



International Accounting
Education
Standards Board

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Committee: International Accounting Education Standards Board

Meeting Location: IFAC headquarters, New York, USA

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SUBJECT: Due Process Matters (07/18)

INTRODUCTION

1. The purpose of this paper is to assist the IAESB members in their determination of whether re-exposure of the exposed IES 7 is necessary.
2. According to IAESB due process, situations that constitute potential grounds for a decision to re-expose may include:
 - (a) Substantial change to a proposal arising from matters not aired in the exposure draft (ED) such that commentators have not had an opportunity to make their views known to the IAESB before it reaches a final conclusion;
 - (b) Substantial change arising from matters not previously deliberated by the IAESB; or
 - (c) Substantial change to the substance of a proposed international pronouncement.

DUE PROCESS MATTERS

Significant Matters Raised by Respondents

3. The task force has identified and deliberated on all significant issues raised by respondents to the Exposure Draft (ED) of IES 7, Continuing Professional Development (Revised). The task force's analysis of significant issues and its recommendations to address these issues have been presented in public agenda papers for IAESB's discussion. It is the view of the task force that there are no significant issues raised by the respondents that have not been brought to the IAESB's attention.

Need for Further Consultation

4. The task force reports that all significant issues have been deliberated and resolved by the IAESB. Issues relating to the development of implementation guidance have been referred to the Steering Committee for its consideration. At its April 2018 meeting, IAESB CAG members were consulted on the task force's analysis of significant issues and its recommendations. CAG members' advice was presented to the IAESB during its deliberations of significant issues.
5. On the basis of the above, the IAESB does not believe there is a need for further consultation with stakeholders.

Consideration of the Need for Further Re-Exposure

6. The task force has prepared a summary comparative analysis to show the proposed revisions to the IES 7 Exposure Draft (See Appendix 1, Marked-up from Exposure Draft (June 2017) version). This comparative analysis shows the editorial and wording differences between the ED and the proposed finalized version of IES 7. The task force has made the proposed revisions to respond to respondents' comments to the ED and to enhance clarity and consistency of IES 7.

The major editorial and wording differences between the ED and the proposed finalized version of IES 7 are summarized as follows:

Introduction

Existing material (Paragraph 5 of ED) was repositioned to Paragraph 2 of the revised ED version (July 2018) to better characterize CPD. The task force considers this change as editorial and not substantive in nature.

Objective

Wording changes were made to improve clarity and conciseness of the objective statement. The task force considers these wording changes as editorial in nature because they emphasize the need for professional accountants to undertake relevant CPD to perform their roles. These changes are not considered substantive changes because they flow from and are linked to existing material in Paragraph 1 which states the scope of IES 7 in terms of CPD being 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 strengthening public trust in the accountancy profession.

Requirements

Wording changes were made to improve clarity of the standard's requirements. The task force considers these wording changes as editorial in nature because they re-iterate the link between CPD and professional competence. These proposed changes are not considered substantive changes because they re-affirm existing material in Paragraph 1 which prescribes the CPD required to develop and maintain professional competence. In addition, the task force views none of proposed wording changes as: a change to the substance of what was exposed, a change to what is required to achieve the objective of the standard, or a change arising from issues not previously deliberated by the IAESB.

Explanatory Material

The task force has made changes to improve readers' understanding of applying the standard's requirements, including adding new paragraphs from existing IAESB pronouncements (Paragraphs A1, A19, A27, A28, A30), re-positioning existing paragraphs (Paragraphs A4, A6, A22), and making wording changes to existing paragraphs to improve clarity (Paragraphs A7, A8, A9, A10, A11, A12, A13, A16, A18, A20, A21, A23, A24, A25, A31, A32, A33, A34, A35, A36, A37, A38, A39, A40). The task force views none of proposed changes as: a change to the substance of what was exposed, a change to what is required to achieve the objective of the standard, or a change arising from issues not previously deliberated by the IAESB.

Recommendation

7. In light of the above, the Task Force recommends that re-exposure is not warranted in this instance as the wording changes post-exposure are in response to comments received from respondents to the Exposure Draft and do not fundamentally or substantively change the proposed revisions in the Exposure Draft.

APPENDIX 1. Marked-up from Exposure Draft (June 2017) version

PROPOSED INTERNATIONAL EDUCATION STANDARD 7 CONTINUING PROFESSIONAL DEVELOPMENT (REVISED)

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Introduction

Scope of this Standard (Ref: Para. A1–~~A5A6~~)

1. This International ~~Educational~~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.
1. ~~CPD includes learning and development activities that 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 activity, (g) planned self-development activities, and (h) unstructured acquiring of knowledge.~~
- 5.6. 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 set out in the International Accounting Education Standards Board (IAESB) *Glossary of Terms* (2015).

Effective Date

~~6.7.~~ This IES is effective from [July 1, ~~2019-2020~~].

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

~~7.8.~~ The objective of this IES is to establish that professional accountants undertake relevant CPD to develop and maintain ~~the~~ professional competence necessary, ~~in the public interest,~~ to perform their ~~roles, and to meet the needs of clients, employers, and other stakeholders~~role as professional accountants.

Requirements

CPD for ~~All~~ Professional Accountants (Ref: Para. ~~A7–A14~~A8–A15)

~~8.9.~~ IFAC member bodies shall require ~~all~~ professional accountants to undertake and record relevant CPD that develops and maintains professional competence ~~relevant~~necessary to perform their role ~~and~~as professional ~~responsibilities~~accountants.

Promotion of, and Access to, CPD (Ref: Para. ~~A15–A17~~A16–A18)

~~9.10.~~ IFAC member bodies shall promote the importance of, and a commitment to, CPD as well as to the ~~as~~ 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 ~~to~~ undertake CPD that develops and maintains professional competence.

Measurement of CPD (Ref: Para. ~~A18, A25~~A19-A20, A27)

~~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. ~~A19-A21~~A23)

~~12.13.~~ IFAC member bodies using an output-based approach shall require professional accountants to ~~demonstrate the achievement of~~develop and maintain professional competence that is demonstrated by achieving learning outcomes relevant to performing their role ~~and~~as professional ~~responsibilities~~accountants.

Input-Based Approach (Ref: Para. ~~A22-A24~~A26)

~~13.14.~~ IFAC member bodies using an input-based approach shall require professional accountants to ~~complete~~develop and maintain professional competence that is demonstrated by completing a specified amount of learning and development activity relevant to performing their role ~~and~~as professional ~~responsibilities~~accountants.

Monitoring and Enforcement of CPD (Ref: Para. ~~A26–A38~~A28–A42)

~~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.

~~2.~~ IFAC member bodies shall undertake processes for measuring, monitoring, and enforcement of

~~CPD on a regular basis.~~

Explanatory Material

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

~~A1.~~

~~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.~~

A2. 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 ~~which were achieved during IPD.~~

~~A3. A2. Lifelong learning represents the ongoing, voluntary, and self-motivated 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.~~

~~A3. Professional accountants face increased expectations to display professional competence as they anticipate and adapt to changes in processes, technology, professional standards, regulatory requirements, employer demands, and other areas.~~

A4. 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.

~~A4. Professional accountants are 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, ~~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.

~~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.~~

Objective (Ref: Para. 8)

~~A7. Establishing~~^{A6}—~~Ensuring~~ that professional accountants undertake relevant CPD to develop and maintain ~~the~~ professional competence necessary to perform their ~~roles~~^{role as professional accountants} serves several purposes. It ~~protects~~^{helps protect} the public interest, ~~improves professional competence necessary to provide~~^{supports the performance of} high quality services ~~to~~^{for} clients, employers, and other stakeholders, and promotes the credibility of the accountancy profession.

CPD for All Professional Accountants ~~A8.~~ (Ref: Para. 9)

~~A7.~~ CPD applies to ~~all~~ 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 standards⁶;~~

~~(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 environment¹;

~~(a)(b)~~ Professional accountants ~~in all sectors~~ are subject to public scrutiny and contribute to the maintenance of public trust;

~~(b)~~ 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

⁶—Code of Ethics for Professional Accountants 2016 Edition, International Ethics Standard Board for Accountants – Section 100.5c.

~~(b)(c)~~ reputation and standing of the professional accountant, the employer, IFAC member bodies, and the accountancy profession as a whole;

~~(c)(d)~~ Rapidly changing environments drive the need to develop new areas of professional competence; and

~~(d)(e)~~ Employers recruiting professional accountants may rely on ~~the~~ professional designation as evidence of professional competence.

CPD for Professional Accountants (Ref: Para. 9)

~~A8. Planned,~~^{A9.} CPD that is relevant, ~~and timely CPD leads to~~ facilitates effective learning and development for professional accountants. ~~Relevance refers to how well-planned CPD aligns~~^{CPD is relevant where it is closely aligned with the responsibilities of the professional accountants' identified learning} ~~or role.~~ accountant's role and helps develop and development needs ~~or role.~~ maintain the professional competence necessary to perform that role.

~~A10. A9.~~ Acknowledging that ~~each~~ professional accountant has^{accountants have} differing learning and development needs, IFAC member bodies may develop CPD frameworks that can

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

provide ~~increased~~ structure, ~~further~~ guidance, or explanation of concepts in order to support the learning and development of professional accountants. CPD frameworks may help professional accountants identify, undertake, and record relevant CPD. For example, a CPD framework may include the following structure for professional accountants to follow:

- (a) Perform ~~a self-appraisal~~ 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; and
- (d) Revise the learning and development plan accordingly.

~~A11.~~ A10. ~~In addition to CPD frameworks,~~ IFAC member bodies may provide other tools to ~~support a commitment to lifelong learning and 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; ~~and~~
- (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.

~~A12.~~ A14. IFAC member bodies may provide guidance that encourages professional accountants to discuss their CPD with employers, colleagues, ~~and IFAC member bodies,~~ and other professional organizations. Such discussions ~~would~~ may help identify competence gaps or learning and development gaps, together with learning outcomes that can be used to ~~specify~~ identify relevant learning opportunities to meet those needs.

~~A12.~~ A13. IFAC member bodies may choose to develop requirements or guidance on CPD learning and development activities or learning outcomes they consider relevant to the roles and functions of professional accountants ~~typically have in their jurisdiction.~~ IFAC member bodies may also prescribe specific or additional CPD or learning outcomes for ~~professional~~:

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

A14. ~~A13.~~ 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*⁷² (2016) prescribes the professional competence that professional accountants are required to develop and maintain as part of a specified role.

⁷ IES 8, *Professional Competence for Engagement Partners Responsible For Audits of Financial Statements* (2016), Para. 1.

~~A14.~~ A15. In ~~setting the~~ requirement ~~for~~ CPD, ~~IFAC member bodies~~ may consider what is

² IES 8, *Professional Competence for Engagement Partners Responsible For Audits of Financial Statements* (2016), Para. 1.

relevant for professional accountants in special circumstances, for example:

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

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

~~A15~~A16. 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 regularly to professional accountants;
- ~~(b)~~ (b) Encouraging the use of a CPD Framework by professional accountants to support relevant learning and development;
- ~~(b)(c)~~ (c) Promoting the variety of CPD opportunities available to professional accountants; and
- ~~(c)(d)~~ (d) Working with employers to emphasize the importance of CPD within performance management processes; and
- ~~(e)~~ (e) A16 Working with local regulators and other licensing regimes to promote awareness of, and compliance with, local CPD requirements.

A17. IFAC member bodies may directly provide relevant CPD programs for professional accountants and facilitate access to programs offered by others, including employers.

~~A17~~A18. The following represent examples of planned and un-planned learning and development activities that IFAC member bodies may ~~be undertaken as part of a planned program~~ of ~~promote for~~ CPD:

- ~~(a) Participating in, or completing of, Undertaking~~ educational programs or training events, such as ~~in-person or virtual live courses, e-learning courses, conferences, and seminars;~~
- (a) ~~Designing, developing, reviewing, or teaching educational programs or training events, such as in-person or virtual live courses – delivered in-person or virtually,~~ e-learning courses, conferences, and seminars;
- (b) Reflecting on practical experiences and developing personal development plans through self- ~~appraisal~~ 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 ~~relevant~~ subject matter, including reading professional literature and journals, for application in the professional accountant's role; ~~and~~
- ~~(h)~~ (h) Studying for professional exams, re-examination or other formal testing.
- ~~(h)(i)~~ (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)

~~A18- A19. Measurement includes evaluating evidence of CPD in terms of the achievement of learning outcomes or completion of a specified amount of learning and development activities related to (a) technical competence, (b) professional skills, and (c) professional values, ethics, and attitudes.~~

A20. 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 environment environmental issues, public expectations, and relevant~~
- (a) 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)

~~A21. A19. The~~ An output-based approach ~~focuses on measures CPD 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. ~~Paragraph A31 provides examples of evidence that may be used to demonstrate that learning outcomes have been achieved.~~

~~A20A22. 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 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.~~

A23. 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-~~appraisal assessment~~ activities;
- (c) Employers;
- (d) Licensing regimes; ~~and~~
- (e) Regulatory bodies; ~~;~~ and
- (f) CPD Providers.

~~A21. For IFAC member bodies and licensing regimes, determining achievement of learning outcomes by the professional accountant may include consideration of factors such as:~~

- ~~(a) — The nature and extent of CPD undertaken for the learning and development needs identified for the professional accountant's role; and~~
- ~~(b) — The nature and extent of reflective activity the professional accountant has documented in their CPD record demonstrating the achievement of learning outcomes.~~

Input-Based Approach (Ref: Para. 14)

~~A24, A22.~~ An input-based approach measures CPD ~~activity~~ 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, ~~of which a portion could be verifiable; or~~
- (b) Complete a ~~setspecified~~ amount of ~~relevant~~ learning or ~~relevant~~ professional development activity in each year; ~~and.~~

~~Measure~~ Paragraph A32 provides examples of evidence that may be used to verify that learning and development activities ~~undertaken to meet such requirements were completed, and were relevant to the professional accountant's role.~~

~~A23.~~

~~A25.~~ IFAC member bodies ~~may choose to use other measures that will be understood by using an input-based approach expect~~ professional accountants. ~~Examples to develop and maintain professional competence, through the undertaking of measures a specified amount of input-based CPD include:~~

~~Time spent on a CPD.~~ For example, an IFAC member body may set a requirement of at least 120 hours (or equivalent learning ~~and~~ units) of relevant CPD in each rolling three-year period, of which 60 hours (or equivalent learning units) would be verifiable; and a minimum of 20 hours (or equivalent learning units) of relevant professional development activity; ~~in each year.~~

- ~~(a) Units allocated to the learning and development activity by a CPD provider; and~~
- ~~(b) Units prescribed for learning and development activity by an IFAC member body.~~

~~A26.~~ ~~A24.~~ 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)

~~A25- A27.~~ IFAC member bodies may ~~choose to~~ use both the output-based and the input-based approaches. ~~This in establishing their measurement approach for CPD. Examples of how an IFAC member body might construct such an approach could include evaluating:~~

- ~~(a) Evaluating the achievement of importantspecified learning outcomes using an output-based approach while allowing for a quantifiable measurement of completed CPD. For example, 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 verifying that learning outcomes have been achieved for those learning and development activities.~~
- ~~(c) Measuring CPD for professional accountants would complete an educational program or course of study, followed by a written examination on the content. Only on successful completion of the examination would the performing certain roles~~

~~using an output-based approach, while CPD for professional accountants be awarded or credited performing other roles is measured using an input-based approach.~~

~~(d) Establishing an input-based approach and allowing the professional accountant to replace a portion of input-based CPD with a number of learning hours for the overall learning activity that would be counted towards an input based requirement CPD measured using an output-based approach.~~

Monitoring and Enforcement of CPD (Ref: Para. 15-4716)

~~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. A26.~~ IFAC member bodies may provide guidance on the ~~verifiable~~ 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. A27.~~ As part of specifying the nature and extent of evidence that professional accountants maintain for CPD, IFAC member bodies may determine a 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 may still be evidenced and documented, such as, through self-assessment activities and reflective activity.

A31. 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 technical competence, professional skills, professional values, ethics and attitudes for specified learning outcomes achieved;
- (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
- ~~(a) Evaluations or assessments of written or published material by a reviewer; and~~
- ~~(b) Publication of professional articles or of the results of research projects.~~
- (f) A28 Published material.

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

- (a) Course outlines ~~and~~ teaching materials; storyboards (for virtual training), and meeting agenda objectives and meeting minutes that verify the relevance of the content; and

- (b) Confirmation ~~of participation, 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; ~~and,~~

~~Independent confirmation that a learning activity has been completed successfully.~~ ~~A33. A29.~~ 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~~ professional competence to perform ~~competently~~ 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 authorities or;~~
- ~~(a) Providing evidence of learning and development activities undertaken, or verification of the~~
- ~~(c) competences~~ professional competence they have developed and maintained through their CPD.

~~A34. A systematic~~ ~~A30. Supplementary~~ monitoring ~~processes~~ process may involve IFAC member bodies:

- (a) ~~Auditing~~ Obtaining a sample of professional ~~accountants~~ accountants' records of CPD activity to check compliance with ~~CPD~~ requirements;
- (b) ~~Reviewing and assessing~~ 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~~
- ~~(d) A34~~ Working with regulators or other licensing authorities to assist in monitoring and enforcing CPD requirements.

~~A35.~~ IFAC member bodies may determine which professional accountant roles ~~involve high risk, or have~~ are considered to be most relevant to the ~~greatest responsibility to protection of~~ the public; interest and adopt more rigorous monitoring accordingly.

~~A32. A36.~~ 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 five years may meet these expectations.

~~A33. A37.~~ 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~~ 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.~~

~~A34. A38.~~ 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.

~~A35-A39.~~ A professional accountant's willful failure to develop and maintain professional competence is, ~~however,~~ a violation of ~~a professional duty~~ the IESBA code of ethics that ~~justifies may result in~~ disciplinary action, ~~in that it diminishes and will diminish~~ the professional accountant's ability to act in the public interest.

~~A36A40.~~ 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.

~~A37-A41.~~ 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.

~~A38-A42.~~ IFAC member bodies may consider reporting publicly the extent to which their members comply with the CPD requirements set out in this IES.