

Basis for Conclusions
Prepared by the Staff of the IAESB™
July 2015

Basis for Conclusions

Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants (2015)

IAESB

International Accounting
Education
Standards Board™

This document was prepared by the Staff of the International Accounting Education Standards Board (IAESB™).

The IAESB develops education standards, guidance, and information papers on pre-qualification education, training of professional accountants, and continuing professional education and development.

The objective of the IAESB is to serve the public interest by setting high-quality education standards for professional accountants and by facilitating the convergence of international and national education standards.

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BASIS FOR CONCLUSIONS

FRAMEWORK FOR INTERNATIONAL EDUCATION STANDARDS FOR PROFESSIONAL ACCOUNTANTS AND ASPIRING PROFESSIONAL ACCOUNTANTS (2015)

1. The Basis for Conclusions document for the *Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants* (2015) ("Framework 2015") has been prepared by Staff of the International Accounting Education Standards Board ("IAESB"). The Basis for Conclusions document relates to, but does not form part of the Framework 2015 and is non-authoritative.
2. In December 2009 the IAESB released its *Framework for International Education Standards for Professional Accountants* ("Framework 2009"). The Framework 2009 (a) set out the educational concepts that underlie the IAESB's International Education Standards ("IESs"), (b) described the nature of IAESB publications, and (c) affirmed International Federation of Accountants ("IFAC") member bodies' obligations.

Revision of Framework

3. Since the release of the Framework 2009, the IAESB has undertaken its IES Revision Project to revise and redraft the suite of eight IESs in accordance with the *IAESB Drafting Conventions* (See Appendix to the Framework 2009). Because the IAESB Framework was developed and released prior to the commencement of the IES Revision Project there are some inconsistencies between the Framework 2009 and the revised IESs. These inconsistencies originated from the IAESB's focus on enhancing the revised IESs to align with developments in professional accounting education. During the IES Revision Project, the IAESB decided to place greater emphasis on fundamental concepts such as: professional competence, competence areas, learning outcomes, and assessment activities. If these inconsistencies between the Framework and the suite of revised IESs are not corrected, they would lead to confusion by IFAC member bodies in understanding their obligations in meeting the requirements of the revised IESs and to ineffective implementation of the IESs.

Consultations

4. The IAESB issued the July 2014 Exposure Draft of the Framework ("July 2014 ED-Framework") on July 23, 2014, with the deadline for response of October 27, 2014. The IAESB received 23 comment letters on the July 2014 ED-Framework (See Appendix 1) from respondents representing different interests, including IFAC member bodies, regional organizations, public accounting firms, accounting organizations, academics, and individuals. In addition, the IAESB Consultative Advisory Group ("CAG") commented on the development of the July 2014 ED-Framework. The CAG also commented on the analyses of ED respondents' comments at the February 2015 CAG meeting.
5. In addition, the IAESB consulted with staff of the Standard-setting Boards and IFAC committees, for any fatal flaws or editorial improvements on the definition of the professional accountant. This feedback was included in the deliberations of the IAESB at their April 2015 meeting in developing a definition that would support the revised IESs.
6. As a result of these consultations, the IAESB has implemented a number of changes to finalize the text of the revised Framework. The following summarizes the more significant issues raised by respondents, and how the IAESB addressed them. For purposes of clarity, the Basis for

BASIS FOR CONCLUSIONS
FRAMEWORK FOR INTERNATIONAL EDUCATION STANDARDS FOR PROFESSIONAL ACCOUNTANTS AND
ASPIRING PROFESSIONAL ACCOUNTANTS (2015)

Conclusions document is divided into three parts: Part A. Non-Authoritative Status of Framework (2015), Part B. Definitions of Professional Accountant and General Education, and Part C. Editorial Concepts and Other Editorial Matters.

PART A. NON-AUTHORITATIVE STATUS OF FRAMEWORK (2015)

Background

7. The Framework (2009) was considered an authoritative IAESB pronouncement. The IAESB imposed an obligation on IFAC member bodies by requiring them to apply the concepts set out in the Framework (2009), in the absence of a specific IES, when designing, delivering, and assessing education for professional accountants [See Paragraph 9 of Framework (2009)]. In addition, the IAESB followed due process relating to an authoritative pronouncement in the development, consultation, and approval of the Framework (2009).

Purpose and Role of Framework

8. As a result of IAESB's discussion at its June 2014 meeting, the Board decided that further clarity was needed on the purpose and role of the proposed Framework. This discussion took into account the view that it is the IESs themselves that set forth requirements for Member Bodies and the intended role of the proposed Framework is to provide a basis for the principles and concepts upon which the IESs are based (that is, the proposed Framework would be descriptive rather than prescriptive) and would not in any case override the IESs. The IAESB noted that this view on the purpose and role of the proposed Framework is consistent with the Framework documents of other Standard-setting Boards. For example, the International Auditing and Assurance Standards Board distinguishes between the non-authoritative nature of Assurance Framework and the authoritative nature of the International Standards on Auditing (ISAs), International Standards on Review Engagements (ISREs) and International Standards on Assurance Engagements (ISAEs) which establish standards or procedural requirements.
9. To reflect the view that the proposed Framework should only provide a basis for the principles and concepts which underpin the revised IESs, the IAESB made the following proposed change as indicated in the section entitled, *Clarifying Title, Introduction, Purpose and Scope Paragraphs*, of the covering Memorandum of July 2014 ED-Framework:

“The IAESB has amended paragraphs 4 and 5 of the ED—Framework to include the IAESB's purpose and mission statements. Both of these statements support the IAESB's view that the ED—Framework should be aspirational, while introducing forward looking educational concepts that support its publications.”

Non-Authoritative Status

10. In addition, the IAESB decided to remove any requirements or obligations that existed in the extant Framework (2009). As a result, the IAESB concluded that the status of the Framework (2015) should be non-authoritative because the Framework (2015) (a) contains no requirements that impose obligations on IFAC member bodies and (b) focuses on explaining concepts underlying the revised IESs. The IAESB, however, recognized the importance of consulting with the public on this issue and decided to obtain input from the public and its stakeholders on the status of the Framework's authority by including a question in the covering memorandum of the July 2014 ED-Framework. This change was reflected in Question 3 of the Request for Specific Comments on the Memorandum of July 2014 ED-Framework to obtain public comment.

“Because the proposed draft of the Framework does not include any requirements and its primary purpose is to describe the learning concepts underpinning the IESs, the IAESB is proposing the revised Framework be non-authoritative. Do you agree with this change? If not, why?”

To ensure transparency in these deliberations, the IAESB decided to follow all due process activities relating to an authoritative pronouncement in the development, consultation, and approval of the Framework (2015).

Issues Resulting from Public Exposure

Purpose of the Framework

11. Eight respondents (EYG, FEE, ICAS, ICAG, ISCA, JICPA, KICPA, PWC) of the July 2014 ED-Framework requested improvements to clarify the Purpose section. Two of these respondents (ICAS, PWC) suggested clarifying the description of the purpose because a framework document should not provide direction to the IAESB as would a Strategy and Work Plan document. In addition, six of these respondents (EYG, FEE, ICAG, ISCA, JICPA, KICPA) provided several editorial suggestions to improve the flow of ideas and the clarity of the wording in the Purpose section.
12. The IAESB decided to modify of the following paragraphs of the Purpose section by:
 - Deleting the word, “direction” and replacing it with the phrase, “a conceptual base” in the first sentence of Paragraph 8 (Framework 2015). The IAESB also enhanced the first sentence of Paragraph 8 by adding the phrase, “support adoption and implementation of the IESs” which better reflects the objective of the IAESB’s work.
 - Deleting the word, “undertake” in Paragraph 9 (Framework 2015) and replacing it with the word, “manage” to better characterize the activity performed by professional accountants and aspiring professional accountants in their learning and development.
13. The IAESB also agreed to several small editorial changes to Paragraphs 9 and 10 (Framework 2015) to improve the clarity of the Purpose section. These changes addressed issues that improved the understanding of these paragraphs without substantially changing their content.

Non-Authoritative Status

14. The comments received from respondents of the July 2014 ED-Framework on the proposal to change the status from authoritative to non-authoritative were mixed. The majority of respondents (AICPA-PcEEC, BDO, CPA Australia, DTT, EYG, FEE, IAA, IBR-IRE, ICAEW, ICAS, ISCA, JICPA, Juvenal, KICPA, and PWC) agreed with the proposal to change the status to non-authoritative because all requirements imposing obligations on IFAC member bodies have been removed from the Framework (2015). Six respondents (CISPA, ICAG, ICAP, ICAZ, ICPAR, IPAR) disagreed with the proposal and favored keeping the status of the Framework as authoritative. The comments favoring an authoritative pronouncement ranged from: risk that the standards’ authority may slip if the Framework is made non-authoritative (CISPA; ICAG); important terms, concepts, and interpretations in the Framework (2015) should serve as authoritative guidelines for accounting education (ICAG, ICAP); professional accountancy organizations would be required to adopt the framework and this adoption would enhance the development of professional accountants (ICAZ); member bodies may choose not to comply with the framework if it is made non-authoritative

(ICPAR); and the Framework (2015) contains the definition of professional accountant which is important to the implementation of the IESs (IPAR).

15. At its February 2015 meeting, CAG members expressed a mixed view on whether the Framework (2015) should be non-authoritative or authoritative – the majority of CAG members supported a non-authoritative publication because there were no requirements for IFAC member bodies within the document and it focuses on explaining concepts underlying the revised IESs. Those CAG members who did not support the proposed change, suggested that additional explanation was needed to enable the public to understand the rationale for changing the Framework to a non-authoritative publication.
16. IAESB members discussed comments received from respondents of the July 2014 ED-Framework and the CAG and concluded that the status of Framework (2015) should be changed from authoritative to non-authoritative since the Framework (2015) (a) does not contain requirements or obligations for IFAC members and (b) focusses on explaining concepts underlying the revised IESs. The IAESB also noted that the Framework (2015) continues to be an integral component to the general understanding of the IESs. The authoritative status of the IESs does not change. The IESs will need to be reviewed for conforming amendments to align with the new definition of a professional accountant. Separate implementation guidance is being developed to support the adoption of the revised standards. The revision to the Framework followed the same due process as an authoritative document and any future enhancements that introduce substantive changes to the Framework would also follow due process. To improve clarity the IAESB decided to modify the content of Paragraph 11 (Framework 2015) by indicating that the Framework (2015) does not establish requirements that apply to IFAC member bodies, but explains the educational concepts underlying the revised IESs (that is, the Framework (2015) is descriptive rather than prescriptive) and would not in any case override the IESs.

PART B. DEFINITIONS OF PROFESSIONAL ACCOUNTANT AND GENERAL EDUCATION

17. The IAESB updated the definitions of the professional accountant and general education in the revision of the Framework. Both of these terms are essential to the understanding of the IESs. The definition of professional accountant explains who the intended audience is for the revised IESs and other IAESB publications. The definition and description of general education recognizes the importance of developing essential knowledge, skills, and attitudes, which helps prepare an individual for entry into a professional accounting education program and supports lifelong learning and development. The following paragraphs (Paragraphs 18–32) provide a summary of the IAESB’s work to enhance these terms.

Definition of Professional Accountant

Background

18. IFAC defines a professional accountant as “an individual who is a member of an IFAC member body.” This definition currently resides in the International Ethics Standards Board for Accountants’ (“IESBA”) *Code of Ethics for Professional Accountants*, *IAESB Glossary of Terms*, and the International Auditing and Assurance Standards Board’s (IAASB) *Glossary of Terms*.

Challenges with the Existing Definition

19. In November 2009, the chairs of IFAC’s committees and the independent standard-setting boards identified the need to evaluate whether the current definition of the term professional accountant was adequate. The chairs discussed a number of issues with the current definition and concluded that a task force should be established to (a) evaluate the current definition, and (b) determine whether an alternative definition could be developed for further consideration by IFAC.
20. In March 2010, IFAC formed a task force comprised of a volunteer and a staff member from each of the boards and committees. The taskforce identified the following challenges with IFAC’s definition of professional accountant:
- (a) It does not convey an understanding of the roles and functions of the professional accountant and, therefore, does not assist in the public’s understanding of the term.
 - (b) Its application and meaningfulness varies across different jurisdictions.
 - (c) It has the tendency to be circular and confusing. This confusion is often exacerbated in the translation process.
 - (d) It lacks specificity relative to non-professional accountants involved in the financial reporting process.
 - (e) It may imply that the individual is “regulated” by the IFAC member body (which is not uniformly the case across IFAC membership) or it may imply that IFAC has certain regulatory capabilities not within the scope of the IFAC mandate or its resources.
 - (f) It does not acknowledge that professional standards are adopted and enforced at the national/regional/state level through many different professional and regulatory arrangements.

- (g) It is often understood through custom and practice to apply only to the auditing side of the profession, and is sometimes seen as failing to address members of other organizations (other than IFAC member bodies) or individuals subject to qualification and oversight.
21. The task force provided input to IFAC staff regarding the key issues that should be considered to assist IFAC staff in the development of a revised definition of professional accountant. Through the outcomes of these discussions, IFAC staff developed an IFAC Staff paper in January 2011.
22. At the November 2011 meeting of chairs of IFAC's committees and the independent standard-setting boards, they discussed the IFAC Staff paper (January 2011) that (a) identified discussion issues relating to the current IFAC definition of a professional accountant, (b) contained the task force's updated IFAC definition for a professional accountant, and (c) included the progress of the project. However, the chairs of IFAC's committees and the independent standard-setting boards were unable to reach an agreement on an IFAC wide definition for a professional accountant. Because of the difficulty in reconciling the different views expressed by the chairs of IFAC's committees and the independent standard-setting boards on the definition, it was recommended that IFAC cease any further work on the project.

PIOB Response

23. In June 2012 the Public Interest Oversight Board (PIOB) wrote to IFAC indicating that it believed that the project is important and should be completed. Consequently, the proposed definition by the task force was further amended in November 2012 by the IAESB Chair, Deputy Chair, and technical staff. These amendments incorporated suggested changes and revisions made in response to the initial IFAC Staff paper (January 2011).
24. The status of the project and the PIOB letter was discussed at the November 2012 meeting of chairs of IFAC's committees and the independent standard-setting boards, and it was agreed that the project had to be advanced. The chairs of independent standard-setting boards and IFAC's committees directed the IAESB to continue its work to develop a revised definition for purposes of the IESs and other IAESB publications because of the Board's need for an enhanced definition that improves the understanding of the revised IESs.

IAESB's Direction

25. As a result of the recommendation of the chairs of IFAC's committees and the independent standard setting boards, the IAESB formed a taskforce to advance the revision of the definition of a professional accountant. The IAESB deliberated the need for a definition of a professional accountant specifically for purposes of the IESs and other IAESB publications at its March 2013 meeting. The Board concluded that a definition specific to the work of the IAESB is important for the implementation of the IESs. As a result, the IAESB continued its work on developing a definition of a professional accountant for purposes of the IESs and other IAESB publications and the proposed definition was exposed to the public in the July 2014 ED-Framework.

Issues Resulting from Public Exposure

26. Twenty-one respondents of the July 2014 ED-Framework commented on the proposed definition of the professional accountant. More specifically, sixteen respondents (AICPA-PcEEC, BDO, CISPA, CPA-Australia, DTT, FEE, IAA, IBR-IRE, ICAP, ICAS, ICAZ, ICPAR, ISCA, Juvenal, KICPA, PWC)

supported the proposed definition of the professional accountant; whereas, five respondents (EYG, ICAEW, ICAG, IPAR, JICPA) did not support the definition. Respondents from both of these groups provided editorial suggestions to clarify the definition of professional accountant (EYG, ICAEW, ICAG, ICAP, ICAZ, IPAR, JICPA). CAG members suggested that the definition of the professional accountant needed to (a) be placed in context with respect to the IESs and other IAESB publications, (b) be inclusive of non-members of IFAC, and (c) assist IFAC member bodies in protecting the term, “professional accountant” in their jurisdictions.

27. Respondents also requested further clarity on issues relating to the pronouncement being non-authoritative (ICAP, ISCA) and the IAESB’s mandate (FEE) for further work. In addition, respondents provided several editorial suggestions to improve the flow of ideas and the clarity of the wording in this section.
28. The IAESB decided to modify the content of the definition of the professional accountant in Paragraph 12 (Framework 2015) by (a) indicating that the definition of professional accountant has been set out for purposes of the IESs and other IAESB publications; (b) replacing the word, “maintains” with the phrase, “further develops” to convey the need to promote continuing professional growth; (c) enhancing the readers understanding of why the individual needs professional competence by stating the objective of performing a role in the accountancy profession; (d) replacing the phrase “bound by” with the phrase “comply with” and (e) recognizing that the code of ethics would be directed by a professional accountancy organization or a licensing authority.
29. In addition, the IAESB included two new paragraphs. Paragraph 14 (Framework 2015) explains (a) what a code of ethics is and (b) how a code should include the *International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants* (“IESBA Code”). Paragraph 13 (Framework 2015) indicates that professional accountancy organizations include IFAC member bodies and how the IESs serve as an international benchmark of good practice when a professional accountancy organization or licensing authority is not an IFAC member body.
30. The IAESB also reworded Paragraph 16 (Framework 2015) to clarify that the Board may establish requirements for roles performed by professional accountants in the accountancy profession that are widely practiced or a matter of public interest.
31. The IAESB decided to improve clarity of the Scope section by reordering Paragraphs 12 and 15 (Framework 2015) to improve the flow of content by explaining issues related to code of ethics and professional accountancy organizations after the definition of a professional accountant.
32. Several respondents (BDO, DTT, EYG, IPAR, JICPA) of the July 2014 ED-Framework expressed concern about the IAESB developing a definition of a professional accountant separately from other IFAC standard setting boards. These respondents felt that the definition of a professional accountant needed to be consistent across IFAC standard setting boards. The IAESB recognizes the interest of these ED respondents who would like to see the use of a common definition; however, such a consensus has been elusive to obtain given consultations with Chairs and IFAC staff of the Standard-setting Boards and IFAC Committees. After a full discussion on this concern at its April 2015 meeting the IAESB continues to believe that it is helpful in the public interest to have a definition of a professional accountant that supports the revised IESs and other IAESB publications. As a result, the IAESB developed a definition of its own, with a clearly defined audience and scope. This definition will allow for the effective implementation of the revised IESs

by member bodies. The revised definition does not preclude other Standard-setting Boards and IFAC Committees discussing whether the revised definition can work in their jurisdictions and accommodate the diverse number of roles and responsibilities that professional accountants provide to the public. At its April 2015 meeting the IAESB approved that the revised professional accountant definition should be included in the Framework (2015) and included in the revised version of the IAESB's *Glossary of Terms*. The IAESB will decide, subject to further consultation, whether the definition should be added to the IESs as part of maintenance program.

Definition of General Education

Background

33. General education can be undertaken through a number of different ways and within different settings. The IAESB views general education as an important part of developing professional competence. The IAESB views general education as commencing before entry into a professional accounting education program and extends into Initial Professional Development ("IPD") and Continuing Professional Development ("CPD"). As a result, in revising IES 3, *Initial Professional Development – Professional Skills*, the IAESB decided not to include a requirement on general education. The IAESB views general education as having a broader scope than just developing professional skills, it is also relevant in developing technical competence and professional values, ethics, and attitudes. The IAESB concluded that general education should be included in the revised Framework as a fundamental concept underlying the IESs.
34. The IAESB incorporated general education into the Framework and exposed a revised definition of general education in the July 2014 ED-Framework.

Issues Resulting from Public Exposure

35. Eighteen respondents of the July 2014 ED-Framework provided comments on the General Education section. Respondents expressed a mixed view on the definition of general education. Eighteen respondents (AICPA-PcEEC, BDO, CISPA, CPA-Australia, DTT, EYG, FEE, IAA, IBR-IRE, ICAP, ICAZ, ICPAR, IPAR, ISCA, JICPA, Juvenal, KICPA, PWC) supported the proposed definition. Several of these respondents, however, provided editorial suggestions to improve the clarity of the definition. Three respondents (ICAEW, ICAG, ICAS) indicated that they did not support the definition. These respondents requested further explanation to clarify the context, nature, and timing in which general education would occur. CAG members also supported the proposed definition of general education. However, the CAG felt that emphasis should be added to the Framework on the importance of general education in contributing to the development of decision making skills, judgment and skepticism.
36. The IAESB decided to modify the following in the General Education section by:
 - (a) Deleting the phrase "a broad-based education" from the definition of general education in Paragraph 27 (Framework 2015) because feedback from respondents indicated that the phrase, "broad-based" was difficult to translate;
 - (b) Deleting the word, "fundamental" in Paragraph 27 (Framework 2015) and replacing it with the phrase "develops essential" because feedback from respondents indicated that replacing the word "fundamental" would improve clarity;

BASIS FOR CONCLUSIONS
FRAMEWORK FOR INTERNATIONAL EDUCATION STANDARDS FOR PROFESSIONAL ACCOUNTANTS AND
ASPIRING PROFESSIONAL ACCOUNTANTS (2015)

- (c) Extending the definition of general education in Paragraph 27 (Framework 2015) to indicate that general education helps prepare an individual for entry into a professional accounting education program and support life-long learning and development; and
 - (d) Modifying Paragraph 28 (Framework 2015) to describe the importance of general education in terms of the development of decision making, judgment, and skepticism for professional accountants and aspiring professional accountants.
37. The IAESB also agreed several small editorial changes to Paragraphs 27, 28, and 29 (Framework 2015) to improve the clarity of the General Education section. These changes addressed issues that improved the understanding of these paragraphs without substantially changing their content. The revised general education definition was approved by the IAESB at their April 2015 meeting and has been incorporated into the Framework 2015.

PART C. EDUCATIONAL CONCEPTS AND OTHER EDITORIAL MATTERS

Educational Concepts

Learning Outcomes, Competence Areas, and Levels of Proficiency

38. Two respondents (JICPA, PWC) of the July 2014 ED-Framework requested improvements to clarify the understanding of proficiency levels and how they apply to competence areas. In addition, respondents provided several editorial suggestions to improve the understanding and clarity of the wording in the Learning Outcomes, Competence Areas, and Proficiency levels section.
39. The IAESB revised Paragraph 22 (Framework 2015) to improve the understanding of levels of proficiency. Paragraph 22 now explains (a) how a level of proficiency relates to a competence area and its prescribed learning outcomes; (b) what a level of proficiency is based on in terms of ambiguity, complexity, and uncertainty; what are the three levels of proficiency; and how levels of proficiency relate to the development of professional competence throughout the career of a professional accountant.
40. The IAESB included a new Paragraph 23 (Framework 2015), to describe the flexibility that IFAC member bodies have in using the competence areas, levels of proficiency and learning outcomes, as well as provides an example of when this flexibility can be used.
41. The IAESB also agreed to several small editorial changes to Paragraphs 19 and 20 (Framework 2015) to improve the clarity of the Learning Outcomes, Competence Areas, and Proficiency levels section. In addition, the IAESB decided to include examples of competence areas in Paragraph 21 (Framework 2015). These changes addressed issues that improved the understanding of these paragraphs without substantially changing their content.

Learning and Development

42. Reordered Paragraphs 25 and 26 (Framework 2015) to improve the flow of content in this section.

Continuing Professional Development

43. Five respondents (EYG, IBR-IRE, ISCA, JICPA, KICPA) of the July 2014 ED-Framework requested further clarification on the Continuing Professional Development section. Two of these respondents (EYG and KICPA) suggested improvements to clarify the importance of CPD to the career of the professional accountant. The other respondents provided editorial suggestions to improve clarity.
44. The IAESB has decided to modify the content of Paragraph 35 (Framework 2015) of the Continuing Professional Development section to improve clarity by: (a) recognizing the increase of regulation and oversight as a pressure for change; (b) indicating that the list of pressures for change was not exhaustive; (c) emphasizing the importance of continuous learning in CPD; and (d) indicating the need to actively pursue the education, training, knowledge, and skills which they need to anticipate and adapt to changes in processes, technology, professional standards, regulatory requirements, employer demand, and other areas.
45. The IAESB also agreed to several small editorial changes to Paragraphs 34, 36, and 37 (Framework 2015) to improve the clarity of the Continuing Professional Development section.

These changes addressed issues that improved the understanding and consistency of these paragraphs with the revised IESs, without substantially changing their content.

Assessment, Measurement, and Monitoring

46. The ISCA suggested that Paragraphs 39 and 40 (Framework 2015) of the Assessment, Measurement, and Monitoring section needed to be reviewed to ensure consistency with the redrafted IES 7, *Continuing Professional Development*. As a result of a review of redrafted IES 7, the IAESB modified the title of section to include “Monitoring” and a new Paragraph 42 (Framework 2015) was added to define monitoring.
47. The IAESB also agreed to several small editorial changes to Paragraphs 38, 39, and 40 (Framework 2015) to improve the clarity of the Assessment, Measurement, and Monitoring section. These changes addressed issues that improved the understanding and consistency of these paragraphs with the revised IESs, without substantially changing their content.

Other Editorial Matters

Title, and Introduction

Title

48. The comments received from respondents of the July 2014 ED-Framework (EYG, ICAEW, ICAZ, ISCA) on the proposed title were mixed. Those respondents (EYG, ICAEW, ICAZ) who were not in favor of retaining the proposed title expressed a range of concerns from: incompleteness; need to represent both professional accountants and aspiring professional accountants; not representative of the accountancy profession; and the potential need to change the title of Statement of Membership Obligations 2. The ISCA indicated that the proposed title was appropriate and would include existing professional accountants and aspiring professional accountants.
49. To improve the clarity of Framework’s title, the IAESB amended the title of ED-Framework, Framework for International Education Standards, to read, Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants. The amended title recognizes that the concepts in the Framework affect both aspiring professional accountants during IPD and professional accountants during CPD.

Introduction

50. Several respondents (EYG, FEE, ICAG, ICAZ, JICPA, KICPA) of the July 2014 ED-Framework requested improvements to clarify the Introduction section. Respondents suggested clarifying the description of the accountancy profession (EYG, FEE, ICAG, ICAZ, JICPA, KICPA) and how the accountancy profession serves decision makers (FEE, ICAZ, JICPA). CAG members also suggested the need to (i) improve conciseness of the description of the accountancy profession and (ii) ensure that some of the examples were relevant to the evolving functions required of the accountancy profession. In addition, respondents (FEE, JICPA) provided several editorial suggestions to improve the flow of ideas and the clarity of the wording in the Introduction section.
51. The IAESB decided to modify the content of the following paragraphs of the Introduction section by:

BASIS FOR CONCLUSIONS
FRAMEWORK FOR INTERNATIONAL EDUCATION STANDARDS FOR PROFESSIONAL ACCOUNTANTS AND
ASPIRING PROFESSIONAL ACCOUNTANTS (2015)

- Including 3 bullets in the last sentence of Paragraph 3 (Framework 2015) which describe how the IESs improve the quality of professional accounting education by prescribing requirements for entry, IPD, and CPD;
 - Amending Paragraph 4 (Framework 2015) by: (a) indicating that the list of examples is not exhaustive; (b) replacing the term, “reliable” with the phrase, “faithfully represented” to ensure consistency with the IFRS’s wording; (c) including a new bullet reflecting the increasing role of professional accountants in contributing to the strategy of organizations; and (d) including a new bullet reflecting the profession’s function in preparing and analyzing tax information.
 - Amending Paragraph 5 (Framework 2015) to (a) indicate that the list of examples of decision makers is not exhaustive and (b) recognize the following decision makers: management of organizations, creditors, and government authorities.
52. In addition, the IAESB decided to improve clarity of the Introduction section by:
- Reordering Paragraphs 2 and 3 (Framework 2015) to recognize the importance of the public interest to the IAESB and its mission to serve the public interest by strengthening the worldwide accountancy profession through the development and enhancement of professional accounting education.
 - Rewording the last bullet of Paragraph 6 (Framework 2015) to clarify that a desirable outcome of the development, adoption and implementation of the IESs is to provide international benchmarks of good practice for professional accounting education.
53. The IAESB also agreed to several small editorial changes to Paragraphs 1, 6, and 7 (Framework 2015) to improve the clarity of the Introduction section. These changes addressed issues that improved the understanding of these paragraphs without substantially changing their content.
54. In response to respondent’s editorial suggestions the IAESB made several small editorial changes to Paragraphs 43, 44, 45, 48, 49, 50, and Appendix 2 (Framework 2015) to improve the clarity and consistency. These changes addressed issues that improved the understanding of these paragraphs, without substantially changing their content.

Appendix 1

DESCRIPTION OF RESPONDING ORGANIZATIONS FOR EXPOSURE DRAFT (JULY 2014)

| ACRONYM | FULL NAME OF ORGANIZATION |
|---------------|--|
| AICPA-PcEEC | American Institute of Certified Public Accountants' Pre-certification Education Executive Committee |
| BDO | BDO Global Coordination B.V. |
| CAI | Chartered Accountants Ireland |
| CISPA | Cayman Islands Society of Professional Accountants |
| CPA-Australia | CPA Australia |
| DTT | Deloitte Touche Tohmatsu |
| FAR | The Institute for the Accountancy Profession in Sweden – Ethics Policy Group |
| FEE | Federation des Experts Comptables Europeens |
| EYG | Ernst & Young Global Limited |
| IAA | Interamerican Accounting Association |
| ICAEW | The Institute of Chartered Accountants in England and Wales |
| ICAG | The Institute of Chartered Accountants of Ghana |
| ICAP | The Institute of Chartered Accountants of Pakistan |
| ICAS | The Institute of Chartered Accountants of Scotland |
| ICAZ | The Institute of Chartered Accountants of Zimbabwe |
| ICPAR | Institute of Certified Public Accountants of Rwanda |
| IPAR | The Institute of Professional Accountants of Russia |
| IBR-IRE | The <i>Belgian Instituut van de Bedrijfsrevisoren</i> – Institut des Reviseurs d'Entreprises (Belgium) |
| ISCA | The Institute of Singapore Chartered Accountants |
| JICPA | The Japanese Institute of Certified Public Accountants |
| Juvenal | Denise Silva Ferreira Juvenal |
| KICPA | Korean Institute of Certified Public Accountants |
| PWC | PriceWaterhouseCoopers Ltd |

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