

## PROPOSED INTERNATIONAL EDUCATION STANDARD 7 CONTINUING PROFESSIONAL DEVELOPMENT (REVISED)

### CONTENTS

	Paragraph
Introduction	
Scope of this Standard .....	1–6
Effective Date .....	7
Objective .....	8
Requirements	
CPD for <del>All</del> Professional Accountants .....	9
Promotion of and Access to CPD .....	10–11
Measurement of CPD .....	12–14
Monitoring and Enforcement of CPD .....	15– <del>16</del> <sup>7</sup>
Explanatory Material	
Scope of this Standard .....	A1– <del>A6</del> <sup>5</sup>
Objective .....	<del>A7</del> <sup>6</sup>
CPD for <del>All</del> Professional Accountants .....	<del>A8</del> <sup>7</sup>
A <del>15</del> <sup>4</sup>	
Promotion of and Access to CPD .....	A <del>16</del> <sup>5</sup> –
A <del>18</del> <sup>7</sup>	
Measurement of CPD .....	A <del>19</del> <sup>8</sup> –
A <del>27</del> <sup>5</sup>	
Monitoring and Enforcement of CPD .....	A <del>28</del> <sup>6</sup> –
A <del>42</del> <sup>38</sup>	

## Introduction

### Scope of this Standard (Ref: Para. A1–A65)

1. This International Education Standard (IES) prescribes the Continuing Professional Development (CPD) required for professional accountants to develop and maintain the professional competence necessary to provide high quality services to clients, employers, and other stakeholders, and thereby to strengthen public trust in the accountancy profession.
2. CPD is learning and development that takes place after Initial Professional Development (IPD), and that develops and maintains professional competence to enable professional accountants to continue to perform their roles competently. CPD includes learning and development activities that are relevant to the role of the professional accountant and contribute to the development and maintenance of professional competence, such as: (a) education, (b) training, (c) practical experience, (d) mentoring and coaching, (e) networking, (f) observation, feedback, and reflective activities, and (g) self-development activities.
- ~~2.3.~~ Professional competence requirements may change as professional accountants take on new roles during their careers. CPD that includes many of the same elements as IPD also develops the additional breadth and depth of professional competence which may be necessary when moving into a new role.
- ~~3.4.~~ This IES is addressed to International Federation of Accountants (IFAC) member bodies. IFAC member bodies have a responsibility for the CPD of professional accountants as set out in the requirements of this IES. In addition, this IES will be helpful to professional accountants, employers, regulators, government authorities, educational organizations, and any other stakeholders who support the CPD of professional accountants.
- ~~4.5.~~ It is the responsibility of the professional accountant to develop and maintain professional competence by undertaking relevant CPD activities. However, this IES is addressed to IFAC member bodies because their role is to help professional accountants develop and maintain the professional competence necessary to protect the public interest through:
  - (a) Adopting prescribed CPD requirements relating to the development and implementation of appropriate measurement, monitoring, and compliance procedures;
  - (b) Promoting the importance of, and a commitment to, lifelong learning among professional accountants; and
  - (c) Facilitating access to CPD opportunities and resources for professional accountants;:-
  - ~~(c) Working with regulators or other licensing regimes to assist in monitoring and enforcing CPD requirements.~~
- ~~5.~~ CPD includes learning and development activities that are relevant to the role of the professional accountant and contribute to the development and maintenance of professional competence, such as: (a) education, (b) training, (c) practical experience, (d) mentoring and coaching, (e) networking and sharing of knowledge and experiences, (f) observation, feedback, and reflective activities, and (g) self-development activities.
6. Definitions and explanations of the key terms used in the IES and the *Framework for International Education Standards for Professional Accountants and Aspiring Professional Accountants* (2015) are

PROPOSED INTERNATIONAL EDUCATION STANDARD 7  
CONTINUING PROFESSIONAL DEVELOPMENT (REVISED)  
set out in the International Accounting Education Standards Board (IAESB) *Glossary of Terms*  
(2015).

**Effective Date**

7. This IES is effective from [July 1, 202019].

## Objective (Ref: Para. ~~A6~~A7)

~~8.~~ The objective of this IES is ~~to have~~ ~~to establish that~~ professional accountants ~~to undertake relevant CPD to~~ develop and maintain professional competence ~~relevant necessary through the by undertaking of relevant CPD to performing~~ their roles ~~in the accountancy profession as a~~ professional accountants competently.

## Requirements

### CPD for Professional Accountants (Ref: Para. A~~8~~7–A1~~5~~4)

~~8-9.~~ IFAC member bodies shall require professional accountants to undertake and record relevant CPD that develops and maintains professional competence ~~relevant necessary~~ to performing ~~ing~~ their role ~~in the accountancy profession as~~ professional accountants.

### Promotion of and Access to CPD (Ref: Para. A1~~6~~5–A1~~8~~7)

~~9-10.~~ IFAC member bodies shall promote the importance of, and a commitment to, CPD as well as to the development and maintenance of professional competence.

~~10-11.~~ IFAC member bodies shall facilitate access to CPD opportunities and resources to assist professional accountants in meeting their personal responsibility ~~for to undertake~~ CPD that develops and maintains professional competence.

### Measurement of CPD (Ref: Para. A1~~9~~8–A20~~7~~, ~~1~~–A27~~5~~)

~~11-12.~~ IFAC member bodies shall establish an approach to measurement of professional accountants' CPD that develops and maintains professional competence, using the output-based approach, input-based approach, or both.

#### *Output-Based Approach* (Ref: Para. A21~~9~~–A23~~4~~)

~~12-13.~~ IFAC member bodies using an output-based approach shall require professional accountants to develop and maintain professional competence that is demonstrated by achieving learning outcomes relevant to performing their roles ~~as professional accountants in the accountancy profession.~~

#### *Input-Based Approach* (Ref: Para. A2~~4~~2–A26~~4~~)

~~13-14.~~ IFAC member bodies using an input-based approach shall require professional accountants to develop and maintain professional competence that is demonstrated by completing a specified amount of learning and development activity relevant to performing their roles ~~in the accountancy profession as~~ professional accountants.

### Monitoring and Enforcement of CPD (Ref: Para. A2~~3~~6–A4~~2~~38)

~~14-15.~~ IFAC member bodies shall specify the nature and extent of verifiable evidence that professional accountants are required to maintain for CPD that has been undertaken.

~~15-16.~~ IFAC member bodies shall establish a systematic process to (a) monitor whether professional accountants meet the IFAC member body's CPD requirements, and (b) provide appropriate sanctions for failure to meet those requirements.

## Explanatory Material

### Scope of this Standard (Ref: Para. 1–6)

- A1. Within the IESs, a professional accountant is an individual who achieves, demonstrates, and further develops professional competence to perform a role in the accountancy profession and who is required to comply with a code of ethics as directed by a professional accountancy organization or a licensing authority. The accountancy profession includes, but is not limited to:
- (a) Preparing, analyzing, and reporting relevant and faithfully represented financial and non-financial information;
  - (b) Partnering in decision making, and in formulating and implementing organizational strategies;
  - (c) Auditing financial and non-financial information, and providing other assurance and advisory services; and
  - (d) Preparing and analyzing relevant tax information.
- A24. –Professional competence is the ability to perform a role to a defined standard. Professional competence goes beyond knowledge of principles, standards, concepts, facts, and procedures; it is the integration and application of learning outcomes for: (a) technical competence, (b) professional skills, and (c) professional values, ethics, and attitudes.
- ~~A2. The concept of ‘maintain professional competence’ acknowledges that during CPD, a professional accountants may undertake CPD to sustain the technical competence, professional skills, and professional values, ethics and attitudes at the proficiency levels that were achieved, by the end of IPD, because those proficiency levels continue to be adequate for the role the professional accountant performs. Conversely, the concept of ‘develop professional competence’, acknowledges that during CPD, a professional accountant may need to update, enhance or acquire new technical competence, professional skills and professional values, ethics and attitudes to pursue career progression, to successfully undertake new roles, and to protect the public interest in a continually changing business environment.~~
- A3. Undertaking CPD does not guarantee that all professional accountants will develop and maintain professional competence necessary to provide high-quality professional service. However, CPD plays an important part in strengthening public confidence and trust by enabling professional accountants to develop and maintain professional competence that is relevant to their role. Lifelong learning represents the continuing pursuit of technical competence; professional skills; and professional values, ethics, and attitudes. Lifelong learning is critical if professional accountants are to meet public interest expectations.
- A4. Professional accountants ~~continue to be~~ expected to develop and maintain professional competence as they anticipate and adapt to changes in processes, technology, professional standards, regulatory requirements, employer demands, and other areas. In supporting professional accountants in meeting these expectations, IFAC member bodies may periodically review their CPD policies and the application of this IES.
- A5. A well-established program of CPD that is measured, monitored, evaluated, and enforced may form

~~part of an IFAC member body's quality assurance processes. These quality assurance processes may include quality assurance reviews of professional accountants' work (which may include a review of the CPD undertaken by professional accountants), investigation, and disciplinary processes. Undertaking CPD does not guarantee that all professional accountants will develop and maintain professional competence necessary to provide high quality professional service. However, CPD plays an important part in strengthening public confidence and trust by enabling professional accountants to develop and maintain professional competence that is relevant to their role.~~

- A6. ~~Lifelong learning represents the on-going pursuit of technical competence, professional skills, and professional values, ethics, and attitudes. Lifelong learning is critical if professional accountants are to meet public interest expectations. A well-established program of CPD that is measured, monitored, and evaluated, and enforced may form part of an IFAC member body's quality assurance processes. These quality assurance processes may include quality assurance reviews of professional accountants' work (which may include a review of the CPD undertaken by professional accountants), investigation, and disciplinary processes.~~

**Objective (Ref: Para. 8)**

- A7. ~~Establishing that~~ Having professional accountants undertake relevant CPD to develop and maintain ~~the~~ professional competence necessary to perform their role as professional accountants ~~in the accountancy profession competently~~ serves several purposes. It helps protect the public interest, supports the provision-performance of high quality services ~~for~~ clients, employers, and other stakeholders, and promotes the credibility of the accountancy profession.
- A8. CPD applies to professional accountants, regardless of sector or size of the organization in which they operate, because:
- (a) Professional accountants have an obligation of professional competence and due care to their clients, employing organizations, and relevant stakeholders, and are expected to perform competently within their professional environment<sup>1</sup>;
  - (b) Professional accountants are subject to public scrutiny and contribute to the maintenance of public trust;
  - (c) The public is likely to rely on the designation and professional standing of the professional accountant. Lack of competence of a professional accountant has the potential to damage the reputation and standing of the professional accountant, the employer, IFAC member bodies, and the accountancy profession as a whole;
  - (d) Rapidly changing environments drive the need to develop new areas of professional competence; and
  - (e) Employers recruiting professional accountants may rely on the professional designation as evidence of professional competence.

**CPD for Professional Accountants (Ref: Para. 9)**

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<sup>1</sup> Code of Ethics for Professional Accountants 2018 Edition, International Ethics Standard Board for Accountants – Section R1113.1.

~~A8. CPD applies to professional accountants, regardless of sector or size of the organization in which they operate, because:~~

- ~~(a) The Code of Ethics for Professional Accountants includes a fundamental principle of professional competence and due care which requires all professional accountants to maintain professional knowledge and skill at the level required to ensure that a client or employer receives competent professional service based on current developments in practice, legislation and techniques and act diligently and in accordance with applicable technical and professional standards<sup>2</sup>;~~
- ~~(b) Professional accountants in all sectors are subject to public scrutiny and contribute to the maintenance of public trust;~~
- ~~(c) The public is likely to rely on the designation and professional standing of the professional accountant. Lack of competence of a professional accountant has the potential to damage the reputation and standing of the professional accountant, the employer, IFAC member bodies, and the accountancy profession as a whole;~~
- ~~(d) Rapidly changing environments drive the need to develop new areas of professional competence; and~~
- ~~(e) Employers recruiting professional accountants may rely on the professional designation as evidence of professional competence.~~

A9. CPD that is relevant facilitates effective learning and development for professional accountants. CPD is relevant where it is closely aligned with the ~~specific~~ responsibilities of the professional accountant's role and ~~therefore~~ helps develop and maintain the professional competence necessary to perform that role.

~~A10. Learning outcomes establish the content and the depth of knowledge, understanding, and application required for a specified competence area. Learning outcomes can be achieved through unplanned or planned learning and development activities, and are most effective when they address the learner's needs and provide evidence of professional competence. Including a learning outcomes approach in programs of CPD is guided by principles that consider design, assessment, and governance.<sup>3</sup>~~

A104. Acknowledging that professional accountants have differing learning and development needs, IFAC member bodies may develop CPD frameworks that can provide structure, guidance, or explanation of concepts in order to support the learning and development of professional accountants. CPD frameworks may help professional accountants ~~take a more active role in their~~ identify, undertake, and record relevant CPD. For example, a CPD framework may include the following structure for professional accountants to follow:

- (a) Perform self-assessment activities to identify relevant learning outcomes and personal ~~learning and~~ development gaps;
- (b) Plan for, complete, and record learning and development activities;
- (c) Evaluate and undertake reflective activity on completed learning and development activities;

<sup>2</sup>-Code of Ethics for Professional Accountants 2016 2018 Edition, International Ethics Standard Board for Accountants—Section 100R1113.5e1.

<sup>3</sup>-Based on IAESB Implementation Support Materials—Guiding Principles for Implementing A Learning Outcomes Approach

and

- (d) Revise the learning and development plan accordingly.

A112. ~~In addition to a CPD framework,~~ IFAC member bodies may provide other tools to help professional accountants identify learning outcomes and plan relevant CPD, such as:

- (a) Competency maps, which provide a list of key competences for certain roles or sectors of the accountancy profession;
- (b) Learning plan templates, ~~which assist professional accountants to identify learning and development needs, including learning outcomes, and plan how to meet them; and~~
- (c) Learning record examples that guide professional accountants in recording their learning and development activities. ~~Examples of activities in a learning record may include a description of the learning and development activity; which competence area and learning outcomes address the identified gap in skill or knowledge; why the activity was chosen and its relevance; when the activity took place; what was learned; and how it has been applied.~~

A123. IFAC member bodies may provide guidance that encourages professional accountants to discuss their CPD with employers, colleagues, IFAC member bodies, and other professional organizations. Such discussions may help identify competence gaps or learning and development gaps, together with ~~and~~ learning outcomes that can be used to specify-identify relevant learning opportunities to meet those needs.

A134. IFAC member bodies may choose to develop requirements or guidance on learning and development activities or learning outcomes they consider relevant to the roles and functions of professional accountants in their jurisdiction. IFAC member bodies may also prescribe specific or additional CPD or learning outcomes for:

- (a) Specific competence areas or topics (e.g., financial accounting and reporting ethics);
- (b) Professional accountants working in specialist areas or performing specialist or specific roles (e.g., a tax preparer);
- (c) Competence areas considered to be most relevant to the protection of the public interest.

A145. Given the significance of the audit engagement partner role to the public interest, IES 8, *Professional Competence for Engagement Partners Responsible for Audits of Financial Statements*<sup>4</sup> (2016) prescribes the professional competence that professional accountants are required to develop and maintain as part of a specified role.

~~A16. Examples of roles and professional responsibilities that are often considered to be in the accountancy profession may include and are not limited to financial accounting and reporting; management accounting; finance and financial management; taxation; audit and assurance; governance, risk management and internal control; business laws and regulations; information technology; economics; and business strategy and management.~~

A157. In setting the requirement for CPD, IFAC member bodies may consider what is relevant for professional accountants in special circumstances, for example:

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<sup>4</sup> IES 8, *Professional Competence for Engagement Partners Responsible For Audits of Financial Statements* (2016), Para. 1.



- For individuals on career breaks; and
- For individuals who have retired from full-time practice, and who continue to do work in some capacity as ~~a~~ professional accountants.

**Promotion of and Access to CPD** (Ref: Para. 10-11)

A168. The following represent examples of activities that may contribute to the promotion of ~~relevant~~ CPD and maintenance of professional competence:

- (a) Communicating the value of CPD ~~and the use of a CPD framework~~ regularly to professional accountants;
- ~~(b)~~ Encouraging the use of a CPD Framework by professional accountants to support relevant learning and development;
- ~~(b)~~(c) Promoting the variety of CPD opportunities available to professional accountants;
- ~~(c)~~(d) Working with employers to emphasize the importance of CPD within performance management processes; and
- ~~(d)~~(e) Working with local regulators and other licensing regimes to promote awareness of   and compliance with   local CPD requirements.

A179. IFAC member bodies may directly provide relevant CPD programs for professional accountants and facilitate access to programs offered by others, including employers.

A1820. The following represent examples of planned and un-planned learning and development activities that IFAC member bodies may promote be undertaken as part of a program offor CPD:

- (a) ~~Participating in, or completing~~Undertaking, educational programs or training events, such as live learning courses – delivered in-person or virtually, e-learning courses, conferences, and seminars;
- (b) Reflecting on practical experiences and developing personal development plans through self-assessment activities;
- (c) Receiving on-the-job training, performance feedback, or professional development guidance from a mentor or coach.
- (d) Providing on-the-job training, performance feedback, or professional development guidance as a mentor or coach;
- (e) Participating in and working on professional boards, technical committees, sector activities, information networks, ~~or~~ communities of practice, or other similar bodies;
- (f) Writing articles, papers, or books of a technical, professional, or academic nature;
- (g) Researching subject matter, including reading professional literature and journals, for application in the professional accountant's role;
- (h) Studying for professional exams, re-examination or other formal testing.
- (i) Designing, developing, reviewing, or teaching educational programs or training events, such

as live learning courses – delivered in-person or virtually, e-learning courses, conferences, and seminars.

**Measurement of CPD** (Ref: Para. 12)

A1924. Measurement includes evaluating evidence of CPD in terms of the achievement of learning outcomes or completion of CPD focused on learning outcomes a specified amount of learning and development activities related to (a) technical competence, (b) professional skills, and (c) professional values, ethics, and attitudes.

A202. In determining the approach for measuring CPD, IFAC member bodies may consider a number of factors, including:

- (a) Public interest considerations, including ~~knowledge of the~~ local environmental issues, public expectations, and relevant regulatory requirements; and
- (b) Learning and development needs of professional accountants in the jurisdiction, including an understanding of the range of roles that professional accountants perform.

*Output-Based Approach* (Ref: Para 13)

A213. ~~The An~~ output-based approach ~~focuses on measures CPD in terms of~~ by determining whether professional accountants can demonstrate the achievement of learning outcomes. The measurement focus is on what professional accountants achieved from having undertaken learning and development activities. Paragraphs A31 ~~through A32~~ provides examples of evidence that may be used to demonstrate that learning outcomes have been achieved.

A2240. Learning outcomes establish the content and the depth of knowledge, understanding, and application required for a specified competence area. Learning outcomes can be achieved through planned and unplanned or planned learning and development activities, and are relevant where they are closely aligned with the responsibilities of the professional accountant's role and help to develop and maintain the professional competence necessary to perform that role. ~~are most effective when they address the learner's needs and provide evidence of professional competence. Including a learning outcomes approach in programs of CPD is guided by principles that consider design, assessment, and governance.~~<sup>5</sup>

A234. The output-based approach typically includes the establishment of clearly defined learning outcomes that are relevant to professional accountants' roles. Learning outcomes may be established by a number of sources, including:

- (a) IFAC member bodies;
- (b) Professional accountants themselves, when undertaking self-assessment activities;
- (c) Employers;
- (d) Licensing regimes;
- (e) Regulatory bodies; and

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<sup>5</sup>-Based on IAESB Implementation Support Materials – Guiding Principles for Implementing A Learning Outcomes Approach

(f) CPD Providers.

*Input-Based Approach* (Ref: Para. 14)

A245. An input-based approach measures CPD in terms of hours or equivalent learning units. For example, IFAC member bodies may establish requirements for each professional accountant to:

- (a) Complete a predetermined number of hours of learning (or equivalent units) within a rolling period of time; ~~and/or~~
- (b) Complete a specified amount of relevant learning or professional development activity in each year.

Paragraphs ~~A31 and A323~~ provides examples of evidence that may be used to ~~confirm-verify that~~ learning and development activities were completed, and ~~were~~ relevant to the professional accountant's role.

A256. ~~This IES is based on the concept that~~ IFAC member bodies using an input-based approach expect professional accountants to develop and maintain professional competence, through the undertaking of a specified amount of ~~adequate~~ CPD. For example, an IFAC member body ~~choosing the input-based approach might consider existing practice where it is common to~~ may set a ~~requirement of at least minimum of at least~~ 120 hours (or equivalent learning units) of relevant CPD in each rolling three-year period, of which 60 hours (or equivalent learning units) would be verifiable; and ~~at least a minimum of~~ 20 hours (or equivalent learning units) of relevant professional development activity in each year. ~~In supporting professional accountants in meeting these expectations, IFAC member bodies may periodically review their CPD policies and the application of this IES to evaluate whether the specified amount of relevant CPD remains adequate.~~

A267. IFAC member bodies may provide guidance to professional accountants on the extent of CPD that can be obtained from a single learning and development activity that is undertaken more than once (for example, delivering a presentation more than once when the content of the presentation or speech remains unchanged).

*Use of Both Measurement Approaches* (Ref: Para. 12)

A278. IFAC member bodies may ~~choose to~~ use both the output-based and the input-based approaches ~~in establishing their measurement approach for CPD~~. Examples of how an IFAC member body might construct such an approach could include:

- (a) Evaluating the achievement of specified learning outcomes ~~using an output-based approach~~ while allowing for a quantifiable measurement of completed CPD ~~using an input-based approach~~ for other learning outcomes.
- (b) Accepting evidence that learning and development activities have been undertaken by a professional accountant and ~~confirming-verifying~~ that learning outcomes have been achieved for those learning and development activities.
- (c) ~~Recognizing-Measuring~~ CPD for ~~certain~~ professional accountants ~~performing certain roles is measured~~—using an output-based approach, while CPD for ~~remaining~~ professional accountants ~~performing other roles~~ is measured using an input-based approach.
- (d) ~~Designating-Establishing an approach focused on either an~~ input-based approach ~~measures or output measures~~ and allowing professional accountants ~~to the professional accountant to replace~~ a portion of ~~input-based CPD~~ the CPD measurement requirement with

~~evidence of CPD provided from the other through with CPD measured using an output-based approach measurement approach.~~

**Monitoring and Enforcement of CPD** (Ref: Para. 15-167)

~~A28. Verifiable evidence increases the confidence of stakeholders that CPD is achieving its intended objective and contributing towards the enhanced competence of professional accountants. Verifiable evidence is objective, and capable of being proven and retained.~~

A29. IFAC member bodies may provide guidance on the evidence to be maintained for CPD that has been undertaken. Guidance may cover the responsibilities of professional accountants for:

- (a) Retention of appropriate records and documents related to their CPD; and
- (b) Provision, on request, of verifiable evidence to demonstrate their compliance with the CPD requirements of the IFAC member body.

A30. As part of specifying the nature and extent of evidence that professional accountants maintain for CPD, IFAC member bodies may determine a ~~proportion-portion~~ of learning activities is not able to be verified. Some learning activities, for example on-the-job training; reading; or coaching and mentoring, may be measurable, but may not be easily verified. These activities also contribute relevant CPD because they provide for the development and maintenance of professional competence. Learning activities that are not able to be verified and may still be evidenced ~~through and~~ documented, such as, through self-assessment activities and reflective activity.

~~A31. Verifiable evidence increases the confidence of stakeholders that CPD is achieving its intended objective and contributing towards the enhanced competence of professional accountants. Verifiable evidence is that which is objective, capable of being proven, and stored in written or electronic form.~~

A31~~2~~. The following examples represent verifiable evidence that could be used to demonstrate that learning outcomes have been achieved in an output-based approach:

- (a) Examination results;
- (b) Specialist or other qualifications;
- (c) Assessments of the acquisition of ~~either knowledge or skills~~ technical competence, professional skills, professional values, ethics and attitudes for specified learning outcomes ;
- (d) Records of work performed (~~work logs~~) that have been verified against a competency map;
- (e) Objective assessments of performance or behavior against a competency map; and
- (f) Published material.

A32~~3~~. The following examples represent verifiable evidence that could be used to demonstrate that learning and development activities have been completed and are relevant to a role in an input-based approach:

- (a) Course outlines, teaching materials, storyboards (for virtual training), and meeting agenda objectives and meeting minutes that verify the relevance of the content; and
- (b) Confirmation, that a learning and development activity has been completed (including number of hours or equivalent learning units), by a provider, instructor, employer, mentor, or tutor.

A33~~4~~. A systematic monitoring process may involve professional accountants periodically:

- (a) Submitting a declaration as to whether they meet their professional obligation to maintain the

necessary ~~knowledge and skills to competently~~ professional competence to perform their role;

~~(b)~~ Submitting a declaration confirming compliance with any specific CPD requirements imposed by the IFAC member body or other regulators or other licensing regimes authorities; or;

~~(b)~~

~~(c)~~ Providing evidence ~~of~~ learning and development activities ~~undertaken~~, or verification of ~~the~~

~~(d)~~ (c) professional competence they have developed and maintained through their CPD.

A34. A systematic monitoring process may involve IFAC member bodies:

(a) ~~Reviewing~~ Obtaining a sample of professional accountants' records of CPD activity to check compliance with requirements;

(b) ~~Reviewing and a~~ Assessing learning plans or CPD documents as part of quality assurance programs; ~~or~~

(c) Requiring certain employers to include CPD programs and effective monitoring systems in their quality assurance programs, and to track learning and development activities as part of their time recording systems; or

~~(e)~~ (d) Working with regulators or other licensing authorities to assist in monitoring and enforcing CPD requirements.

A356. IFAC member bodies may determine which professional accountant roles are considered to be most relevant to the protection of the public interest and adopt more rigorous monitoring accordingly.

A367. IFAC member bodies may conduct a set of monitoring processes on a cyclical basis. In determining the duration of a cyclical monitoring process, the IFAC member body may consider what is reasonable in its environment, taking into consideration the public interest, and the expectations of the public, regulators, and other stakeholders. Experience of some IFAC member bodies suggests that cycles of between one and more than five years may ~~not~~ meet these expectations, ~~while cycles of less than one year are likely to be overly burdensome on the IFAC member body and professional accountants.~~

A378. A system of mandatory CPD will operate more effectively, and in the public interest, when professional accountants who fail to meet their CPD obligations are brought into compliance on a timely basis. IFAC member bodies may consider the legal and environmental conditions in their jurisdiction in order to determine the types of sanctions they will impose for non-compliance, ~~after considering the legal and environmental conditions in their jurisdiction.~~

A389. The initial steps taken to address non-compliance are likely to focus on bringing the professional accountant into compliance within a reasonable time period. IFAC member bodies are likely to seek a balance between a sanction that, in substance, amounts to permitting a professional accountant to defer or avoid compliance with the CPD requirement, and one that is excessively punitive.

A3940. ~~A~~ professional accountant's willful failure to develop and maintain professional competence is a violation of the IESBA code of ethics, that may result in disciplinary action, ~~in that it and will~~ diminishes the professional accountant's ability to act in the public interest.

A4044. ~~Some~~ IFAC member bodies may have the legal authority to expel non-compliant professional accountants or to deny them the right to practice. Expulsion or denial of the right to practice may be

applied to professional accountants who have made it clear, through a pattern of non-compliance or through their response to the IFAC member body's inquiries, that they are likely to continue to fail to comply with the CPD requirements. Publication of the names of professional accountants who willfully fail to comply is an option that may be considered by the IFAC member body. Publication of names can act as a general deterrent for professional accountants, and provide a clear signal to the public of the profession's commitment to maintaining competence and protecting the public interest.

A412. An effective monitoring and enforcement process requires adequate resources. IFAC member bodies may also consider establishing a board or committee ~~of members~~ to oversee CPD requirements and the monitoring and enforcement process.

A423. IFAC member bodies may consider reporting publicly the extent to which their members comply with the CPD requirements set out in this IES.

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