

Assessment of the Regulatory and Standard-Setting Framework

Section 1 -- Introduction

The information required from member bodies for the IFAC Member Body Compliance Program will be collected in two parts:

- Part 1: Assessment of the Regulatory and Standard-Setting Framework (provides information about regulatory requirements and standard-setting processes in member body countries); and
- Part 2: Assessment of Compliance (provides information on compliance by member bodies with the Statements of Membership Obligations).

The content of this assessment relates to Part 1 and includes 138 questions, of which 23 relate to information IFAC regularly collects from its member bodies and the remainder relate to IFAC's Member Body Compliance Program. The purpose of this assessment is to collect information on the roles of IFAC member bodies and other organizations (including government, regulatory or other appointed authorities) with respect to:

- a. Setting auditing, accounting, ethics, public sector and education standards; and
- b. Regulating the accountancy profession.

The deadline for completion of this assessment is December 31, 2011.

As indicated in the Compliance Working Group's recommendations to the IFAC Board, the IFAC staff will review completed assessments and validate the responses with external knowledgeable parties (for example, other member bodies, regional accountancy organizations, firms, or regulators) as necessary. Additionally, the information will be made available to the Public Interest Oversight Board.

Responses to certain questions may be common among member bodies in one country and for such questions IFAC encourages member bodies to minimize the duplication of effort. In addition, certain questions may not apply to the role of certain member bodies and responses are therefore not required for such member bodies. Where necessary, please communicate with other member bodies in your country to minimize duplication or clarify your organization's need to respond to particular questions.

IFAC will publish the results of this assessment on its website and use the collected information to establish an understanding of the role of IFAC member bodies in standard setting and regulation of the profession.

Part 2 of the Member Body Compliance Program will also require member bodies to complete a self-assessment. The information collected during Part 2 will be used in conjunction with the information submitted during Part 1 to evaluate how the member body complies with the Statements of Membership Obligations.

Completion of the assessments during Part 1 and Part 2 of the Compliance Program is mandatory for all member bodies.

A "Certification of Chief Executive" must accompany the completed assessment.

Section 2 -- Instructions and Definitions

General Instructions

IFAC requests that all member bodies complete the questionnaire electronically. You may also download and print a PDF version of the survey. This may be used as both a guide and a worksheet (see below).

Please submit all responses in English and make them as complete and as current as possible. IFAC understands that each member body exists in a unique environment, and that serving the public interest can be accomplished through various structures and systems. Every attempt has been made to structure this document to accommodate a variety of circumstances. Where, however, the form of the question does not permit you to adequately describe the situation in your country, please submit additional descriptions and other relevant information to enhance our understanding. If your organization (or any other organization) has prepared or published documents (in English) that contain some of the requested information, please submit those documents to IFAC. Please send all supplementary materials via e-mail, courier or postal mail identifying which questions they relate to by December 31, 2011:

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Definitions

IFAC recognizes that the terminology used in this assessment (e.g., law, regulation, process, etc.) may be different in each member body's country. Each member body should respond in the context of what is applicable in their country and explain the differences.

To assist member bodies, the following terms are defined for the purposes of completing this questionnaire:

- **"Enacting body"** means (a) level of government and responsible ministry or department, or (b) other agency or regulatory body that published the "legal authority" (defined below);
- **"Legal authority"** means laws, regulations, orders, directives, circulars, or other documents having the force of law;
- **"Listed entity"** means an entity whose shares, stock or debt are quoted or listed on a recognized stock exchange, or are marketed under the regulations of a recognized stock exchange or other equivalent body;
- **"Regional organization"** means an organization of accounting institutions of countries located within a defined region of the world. In cooperation with IFAC, a regional organization encourages, advises and coordinates the efforts of their member institutions to achieve the mission and work program of the regional organization as well as that of IFAC; and
- **"Your organization"** means your member body.

You are encouraged to contact the IFAC staff if you have any questions or require clarification of any of the requested information. Questions should be directed to:

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Section 3 -- Member Body General Information

1. Country: **Rwanda**

2. Name of member body: **Institute of Certified Public Accountants of Rwanda (ICPAR)**

Or please specify name:

3. Individual responsible for preparation: **Chief Executive Officer, Mr. Evans Mulera.**

4. Date member body became a member of IFAC: **Not yet a Member of IFAC**

Note: Please enter a numeric date (e.g., 12/2001, Month/Year)

Section 3A -- Member Body Address

5. Physical location address: **Prester Building, 1st Floor, Opposite Top Tower Hotel, Kacyiru, Kigali, Rwanda**

6. Address for correspondence (i.e., provide either a physical location or e-mail address):

E-mail: **info@icparwanda.com** or **evans.mulera@icparwanda.com**

Mail / Courier: **PO Box 3213, Kigali**

Section 3B -- Member Body Leadership Information

7. Name of Chief Executive: **Evans L Mulera**

8. Is the Chief Executive position a full-time or part-time position?

Full-time

9. Name of current President or voluntary lay leader: **President, Mr. Peter Rutaremara**

Section 3C -- IFAC Key Contact

10. Name of person at member body to be IFAC's main contact for all general correspondence: **Evans Mulera**

11. Contact phone number: **+250 784 352830/+254 722 354177**

Note: Include country code and city code

12. Contact fax number: **N/A**

Note: Include country code and city code

13. Contact e-mail address: **evans.mulera@icparwanda.com /info@icparwanda.com**

Section 3D -- Primary Contact for Contents of this Assessment

14. Name of person at member body to be the contact for questions on this assessment: **Evans Mulera**

15. Contact phone number: **+250 784 352830/+254 722 354177**

Note: Include country code and city code

16. Contact fax number: **N/A**

Note: Include country code and city code

17. Contact e-mail address: **evans.mulera@icparwanda.com /info@icparwanda.com**

Section 3E -- Member Body Revenue

18. Total annual revenue in local currency and US\$: **Rwf 71,392,000 (USD 118,896)**

Please enter a whole number amount with commas and then select the appropriate currency from the menu.

Other:

Please enter the exchange rate used to calculate this number. **1USD: 600 Rwanda Franc**

Note: Please enter a decimal amount (e.g., 4.0027)

19. Last fiscal year ending: **31st December 2010**

20. Indicate the percentage of total revenue for the last fiscal year from each of the following sources:

Please make sure your total equals 100%.

Source of Revenue	% of Total Revenue Percentage
Member Dues	24%
Journal Subscriptions	0
Publication Sales	0
Continuing Education Programs	8%
Government/Donor Grants	68%
Total	100%

Section 3F -- Membership Categories

21. Please provide the following membership information for each membership category. For annual dues per person, only information about full / standard membership dues is required (where there are different dues for retired members, provisional members etc., such dues information is not required). If NONE, write "0":

Membership Categories	Number of Members Annual Dues per person (local currency) Rwf
Certified or Chartered Accountants (185)	3,800,000
Accounting Technicians (5)	200,000
Accounting Students (N/A)	0
Audit/Accounting Firms (25)	0
Practicing Certificates	13,300,000
Other (please describe)	

22. Please provide membership information according to the following sectors. If NONE, write "0":

Sector	Number of Members
Public Practice	35
Industry	150
Public Sector (Survey to be conducted in 2012 to establish)	0
Academia / Education (Survey to be conducted in 2012 to establish)	0
Other (please describe)	

Section 3G -- Affiliations

23. Please list those regional organizations to which your organization belongs (e.g., FEE, CAPA, ECSAFA, IAA, etc.):

1. Pan African Federation of Accountants (PAFA);
 2. East Africa Community Institutes of Accountants (EACIA)
-

Section 4 -- Statutory Framework

Responses to this section will provide a description of the legal framework governing the commercial aspects of auditing and financial reporting in your country.

Section 4A -- The Companies Act or Commercial Code

The following questions concern the Companies Act (the Act) or Commercial Code (the Code) or similar Legal authority in your country. If no Legal authority exists, or the Legal authority does not address particular questions, please indicate "N/A" for Not Applicable.

24. What is the full name of: **Companies Law?**

a. the Act or the Code: **Law no 07/2009 of 27/04/2009**

b. the Enacting body: **Parliament**

c. date the Act or Code came into force: **July 2009**

25. How can IFAC obtain a copy of the Act or Code? **To be attached to the application**

26. Is the Act or Code available in English?

Yes

27. What are the types of entities covered by the Act or the Code?

Please check all that apply:

Listed entities	No	Yes	If YES, please describe)
Private companies		Yes	Deals with Private and Public companies as defined in Article 3, 4 and 5 of the Law.
Governmental	No		N/A
Not-for-profit	No		N/A
Other (please describe) Banks, financial institutions, insurance companies...	No		N/A
Other (please describe)			

28. Is there a requirement for the following entities to prepare annual statutory financial statements? If YES, please describe the financial reporting requirements including the accounting standards to be followed.

Please check all that apply:

Listed entities	No	Yes	If YES, please describe)
Private companies		Yes	In Accordance with International Accounting Standards. Article 247 sub article 7 requires the auditor to confirm that the accounts have been prepared in accordance with the international accounting standards. Article 254 requires this too.
Governmental		Yes	In Accordance with Public Sector Accounting Standards and Guidelines under direction of the Accountant general.
Not-for-profit			N/A
Other (please describe)			
Other (please describe)			

29. Is there a statutory requirement for the following entities to be audited? If YES, describe the requirement including the auditing standards to be followed:

Please check all that apply:

Listed entities	No	Yes	If YES, please describe)
Private companies		Yes	The Companies Law Article 239 requires each company to appoint an auditor and cause its books of account to audited. The Auditor should be a person authorized to audit by the

			professional Association of Accountants. Small private companies are not required to audit but may choose to do so.
Governmental		Yes	The law requires the auditor general to audit public/government institutions and departments. This is outlined in the respective laws.
Not-for-profit			N/A
Other (please describe)			
Other (please describe)			

30. Are the auditors ("statutory auditors") that are appointed for audits required by the Act or Code ("statutory audits") appointed for a specific period?

Yes.

If YES, please indicate the term of appointment: Year(s)

They are appointed annually. Annual Renewal is automatic unless a decision is taken not to renew (Article 243 of Company Law).

31. Who appoints the statutory auditors? The Shareholders at the Annual General Meeting (Article 238) or the Registrar General where the company fails to appoint.

Please check all that apply.

-Shareholders

-Management

-Board of directors

-Audit committee

-Government agency

- Other (please specify)

32. Does the Act or Code require joint auditors for the statutory audit?

No

If yes, please describe the requirement:

33. Does the Act or Code require the rotation of the auditors or audit firms performing statutory audits?

No

If yes, please describe the requirement:

Section 4B -- Securities Market Regulations

Responses to this section will provide a description of the financial reporting and auditing requirements for listed entities in your country.

34. What are (a) the major items of Legal authority for such requirements, (b) the Enacting body(ies) and (c) the latest amendment date? Please identify the specific articles or sections that pertain to auditing and financial reporting:

a. The major items of Legal authority for such requirements: **Law No 1/2011 of 10/2/2011**

b. The Enacting body (ies): **Parliament**

c. The latest amendment date? **N/A**

35. How can IFAC obtain a copy of the Legal authority? **A copy will be attached to the application.**

36. Is the Legal authority available in English?

Yes

37. Are there any additional or alternative financial statement reporting requirements for listed entities that are not described in your answer to Question 28?

No

If YES, please describe the requirement:

38. Are there any additional auditing requirements that apply to listed entities other than those described in your answer to Question 29 (e.g., additional GAAS requirements, additional independence requirements, requirements to report to those charged with governance, etc.)?

No

If YES, please describe the requirement:

39. Who appoints the statutory auditors of listed entities?

Please check all that apply.

-Shareholders

-Board of directors

-Audit committee

-Government agency

-Management

40. Are auditors who perform audits of listed entities appointed for a specified period?

Yes.

If YES, please indicate the term of appointment: Year(s)

There is Annual Renewal is automatic unless a decision is taken not to renew (Article 243 of Company Law).

41. Are joint auditors required for audits of listed entities?

No

If YES, please describe the requirement:

42. Is rotation of the auditor or audit firm for audits of listed entities required?

No

If YES, please describe the requirement:

Section 5 -- Auditing Standards

Responses to this section will provide a description of the legal and professional framework governing audit and other assurance standards in your country. The section focuses on the establishment of such standards. Please indicate the role your organization plays within this framework.

Section 5A -- Statutory Framework

43. Please provide the name of the Legal authority and/or self-regulatory rules that establish audit and other assurance standards in your country, the date of the last amendment of such authority or rules and the name of body responsible for setting audit and other assurance standards. If the standards are different for different entities (e.g., listed entities, private companies, governmental bodies, not-for-profit organizations, etc.), please specify the details that apply to each:

The Companies Law in Rwanda Requires Entities to apply International accounting standards. Auditors are required to ensure this is complied with [Company Law Article 247(7)] The Accountants Law requires Companies in Article 3 to apply International Standards on Auditing (ISAs) to prepare /conduct audits. ICPAR has thus adopted IFAC standards and does not have a separate standard setting process. Consequently, ICPAR members/Practicing certificate holders are required to implement the International Standards on Auditing (ISAs).

Article 3 of the Accountants Law provides: *“The auditing standards in Rwanda shall be consistent with the International Standards on auditing, “ISA”, issued by “IFAC”.*

Type of entity	Name of applicable legal authority	Date of last amendments (e.g. MM/YYYY 06/2001)	Name of body responsible for setting audit and other assurance standards
Listed entity			
Other (please describe)			
Other (please describe)			

a. How can IFAC obtain copies of these documents?

Section 5B -- Standard-Setting

44. For standard setting, please indicate the nature of the body (i.e., whether it is part of a government ministry or department, an agency appointed by government, a private organization established by the profession, or other [please describe]) and the name of the standards.

a. Nature of body

b. Name of standards

45. How many voting members does the standard-setting body have?

46. Are the members of the standard-setting body involved on a voluntary basis or employed by the standard-setting body?

Voluntary

Employed

Both - Please describe:

47. What are the criteria considered in selecting members of the standard-setting body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

48. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

49. What is the term of appointment for members?

Year(s)

50. For how many years has the standard-setting body been in existence?

Year(s)

51. Please indicate the budget in US\$ of the standard-setting body for the last fiscal year:

Note: Please enter a whole number using commas (e.g., 4,000,000)

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027)

n/a

52. To what entity is the standard-setting body accountable?

53. Describe the due process followed by the standard-setting body. Please include explanations of the following:

a. Public exposure of standards

b. Accessibility of meetings (i.e., public or private)

c. Approval process for final standards (i.e., majority required to approve final standards)

d. Other relevant due process activities

54. Approximately how many days per year does the standard-setting body meet in full session (including teleconferences)?

Day(s)

Section 6 -- Ethics

Responses to questions in this section will provide a description of the legal and professional framework governing ethics standards for accountants in your country. This section focuses on the establishment of such standards. Please indicate the role your organization plays within this framework.

Section 6A -- Statutory Framework

55. For each of the following types of professionals, please indicate the name of the Legal authority and/or self-regulatory rules establishing ethics standards for accountants and auditors in your country, the date of the last amendment of such authority or rules and the name of body responsible for setting the ethics standards.

The Accountants Law requires Accountants to observe the Professional Code of ethics. Article 82 of the Accountants Law requires that the Institute shall use a Professional Code of Ethics that is consistent with the IFAC Code of Ethics. Article 3 of this law requires all accountants to follow this code. ICPAR has thus adopted IFAC standards and does not have a separate standard setting process. Consequently, ICPAR members/Practicing certificate holders are required to implement the IFAC Professional Code of Ethics.

Article 82 provides, *“The Code of professional conduct and ethics approved by the General Assembly of the Institute shall be established through a Ministerial Order. The provisions of the Code of professional conduct and ethics shall be consistent with the similar Code published by IFAC”*.

Type of professional covered Name of applicable legal authority	Name of applicable legal authority	Date of last amendments (e.g. MM/YYYY 06/2001)	Name of body responsible for setting ethics standards
Professional Accountants in Public Practice			
Professional Accountants in Business			
Professional Accountants in the Public Sector			
Other (please describe)			

a. How can IFAC obtain copies of these documents? **A draft copy shall of the code of ethics shall be attached.**

b. Are the documents available in English? **Yes**

Section 6B- Standard Setting

56. For each professional body or standard-setting body responsible for setting ethics standards, please indicate the nature of the body (i.e., whether it is part of a government ministry or department, an agency appointed by government, a private organization established by the profession, or other [please describe]) and the name of the standards.

Name of body responsible for setting ethics standards	Nature of body	Name of standards
The Governing Council	Council of the Institute	Professional Code of Ethics
Minister for Finance	Representative of Government	Professional Code of Ethics

With respect to each professional body or standard-setting body responsible for setting ethics standards, please answer the following questions. Attach additional pages for each body if necessary.

57. How many voting members does the standard-setting body have? **The Governing Council has 10 voting members. The minister issues a Ministerial Order on the code as required in the accountants law no 11 of 6/5/2008**

58. Are the members of the standard-setting body involved on a voluntary basis or employed by the standard-setting body?

-Voluntary

-Both

-If both, please describe

59. What are the criteria considered in selecting members of the standard setting body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)? **N/A. The accountants law in section 82 requires that the ethics standard shall**

be consistent with the IFAC code of ethics. So its largely an adoption of IFAC code. The process thus involves Council approval and then the Minister's gazette ment.

60. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

The Governing Council is elected by members of the Institute. Two government representatives from the Ministry of Finance and the office of the Auditor General are seconded (not elected)

61. What is the term of appointment for members? 2 Year renewable term.

62. For how many years has the standard-setting body been in existence? 2 Years

63. Please indicate the budget of the standard-setting body for the last fiscal year. N/A
Note: Please enter a whole number using commas (e.g., 4,000,000)

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027)

64. To what entity is the standard-setting body accountable?

65. Describe the due process followed by the standard-setting body. Please include explanations of the following: As Above the law requires adoption of the IFAC Code of Ethics (Please see above- Article 82)

a. public exposure of standards N/A

b. accessibility of meetings (i.e., public or private) N/A

c. approval process for final standards (i.e., majority required to approve final standards) N/A

d. other relevant due process activities

66. Approximately how many days per year does the standard-setting body meet in full session (including teleconferences)?

Section 7 -- Education

Responses to questions in this section will provide a description of how education requirements for the profession are established. Please indicate the role your organization plays within this process.

Section 7A -- Education Requirements

67. Please describe in general terms the education system in your country including the different stages of education from early childhood education through to tertiary level study. Please indicate which aspects / levels are compulsory as part of the national education system:

Rwanda operates on a 6-3-3-4 system:

- Primary School - 6 years
- Junior Secondary School - 3 years
- Senior Secondary School - 3 years
- University Bachelor's degree - 4 years

Rwanda's Education System - Primary education is compulsory and lasts for six years. Secondary education is divided into two three-year cycles.

The first cycle is common to all pupils.

The second cycle covers Modern or Classical Humanities. On successful completion of the second cycle, pupils are awarded the Diplôme de Fin d'Etudes secondaires.

There is a variety of two-year technical secondary courses for pupils who have completed two to three years of academic secondary education, although pupils could also enter directly from primary school.

Four-year technical courses are also offered. Higher education is mainly provided by universities and specialized institutes, both public and private. Most institutions of higher education come under the jurisdiction of the Ministère de l'Education.

68. Is there a legal authority or regulation that specifies the requirements for an individual to operate as an accountant or auditor in your country?

Yes No

Article 58 of the Accountants Law provides that for a person to be a Certified Public Accountant, he/she shall fulfill at least one of the following requirements:

1. To be a holder of the professional qualification of a certified public accountant issued by the Institute;

2. To be a holder of a professional qualification of a chartered accountant or certified public accountant issued by a body of professional accountants in another country which has full membership of IFAC.

Currently ICPAR is developing an accountancy qualification syllabus based on the IFAC International Education Requirements (IESs) with assistance from the Institute of Ireland (CPA Ireland). This should be completed in 2012. Admission into the qualification will be consistent with requirements of IFAC IES 1. Implementation is similarly expected from the year 2012. Currently all ICPAR members hold accountancy qualifications issued by other IFAC Members.

Article 7 of the law requires ICPAR to *“develop teaching programmes, to organize examinations and to issue certificates in matters relating to accounting profession”*.

If YES, please provide the name and describe the requirements, including any relating to education, experience or qualifications.

69. Please select from below all the relevant key levels of requirements to obtain certification from your member body (i.e. to qualify as a certified or chartered accountant) and provide a general description of the requirement.

-Academic requirements: Subject of the on going syllabus development process.

-Professional examinations

-Practical experience

-Final qualifying examination

-Other (please describe)

70. Which of the following arrangements best describes who establishes the education requirements for the accounting profession in your country? Please select one option.

-A government ministry, department or agency establishes education requirements for the accounting profession with no additional requirements set by the member body(ies).

-A government ministry, department or agency establishes minimum education requirements for the accounting profession, and member body(ies) supplement these requirements.

-Member body(ies) establishes the education requirements for the accounting profession.

-The Curriculum, Professional Education, and Examinations Commission of ICPAR (Article 49).

The functions of the Professional Accountants Curriculum development and Examinations Commission are as follows:

- 1. To determine a draft syllabus for the award of a professional qualification in accountancy which shall be approved by the Governing Council of the Institute;**
- 2. To organize, supervise and to mark the examinations for those who have pursued professional courses;**
- 3. To monitor the training of courses leading to professional qualifications in accounting**
- 4. To determine the fees payable by examination candidates approved by the Governing Council of the Institute;**
- 5. To set up examination rules, their enforcement and to recommend punishment for persons in contravention ;**
- 6. To suggest the form of professional qualifications in accountancy which shall be approved by the Governing Council of Institute;**
- 7. To promote the recognition of those professional qualifications in Rwanda and internationally;**
- 8. To perform any other activity that may be conducive to the fulfillment of its functions.**

71. Please provide the name(s) of the relevant body in the government ministry, department, agency and / or member body who establishes the education requirements.

A general description of the role of the relevant body(ies) including how it operates and its due process in establishing the education requirements.

How many voting members does the relevant body(ies) have : **Eight (8)**

Are the members of the relevant body(ies) involved on a voluntary basis or employed by the standard-setting body?

-Voluntary

-Employed

-Both - Please describe:

For how many years has the body been in existence?

Year(s)

The Interim Commission has just been established by the Governing Council following establishment of the Institute Secretariat in 2011. Once the substantive commission comes into place in 2012, it will serve a 5 Year renewable term.

72. How would you describe the authority that the education requirements have?

-Requirements are legally-based : Authority is drawn from the law.

-Requirements are set in the constitution, by-laws or other rules of the relevant body(ies).

-Requirements are set in member body(ies) policy document(s).

All The Above Three Apply.

-Other (please describe)

72 a. How can IFAC obtain copies of these documents? The Accountants Law Will Be Emailed. The Draft Syllabus Will also be attached (Its not yet finalized). The Membership of the Curriculum and Examinations Commission will also be attached.

72 b. Are these documents available in English?

Yes

73. Are the education requirements for accountants and auditors the same throughout your country, or do they differ among regions, provinces or states?

Same

If different, please briefly describe the main differences:

74. Please indicate the scenario that best describes who delivers the education and examination process for members of the profession. Please only select one option.

This is yet to be implemented. However the scenario expected is that private trainers/educators will provide the tuition subsequent to ICPAR approval/accreditation of the training institutions. ICPAR will set examinations and administer these nationally, mark and enforce the relevant professional accountancy examinations syllabus and policy.

-The education program and final examination are delivered by the member body.

-The education program and final examination are delivered by the member body and other education institutions (e.g, universities, colleges, and others).

-The education program and final examination are delivered by education institutions (e.g., universities, colleges, and others).

-Other (please explain)

75. Once qualified as a member of your professional body, can members offer their services directly to the public?

Yes

Section 7B -- Licensing

76. Are there licensing requirements for auditors in your country?

Yes (continue with Question 77) No (proceed to Section 8)

77. Who sets the requirements to obtain a license?

The Accountants Law no 11 of 06/05 2008 Sets the Requirements and the Governing Council enforces these.

78. What are the requirements to obtain a license (please select all relevant requirements.)?

-Academic study specific for obtaining a license

-Practical experience

-Licensing examination

-Final qualifying examination

-Other (please describe)

79. Are there ongoing requirements to retain a license?

Yes

If YES, please select all relevant requirements.

-Continuing professional development

-Re-examination

-Other (please specify): Financial Obligations to ICPAR

80. What entity grants the license? The Governing Council of ICPAR

81. Describe any additional licensing requirements for auditors of listed entities (e.g., additional education requirements, registration, etc.). There is no segregation of licensing requirements on the basis of this requirement (Listed client)

Section 8 -- Public Sector Accounting Standards

Responses to this section will provide a description of the legal and professional framework governing public sector accounting standards in your country. The section focuses on the establishment of such standards. Please indicate, where appropriate, the role of your organization within this framework.

Section 8A -- Statutory Framework

82. Please provide the name of the Legal authority and/or self-regulatory rules establishing public sector accounting standards in your country, the date of last amendment and the name of the body responsible for setting public sector accounting standards. If the standards are different for different entities (e.g., whole of government, ministry/department, statutory authority/agency, profit entity owned by government, state governments, local governments, other [please specify]), please specify the details that apply to each.

Article 3 of the Accountants Law provides: “Within public organs, the accounting standards shall be consistent with IPSAS, while in private sector they shall be consistent with IFRS”.

ICPAR has thus adopted IFAC standards and does not have a separate standard setting process. Consequently, ICPAR members/Practicing certificate holders are required to implement the International Public Sector Accounting Standards. The ICPAR Secretariat has mechanisms to support implementation of these standards.

Type of entity	Name of legal authority	Date of last amendment (e.g. MM/YYYY 06/2001)	Name of body responsible for setting public sector accounting standards
Whole of government			
-Ministry/department			
Statutory authority/agency			
-Profit entity owned by government			
State governments			
Local governments			
Other (please describe)			

a. How can IFAC obtain copies of these documents? [The Accountants Law no 11 of 06/05/2008 will be attached to this application.](#)

b. Are the documents available in English? [Yes](#)

Section 8B -- Standard-Setting (1)

83. For 1, please indicate the nature of the body (i.e., whether it is part of a government ministry or department, an agency appointed by government, a private organization established by the profession, or other [please describe]) and the name of the standards. [NA](#)

a. Nature of body

b. Name of standards

84. How many voting members does the standard-setting body have?

85. Are the members of the standard-setting body involved on a voluntary basis or employed by the standard-setting body?

-Voluntary

-Employed

-Both - Please describe

86. What are the criteria considered in selecting members of the standard-setting body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

87. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

88. What is the term of appointment for members?

Year(s)

89. For how many years has the standard-setting body been in existence?

Year(s)

90. Please indicate the budget in US\$ of the standard-setting body for the last fiscal year:

Note: Please enter a whole number using commas (e.g., 4,000,000)

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027)

91. To what entity is the standard-setting body accountable?

92. Describe the due process followed by the standard-setting body. Please include explanations of the following:

-Public exposure of standards

-Accessibility of meetings (i.e., public or private)

-Approval process for final standards (i.e., majority required to approve final standards)

-Other relevant due process activities

93. Approximately how many days per year does the standard-setting body meet in full session (including teleconferences)?

Day(s)

Section 9 -- Private Sector Accounting Standards

Responses to the questions in this section will provide a description of the legal, statutory and professional framework governing private-sector accounting standards in your country. The section focuses on the establishment of such standards. Please indicate what role your organization plays within this framework.

Section 9A -- Statutory Framework

94. Please provide the name of the Legal authority and/or self-regulatory rules that establish private-sector accounting standards in your country, the date of last amendment, and the name of the body responsible for setting private sector accounting standards. If the standards are different for different entities (for example, listed entities, private companies, governmental organization, not for profit organizations, etc.), please specify the requirements that apply to each.

Article 3 of the Accountants Law provides: “Within public organs, the accounting standards shall be consistent with IPSAS, while in private sector they shall be consistent with IFRS”.

ICPAR has thus adopted IFAC standards and does not have a separate standard setting process. Consequently, ICPAR members/Practicing certificate holders are required to implement the International Financial Reporting Standards. The ICPAR Secretariat has mechanisms to support implementation of these standards (Please see action under SMO 7)

The Accountants Law Article 7 sub article 11 require ICPAR to issue and to promote the implementation of accounting and auditing standards in public organs and private sector.

Article 247(7) of the Company Law requires auditors in the course of their audit to confirm that companies have complied with international accounting standards. This requirement is also in article 254 of the companies’ law.

Type of entity	Name of legal authority or applicable rules	Date of last amendment(e.g. MM/YYYY)	Name of body responsible for setting private sector accounting standards
Listed entity			
Other (please describe)			
Other (please describe)			
Other (please describe)			

a. How can IFAC obtain copies of these documents? The Law will be attached as well as the IFAC SMO Action plan update.

b. Are the documents available in English? Yes

Section 9B -- Standard-Setting

95. For 1, please indicate the nature of the body (i.e., whether it is part of a government ministry or department, an agency appointed by government, a private organization established by the profession, or other [please describe]) and the name of the standards.

a. Nature of body

b. Name of standards

96. How many voting members does the standard-setting body have?

97. Are the members of the standard-setting body involved on a voluntary basis or employed by the standard-setting body?

-Voluntary

-Employed

Both - Please describe:

98. What are the criteria considered in selecting members of the standard-setting body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

99. Who appoints these members (e.g., member body, government, user, regulator, etc.)?

100. What is the term of appointment for members?

Year(s)

101. For how many years has the standard-setting body been in existence?

Year(s)

102. Please indicate the budget in US\$ of the standard-setting body for the last fiscal year:

Note: Please enter a whole number using commas (e.g., 4,000,000)

n / a

Please enter the exchange rate used to calculate this number.

Note: Please enter a decimal amount (e.g., 4.0027)

103. To what entity is the standard-setting body accountable?

104. Describe the due process followed by the standard-setting body. Please include explanations of the following:

Public exposure of standards

Accessibility of meetings (i.e., public or private)

Approval process for final standards (i.e., majority required to approve final standards)

Other relevant due process activities

105. Approximately how many days per year does the standard-setting body meet in full session (including teleconferences)?

Day(s)

Section 10 -- Monitoring (Quality Assurance) and Enforcement

Responses to the questions in this section will provide a description of the legal and professional framework governing regulation of the profession in your country. Please indicate what role your organization plays within this framework.

Section 10A -- Securities Market Regulatory Authority

106. Name the authority that regulates the securities market:

The Capital Markets Advisory Authority (CMA)

107. What responsibilities does this organization have for monitoring and enforcing compliance with accounting, reporting or auditing requirements? Please identify the Legal authority that establishes that responsibility:

Capital Markets in Rwanda are regulated under Law No 1/2011 of 10/2/2011. The Authority has got the powers of approving or rejecting the Auditors of listed companies and other intermediaries.

108. Briefly describe the role of the regulatory authority as it relates to the following:

Regulation of the audit profession.

The Authority approves the Auditors of the licensed entities

Accounting and auditing standard-setting

The Authority has powers of determining the Auditing standards and it has the discretion of either consulting the Accounting Body or not to consult.

Review of financial statements prepared by listed entities, and monitoring of their compliance with the accounting and disclosure requirements

The Authority has the powers of reviewing the financial statements and to require another audit if the first one to the Authority's analysis was not conducted well.

Section 10B -- Stock Exchange

109. Name the four largest stock exchanges (by market capitalization) and whether it is organized as a profit or not-for-profit organization:

The Rwanda Stock Exchange: Established in 2011 by the CMAC. (Not for Profit)

Profit	Not-for-profit	Stock Exchange

110. Is there a mechanism at the stock exchange(s) for monitoring and enforcing financial reporting, accounting and auditing of listed entities?

Yes

Regulatory mechanisms still being developed. An MOU with ICPAR being discussed to address these. Please see attached draft MOU.

If YES, please describe the following:

a. How the monitoring and enforcement of financial reporting, accounting and auditing is conducted.

b. The consequences of non-compliance with the financial reporting, accounting or auditing requirements.

c. How enforcement actions are administered.

Section 10C -- Regulatory Oversight of the Accounting Profession

111. Has an audit profession oversight body been established (e.g., to oversee the external quality assurance review process, etc.)?

No

If NO, proceed to the next section.

If YES, please describe:

a. The duties of the oversight body

b. The number of members on the oversight body

c. Its powers

d. How the oversight body conducts or oversees a program of inspections to assess the degree of compliance of each audit firm/auditor with applicable auditing standards and regulations

e. The sanctions the oversight body may impose in the event of non-compliance?

f. How the oversight body is accountable to any public institution or body?

Section 10D -- Banks Regulatory Authority

112. Name the authority that regulates the banks and similar financial institutions. Discuss how this authority differentiates between accounting requirements for regulatory reporting and general purpose external financial reporting:

The National Bank of Rwanda- BNR (Central Bank)

113. Discuss briefly the legal requirements with respect to monitoring and enforcement by the regulatory authority of accounting and auditing standards that apply to the banks and similar financial institutions:

The Central Bank Authorizes and monitors auditors for Financial Institutions. Meetings have been held recently with the National Bank Governor and ICPAR will play an active role by establishing the quality assurance program to strengthen the audit industry.

114. Briefly describe the role of the regulatory authority as it relates to the following:

a. Regulation of the audit profession

This mandate falls under ICPAR's responsibility as per law no 11/2008 of 06/05/2008.

b. Accounting and auditing standard-setting

This mandate falls under ICPAR's responsibility as per law no 11/2008 of 06/05/2008

c. Review of financial statements prepared by listed entities

The BNR has internal mechanisms for this function. There are on going engagement to work jointly with ICPAR so that ICPAR can make input by providing technical expertise.

d. Enforcement of accounting, reporting and auditing requirements

This mandate falls under ICPAR's responsibility as per law no 11/2008 of 06/05/2008 but the National Bank has a stake and thus makes its contribution and dedicated initiative towards achieving enforcement.

Section 10E -- Non-Banking Financial Institutions Regulatory Authority

115. Name the regulatory authority(ies) responsible for monitoring compliance with and enforcing accounting, reporting and auditing requirements imposed on non-banking institutions.

Currently the National Bank of Rwanda has an arrangement of ensuring this objective is achieved. Following discussions with ICPAR an agreement was signed in December 2011 with the National Bank Authorized Auditors for Micro Finance Institutions (OCCAR). Under this agreement, ICPAR will assist the BNR in regulation of the auditors for Micro Finance Institutions. A copy of the MOU is attached.

116. What is the source of Legal authority of the regulatory authority (ies)? [Law no 11/2008 of 06/05/2008](#)

117. Briefly describe the role of the regulatory authority(ies) as it relates to the following: [Please refer to previous sections on ICPAR's regulatory mandate.](#)

a. Regulation of the audit profession

b. Accounting and auditing standard-setting

c. Review of financial statements prepared by listed entities

d. Enforcement of accounting, reporting and auditing requirements

Section 10F -- Insurance Companies Regulatory Authority

118. Name the regulatory authority responsible for monitoring compliance with and enforcing accounting, reporting and auditing requirements imposed on insurance companies.

[National Bank of Rwanda – BNR \(Central Bank\)](#)

119. What is the source of Legal authority of the regulatory authority(ies)?

[Law no 007/2008 of 08/04/2008 and Law no 55 of 2007 concerning banking.](#)

120. Briefly describe the role of the regulatory authority(ies) as it relates to the following

a. Regulation of the audit profession: [The Mandate falls on ICPAR as outlined above but NBR takes steps to assess and ensure Auditors are qualified to audit.](#)

b. Accounting and auditing standard-setting NA

c. Review of financial statements prepared by listed listed entities

d. Enforcement of accounting, reporting and auditing requirements

Section 10G -- Other Regulatory Authority

121. Name any other regulatory authority(ies) responsible for monitoring compliance with and enforcing accounting, reporting and auditing requirements.

Article 7 sub article 11 of the accountants law no 11/2008 require ICPAR to support entities in private and public sector to comply with accounting standards. Different laws require audit of accounts and ICPAR provides the professional expertise to achieve this in addition to enforcement of compliance requirements. No other body is explicitly charge with this responsibility.

122. What is the source of Legal authority of each regulatory authority?

123. Briefly describe the role of the regulatory authority(ies) as it relates to the following

a. Regulation of the audit profession

b. Accounting and auditing standard-setting

c. Review of financial statements prepared by listed listed entities

d. Enforcement of accounting, reporting and auditing requirements

Section 10H -- Quality Assurance

124. Does any organization of professional accountants/auditors organize a program of quality assurance review to monitor compliance with accounting, reporting and auditing requirements?

Yes

If NO, proceed to next Section.

If YES, briefly describe the monitoring and enforcement mechanism.

In 2011 ICPAR established the department for quality assurance. A member of staff was recruited to oversee the department. The staff has worked with a consultant to develop the AQA framework and the Model Audit File to support audit firms in strengthening their processes and systems. An action plan is being developed leading to firm reviews in months ahead. These will be preceded by education programs for audit firms.

The IFAC SMO Action plan outlines the activities undertaken so far under SMO 1: Quality Assurance

125. Under what authority does the organization conduct the program of quality assurance review?

Law no 11/2008 article 38, the Inspection commission is required to carry out inspection of audit firms. Article 3 also requires compliance with International Standards on Auditing (ISAs) issued by IFAC.

126. Who performs the review (e.g., one firm reviewing another firm, staff from the national professional organization, contractors, or a combination of these)?

The review program hasn't started till 2012. Going forward, we expect the Institute staff to carry out the reviews. Retired experts will/may be contracted to participate in the reviews.

Section 10 I -- Investigation and Discipline

127. Is there a process for investigating and disciplining the accounting profession in your country?

Yes

If NO, proceed to the Certification of Chief Executive

128. Which of the following best describes the responsibility for the investigatory and disciplinary function in your country?

-Government or other agencies are solely responsible for this function.

-Government or other agencies have this responsibility, but the member body or bodies participate in the process.

-Government formally delegates this function to the member body or bodies, to exercise on its behalf.

-Member body or bodies have separate and independent processes that operate alongside processes of legal authorities.

-Other (please explain)

ICPAR has its own process for carrying out Investigations and Discipline. Law no 11/2008 article 40 establishes the Disciplinary commission with the responsibility,

1. To receive, analyse and examine complaints relating to professional misconduct against members of the Institute;
2. To communicate its conclusion to the Governing Council of the Institute.

The law details the process including appeals. ICPAR undertakes the disciplinary process consistent with significant guidance from SMO 6, Investigations and Discipline.

129. Please indicate the name of the body or bodies responsible for investigation and discipline.

The Disciplinary Commission/Committee

Responses to the remaining questions in this Section are required if your organization has responsibility for investigation and disciplinary actions.

130. How many voting members does the body have?

The Commission has seven (7) members

131. Are the members of the body involved on a voluntary basis or employed by the standard-setting body?

-Voluntary

-Employed

-Both - Please describe:

2

132. What are the criteria considered in selecting members of the body (e.g., best person for the job, sector of the profession, private and public members, academic, geographical representation, etc.)?

Four (4) persons elected from members of ICPAR (by ICPAR members); A lawyer from the Bar Association of Rwanda and two other people appointed by the Minister for Finance - (Total 7).

133. Who appoints these members (e.g., member body, government, user, regulator, etc.)? As Above

134. What is the term of appointment for members?

Two (2) Years

135. For how many years has the body been in existence?

Two (2) Years

136. Please indicate the budget in US\$ of the body for the last fiscal year.

Note: Please enter a whole number using commas (e.g., 4,000,000) N/A. Its Voluntary.

Please enter the exchange rate used to calculate this number.

N/A

Note: Please enter a decimal amount (e.g., 4.0027) and specify currency

137. To what entity is the body accountable? [The Governing Council of ICPAR](#)

138. Approximately how many days per year does the body meet in full session (including teleconferences)?

4 Meeting Per Year

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