

## **BACKGROUND NOTE ON ACTION PLANS**

SMO Action Plans are developed by IFAC Members and Associates to demonstrate fulfillment of IFAC Statements of Membership Obligations (SMOs). SMOs require IFAC Members and Associates to support the adoption<sup>1</sup> and implementation<sup>2</sup> of international standards and other pronouncements issued by independent standard-setting boards under the auspices of IFAC as well as by the International Accounting Standards Board (IASB); and to establish a Quality Assurance (QA) review and Investigation and Disciplinary (I&D) systems.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where improvements are needed. Based on the results of the assessment, Members and Associates develop an SMO Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs and (b) where some requirements are not yet addressed, to present plans towards their fulfillment.

SMO Action Plans are designed to be ever-green documents that provide a comprehensive description of the accountancy profession and its legislative and regulatory environment in the jurisdiction as well as the actions undertaken by IFAC Members or Associates to support adoption and implementation of international standards and best practices.

Regular updates of the SMO Action Plans are required as part of the IFAC Member Compliance Program.

### **Use of Information**

Please refer to the [Disclaimer](#) published on the Compliance Program website.

## **ACTION PLAN**

<b>IFAC Member:</b>	Federación Argentina de Consejos Profesionales de Ciencias Económicas (FACPCE)
<b>Approved by Governing Body:</b>	FACPCE Board
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<sup>1</sup> *Adoption* is concerned with the decision that international standards are appropriate for use in specific national financial reporting environments and with the actions necessary to effect those decisions, including incorporation into national requirements or requiring the use of international standards through law. Adoption may include a process to review draft international standards, translation, public exposure of proposed standards, approval, incorporation into national requirements as necessary, and promulgation of final standards, and, where applicable, a convergence process to eliminate or minimize differences between international and national standards.

<sup>2</sup> *Implementation* may include a process to build awareness of the adopted standards, provide relevant education and training, develop or disseminate implementation guidance and any other activities that promote proper understanding and use of the standards in practice.

**GLOSSARY**

<b>BCRA</b>	Banco Central de la República de Argentina (Central Bank of the Argentine Republic)
<b>BD</b>	Board of Directors
<b>CECyT</b>	Centro de Estudios Científicos y Técnicos (Scientific and Technical Study Center)
<b>CENCYA</b>	Consejo Elaborador de Normas de Contabilidad y Auditoría (Accounting and Auditing Standard Setting Board)
<b>CNV</b>	Comisión Nacional de Valores (Securities and Exchange Commission)
<b>CPCE</b>	Consejo Profesional de Ciencias Económicas (Professional Councils of Economic Sciences)
<b>CPD</b>	Continuing Professional Development
<b>FACPCE</b>	Federación Argentina de Consejos Profesionales de Ciencias Económicas (Argentine Federation of Professional Councils in Economic Sciences)
<b>GR</b>	General Resolution
<b>HHRR</b>	Human Resources
<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>IAESB</b>	International Accounting Education Standards Board
<b>IASB</b>	International Accounting Standards Board
<b>IASCF</b>	International Accounting Standards Committee Foundation
<b>IFRSF</b>	International Financial Reporting Standards Committee Foundation
<b>ICAC</b>	The Spanish Institute de Contabilidad y Auditoría de Cuentas
<b>ICJCE</b>	Instituto de Censores Jurados de Cuentas de España (Spanish Institute of Chartered Accountants)
<b>I&amp;D</b>	Investigation and Discipline
<b>IES</b>	International Education Standard
<b>IESBA</b>	International Ethics Standards Board for Accountants
<b>IFAC</b>	International Federation of Accountants
<b>IFRIC</b>	International Financial Reporting Interpretations Committee
<b>IFRS</b>	International Financial Reporting Standards
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>IPSASB</b>	International Public Sector Accounting Standards Board
<b>ISA</b>	International Standard on Auditing

<b>ISQC</b>	International Standard on Quality Control
<b>GC</b>	FACPCE's Government Council
<b>PCAOB</b>	Public Company Accounting Oversight Board
<b>QA</b>	Quality Assurance
<b>RTSP</b>	Recomendación Técnica del Sector Público (Public Sector Technical Recommendation)
<b>SME</b>	Small and Medium Enterprise
<b>SMO</b>	Statement of Membership Obligation
<b>SSN</b>	Superintendencia de Seguros Nacional (National Superintendence of Insurance)
<b>TR</b>	Technical Resolution

**Subject of the Action Plan:** SMO 1: Quality Assurance

**Objective of the Action Plan:** FACPCE establishes a Quality Assurance Review System

#	Start Date	Actions	Date of Completion	Responsibility	Resources
<p><b>Background:</b></p> <p><b>a) Introduction</b></p> <p>In Argentina, there is a CPCE at each provincial government. They have the legal authority to issue rules regulating professional practice (accounting, auditing, ethics, and others).</p> <p>The twenty-four Professional Councils of Economic Sciences (CPCE) form the FACPCE, which issues professional standards through the Accounting and Auditing Standard Setting Board (CENCyA).</p> <p>Once the professional standards are issued by the FACPCE, they are by each CPCE and standards become mandatory to accountants and auditors. To this end, an agreement (Catamarca) was signed in 2002, and it was ratified by the Agreement of Tucuman, where each CPCE committed to approve without amendment and in a short time, the rules issued by the Argentine Federation.</p> <p>Accountants and auditors are required to enroll in the CPCE jurisdiction where they exercise, and their professional work is presented to the CPCE for control tasks of practice and certification of signature.</p> <p>The accounting rules adopted by each CPCE are then adopted by regulatory bodies (such as CNV, PRC, SSN, BCRA), although in some cases have minor differences.</p> <p>In the case that the Standards applied by a Company, by its own decision, or because it have been modified by the regulator, differs from professional accounting Standard approved by the CPCE, the auditor shall evaluate the applied deviation (relative to the professional standard) and will prepare the audit report based on this assessment.</p> <p><b>b) In connection with the SMO 1</b></p> <p>When the Action Plan was originally published in July 2008, the quality assurance review program only existed for the financial institutions subject to regulation by the BCRA. The BCRA is still the body responsible for this program for financial institutions.</p> <p>As from July 1, 2008, General Resolution (GR) No. 505, Securities and Exchange Commission (CNV) introduces a quality assurance control system for external auditors from companies with listed securities. GR 505 was inspired on IFAC's ISQC 1, and its primary purpose are to force auditing companies to develop and implement the quality assurance system. The CNV standards are available at the CNV's website (<a href="http://www.cnv.gov.ar/">http://www.cnv.gov.ar/</a>).</p> <p>Since publication of the Action Plan, FACPCE<sup>1</sup> has developed a disclosure active plan of the matter presenting works and proposals in the various National Congresses and other technical events. It has also promoted the organization of multiple conferences and workshops in different CPCE, where the basis and guidelines for a comprehensive quality review system by external auditors have been explained.</p>					

#	Start Date	Actions	Date of Completion	Responsibility	Resources
		<p>Within the CENCyA's<sup>2</sup> scope, FACPCE's technical body, a special commission was created, and worked on the elaboration of topic-specific standards and explanatory documents. In the three phases, in the analysis of the ways implemented, all the issues were included: type of standards issued, people responsible for the supervision, control and characteristics of forms, financing, etc. Regarding the scope of the standards resulting from each of the abovementioned phases, the first phase is expected to be comprised of: (a) mandatorily, auditors of financial statements of listed companies and other public interest entities, and (b) optionally, any professional expressing interest in complying with the system.</p> <p>Because of the interest generated in the profession, and all the measures adopted from the Action Plan, in the scope of the Ciudad Autónoma de Buenos Aires Professional Council in Economic Sciences, a quality assurance system initiative was carried out, to analyze and discuss its practical feasibility.</p> <p><b>In connection with the ISQC 1</b></p> <p>FACPCE through the CENCyA issued a Technical Resolution project, which suggested adoption of ISQC 1: ISQC 1 - "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements." After the appropriate consultation period, Technical Resolution 34 was approved (November, 2012), which fully adopts ISQC 1 for every auditor who states they have rendered professional services where the standards contained in Technical Resolutions No. 32, 33 and 35 are applied. These resolutions adopt different IFAC standards. In brief, this means that ISQC 1 will be applied to all financial statement audits of listed companies as they are obliged to apply the International Financial Reporting Standards (for this standard schedule, TR 34 sets the obligation to apply the International Standards on Auditing).</p> <p>On the other hand, an optional regime is established for the rest of the auditors, who will be able to voluntarily comply with TR 34 (adoption of ISQC 1). If the auditor realized this option, the standard (ISQC 1) application should be to its full extent.</p> <p>The Text of the CNV regulations establish a quality control system that is based on the Technical Resolution 34, since CNV requires the application of a system of quality control.</p> <p>With the adoption of IFRS by other public interest entities, these companies will be required to implement the ISQC 1 too (RT 34).</p>			
		<p>Since the elaboration of action plan (2008), FACPCE and other related organizations have carried out several actions that can be summarized as such "until 2015". After 2015, the actions carried out and planned are detailed.</p> <p>Considering different alternatives, elaborating a base document, disclosing, discussing and making decisions on the potential application of quality assurance programs for their members.</p> <p>Action done</p>			

#	Start Date	Actions	Date of Completion	Responsibility	Resources
		<p>1. Discussing and considering the topic (quality assurance) within FACPCE's scope.</p> <p>2. Elaborating a base document: introduction to the problem, potential forms of presentation, advantages and possible work schedule to reach consensus in the profession. Documents published by the PCAOB will also be considered (consultation on the quality requirements that control systems should comply with in other countries) and the European Commission (its vision on the characteristics that such systems should have).</p> <p>3. Submitting the base document to FACPCE's BD, and requesting the opinion of Professional Councils in Economic Sciences. Publication in FACPCE's website to receive comments from the whole profession in general. A report was elaborated. It was decided to proceed to the dissemination of the base work before its publication in the website (see next item).</p> <p>4. Base work distribution among the profession, presentation in Economic Science Professional Conferences, publication in professional journals</p> <p>5. Developing documents based on the comments received from the Professional Councils.</p> <p>6. Wide dissemination of the document and issues related to the profession.</p> <p>7. Creating debate forums and guidance/advice mechanisms to other sectors of the profession: companies of all sizes, individual professionals.</p> <p>8. Meeting with the Central Bank of the Argentine Republic to know the results of their review so as to seize the positive aspects and improve the negative ones.</p> <p><b>Developing a Quality Assurance Review System</b></p> <p>9. Developing and designing a system including: (a) both quality assurance phases; (b) defining the system characteristics among different alternatives; (c) ways of financing this system; (d) the scope of the system (its potential implementation and progress); (d) applying punitive standards once the system is implemented</p> <p>10. Developing and implementing training plans for the accountants interested in auditing entities listed for the implementation of ISQC 1.</p> <p>11. Developing and implementing training plans on the quality assurance system designed.</p> <p><b>New Developments –Creating the Quality Assurance Special Commission, within CENCyA's scope.</b></p> <p>12. The Commission's objective is to address the following two aspects of quality assurance, always and when the implementation is developed in three phases:</p> <p><b>Phase I:</b></p> <p>Discussing ways of applying the International Standard on Quality Control (ISQC) 1 "Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements."</p>			

#	Start Date	Actions	Date of Completion	Responsibility	Resources
<b>Phase II:</b> Discussing ways of implementing a control system implementing ISQC 1.					
<b>Phase III:</b> Debating ways of implementing a comprehensive quality assurance system, external and independent from the individual work of Public Accountants and Accounting Firms, who develop auditing standards and financial review, including the application of ISQC 1, and review of discussion papers from an audit work sample.					
<b>Implementing the Quality Assurance Review System</b>					
13. Considering the steps that lead to the implementation of the quality assurance system and starting actual exams. This includes updating the Action Plan for future activities, as necessary.					
<b>Future Review and Maintenance of the ongoing Process</b>					
14. Considering the possibility of a future quality assurance system review. This includes updating the Action Plan for future activities necessary to ensure that FACPCE is operating the quality assurance system efficiently and complying with the requirements of SMO 1.					
<b>Reviewing FACPCE's information on Compliance</b>					
15. Performing a regular review of FACPCE's answer to IFAC's compliance self-assessment, and the relevant updating sections of SMO 1, as necessary. Once updated, informing IFAC about the updates.					
<b>Actions that are carried out permanently or are ongoing, since 2016, are the following:</b>					
1.	Q2 2008	Base work distribution among the profession, presentation in Economic Science Professional Conferences, publication in professional journals <sup>3</sup>	Q3 2008 Completed and ongoing <sup>4</sup>	CENCyA's Special Commission Commission members	Congresses Meetings and technical seminars

<sup>3</sup> The base work was presented in the 17th National Congress of Economic Science Professionals. Córdoba - September, 2008, and was published in the technical journal DyG, ERREPAR Publisher

<sup>4</sup> It was decided that the action should be developed on an ongoing basis.

#	Start Date	Actions	Date of Completion	Responsibility	Resources
2.	Q3 2008	Wide dissemination of the document and issues related to the profession.	permanent	CECyT <sup>5</sup> and Professional Councils	Workshops Congresses HHRR
3.	Q1 2009	Creating debate forums and guidance/advice mechanisms to other sectors of the profession: companies of all sizes, individual professionals.	Q2 2009 permanent	Special Commission	Meetings Workshops
<i>Developing a Quality Assurance Review System</i>					
4.	Q3 2008	Developing and implementing training plans for the accountants interested in auditing entities listed for the implementation of ISQC 1.	Start Q2 2009 Ongoing	Professional Councils CECyT	Plan development Financing their implementation
5.	Q3 2009	Developing and implementing training plans on the quality assurance system designed.	Start Q2 2010 Permanent	Professional Councils CECyT	Plan development Financing their implementation
<i>New Developments –Creating the Quality Assurance Special Commission, within CENCyA's scope.</i>					
6.	Q1 2010	<b>Phase III:</b>	Phase III: Q2 2012	CENCyA Special Commission	FACPCE's Staff

5 CECyT – FACPCE's Scientific and Technical Study Center.



#	Start Date	Actions	Date of Completion	Responsibility	Resources
		Debating ways of implementing a comprehensive quality assurance system, external and independent from the individual work of Public Accountants and Accounting Firms, who develop auditing standards and financial review, including the application of ISQC 1, and review of discussion papers from an audit work sample.	Ongoing. Progress has been made with a Ciudad Autónoma de Buenos Aires Professional Council in Economic Sciences resolution.		Voluntary Members from the Special Commission CENCyA's Voluntary Members
<i>Implementing the Quality Assurance Review System.</i>					
7.	Subsequent	Considering the steps that lead to the implementation of the quality assurance system and starting actual exams. This includes updating the Action Plan for future activities, as necessary.	Subsequent	FACPCE's BD CECyT	HHRR Staff Meetings
<i>Future Review and Maintenance of the ongoing Process</i>					
8.	Ongoing	Considering the possibility of a future quality assurance system review. This includes	Ongoing	GC BD CECyT	HHRR Staff Meetings

#	Start Date	Actions	Date of Completion	Responsibility	Resources
		updating the Action Plan for future activities necessary to ensure that FACPCE is operating the quality assurance system efficiently and complying with the requirements of SMO 1.			
<i>Reviewing FACPCE's information on Compliance</i>					
9.	Ongoing	Performing a regular review of FACPCE's answer to IFAC's compliance self-assessment, and the relevant updating sections of SMO 1, as necessary. Once updated, informing IFAC about the updates.	Ongoing	GC BD CECyT	HHRR Staff Meetings
<i>Actions in response to recommendations made by the anti-bribery group (OECD)</i>					
10.	Q 2 - 2017	Comments from the OECD Group in relation to quality control were received. FACPCE proposed two actions: a) To coordinate the response of all agencies and organizations involved. b) To prepare an action plan for a period of 18 months	On going	CENCyA BD	HHRR Staff Meetings

#	Start Date	Actions	Date of Completion	Responsibility	Resources
		that concludes with some implementation recommendations.			
11.	Q 2	Including of this topic in debates to be held in the 2018 FACPCE National Congress (2018 Q3)	2018 Q3	BD	HHRR Staff

**Subject of the Action Plan:** **SMO 2: International Education Standards for Professional Accountants and other Pronouncements issued by the IAESB.**

**Objective of the Action Plan:** To ensure that all IES were incorporated into FACPCE's education requirements.

#	Start Date	Actions	Date of Completion	Responsible	Resources
<p><i>Background</i></p> <p>The educational requirement to become in a CPCE member (member of FACPCE) and so to be able to work as professional is limited to university studies. There is no professional skill or competence evaluation of candidates before their qualification. The Department of Education, Science and Technology establishes the requirements for the accountancy profession. Graduated professionals must register and obtain their licenses with the CPCE in their jurisdiction to be able to work as professionals, among them, as professional auditors.</p> <p>FACPCE, based on an IFAC IAESB's meeting in Buenos Aires in 2009, organized an event to promote the IES and IAESB's work to deans from Economic Science Schools as well as members of the Department of Education.</p> <p>Conferences and events were held to work directly with deans from local universities and academic professionals to educate professional and students on the IFRS, as well as ISA adoption. Also, regional events were carried out for province district associations. Progress was made to get support from universities. As communicated in the plan, these will direct a set of efforts to establish a work relationship with the Department of Education in 2009.</p> <p>Dissemination of IFAC's Education Standards among professionals was completed having the standards debated at National Congresses held by FACPCE every two years.</p> <p>Given the context set by the national laws mentioned above, progress has been made in the process of disseminating the international education standards, in the academic field, as well as the professional field, which is a necessary step to discuss the advantages of their adoption. The presentation of these standards in the Board of Deans of Schools of Economic Sciences (CODECE, its Spanish acronym), its treatment at National Congresses, have been important initiatives in the past years.</p> <p>Consolidation and growth of the Professional Development Federal System is another noteworthy fact related to ongoing education.</p> <p>The CReCER event held in Buenos Aires (2011), organized locally by FACPCE enabled a deep discussion of the IES.</p> <p>In July, 2014, such as in July, 2012, IFRS and SME IFRS international events were held (the fifth one in our country) using half a day to disseminate and comment on the IES and discuss a way to include teaching the IASB standards at university lecture.</p>					

#	Start Date	Actions	Date of Completion	Responsible	Resources
		<p>This initiative was discussed by representatives for multiple Latin American countries, and it created a need to continue discussing the matter in other events.</p> <p>The initiative was also presented in the framework of the Group of Latin American Standards Setters (GLENIF, its Spanish acronym), with the purpose of:</p> <p>a) Generating in the GLENIF the creation of a discussion group and dissemination of educational activities associated to IASB standards</p> <p>b) Promoting in the IASB a reissue of IFRS and SME IFRS educational workshops.</p> <p>In the National Congresses in Argentina, within the professional policy field, aspects related to university education, the continuing professional development system and different alternatives to promote their realization or search for their compulsory realization were discussed.</p> <p>The Professional Development Federal System (SFAP, its Spanish acronym) was certified in 2008 and 2011 as having a Quality Management System that complies with Standard ISO 9001 requirements. A maintenance audit of such certification is performed annually.</p> <p>To conclude, FACPCE is not able to modify by itself the conditions established by the Argentine Government to practice as an accountant and /or an auditor. However, FACPCE has performed and done its best to disseminate and internalize in different sectors the importance of complying with the proposals of the IESs.</p>			
		<p><i>Since the elaboration of action plan (2008), FACPCE and other related organizations have carried out several actions that can be summarized as such "until 2015". After 2015, the actions carried out and planned are detailed.</i></p> <p><i>To consider the different alternatives and lines of work to promote the establishment of the requirements to obtain the professional qualification set in IES 5 (practical experience), and IES 6 (professional competence and skill assessment). To create the motivation necessary for the current Public Accountant (voluntary) to apply the requirements for most accountants (IES 7).</i></p> <p><i>Action done:</i></p> <ol style="list-style-type: none"> <li>1. Obtaining the IES Spanish version (using the existing translation as the main basis).</li> <li>2. Comparing IES 5, 6 &amp; 7 requirements with local requirements and determining the differences.</li> <li>3. Searching among the results obtained by other countries (mainly those with legislations similar to Argentina's) to analyze their application in our country.</li> <li>4. Creating a base document showing the differences and potential courses of action.</li> <li>5. Discussing the document at BD and GC meetings</li> </ol>			

#	Start Date	Actions	Date of Completion	Responsible	Resources
		<p>6. Developing means of communication with universities to be able to disseminate knowledge and the corresponding degree of awareness of IES.</p> <p>7. Disseminating FACPCE's proposal.</p> <p>8. Developing means of communication with the Department of Education to discuss the potential application of the IES requirements.</p> <p>9. Based on the conclusions of the original plan, accommodating it modifying it for possibilities granted by universities and the Department of Education.</p> <p>10. Given the IES review and the changes applied to them, and bearing in mind that this process has not finished, the definite translated versions are not available yet. Once these are obtained, a new mapping will be performed that will enable the analysis of the base document differences, as well as future actions.</p> <p><b>Implementation of the Requirements Agreed Upon</b></p> <p>11. Step by step implementation of the changes achieved by consensus and those depending solely on the FACPCE. In this sense, regarding IES 7, a platform was developed for self-statement of activities outside those developed by the Councils, which fosters professionals' engagement. If necessary, the Action Plan will be updated for future activities. Working with the Department of Education on raising awareness of the modifications expected to be introduced in the legislation.</p> <p>12. CO.DE.C.E. included supervised professional practices (PPS) as part of the requirements to accredit Public Accountant careers, within the legal frame of National Law 26,427 of Educational Internships. This initiative is already implemented by several Universities in Argentina and will be monitored by CONEAU (National Commission of Evaluation and Accreditation of Universities). FACPCE considers these PPS as part of the implementation of IES 5</p> <p><b>Keeping processes running</b></p> <p>13. Considering regular reviews of FACPCE's educational needs to ensure the continuous incorporation of all IES requirements. This includes the existing requirements and preparation of the Action Plan for future activities, as necessary.</p> <p><b>Activities carried out</b></p> <p>14. Implementing a Quality Management System for the Professional Development Federal System (SFAP), and certifying it under quality standard ISO 9001.</p> <p>15. Rectifying the Professional Development Federal System (SFAP) (2012-2014)</p> <p>16. Surpassing audit controls of the annual Quality Certification maintenance.</p> <p>17. Continuing with trainers' training for SFAC, initiated in 2010.</p> <p><b>Actions that are carried out permanently or are ongoing, since 2016, are the following:</b></p>			

#	Start Date	Actions	Date of Completion	Responsible	Resources
12.	Q1 2014	Given the IES review and the changes applied to them, and bearing in mind that this process has not finished, the definite translated versions are not available yet. Once these are obtained, a new mapping will be performed that will enable the analysis of the base document differences, as well as future actions.	Q2 2015 Ongoing	Special Commission CECyT	HHRR
13.	Q3 2015	Discussions by FACPCE authorities with CO.DE.C.E. to include supervised professional practices as part of the requirements to accredit Public Accountant careers, within the legal frame of National Law 26,427 of Educational Internships	Q1 2016 Ongoing	FACPCE authorities Special Commission CECYT	HHRR
14.	Q4 2016	Within the FACPCE Education Special Commission, proposed changes on IES 7 are being introduced and debated.	Q3 2017 Ongoing	Special Commission CECyT	HHRR
<i>Implementation of the Requirements Agreed Upon</i>					
15.	Q1 2012	Step by step implementation of the changes achieved by consensus and those depending solely on the FACPCE. In this sense, regarding IES 7, a platform was developed for self-statement of activities outside those developed by the Councils, which fosters professionals' engagement. If necessary, the Action Plan will be updated for future activities.	Q3 2016 Ongoing	BD GC Professional Councils	BD meetings GC meetings HHRR

#	Start Date	Actions	Date of Completion	Responsible	Resources
		Working with the Department of Education on raising awareness of the modifications expected to be introduced in the legislation.			
16.	Q1 2016	CO.DE.C.E. included supervised professional practices (PPS) as part of the requirements to accredit Public Accountant careers, within the legal frame of National Law 26,427 of Educational Internships. This initiative is already implemented by several Universities in Argentina and will be monitored by CONEAU (National Commission of Evaluation and Accreditation of Universities). FACPCE considers these PPS as part of the implementation of IES 5.	Q1 2016 Ongoing	Special Commission CECYT	HHRR
<i>Keeping processes running</i>					
17.	Ongoing	Considering regular reviews of FACPCE's educational needs to ensure the continuous incorporation of all IES requirements. This includes the existing requirements and preparation of the Action Plan for future activities, as necessary.	Ongoing	BD GC Professional Councils	BD meetings GC meetings HHRR
<i>Reviewing FACPCE's Compliance Reporting</i>					
18.	Ongoing	Performing a regular review of FACPCE's answer to IFAC's compliance self-assessment, and the relevant updating sections of SMO 2, as necessary. Once updated, informing IFAC about the updates.	Ongoing	BD GC Professional Councils	BD meetings FACPCE's JG meetings HHRR



#	Start Date	Actions	Date of Completion	Responsible	Resources
<i>Activities carried out</i>					
19.	Q1 2014	Rectifying the Professional Development Federal System (SFAP) (2015-2017)	Q4 2014 Ongoing	BD GC	BD meetings GC meetings HRRR
20.	Q 2 - 2017	Comments from the OECD Group were received in relation to the conditions that had to be fulfilled in order to be able to exercise as external auditor. FACPCE proposed two actions: a) To coordinate the response of all agencies and organizations involved. b) To prepare an action plan for a period of 18 months that concludes with an implementation recommendation or with the impossibility of applying it.	On going	CENCyA BD	HRRR Staff Meetings
21.	Q 2	Including of this topic in debates to be held in the 2018 FACPCE National Congress (2018 Q3)	2018 Q3	BD	HRRR Staff

**Subject of the Action Plan: SMO 3:International Standards on Auditing and Quality Control**

**Objective of the Action Plan:** To establish and keep the IAASB Pronouncements adoption and implementation process under way.

#	Start Date	Actions	Date of Completion	Responsible	Resources
<p><i>Background:</i></p> <p>The Argentine Federation of Professional Councils in Economic Sciences (FACPCE) is responsible for elaborating and setting auditing standards. Professional Councils approve these standards for publication in their jurisdictions. Other regulatory organizations may develop complementary aspects of these standards. A proposal to converge the Argentine auditing standards with IAASB's standards (Resolution No. 284/03) was developed. This proposal was mostly complied with, as explained below.</p> <p>In 2007, FACPCE published the ISA Spanish version and distributed the publication widely at an affordable price, and is also delivering it at educational conferences and events.</p> <p>FACPCE has entered an agreement with IFAC, Mexico and Spain to make the translations and create a translation review entity so as to make the translation into Spanish uniform.</p> <p>FACPCE has been part of this new strategic alliance (through entering an agreement), together with IFAC, ICJCE, IMCP to ensure the sustainability of the translation into Spanish process of IFAC's standards. This agreement was signed in 2012, and the activities were initiated since 2013.</p> <p>A Special Commission was created within the scope of the CENCyA<sup>6</sup>, FACPCE's technical body, who work with specific objectives directed to the ISAs implementation:</p> <ol style="list-style-type: none"> <li>1. To present a preliminary adoption plan to be treated, and search for consensus with the regulatory organizations (CNV, BCRA, SSN, etc.).</li> <li>2. To analyze the potential incompatibilities among the standards and laws that rule the practice in Argentina, including the paragraphs related to the Public Sector.</li> <li>3. To develop surveys to recognize the needs for dissemination and training.</li> <li>4. To analyze the changes necessary to introduce the current auditing standards, for their application until full adoption of the ISAs.</li> <li>5. To suggest an effective date for the ISAs and other IAASB standards, for listed companies, banks and insurance companies.</li> <li>6. To suggest an effective date for the ISAs and other IAASB standards for other entities.</li> </ol> <p>CENCyA received proposals from the commission and moved forward with the elaboration of Technical Resolution Projects destined to public discussion of the following aspects:</p> <ol style="list-style-type: none"> <li>a) ISAs adoption for the organizations that apply IFRSs compulsorily</li> <li>b) a choice to apply ISAs for the rest of the organizations</li> <li>c) Adoption of the international standards on review engagement for the organizations that apply IFRSs compulsorily</li> <li>d) an option to apply ISREs for the rest of the organizations</li> </ol>					

#	Start Date	Actions	Date of Completion	Responsible	Resources
		<p>e) adoption of ISQC 1 (quality assurance) for auditors who apply IFAC's standards compulsorily</p> <p>f) an option to apply ISQC 1 (quality assurance) for the rest of the auditors</p> <p>g) adoption of independence standards of IFAC's Code of Ethics for auditors who apply IFAC standards compulsorily</p> <p>h) an option to apply assurance engagements and IFAC's related services for all accountants, in which case they must compulsorily apply quality assurance and independence standards</p> <p>i) Modification of the Auditing TR in force in Argentina for the rest of the audits (who are not obliged to apply the ISAs or do not desire to do so) to adopt the terminology, reports and other aspects of the IFAC standards adoption process</p> <p><u>All these draft standards have been approved as Technical Resolutions.</u></p> <p>From this approval as RT, the FACPCE, through CENCyA, studies, approves and enforces IFAC's regulatory changes in Spanish. This occurs with the Adoption Circulars of NIAs.</p> <p>The GC has approved courses on ISAs and other IFAC standards in every Professional Council which are part of FACPCE to properly prepare accountants who must or want to apply these standards.</p> <p>In relation with regulatory organizations and public interest institution control, the following have been completed:</p> <ul style="list-style-type: none"> <li>a) The BCRA issued the Auditing reporting standards required by the BCRA to financial institutions with TR 37.</li> <li>b) An Interinstitutional Commission has been constituted with the CNV to study the standards' controversial aspects related to the Capital Market Regulations; especially those aspects associated with auditors turnover and other related matters.</li> </ul> <p>We are working with the SSN to create two work commissions. One of them will analyze the necessary changes in the SSN standards concerning the auditing reports for insurance companies, to adapt to RT 37 provisions.</p>			
		<p><i>Since the elaboration of action plan (2008), FACPCE and other related organizations have carried out several actions that can be summarized as such "until 2015". After 2015, the actions carried out and planned are detailed.</i></p> <p><i>Considering different alternatives, elaborating a base document, disclosing, discussing and making decisions on Auditing and Quality Control.</i></p> <p><i>Action done</i></p> <p><b><i>Establishing an ongoing process for the adoption and implementation of IAASB Pronouncements</i></b></p> <ol style="list-style-type: none"> <li>1. Determining IAASB Pronouncements adoption program (already translated) and the schedule for its implementation.</li> <li>2. Translating and launching IAASB's 2007 manual (with IFAC's authorization) to promote it nationally.</li> </ol>			

#	Start Date	Actions	Date of Completion	Responsible	Resources
		<p>3. Disseminating the document already mentioned (at universities and among professionals).            4. Launching the Spanish version of IFAC's audit guide for SMEs.            5. Developing and implementing an extensive training program on IAASB pronouncements.            6. Extensive dissemination of the changes resulting from the adoption of IAASB pronouncements (universities, regulators, users, general public).            7. Translating and printing IAASB pronouncements after the "clarity process".</p> <p><b><i>New Developments – Creating the Special Commission for ISAs implementation, within CENCyA's scope.</i></b></p> <p>8. Presenting an adoption plan to be treated and previous consensus with regulators (CNV, BCRA, SSN).            9. Analyzing the potential incompatibilities among the current standards and laws in Argentina, including the paragraphs related to the Public Sector.            10. Elaborating surveys to recognize dissemination and training needs.            11. Analyzing the changes necessary to introduce in the current auditing standards, for their application until full adoption of the ISAs.            12. Suggesting an effective date for the ISAs and other IAASB standards, for publicly listed companies, banks and insurance companies.            13. Suggesting an effective date for ISAs and other IAASB standards for other entities.            14. Adoption of the ISAs application plan for auditors from different types of entities: public companies, banks and institutions, etc.            15. Elaborating a TRP to adopt different IFAC standards.            16. Analyzing the observations received during the consultation process.            17. Approval of the corresponding Technical Resolutions</p> <p><b><i>Maintenance of the ongoing process</i></b></p> <p>18. Designing a training program of all IFAC standards adopted by FACPCE.</p> <p><b>Making changes to the reporting standards and similar ones in regulatory and control institutions to converge with IFAC standard adoption process</b></p> <p>19. Creating a commission with the BCRA to review their standards related to auditors' reports. a. creation / b. final product/ c. BCRA standard modifying their auditing standards.            20.</p> <p><b>Actions that are carried out permanently or are ongoing, since 2016, are the following:</b></p>			

#	Start Date	Actions	Date of Completion	Responsible	Resources
<b><i>Maintenance of the ongoing process</i></b>					
22.	Ongoing	Continue supporting the adoption and implementation of IAASB pronouncements. This includes review of the Action Plan application to date and updating it, as necessary.	Ongoing	CENCyA BD	HHRR and Financial contributions
23.	Q2 2008	Translating IAASB's drafts and new documents.	Ongoing	CENCyA BD	HHRR and Financial contributions
24.	Q3 2008	Engaging in IAASB projects.	Ongoing	CENCyA BD	HHRR and Financial contributions
25.	Q3 2008	Creating a special committee to monitor and disseminate the activities and works developed by IFAC's Small and Medium Enterprise Committee.	pending	CENCyA BD	HHRR and Financial contributions
26.	Q4 2012	Designing a training program of all IFAC standards adopted by FACPCE.	Ongoing	CENCyA BD	HHRR
27.	2013	Delivering courses on IFAC standards at Professional Councils.	Permanent	SFAP Educators Councils	HHRR
<b><i>Making changes to the reporting standards and similar ones in regulatory and control institutions to converge with IFAC standard adoption process.</i></b>					
28.	2015	Creating a commission with the SSN to review their standards related to auditors' reports. a. creation / b. final product c. SSN standard modifying their auditing standards.	On going	CENCyA BD SSN	HHRR Meetings.
<b><i>Reviewing FACPCE's Compliance Reporting.</i></b>					

<b>#</b>	<b>Start Date</b>	<b>Actions</b>	<b>Date of Completion</b>	<b>Responsible</b>	<b>Resources</b>
29.	Ongoing	Performing a regular review of FACPCE's answer to IFAC's compliance self-assessment, and the relevant updating sections of SMO 3, as necessary. Once updated, informing IFAC about the updates.	Ongoing	CENCyA BD	HRRR and Financial contributions
30.	Q 2 - 2017	Comments from the OECD Group were received in relation to the generalization of the ISAs for all entities that have international performance. They also suggested modifying Argentine Auditing Standards to prevent bribery. FACPCE proposed two actions: a) To coordinate the response of all agencies and organizations involved. b) To prepare an action plan for a period of 18 months that concludes with an implementation recommendation or with the impossibility of applying it.	On going	CENCyA BD	HRRR Staff Meetings
31.	Q 2	Including of this topic in debates to be held in the 2018 FACPCE National Congress (2018 Q3)	2018 Q3	BD	HRRR Staff

**Subject of the Action Plan: SMO 4: IESBA Code of Ethics for Professional Accountants**

**Objective of the Action Plan:** To ensure the convergence with IFAC's Code of Ethics in every Professional Council.

#	Start Date	Actions	Date of Completion	Responsible	Resources
<p><i>Background:</i></p> <p>Taking into consideration the professional regulation in Argentina, each jurisdiction issued its own Code of Ethics with differences between the different Provinces. In addition, the laws of professional practice established different bodies in charge of the approval and modification of them. In some cases it is required a Provincial Decree, in others an Assembly of professionals (With different requirements of quorum and majorities), and in others the decision falls on a resolution of the Board of Directors of the Professional Council.</p> <p>To harmonize the local Codes, the FACPCE developed with the Professional Councils, a Code of Ethics Unified in the year 2000, which tried to adapt the different Jurisdictions. It is not having an uniform application</p> <p>.FACPCE and the Professional Councils are responsible for setting the ethics requirements for their members. The local codes were developed before 2004 and are not based on IFAC's Code; however, they are being reviewed to remove the differences with IFAC's Code of Ethics (as from June 2006).</p> <p>FACPCE keeps moving forward to taking actions as established in the plan to converge with IESBA's Code requirements, and communicating and training professionals on the differences. FACPCE provides ongoing support to the convergence with IESBA's Code, including the clarified version. In 2012, as a result of the approval of the ISAs and other IFAC's standards adoption, <u>Technical Resolution 34 was issued, which adopts the independence aspects of IFAC's Code of Ethics. (See SMO 3)</u></p> <p>With the approval of Technical Resolution 34, the independence aspects of the IFAC Code of Ethics are mandatory for audits of companies listed on the securities markets, since for them the application is mandatory. Such as those related to quality control in firms - ISQC 1-. (See SMO 3).</p> <p>Every audit engagement issued under the rules contained in Technical Resolutions No. 32, 33 and 35 (that adopt different IFAC standards) must complement the provisions of the Ethics Codes of each jurisdiction with the rules on independence. Contained in the International Code of Ethics of IFAC.</p> <p>On the other hand, an optional regime is established for the rest of the auditors, who may voluntarily comply with RT 34 (adoption of the rules on independence of the International Code of Ethics of IFAC).</p> <p><u>In relation to the remaining International Code of Ethics dispositions, a comparative study between the Code and the Code of Ethics FACPCE has been done (called Unified Code of Ethics).</u></p> <p>As a realization of its professional responsibility, FACPCE started studying the profession engagement in the elaboration and audit of the companies and other organizations' sustainability reports in 2008.</p> <p>The result was the approval of two professional standards:</p>					

- a) The one related to the preparation of the Social Balance, and
- b) The one related to the Social Balance audit.

The modifications of the Codes of Ethics implies the concretion of actions that are delayed in time by the intervention of other persons in charge (Powers of the Provincial States, Registered), who do not depend on the authorities of the Professional Councils, as mentioned above.

*Since the elaboration of action plan (2008), FACPCE and other related organizations have carried out several actions that can be summarized as such "until 2015". After 2015, the actions carried out and planned are detailed.*

*Action done*

***Make sure the Ethics Code of each Professional Council establishes ethics standards not less demanding than IESBA's Code of Ethics.***

1. Comparing existing codes of ethics from every Professional Council.
2. Comparing local codes of ethics to IESBA's Code of Ethics, to determine the differences translated into less demanding standards compared to IESBA's ethics standards.
3. Inventory of the differences that involve changes in the future and establishing a discussion forum to receive opinions and comments.
4. Elaborating a final document proposing the changes to be implemented. (It was partially completed for the independence aspects.)
5. Discussion and approval. (It was partially completed for the independence aspects.)
6. A separate analysis of the concept "independence" for its application in IAASB pronouncements, and adoption in Argentina. The change proposals and changes in Argentine standards.
7. Dissemination and training related to the changes. (The process is initiated in 2013 regarding independence.)
8. Elaborating a Technical Resolution Project to adopt the standards of independence of the IESBA Code of Ethics in audits where International Standards of Auditing are applied.
9. Approving Technical Resolution 34 adopting the standards of independence of the IESBA Code of Ethics in audits where International Standards of Auditing are applied.
10. Discussing possible ways of adopting the changes in the Councils that require more complex legal procedures for their application.

***Engaging the profession in the elaboration and audit of the organizations' sustainability reports (Social Balance).***

11. Studying the topic, research and suggestions.
12. Elaborating and approving the Social Balance TR project.
13. Elaborating and approving the Social Balance Auditing Interpretation project.
14. Analyzing the observations suggested during the consultation period.
15. Presenting and approving the Social Balance TR 36.
16. Presenting and approving the Social Balance Auditing Interpretation project.



**Actions that are carried out permanently or are ongoing, since 2016, are the following:**

*Make sure the Ethics Code of each Professional Council establishes ethics standards not less demanding than IESBA's Code of Ethics.*

32.	Q1 2014	Updating the final document elaborated (see above) concerning the later changes introduced in IESBA's Code of Ethics.	Q4 2015 Ongoing	BD Professional Councils	HHRR and Special Commission
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*Engaging the profession in the elaboration and audit of the organizations' sustainability reports (Social Balance).*

33.	2014	Reviewing the Social Balance TR due to changes in the GRI version.	2016 Completed	CENCyA BD GC	HHRR
34.	2016	Reviewing the Social Balance Auditing Interpretation project.	2017 Completed	CENCyA BD GC	HHRR
35.	2016	Dissemination the Social Balance TR 36 with INAES to apply it in cooperatives.	Ongoing	BD	HHRR

*Maintaining ongoing processes*

36.	Ongoing	Keep supporting the convergence in progress with IESBA's Code of Ethics. This includes review of the Action Plan application to date and updating it for future activities, as necessary.	Ongoing	BD Professional Councils	HHRR
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*Reviewing FACPCE's Compliance Reporting*

37.	Ongoing	Performing a regular review of FACPCE's answer to IFAC's compliance self-assessment, and the relevant updating	Ongoing	BD	HHRR
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		sections of SMO 4, as necessary. Once updated, informing IFAC about the updates.			
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**Subject of the Action Plan: SMO 5: International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB**

**Objective of the Action Plan:** To assist in the IPSASs adoption and application in Argentina.

#	Start Date	Actions	Date of Completion	Responsibility	Resources
<p>Background: FACPCE is not responsible for setting the public sector standards. FACPCE makes technical recommendations for the public sector in Argentina and makes the dissemination of the IPSASs in Argentina. During 2009 and 2010 events were held in different parts of the country to disseminate the Public Sector Accounting Recommendations (RTSP, its Spanish acronym) (Conceptual Framework). These standards were sent to IFAC as a contribution to the development of IFAC's conceptual framework. During 2010, the RTSP No. 2 draft, "Presentation of Budget Execution Accounting Statement", was elaborated. Its distribution has started and we have received comments on it. RTSP 2 was approved in 2011. The Public Sector commission has elaborated and submitted to CENCyA the RTSP 3 project "Financial Statement Presentation". During 2016, it was approved as RTSP. At the CRECER 2011 event, a very important sector on public sector accounting and auditing was established, with the presence of outstanding Argentine officials and from all Latin America for them to become acquainted with these standards. We have continued offering and delivering courses on these Recommendations throughout the country. Nowadays, FACPCE has finished the cooperation agreement subscription process with more public and private representative organizations, which aim is to research, manage and control public funds. The process of signing interinstitutional cooperation agreements with organizations and associations grouping them has also been completed, some of them comprised of organizations with competence to set public sector accounting standards.</p> <p>With some of them, Public Sector accounting standards setters have agreed to participate in the committee that prepares the RTSP, and in CENCyA. With this action, we expect to ensure that these organizations consider the RTSP particularly at the time of setting their own accounting standards.</p> <p><i>Since the elaboration of action plan (2008), FACPCE and other related organizations have carried out several actions that can be summarized as such "until 2015". After 2015, the actions carried out and planned are detailed.</i></p>					

*Action done*

**Continue promoting knowledge and application of IPSASs.**

1. Completing Public Sector Technical Recommendation No. 1 "Public Administration Accounting Conceptual Framework".
2. Developing RTSP No. 2 "Presentation of Budget Execution Accounting Statement.
3. Disseminating RTSP No. 2 Project, and reception of the related opinions.
4. Approving RTSP No. 2
5. Elaborating RTSP 3 Project "Financial Statement Presentation"
6. Analyzing Draft 3 at CENCyA.
7. Forwarding the Draft to the Public Sector Commission.
8. Reanalyzing Draft 3 at the Public Sector Commission and analysis by the BD.
9. Analyzing the Draft by CENCyA. Approval.
10. PRTSP 3 consultation period and reception of opinions, and modification by CENCyA.
11. RTSP 3 presentation and approval by the GC.

***Reviewing FACPCE's Compliance Reporting***

12. Performing a regular review of FACPCE's answer to IFAC's compliance self-assessment, and the relevant updating sections of SMO 5, as necessary. Once updated, informing IFAC about the updates.

**Actions that are carried out permanently or are ongoing, since 2016, are the following:**

Continue promoting knowledge and application of IPSASs.

38.	Q1 2008	Disseminating the International Public Sector Accounting Standards.	Ongoing	BD	HHRR and financial
39.	Q3 2015	PRTSP 3 consultation period and reception of opinions, and modification by CENCyA.	Q1 2016 Completed	Public Sector Commission and CENCyA	HHRR
40.	Q1 2016	RTSP 3 presentation and approval by the GC.	Q3 2016 Completed	CENCyA BD GC	HHRR

41.	Q2 2013	Elaborating the RTSP 4 Project "ASSET RECOGNITION AND MEASUREMENT" consistent with the IPSASs.	Q4 2017	Public Sector Commission	HRRR
42.	Q1 2014	XX National Congress: developing the base work in the Public Sector Area "PUBLIC SECTOR ACCOUNTING", with the following structure: a. Government Accounting: Technical-managerial and standard-related trends. Professional accounting standards and public administration financial statements. b. Impact of IPSASs adoption on public accounting.	Q3 2014	Public Sector Commission CECyT	HRRR
43.	Q4 2014	Draft 4 analyses at CENCyA of "ASSET RECOGNITION AND MEASUREMENT" consistent with IPSASs.	Q1 2018	Public Sector Commission, General Acc. Association. BD	HRRR Associations engagement due to the cooperation agreements subscribed.
44.	Q3 2015	Analyzing and approving RTSP Draft 4 at CENCyA.	Q2 2018	CENCyA BD GC	HRRR Associations engagement due to the cooperation agreements subscribed.
45.	Q2 2016	PRTSP 4 consultation period and reception of opinions.	Q3 2018	CENCyA BD	HRRR Associations engagement due to the cooperation

					agreements subscribed.
46.	Q3 2017	RTSP 4 presentation and approval by the GC.	Q4 2018	CENCyA BD GC	HHRR
<i>Maintaining ongoing processes</i>					
47.	Ongoing	Continue identifying opportunities to assist in the IPSASs implementation. This includes revision of the current activities and preparation of the Action Plan for future activities, if necessary.	Ongoing	BD	HHRR and Financial contributions

**Subject of the Action Plan:** **SMO 6: Investigation and Discipline**

**Objective of the Action Plan:** To continue improving FACPCE's research and discipline system.

#	Start Date	Actions	Date of Completion	Responsibility	Resources
<p><i>Background:</i></p> <p>Local associations are responsible for researching and setting penalties to their members when they act against the local codes. Taking into consideration the federal nature of the regulation of the professions in Argentina, each jurisdiction issued its own Law of professional practice. They defined the disciplinary attribution of the Professional Councils. These regulations also established the penalties that could be imposed on professionals.</p> <p>Regarding the procedures to be applied, there are differences between those of the different Provinces. In addition, the laws of professional practice established different bodies in charge of the approval and modification of them, in some cases it is needed a Law or a Provincial Decree and in others the decision falls on a resolution of the Board of Directors of the Professional Council.</p> <p>It is being analyzed the difference between all the jurisdiction and the requirements set in SMO 6.</p> <p>The modifications of the sanctions to apply or change procedures implies actions that need the intervention of other people in charge (Provincial States Government), that do not depend on the authorities of the Professional Councils , as mentioned above.</p> <p>FACPCE continues with the actions established in the plan to converge with SMO 6 requirements, and promote the changes in every CPCE.</p>					
<p><i>Identifying SMO 6's elements that are not part of the mechanism involved in the current I&amp;D at each Professional Council and pursuing approval.</i></p>					
<p><i>Since the elaboration of action plan (2008), FACPCE and other related organizations have carried out several actions that can be summarized as such "until 2015". After 2015, the actions carried out and planned are detailed.</i></p>					
<p><i>Action done</i></p> <ol style="list-style-type: none"> <li>1. Translating SMO 6 into Spanish and analyzing it.</li> <li>2. Obtaining I&amp;D programs for each Professional Council.</li> <li>3. Determining SMO 6 aspects that are absent in I&amp;D programs.</li> <li>4. Elaborating a final document suggesting the changes to make at each Council.</li> </ol>					
<p><b>Actions that are carried out permanently or are ongoing, since 2016, are the following:</b></p>					

48.	Q3 2010	Elaborating a final document suggesting the changes to make at each Council.	Ongoing	Special Commission Professional Councils	HRRR and Financial contributions
49.	Q2 2011	Promoting changes and follow-up for this process.	Ongoing	BD GC	HRRR meetings and Financial Resources meetings
<i>Maintaining ongoing processes</i>					
50.	Ongoing	Continue ensuring that FACPCE's research and discipline mechanism works efficiently and in line with the SMO 6 requirements. This involves review of the existing mechanisms and update of the Action Plan for future activities, if necessary.	Ongoing	BD GC	HRRR
<i>Reviewing FACPCE's Compliance Reporting</i>					
51.	Q2 2014	Performing a regular review of FACPCE's answer to IFAC's compliance self-assessment, and the relevant updating sections of SMO 6, as necessary. Once updated, informing IFAC about the updates.	Ongoing	BD GC	HRRR



**Subject of the Action Plan: SMO 7: International Financial Reporting Standards and Other Pronouncements Issued by the IASB**

**Objective of the Action Plan:** To assist in the development of the current program for the adoption and implementation of the International Financial Reporting Standards by the relevant organizations.

#	Start Date	Actions	Date of Completion	Responsibility	Resources
<p><b>Background:</b>  <i>In Argentina, there is a CPCE at each provincial government. They have the legal authority to issue rules regulating professional practice (accounting, auditing, ethics, and others).</i>  <i>The twenty-four Professional Councils of Economic Sciences (CPCE) from the FACPCE, which issues professional standards through the Accounting and Auditing Standard Setting Board (CENCyA).</i>  <i>Once the professional standards are issued by the FACPCE, they are settling by each CPCE and standards become mandatory to accountants and auditors. To this end, an agreement (Catamarca) was signed in 2002, and it was ratified by the Agreement of Tucuman, where each CPCE committed to approve without amendment and in a short time, the rules issued by the Argentine Federation.</i>  <i>Accountants and auditors are required to enroll in the CPCE jurisdiction where they exercise, and their professional work is presented to the CPCE for control tasks of practice and certification of signature.</i>  <i>The accounting rules adopted by each CPCE are then adopted by regulatory bodies (such as CNV, PRC, SSN, BCRA), although in some cases have minor differences.</i>  <i>In the case that the Standards applied by a Company, by its own decision, or because it have been modified by the regulator, differs from professional accounting Standard approved by the CPCE, the auditor shall evaluate the applied deviation (relative to the professional standard) and will prepare the audit report based on this assessment,</i>            Among the corporate control organizations is the Securities and Exchange Commission (CNV) (Market security regulator), acceptance of the standards by the CNV makes them compulsory for publicly listed entities.            FACPCE indicated, when elaborating its action plan, that the convergence of the national standards with the international standards is one of FACPCE's objective. FACPCE provides support to the implementation, including Continuing Professional Development Courses, training trainers and academicians, regional seminars and conferences, as well as the distribution of support materials.</p>					

#	Start Date	Actions	Date of Completion	Responsibility	Resources
		<p>In March, 2009, Technical Resolution (TR) 26 adopted the IFRSs set by IASB in their official translation into Spanish. This TR was modified to introduce later changes. The new IASB standards are adopted through NIIF Adoption Notifications issued every six months. The CNV sanctioned Resolutions 562 and 576 in December, 2009 and July, 2010 respectively. Together with them, TR 26 was approved by the CNV, so there is a compulsory application of the IFRS in publicly listed associations, for the year starting on January 1, 2012. Its early application is accepted for the year starting on January 1, 2011.</p> <p>In brief, the resolution is presently adopted and must be applied, for certain organizations regulated by the CNV, and as an option for all the rest. Additionally, TR 26 offers organizations where the controlling organization doesn't want to require the compulsory application of PSASs, different options: (a) IFRS for SMEs issued by IASB, or (b) the accounting standards current in Argentina, or (c) IFRS.</p> <p>The adoption of IFRS is the result of CNV and FACPCE's joint work, which develops an IFRS adoption plan for publicly listed companies. This plan involves essential activities to achieve a successful implementation. Some activities have been completed, and others are continuously being developed:</p> <p>a) IFRS trainers' trainer. 25 accountants were trained and must now prepare other colleagues in the country.  b) Developing a website, with free access to IFRS, according to the IASCF;  c) Printing IFRS in Spanish in 2010 and IFRS in Spanish in 2011;  d) Developing seminars and conferences to disseminate IFRS with the participation of IASB representatives for Latin America;  e) Meetings with universities to introduce the topic to be taught at graduate and post-graduate levels.  f) Elaborating reports on the complexities of IFRS implementation. The reports have been issued: For the first time applying the IFRS (IFRS 1) and models of financial statements issued as per the IFRS, reports related to IFRIC 12, and financial statements auditing reports using IFRS.  g) Elaborating the TR 38 (in 2013) and the TR 43 (in 2016) to update the TR 26 with new IASB standards.</p> <p>FACPCE analizó la mejor norma para las empresas Pequeñas y medianas y luego de un largo proceso se aprobaron las RT 41 para los entes pequeños y la RT 42 para los entes medianos. Se ha iniciado su aplicación y se estudiará el efecto de las mismas.</p> <p>Application of IFRS in bank institutions and the Central Bank of the Argentine Republic (BCRA) is the second phase of the plan proposed by FACPCE. In this sense, progress has been as follows:</p> <p>a) Subscribing an agreement by FACPCE and the Central Bank to form a working group to prepare a plan project to implement these standards. Based on the joint activities proposed for their development in the first quarter of 2011. This plan suggested the standards' adoption, which will be discussed by the Central Bank Board of Directors. <u>As a result of this plan, the Central Bank Board of Directors, in early 2014, issued Communication "A" 5541, where it states the BCRA Board of Directors' approval of a roadmap for the convergence with the IFRS for financial institutions.</u> The Central Bank of the Argentine Republic (BCRA) has decided on the convergence towards the International Financial Reporting Standards issued by the</p>			

#	Start Date	Actions	Date of Completion	Responsibility	Resources
		<p>International Accounting Standards Board (IASB) for the preparation of the Financial Statements of Institutions within the scope of the Financial Institutions Law corresponding to the years starting on 01/01/2018 and for the intermediate periods corresponding to the years mentioned, according to the scope defined in the Argentine Professional Accountants Standards. During the 04/01/2014 - 12/31/2017 periods, the BCRA will disclose the adaptations to the Reporting Standards and Regimes necessary for the convergence towards the IFRS, and will carry out the follow-up through the Superintendency of Financial and Exchange Institutions, about the degree of progress in the convergence plans duly presented.</p> <p>b) Discussions have been initiated with the National Insurance Superintendence for processes similar to the ones described.</p> <p>c) Regarding dissemination, worldwide events related to the IFRS and SME IFRS are held every year.</p> <p>d) Exhibitors from different countries and IASB participate.</p> <p>e) At CReCER 2011 event, this topic was especially highlighted during the discussion.</p> <p>f) The GLENIF was formed with other 11 countries from Latin America, to become acquainted with the Region's opinion in IASB in July 2011, achieving significant steps to date. Presently the GLENIF has extended its membership to 17 countries and is one of the ASAF members. FACPCE presided the GLENIF from 2013 to 2015,</p> <p>g) FACPCE participates in the meetings held by the IASB with worldwide standard setters.</p> <p>h) FACPCE participates in the IASB Emerging Economies Group.</p> <p>i) FACPCE participates in the SME IFRS Implementation Group (SMEIG).</p>			
		<p><i>Since the elaboration of action plan (2008), FACPCE and other related organizations have carried out several actions that can be summarized as such "until 2015". After 2015, the actions carried out and planned are detailed.</i></p> <p><i>Action done</i></p> <p><i>Assistance for the execution of convergence with the IFRS and promoting their adoption by control organizations (Securities and Exchange Commission (CNV), Central Bank of the Argentina Republic (BCRA), National Insurance Superintendency (SSN)).</i></p> <ol style="list-style-type: none"> <li>1. Suggesting IFRS adoption for listed companies by the Securities and Exchange Commission.</li> <li>2. Developing the work plan for its implementation (deadlines, progress, training and dissemination scenarios, etc.)</li> <li>3. Discussing the proposal and work progress of the professional standards project.</li> <li>4. Preparing and adopting the new TR to modify TR No. 26 to align the standards with CNV resolutions.</li> </ol>			

#	Start Date	Actions	Date of Completion	Responsibility	Resources
<p>5. Analyzing and discussing the definite plan applicable to unlisted "public interest institutions" and non-banks, insurance companies, cooperatives, social security entities, pension funds, and fund management companies. (First phase of the project)</p> <p>Analysis and discussion of the IFRS application plan in banking institutions and the Central Bank of the Argentine Republic (BCRA) through the following phases:</p> <ul style="list-style-type: none"> <li>6. Subscribing an agreement by FACPCE and the Central Bank to form a working group to prepare a plan project to implement these standards.</li> <li>7. Starting joint activities and the proposal to develop the agreement.</li> <li>8. Suggesting the adoption date and steps to take, which will be discussed with the Central Bank Council</li> </ul> <p><b>Actions that are carried out permanently or are ongoing, since 2016, are the following:</b></p>					
<p><i>Assistance for the execution of convergence with the IFRS and promoting their adoption by control organizations (Securities and Exchange Commission (CNV), Central Bank of the Argentine Republic (BCRA), National Insurance Superintendency (SSN)).</i></p>					
52.	Q2 2010	Analyzing and discussing the definite plan applicable to unlisted "public interest institutions" and non-banks, insurance companies, cooperatives, social security entities, pension funds, and fund management companies. (second phase of the project)	Q1 2019	Special Commission CENCyA Professional Councils Workshops Congresses	HHRR and financial Meetings
<p>Analysis and discussion of the IFRS application plan in banking institutions and the Central Bank of the Argentine Republic (BCRA) through the following phases:</p>					

#	Start Date	Actions	Date of Completion	Responsibility	Resources
53.	Q2 2014	Collaborating with the BCRA in relation with the proposal and development of the work to be carried out on the convergence with IFRS at financial institutions.	Ongoing	Special Commission CENCyA	HHRR and financial Meetings
54.	Q1 2015	Analyzing and discussing the IFRS application plan to insurance companies.	Q1 2018	Special Commission CENCyA Professional Councils Workshops Congresses	HHRR and financial Meetings
<i>Maintaining ongoing processes</i>					
55.	Q1 2010	Continue developing guides and other materials to facilitate the IFRS application process.	Permanent Ongoing	Special Commission CENCyA Professional Councils	HHRR and meetings
56.	Q1 2010	Continue disseminating the standards at universities and other similar institutions to achieve a change in the Public Accountant curriculum.	Permanent Ongoing	Special Commission CENCyA	HHRR and meetings
57.	Ongoing	Keep identifying opportunities to continue helping in the IFRS implementation. This includes review of the existing activities and update of the Action Plan for future activities when necessary.	Ongoing	Special Commission CENCyA	HHRR

#	Start Date	Actions	Date of Completion	Responsibility	Resources
<i>Permanent relationship with IASB</i>					
58.	Every year	Participating in annual events of World Standards Setters and IASB	Annually	CENCyA	
59.	2011	Participating in IASB Emerging Economies Group.	Permanent	CENCyA	
60.	2010	Participating in the SME IFRS Implementation Group.	Permanent	CENCyA	
<i>Encouraging the creation of Standard Setting Regional Organizations to fully relate to the IASB.</i>					
61.	2011	Constitution of, and participation in the GLENIF.	Permanent	CENCyA	
62.	2013	GLENIF Chair (organizational aspects)	2013-2015 Completed	CENCyA	HHRR
<i>Reviewing FACPCE's Compliance Reporting</i>					
63.	Q2 2014	Regularly reviewing FACPCE's answer to IFAC's compliance self-assessment and development sessions related to SMO 7, as necessary. Once updated, informing IFAC about the updates.	permanent	CENCyA's special commission	HHRR
64.	Q 2 - 2017	Comments from the OECD Group regarding the adoption and implementation of IFRS in Argentine companies were received. FACPCE proposed two actions: a) coordinating the response of all agencies and organizations involved b) Preparing an action plan for a period of 18 months. It should conclude with the implementation of a series of recommendations or with the impossibility of applying it.	On going	CENCyA BD	HHRR Staff Meetings
65.	Q 2	Including of this topic in debates to be held in the 2018 FACPCE National Congress (2018 Q3)	2018 Q3	BD	HHRR Staff

21<sup>st</sup> June, 2019

Joseph Bryson  
Director, Quality & Development  
International Federation of Accountants  
529 Fifth Avenue  
New York, NY 10017 USA

Dear Mr. Bryson,

**Subject: Letter to Confirm Institutional Support for the SMO Action Plan**

This letter is to confirm that the leadership of the Federación Argentina de Consejos Profesionales de Ciencias Económicas has reviewed the information contained in the SMO Action Plan prepared by Federación Argentina de Consejos Profesionales de Ciencias Económicas as part of the IFAC Member Compliance Program and will provide institutional support for its implementation.

On behalf of the leadership of the Federación Argentina de Consejos Profesionales de Ciencias Económicas, I endorse publication of the SMO Action Plan on the IFAC website in the interests of transparency and to demonstrate our commitment to enhancing the quality and credibility of the accountancy profession worldwide.

Sincerely,



Dr. José Luis Arnoletto  
President  
Federación Argentina de Consejos Profesionales de Ciencias Económicas  
21<sup>st</sup> June, 2019