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By email

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IFAC

ACCA's response to the IAESB Exposure Draft

IAESB Exposure Draft: Proposed Revised International Education Standard IES 2, Initial Professional Development – Technical Competence

ACCA (the Association of Chartered Certified Accountants) welcomes the opportunity to comment on the above. ACCA is the largest and fastest-growing global body for professional accountants with over 154,000 members and 432,000 students in 170 countries.

We aim to offer the first choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management. ACCA works to achieve and promote the highest professional, ethical and governance standards and advance the public interest.

General comments

This title specifically refers to the distinction between technical or cognitive competence versus non-technical or affective competence, which is now a clearly recognised distinction in professional education.

ACCA is generally satisfied with these revised standards (IES 2, 3 and 4) as they introduce more clarity and consistency to the requirements. The way in which they are described and rationalised makes compliance more feasible for a much wider and diverse range of awarding bodies. In particular the style and approach of IES 2, 3 and 4 is now more consistent, using broader competences which allows a greater flexibility of approach for syllabus developers to meet diverse local and stakeholder needs, while still promoting the core skills and competence that all professional and aspiring accountants need to acquire. There is also more logic and less repetition between the coverage of each individual standard.

Specific Comments

Question 1: Do the 11 competence areas listed in Paragraph 7 of the proposed IES 2 (Revised) capture the breadth of areas over which aspiring professional accountants need to acquire technical competence? If not, what do you suggest?

These comprehensively cover the technical competence found in a wide range of accountancy roles. These are flexibly described, so as to give an indicative content rather than attempting to cover all detailed outcomes that might be included in a professional qualification.

Question 2: Do the learning outcomes listed in Paragraph 7 of the proposed IES 2 (Revised) capture adequately the minimum levels of proficiency to be achieved by an aspiring professional accountant by the end of IPD? If not, what changes do you suggest?

ACCA believes these minimum levels of proficiency work well for a broad-based qualification. However, they may be difficult to achieve for niche professional accountancy bodies who specialize in one area of accounting.

Questions 3: Does the Appendix provide adequate clarification to assist in the interpretation of the learning outcomes that are listed in Paragraph 7 of the proposed IES 2 (Revised)? If not, what changes do you suggest?

ACCA is in favour of having four levels from Foundations to Mastery to indicate the minimum level of proficiency expected of a professional accountant. The explanations contained within each level are helpful. However, it is important that the IAESB is able to articulate how the *Proficiency Levels for Learning Outcomes* map to established frameworks with which IFAC member bodies may already be familiar. For example, the Qualifications and Credit Framework (QCF) operated by the Office of the Qualifications and Examinations Regulator (Ofqual) in England and the National Qualifications Framework (NQF) operated by the South African Qualifications Authority (SAQA).

The European Qualifications Framework (EQF), agreed upon by the European institutions in 2008, recommends that member states relate their national qualifications systems to the EQF, so that all new qualifications issued from 2012 carry a reference to the relevant EQF level. The EQF acts as a translation device to

make national qualifications more readable across Europe, promoting workers' and learners' mobility between countries and facilitating their lifelong learning. The EQF comparison tool can be found here
[http://ec.europa.eu/eqf/compare/select_en.htm# comparison](http://ec.europa.eu/eqf/compare/select_en.htm#comparison)

Question 4: Overall, are the Requirements paragraphs 7, 8, and 9 of the proposed IES 2 (Revised) appropriate for ensuring that aspiring professional accountants achieve the appropriate level of technical competence by the end of IPD? If not, what changes do you suggest?

ACCA feels these are entirely appropriate - see response to Q2.

Question 5: Do you anticipate any impact or implications for your organization, or organizations with which you are familiar, in implementing the new requirements included in this proposed IES 2 (Revised)?

We think that this standard makes it much more feasible for member bodies to ensure that their syllabuses cover the main areas of technical competence without being burdened with the detail, much of which becomes obsolete quite quickly but which member bodies themselves should be responsible for updating.

Question 6: Is the objective to be achieved by a member body, stated in the proposed revised IES 2, appropriate?

Yes, they are appropriate.

Question 7: Have the criteria identified by the IAESB for determining whether a requirement should be specified been applied appropriately and consistently, such that the resulting requirements promote consistency in implementation by member bodies?

The style and wording of the outcomes are sufficiently prescriptive and indicative to ensure broad competence, but flexible enough to allow member bodies to interpret these for their particular constituencies and stakeholder needs to allow for a diversity of qualification structures and assessment.

Question 8: Are there any terms within the proposed IES 2 (Revised) which require further clarification? If so, please explain the nature of the deficiencies.



While the inclusion of indicative verbs is very helpful for assessment purposes, we feel it might also be useful to have a broad descriptor for each of the four intellectual levels. This would enable professional bodies to benchmark these levels against other qualifications.