



**The Japanese Institute of
Certified Public Accountants**

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October 4, 2013

Mr. David McPeak
IAESB Technical Director
International Accounting Education Standards Board
International Federation of Accountants
529 Fifth Avenue 6th Floor New York, NY 10017

Dear Mr. McPeak :

Re: JICPA Comments on the Exposure Draft, *2014 - 2016 IAESB Strategy and Work Plan*

The Japanese Institute of Certified Public Accountants (“we” and “our”) appreciates the continued efforts of the International Accounting Education Standards Board (IAESB), and welcomes the opportunity to comment on the exposure draft (ED), *2014 - 2016 IAESB Strategy and Work Plan*.

We generally agree with the proposed IAESB Strategy and Work Plan for 2014-2016 (hereinafter referred to as the “Plan”), which focuses on providing support to facilitate the implementation and adoption of the revised IESs. To further improve the Plan, we have the following comments.

1. Revision of IES 8

Appendix 1 states that the revision of IES 8 will be completed by the fourth quarter of 2014. While we acknowledge the continued efforts of the IAESB in completing IES 8, we strongly encourage completing it sooner, as it was originally planned to be finalized by the fourth quarter of 2012 in the previous 2010-2013 Strategy and Work Plan.

2. Revision of IEPS 2

We note that the revision of IEPS 2 is not mentioned in Appendix 1 under the item “*Support and Provide Guidance to Facilitate the Implementation of the Revised IESs.*” Given that the IEPS 2 is an old practice statement published in October 2007, we believe that the revision of IEPS 2 should also be included in the Plan, and be redrafted in conjunction with the current overall revision of IESs.

3. Implementation guidance on competence areas other than information technology in IES 2

Among the competence areas included in IES 2, the guidance on information technology, which has been issued as IEPS 2, is the only guidance published to date. Further, no such guidance has been issued for other competence areas mentioned in IES 2. In view of the extensive areas of competence, as well as the learning outcomes and minimum levels of proficiency expected of aspiring professional accountants in IES 2, we believe that the implementation guidance for other competence areas would also need to be prepared to promote the implementation of the revised IES 2.

As it has not been specifically mentioned in the Plan, we recommend the IAESB to consider adding new projects on the development of the implementation guidance for IES 2 under the item, “*Develop Guidance on Learning Outcomes Approaches for Approaches for Professional Accounting Education.*”

4. Development of new IESs for specialization pathways

Under the item “*Scan Environment for Gaps in the Development, Delivery, and Assessment of Professional Accounting Education*” in Appendix 1, the IAESB states that it will explore the need for new IESs and other types of guidance materials that identify the CPD requirements for other specialization pathways. In consideration of those specialization areas that require more advanced levels of competence in comparison with the general requirements for professional accountants stated in IESs 1-7, we request the IAESB to carefully evaluate the need, as the IESs or guidance materials with specific focus on particular pathways may further assist IFAC member bodies to implement IESs.

5. Outreach Activities

We agree that the IAESB gives priority to outreach activities to promote the adoption and implementation of the revised IESs in the Plan. Along with the standard setting activities, we consider the outreach activities to be equally

important to promote the revised IESs. We therefore support the IAESB to conduct effective outreach activities as planned.

6. Information paper on entry requirements

We recommend the IAESB to describe clearly that the implementation guidance on entry requirements into professional accounting education programs stated in the item “*Support and Provide Guidance to Facilitate the Implementation of the Revised IESs*” would be developed to be in line with the requirements in the revised IES 1.

7. Clarification of the types of IAESB pronouncements and their roles

In paragraph 18 of the ED, three strategic priorities are stated as follows:

- (a) Establish and develop IESs and pronouncements.
- (b) Engage stakeholders and promote the adoption and endorsement of the revised IESs.
- (c) Support and provide guidance to facilitate the implementation of the revised IESs.

According to Appendix 1 of the ED, in connection with those strategic priorities, various pronouncements such as guidance, information papers (International Education Information Papers (IEIPs)), and International Education Practice Statements (IEPSs) are planned to be developed. However, as outlined in the table below, no specific explanation has been included in the Plan, in regard to how information papers that would be developed in accordance with the priorities (a) and (c) differ in their status, or how each pronouncement is positioned within the IAESB. Therefore, we suggest defining the types of pronouncements used in the IAESB and clarifying their names and expected roles.

(a) Establish and develop IESs and pronouncements	(c) Support and provide guidance to facilitate the implementation of the revised IESs
<ul style="list-style-type: none"> ● Develop an IEIP on IES 8 implementation ● Develop an IEIP on learning outcomes approach 	<ul style="list-style-type: none"> ● Revision of IEPS 1 ● Revision of IEPS 3 ● Develop an information paper on general education ● Develop an information paper on entry requirements

	<ul style="list-style-type: none">● Develop IEIP on good practices in implementing the revised IESs
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8. Clarification of Figure 1: IAESB activities

- (i) In view of the fact that there is no specific reference to the particular activities planned for “*Creating and Maintaining Awareness*” and “*Providing Thought Leadership and Advocacy*” in Figure 1 of the chairman’s statement, we recommend the IAESB to provide details of those activities planned under these two concepts.
- (ii) We also recommend explaining how the relatively new concept of “*Thought Leadership*” is used in Figure 1. We are concerned that this may not be widely understood in non-English-speaking countries, and difficult to provide appropriate translation.

We trust you will find our comments of assistance to you.

Sincerely yours,

Kazutomi Asai
Executive Board Member - CPE
The Japanese Institute of Certified Public Accountants