop other authoritative pronouncements</p> <p>2 <input type="checkbox"/> Promulgate the IFRSs established by law / regulation (e.g. by publishing or communicating the standards to the public)</p>	<p>It is important to note that the CNDCEC is one of the members of the OIC (Organismo Italiano di Contabilità), the Italian Accounting Standard Setter.</p>

Number	Question Title/Text/Help text	Answer	Comments
		3 <input type="checkbox"/> Other (please describe) 4 <input checked="" type="checkbox"/> None of the above	
7.8.11.	<i>Describe Activities and Law/Reg SMO 7</i> Describe your organization's activities for promulgating and / or implementing the standards.	courses and CPD	
7.8.12.	<i>Other Organization SMO 7</i> Do any of the following organizations have responsibility for developing or implementing the accounting standards established in law / regulation?	1 <input type="radio"/> Another IFAC member body(ies) 2 <input checked="" type="radio"/> Government or regulatory body 3 <input type="radio"/> Non-IFAC professional body 4 <input type="radio"/> Other organization	The Italian Accounting Standard Setter is the OIC (Organismo Italiano di Contabilità).
7.8.13.	<i>National Standards and Convergence SMO 7</i> Please describe the activities your organization has undertaken to promote IFRSs and other IASB pronouncements to the relevant government or regulatory body that sets national standards. Include in your explanation descriptions of any specific activities and the outcome.	Courses and CPD programmes	
7.9.	Law/Reg and IASB Pronouncements		
7.9.1.	<i>Incorporation into Law/Reg SMO 7</i> Is information publicly available about IFRSs and other IASB pronouncements that have been established into law/regulation,	1 <input type="radio"/> Yes	The text of IAS/IFRS is included in the European Regulation; the OIC is the

Number	Question Title/Text/Help text	Answer	Comments
	<p>including:</p> <p>IFRSs and other IASB pronouncements that have been established into law / regulation; Whether the IFRS or IASB pronouncement established into law / regulation is the version in effect as at September 30, 2005; The effective date set by law / regulation where it differs from the IFRS or IASB pronouncement; The differences between IFRSs and IASB pronouncements and what was established into law / regulation; and The reasons for the differences?</p>	<p>2 <input checked="" type="radio"/> No</p>	<p>Italian Accounting Standard Setter which provides some other useful information for the market participants.</p>
7.9.2.	<p><i>Incorporation Description - Law/Reg SMO 7</i></p> <p>If the information about the status of IFRSs and other IASB pronouncements that have been established into law is available in English, indicate this in your response and submit a copy of the information to Compliance Staff.</p> <p>If this information is not available, complete the SMO 7: Comparison with IASB Pronouncements report and submit it in Word format to Compliance Staff.</p>	<p>1 <input type="radio"/> Yes, information is available and in English and will be submitted to Compliance Staff</p>	

Number	Question Title/Text/Help text	Answer	Comments
	Indicate whether your organization will be submitting available information or the "SMO 7: Comparison with IASB Pronouncements" report.	<p>2○ No, information is not available; however our organization or jointly with another IFAC member / associate will complete the "SMO 7: Comparison with IASB Pronouncements" and submit it to Compliance Staff</p> <p>3⊙ No, information is not available</p>	
7.10.	Translation SMO 7		
7.10.1.	<i>Translation of IFRSs</i> Are the IFRSs and other IASB pronouncements translated into national language?	<p>1○ No, as English is an official language or widely spoken language</p> <p>2⊙ Yes, the IFRSs are translated</p> <p>3○ No and English is not an official language or is not widely spoken</p>	
7.10.4.	<i>Translation coordinator SMO 7</i> Who is the translation coordinator? Select the answer option that is most appropriate.	<p>1○ Our organization is the translation coordinator</p> <p>2○ The government or another organization is the translation</p>	The translation coordinators are CNDCEC and OIC.

Number	Question Title/Text/Help text	Answer	Comments
		<p>coordinator</p> <p>3 <input checked="" type="radio"/> Our organization and the government or another organization are the translation coordinators</p>	
7.10.5.	<p><i>Key Terms SMO 7</i></p> <p>Does the translation process include a list of key terms?</p>	<p>1 <input checked="" type="radio"/> Yes</p> <p>2 <input type="radio"/> No</p>	
7.10.6.	<p><i>Faithful Translation SMO 7</i></p> <p>What processes are in place to ensure a faithful translation of the IFRSs?</p>	<p>The Process is quite complex and it includes two Italian Committees which supervises the translation and guarantees the high quality of the work.</p>	
7.11.	<p><i>Promotion Activities SMO 7</i></p> <p>Please describe the activities your organization undertakes to promote and assist in the implementation of IFRSs and other IASB pronouncements and activities.</p>	<p>The Dottori Commercialisti and Esperti Contabili are one of the categories most involved in the process of IASs/IFRSs implementation.</p> <p>The CNDCEC appointed an ad hoc Committee in order to examine the issues arising from the application of National and International Accounting Standards.</p> <p>There are many professional events concerning the explanation of new accounting practices in order to stimulate the CPA profession.</p>	

Number	Question Title/Text/Help text	Answer	Comments
		<p>Their comprehension is important because the Italian and Community legislation and practice moves towards criteria always more similar to the ones issued by IASB.</p>	
8.	<p>Certification of Chief Executive</p>		
8.1.	<p><i>Complete Certification</i> Once all required questions have been completed, the Certification of Chief Executive should be signed and submitted to Compliance Staff. Click Part 2 SMO Self Assessment Certification.doc here to download a copy of the Certification form.</p>	<p>1 <input checked="" type="checkbox"/> Yes, the Certification of Chief Executive has been submitted</p> <p>2 <input type="checkbox"/></p>	