



## IES EXPOSURE DRAFT: RESPONSE TEMPLATE

### RESPONSE TEMPLATE FOR THE ED OF THE PROPOSED REVISIONS TO IES 2, 3, AND 4 – SUSTAINABILITY

#### Guide for Respondents

Comments are requested by **July 24, 2024**.

This template is for providing comments on the Exposure Draft (ED) of proposed revisions to International Education Standards 2, 3, and 4 -- Sustainability, in response to the questions set out in the Explanatory Memorandum (EM) to the ED. It also allows for respondent details, demographics and other comments to be provided. Use of the template will facilitate IFAC's automated collation of the responses.

You may respond to all questions or only selected questions.

To assist our consideration of your comments, please:

- For each question, start by indicating your overall response using the drop-down menu under each question. Then below that include any detailed comments, as indicated.
- When providing comments:
  - Respond directly to the questions.
  - Provide the rationale for your answers. If you disagree with the proposals in the ED, please provide specific reasons for your disagreement and specific suggestions for changes that may be needed to the requirements, application material or appendices. If you agree with the proposals, it will be helpful for IFAC to be made aware of this view.
  - Identify the specific aspects of the ED that your response relates to, for example, by reference to sections, headings or specific paragraphs in the ED.
  - Avoid inserting tables or text boxes in the template when providing your responses to the questions because this will complicate the automated collation of the responses.
- Submit your comments, using the response template only, without a covering letter or any summary of your key issues, instead identify any key issues, as far as possible, in your responses to the questions.

The response template provides the opportunity to provide details about your organization and, should you choose to do so, any other matters not raised in specific questions that you wish to place on the public record. All responses will be considered a matter of public record and will ultimately be posted on the IFAC website.

[Use the "Submit Comment" button on the ED web page to upload the completed template.](#)

**Responses to IFAC’s Request for Comments in the EM for the ED, Proposed Revisions to IES 2, 3, and 4 – Sustainability**

**PART A: Respondent Details and Demographic information**

|  |  |
|--|--|
| Your organization’s name (or your name if you are making a submission in your personal capacity)   | The Indonesian Institute of Management Accountants (IAMI)  |
| Name(s) of person(s) responsible for this submission (or leave blank if the same as above)   | Ersa Tri Wahyuni, Ph.D., CPMA., Asean CPA  |
| Name(s) of contact(s) for this submission (or leave blank if the same as above)  |  |
| E-mail address(es) of contact(s)   | info@iamiglobal.or.id  |
| Geographical profile that best represents your situation (i.e., from which geographical perspective are you providing feedback on the ED). Select the most appropriate option. | <a href="#">Asia Pacific</a>   |
|  | If “Other”, please clarify   |
| The stakeholder group to which you belong (i.e., from which perspective are you providing feedback on the ED). Select the most appropriate option.                             | <a href="#">Member body and other professional organization</a>  |
|  | These comments is submitted by The Indonesian Institute of Management Accountant (IAMI) based on the national Focus Group Discussions (FGD) involving 33 participants from 20 Universities in 8 Provinces in Indonesia. The FGD was hosted by IAMI in Jakarta on 29th June 2024 and the list of participants is attached at the end of this submission.  |
| Should you choose to do so, you may include information about your organization (or yourself, as applicable).  | IAMI is the only management accounting profession association acknowledge by the Ministry of Finance in Indonesia. There are three accounting association in Indonesia acknowledged by Minister of Finance and IAMI is the only one for management accountant. IAMI was established in 1986 as part of compartment of the Indonesian Institute of Accountants (IAI). In 2006, IAMI became a separate organization from IAI while maintaining a close and mutual relationship with IAI. In 2024 IAMI has 1.861 member and 817 CPMA holders. CPMA is Certified Professional Management Accountant, a professional certification organized by IAMI since 2006. In 2024, IAMI has 23 university partners in Indonesia which is bounded by Memorandum of Understanding, and we organized academic conferences and seminars as well as academic publication. |

Should you choose to do so, you may provide overall views or additional background to your submission. **Please note that this is optional.** IFAC's preference is that you incorporate all your views in your comments to the questions (also, the last question in Part C allows for raising any other matters in relation to the ED).

**Information, if any, not already included in responding to the questions in Parts B and C:**

## PART B: Responses to Specific Questions in the EM for the ED

**For each question, please start with your overall response by selecting one of the items in the drop-down list under the question. Provide your detailed comments, if any, below as indicated.**

1. Do you support the proposed revisions to IES 2, 3, and 4 for sustainability? If not, please explain your reasons and indicate what changes you would suggest.

**Overall response:** [Agree, with comments below](#)

Detailed comments (if any): In general, we support the proposed revision to include sustainability issue into the curriculum of accounting education. After all, sustainability issues have been included in Indonesia accounting undergraduate curricula for some time. Indonesia accounting undergraduate program is usually completed within 8 semesters (4 years). Most of IAMI FGD participants revealed that they have a compulsory course in sustainability (often the course name is “sustainability reporting”) in the sixth semester of the program. 11 universities mentioned they have compulsory distinctive course in the 4th or 6th semester and other university have an elective course which students can take in 6th semester. On top of that, sustainability issues have also been introduced in the earlier course such as a topic in management accounting course (usually offered in the 3rd or 4th semester as a compulsory course). Among Indonesian universities, sustainability issues have been an inclusion in the accounting curriculum for at least 8 years or so, especially after the SDG was started in 2012.

Some universities also mentioned that they have compulsory sustainability courses in the Master of Accounting program, but more universities offer it as an elective in the master program.

2. Are the sustainability learning outcomes sufficient and appropriate expectations for aspiring professional accountants? If not, please explain your reasons and indicate what changes you would support.

**Overall response:** [Agree, with comments below](#)

**Detailed comments (if any):**

Participants of FGD agree that the level of learning outcomes for undergraduate accounting programs should be at awareness level or low technical level in term of sustainability topics. Some of learning outcomes would create challenges in terms of delivery to the accounting students. For example, participants were concerned about the learning outcomes in IES 2 for Finance and Financial Management (Intermediate), especially

(iii) Analyze the current and anticipated future financial performance and position of an organization, using techniques including ratio analysis, trend analysis, and cash flow analysis, and scenario analysis.

The concern is about the tool in teaching such scenario analysis and anticipated future analysis. Especially when the scenario means climate risk scenario as mentioned in IFRS S2. The FGD invited the speaker from energy company, an accountant which now deals with making climate risk scenarios, to share his experience. Participants of FGD realize that teaching climate risk scenario analysis requires very strong technical skills in forecasting and modeling. How far the technical competency should be aimed for undergraduate program should really be considered carefully by IFAC.

Many participants also mentioned that they no longer have credit quota to add new courses. In Indonesia, students of undergraduate degree in accounting should finish the degree after completed 144 credits. Most of the courses have 3 credits and many courses are compulsory by national requirements (such as civics, Bahasa Indonesia, religious study, etc). In recent years universities have reduced their course credit of classic accounting (such as financial accounting and management accounting) to make room for new courses such as data analytics and data science. The recent trend and issues about digital disruption in accounting profession have made the universities revise their curriculum about 3-4 years ago to accommodate digital technology-based course.

3A. Do you support the proposal to create a new competence area for assurance? If not, please explain your reason and indicate what changes you would suggest.

**Overall response:** [Neither agree/disagree, but see comments below](#)

**Detailed comments (if any):**

Most of the participants have concerns about the assurance course which includes a lot of sustainability assurance. Only one university has a course “sustainability reporting assurance” in their undergraduate program as an elective course in the 5th semester. Most of the universities still teach traditional financial audit.

3B. Is the level of the proposed assurance competence area and learning outcomes at foundation level appropriate for aspiring for professional accountants? If not, please explain your reason and indicate what changes you would suggest.

**Overall response:** [Neither agree/disagree, but see comments below](#)

**Detailed comments (if any):**

Similar to the previous comment, many participants thought it would be difficult to insert a new course due to the credit quota of 144 credits in the undergraduate program. Some participants suggest that sustainability issues in assurance may be more relevant for postgraduate degree or professional certification exam course.

4. Are there any terms within the new and revised learning outcomes of IES 2, 3, and 4 which require further clarification? If so, please explain which terms and how they could be better explained or revised.

**Overall response:** [Neither agree/disagree, but see comments below](#)

**Detailed comments (if any):**

Some of FGD participants would like IFAC to clarify

| No | Learning Objectives   | Comments or clarifications needed.   |
|----|---|--|
| 1  | (b) Management Accounting (Intermediate)<br>i) Prepare data and information to support management decision making on topics including <b>setting metrics and targets</b> , planning and budgeting, cost management, quality control, performance measurement, and comparative analysis.               | Is this metrics and targets as in IFRS S2, such as scope 1,2,3 or carbon emission? Because companies may also have financial metrics and targets and not climate related metrics and targets |
| 2  | (c) Finance and Financial Management (Intermediate),<br><br>(iii) Analyze the current and <b>anticipated future</b> financial performance and position of an organization, using techniques including ratio analysis, trend analysis, <del>and</del> cash flow analysis, and <b>scenario analysis</b> | The term scenario analysis, does it mean climate related scenario or any other scenario such as economic condition scenario?   |
| 3  | (l) Business Strategy and Management (Intermediate)<br><br>(iii) Analyze the external and internal factors that may affect influence the business model, value chain, and the strategy of an organization using <b>a systems-thinking approach</b> .  | Many participants are not familiar with the concept of system-thinking approach, thus IFAC may need to clarify or put some reference of what it means.                                       |

5. Do you believe the adoption and implementation of the proposed revised IES 2, 3, and 4, including will present any challenges to your organization? If yes, what challenges do you foresee?

**Overall response:** [Agree, with comments below](#)

**Detailed comments (if any):**

Yes, we believe it would, especially if the proposed effective date is 2026. IFRS S1 and S2 is very new, and Indonesia has not made any formal decision on when it should be adopted. We propose that the effective date should be at least the same as when IFRS S1 and S2 is implemented, or at least when the decision to adopt has been made.

The biggest challenge is to re-skilling and re-train the accounting lecturers in the new knowledge as well as new technical skills. This may need more than two years to develop.

## Part C: Request for General Comments

IFAC is also seeking comments on the matters set out below:

6. General comments are welcomed on all matters addressed in the proposed IES 2, 3, and 4 (See Appendices A to E). Where relevant, when making general comments, it is helpful to refer to specific paragraphs, include the reason for the comments and, where appropriate, make specific suggestions for any proposed changes to wording to fully appreciate the respondent's position. Where a respondent agrees with proposals in the exposure draft (especially those calling for a change in current practice), it is helpful to note the reason you agree.

**Overall response:** [Click to select from dropdown menu](#)

### Detailed comments (if any):

Although all FGD participants agree that sustainability reporting has become more important over the past ten years, there are some concerns on the depth of knowledge and skills for undergraduate accounting education proposed by IFAC. There are some concerns that accounting graduates will be losing its core competence of financial and management accounting because much newer courses and skills are added in the curriculum such as data analytics and sustainability reporting where the credit quota for the degree remains the same (144 credits). Some participants suggested that the interest of accounting graduates to become data analyst or sustainability would be developed after they graduate, thus the competency in that area should be pursued after graduation by taking a certain certification or master's degree.

**Attendance List of IAMI Focus Group Discussions on ED Proposed Revisions to IES 2, 3,  
and 4 – Sustainability**

**Saturday, 29 Juni 2024 | 13:00 – 16.00 WIB**

The discussion was chaired by Ersa Tri Wahyuni, PhD, CPMA, Asean CPA (Vice Chairman of IAMI for Collaboration with University and Professional Organization)

| <b>No.</b> | <b>Name</b>  | <b>University</b>                                | <b>Position</b>                          |
|------------|--|--|--|
| 1          | Hendro Lukman, S.E., M.M., CPMA, CA, CPA (Aust.), CSRS, ACPA | Universitas Tarumanagara, Jakarta                | Head of Accounting Undergraduate program |
| 2          | Yananto Mihadi Putra, SE, M.Si                               | Universitas Mercu Buana, Jakarta                 | Lecturer in Accounting                   |
| 3          | Dr. Megawati Oktorina, CPA (Aust.)                           | Universitas Katolik Indonesia Atma Jaya, Jakarta | Head of Accounting Master Program        |
| 4          | Loh Wenny Setiawati, S.E., M.Ak., CPA (Aust.)                | Universitas Katolik Indonesia Atma Jaya          | Head of Accounting Undergraduate program |
| 5          | Vena Purnamasari, SE., M.Si., CPMA                           | Universitas Katolik Soegijapranata, Semarang     | Lecturer in Accounting                   |
| 6          | Dr. Henik Hari Astuti, SE. M.Ak. CIIQA                       | Universitas Trisakti, Jakarta                    | Lecturer in Accounting                   |
| 7          | Monica Paramita Ratna Putri Dewanti, SE., M.Ak., CertDA      | Universitas Parahyangan, Bandung                 | Head of Accounting Undergraduate program |
| 8          | Dr. Amelia Setiawan, SE., M.Ak., Ak., CISA., CA              | Universitas Parahyangan, Bandung                 | Head of Center of Accounting Study       |
| 9          | Syaiful Anas, SE., M.Sc                                      | Universitas Padjadjaran, Bandung                 | Lecturer in Accounting                   |
| 10         | Sofian, SE., MBA. CTA., ACPA                                 | Universitas Widya Mandala, Surabaya              | Head of Accounting Undergraduate program |



| <b>No.</b> | <b>Name</b>  | <b>University</b>                            | <b>Position</b>                               |
|------------|--|--|---|
| 11         | Adhitya Putri Pratiwi, SST.Pa., M.M., M.Ak             | Universitas Pamulang, Tangerang              | Lecturer in Accounting                        |
| 12         | Ayumi Rahma, SE., M.Akt                                | Universitas Pamulang, Tangerang              | Lecturer in Accounting                        |
| 13         | Dr. Windu Mulyasari, SE., M.Si., CSRS., CSRA           | Universitas Sultan Ageng Tirtayasa, Banten   | Head of Accounting Undergraduate program      |
| 14         | Dr. Imam Abu Hanifah, SE, Ak, M.Si., CA                | Universitas Sultan Ageng Tirtayasa, Banten   | Vice dean                                     |
| 15         | Dr. Munawar Muchlish, SE.Ak., M.Si                     | Universitas Sultan Ageng Tirtayasa, Banten   | Head of GPMPP Accounting program              |
| 16         | Galih Fajar Muttaqin, SE, Ak, M.Ak                     | Universitas Sultan Ageng Tirtayasa, Banten   | Curriculum development team                   |
| 17         | Kurniasih Dwi Astuti, SE, Ak, M.Ak, CA                 | Universitas Sultan Ageng Tirtayasa, Banten   | Secretary of Accounting Undergraduate program |
| 18         | Dr. Tommy Andrian, S.E., M.Ak., Cert.DA., MOS, Cert.SF | School of Accounting Bina Nusantara, Jakarta | Deputy Head of Accounting Program             |
| 19         | Dr. Eliza Fatima, CA., CPA                             | PPA FEB UI, Jakarta                          | Vice Chairman of PPA FEB UI                   |
| 20         | Berta Agus Petra, SE., M.Si                            | Universitas Putra Indonesia YPTK, Padang     | Head of Accounting Undergraduate program      |
| 21         | Ronni Andri Wijaya, SE., MM                            | Universitas Putra Indonesia YPTK, Padang     | Lecturer in Accounting                        |
| 22         | Dr. Wiwik Pratiwi, SE., MM., M.Ak., AK., CA., ACPA     | Sekolah Tinggi Ilmu Ekonomi Y.A.I, Jakarta   | Secretary of Accounting Master Program        |
| 23         | Christiano Lombogia, SE., MM., Ak., CA                 | Sekolah Tinggi Ilmu Ekonomi Y.A.I, Jakarta   | Head of Accounting Undergraduate program      |
| 24         | Yoan Yohana Tallane, SE., M.Acc                        | Universitas Matana, Banten                   | Head of Accounting Undergraduate program      |

| <b>No.</b> | <b>Name</b>                                      | <b>University</b>                          | <b>Position</b>                               |
|------------|--|--|---|
| 25         | Dr. Riha Dedi Priantana, SE., Ak., M.Si          | Universitas Syiah Kuala, Aceh              | Head of Accounting Undergraduate program      |
| 26         | Sri Opti, SE., Ak., M.M., CA                     | Universitas Trilogi, Jakarta               | Head of Accounting Undergraduate program      |
| 27         | Lely Dahlia, S.E., M.Ak., CertIPASAS             | Universitas Trilogi, Jakarta               | Lecturer in Accounting                        |
| 28         | Dr. Eka Fauzihardani, SE., M.Si., Ak             | Universitas Negeri, Padang                 | Head of Accounting Undergraduate program      |
| 39         | Nurul Mustafida, SE., M.Sc                       | Universitas Hayam Wuruk Perbanas, Surabaya | Coordinator of Managerial Accounting Program  |
| 30         | Ari Dewi Cahyati, SE., M.SA., Ak                 | Universitas Islam 45, Bekasi               | Lecturer in Accounting                        |
| 31         | Vita Aprilina, SE., M.Si., Ak                    | Universitas Islam 45, Bekasi               | Lecturer in Accounting                        |
| 32         | Dr. Christina Dwi Astuti, Ak, MM, CA. CSRS, CSRA | Universitas Trisakti, Jakarta              | Secretary of Accounting Undergraduate program |