BACKGROUND NOTE ON ACTION PLANS

The SMO Action Plan is intended to provide a summary of:

- The legal and regulatory environment for the profession;
- The status of adoption of international standards and best practices in the jurisdiction; and
- The level of a Member's or Associate's fulfillment of IFAC membership requirements.

IFAC Statements of Membership Obligations (SMOs) require IFAC Members and Associates to support the adoption[1] and implementation[2] 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. The SMOs are recognized as the international benchmarks for credible and high-quality PAOs that are focused on and have the necessary expertise to serve the public interest and meet the market demands of their respective jurisdictions.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where, if any, improvements are needed. Members and Associates should develop an Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs (revised in 2012), and (b) where some requirements are not yet addressed, to present plans towards their fulfillment. Action Plans are designed to be **ever-green** documents that take into consideration IFAC recommendations. Depending on the PAO's level of fulfillment (see *IFAC's Summary Assessment* – page 2), an Action Plan may not be necessary for each SMO section and instead the '*Attestation of Ongoing SMO Compliance*' is used to confirm their ongoing commitments. However, PAOs may wish and are welcome to utilize the Action Plan as a tool to demonstrate how they are using 'best endeavors' and going beyond their mandate with innovative approaches to fulfilling the SMOs and strengthening the national profession.

The specific details of each organization's actions will vary even where two PAOs are involved in the same SMO area. Each PAO operates in its own unique regulatory and standard-setting framework and has different operating, technical, and resource capacities. Moreover, in deciding when and how a particular SMO requirement is to be addressed, PAOs might have differing timeframes and objectives to achieve. Notwithstanding these inevitable differences, seeking the advice and assistance of other PAOs who have already faced and dealt with similar challenges can save significant time and resources. IFAC staff will offer assistance as needed.

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 IFAC website.

---

[1] *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 affect 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.

[2] *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.

ACTION PLAN

IFAC Member: Ordem dos Revisores Oficiais de Contas (OROC)
Approved by Governing Body: **Executive Board**
Original Publish Date: September 2011
Last Updated: August 2022
Next Update: August 2025

IFAC's Summary Assessment: IFAC staff will complete this section at the conclusion of each SMO Action Plan review and update process. PAOs are encouraged to take staff's recommendation into consideration as part of future strategic planning conversations at the PAO.

For more information on IFAC Member Compliance Program and the legends used to describe the status of adoption of international standards, best practices, and fulfillment of SMO requirements, please refer to the Status of Adoption methodology and SMO Fulfillment methodology.

FOR IFAC COMPLETION	OROC Level of Responsibility for Adoption	Adoption Status as of 2022	Level of SMO Fulfillment as of 2022
QA / SMO 1	Shared	🟩 Adopted	🟩 Sustain
IES / SMO 2	Shared	🔺 Partially Adopted	🟩 Sustain
ISA / SMO 3	No Direct	🟩 Adopted	🟩 Sustain
IESBA / SMO 4	Shared	🔺 Partially Adopted	🔺 Plan
IPSAS / SMO 5	No Direct	🔺 Partially Adopted	🟩 Sustain
I&D / SMO 6	Shared	🟩 Adopted	🟩 Sustain
IFRS / SMO 7	No Direct	🟩 Adopted	🟩 Sustain

Attestation of SMO Compliance

The **OROC** has developed an Action Plan to demonstrate how it fulfills the requirements of the SMOs (revised in 2012). The abovementioned *Governing Body* has reviewed the information contained within the SMO Action Plan and affirms that the **OROC** continues to undertake these and other relevant actions to maintain ongoing compliance and fulfillment of the membership obligations where IFAC's assessments are at *Review & Improve* and/or *Sustain*. In areas where IFAC's assessments are at *Execute*, *Plan*, *Consider*, or *Not Active* the **OROC** has updated the Action Plan to reflect the specific actions to adopt or support adoption and support implementation that must be taken to achieve the improvement accompanied by a timeline.

On behalf of the **OROC**, the *Governing Body* endorses the information contained within the SMO Action Plan as of the publication date and its publication 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.

Action Plan Subject: SMO 1 and Quality Assurance
Action Plan Objective: Review and improvement of the existing Quality Assurance program

---

Background:

The Ordem dos Revisores Oficiais de Contas (OROC) has a mandatory Quality Assurance (QA) review program in place that covers all non-PIE audit professionals acting both individually and within firms. The current review program is compliant with the 2014EU Directive on statutory audits and the EU Regulation specific to audits of PIEs (both transposed to national Law in September2015 and effective from 1 January 2016) and is based on an annual program prepared and managed by OROC with the oversight of the Portuguese Auditor´s Oversight Board within *Comissão do Mercado dos Valores Mobiliários* (CMVM), the *Portuguese Stock Market Regulator*). We consider OROC's system is fully compliant with the revised SMO 1. The quality control review program is developed by OROC in two streams: quality review of the firm´s internal quality policies and procedures and quality review of audit engagements. The auditors and audit firms to be reviewed are selected on a random basis. The system provided for auditors and audit firms to be reviewed at least once in a 6 years cycle, except for those auditors and audit firms who audit PIE´s in which case the review cycle is 3 years. Reviewers prepare a written report after the QA review which is discussed and approved by the CCQ. In case where deficiencies are noted, the OROC board may subsequent actions (which may include recommendations, yearly follow-up or sending the QF file to the disciplinary committee).

The basis for the judgment of the internal control system is relied upon OROC by-laws as well as the international standards and the experience of the reviewers. International Standard on Quality Control 1 (ISQC 1) is part of the benchmark for these cases and was translated into Portuguese for easy guidance. These reviews are performed following standard questionnaires approved by the Quality Control Committee (CCQ).The Quality Control Regulation explains the qualification requirements of the reviewers. In general, reviewers need to have at least a five-year experience and full dedication to statutory audit activities. Also they should have a minimum annual availability of 70 hours to perform the reviews. A list of reviewers is approved every year by the CCQ.

As regards PIE audit professionals, the mandatory quality control review was assigned by law to CMVM as from 1 January 2016. Accordingly, OROC is not including any PIE audit professionals in its quality control review programs. Although we have not been informed about the way CMVM is conducting their quality control reviews, we believe that they are following a similar process of OROC which is stated above. No specific regulation on QC was published by the CMVM. We know that QC on PIE audits have occurred, however we were not informed by CMVM on the process nor the results of the inspections they have already made till now.

#	Start Date	Actions	Completion Date	Responsibility	Resource
Review and Update the Program in Line with the EU Directive 2006/43/CEE (as amended by EU Directive 2014/56/UE)					
1.	July 2020	Select on a random basis the auditors and audit firms of non-PIEs to be subject to quality control during 2020/2021 cycle (regarding 2019 reporting period). This selection was made on a public event in June2020. Reports issued by the reviewers by June 2021 and results communicated to all members on November 2021.	June 2020 Completed	OROC Executive Board	Quality Control Committee
2.	July 2021	Select on a random basis the auditors and audit firms of non-PIEs to be subject to quality control during 2021/2022 cycle (regarding 2020 reporting period). This selection was made on a public event in July 2021.	July 2021 Completed	OROC Executive Board	Quality Control Committee
3.	December 2015	Review and amend the current quality control regulations to be in line with new Directive and Regulation. To be agreed with the new oversight body (CMVM).	March 2016 Completed	OROC and CMVM Executive Boards	Quality Control Committee
4.	December 2015	Review the actual control check-lists procedures and reports.	March 2016 Completed	OROC and CMVM Executive Board	Quality Control Committee
Maintaining Ongoing Processes					
5.	Annually	Continuous guidance on how to implement an effective system of quality control through training sessions open to all auditors at least once a year (last session held on April 8, 2022)	Annually	Technical Department	Staff of Technical Department together with Review Translation Committee
6.	Annually	The CCQ selects annually the reviewers through an application form that follows SMO 1. The CCQ requires that all reviewers attend a training program defined by the CCQ on an annual basis. OROC to organize an ISQC 1 session for all members. These sessions are presented by the CCQ. Last session, 9 (in Porto) and 11 (in Lisbon) November, 2021 and it regards to the new cycle 2021/2022.	Annually	Quality Control Committee	Quality Control Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
7.		CCQ promotes a training session to present the "Lessons learnt" from the last annual cycle open to all practitioners on November 12			
8.	Ongoing	Ensure that the QA review system is in line with SMO 1 requirements as referred in the background above. From 2016 after, following the EU legislation, QA review system for PIE's fully depends on the new oversight body (CMVM). It is not expected that changes to the system will not comply with the revised SMO 1.	Ongoing	OROC and CMVM Executive Board	Quality Control Committee/ Training Department
#	Start Date	Actions	Completion Date	Responsibility	Resource
Review of OROC's Compliance Information					
9.	Ongoing	Perform periodic review of OROC's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 1 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	OROC Executive Board	Quality Control Committee/ Training Department

Action Plan Subject: SMO 2 and International Education Standards
Action Plan Objective: Continue to use best endeavours to ensure that all the requirements of the International Education Standards requirements are incorporated into OROC education requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background:					
Improving the Continuous Professional Education					

Background:

OROC has defined the educational pathway to access the profession in accordance with the legal regime. Access to the profession is defined in the Audit Legal Regime directly transposed from the EU audit legislation and complies, overall, with SMO 2. Candidates for OROC membership are required to hold an University Degree and complete entrance examinations (4 written exams and 1 oral exam), after which, following 3 years of practical experience as trainees with a mentor (this mentor should have a minimum 5 year experience) and have a positive final assessment from the Practical Experience Committee.

In addition, there is a requirement for OROC members to obtain 60 credits of Continuing Professional Development (CPD) over a three-year rolling period, with a minimum of 10 credits per year. CPD requirements are monitored by the Training Department to seek compliance with the CPD Regulation.

CPD Courses are mandatory for all listed members. There are conversion ratios to convert hours into credits, depending on the nature of the training session. Some other activities, such as participation as trainers, speaker on certain events, among others (detailed on OROC training regulation). A list of all courses attended by members is maintained at OROC's system for courses provided by OROC and members annually inform OROC of any other courses taken outside OROC. Credits can be also obtained by writing and publishing books, writing articles in known accounting publications, and by lecturing courses, etc.

Improving the Continuous Professional Education

#	Start Date	Actions	Completion Date	Responsibility	Resource
10.	Ongoing	Issue a draft of the CPD themes for each year, comprising the subjects of the courses.	Ongoing	Education/Training Committee	Education/Training Committee
11.	February 2009	Reformulate the CPD rule, according to International Education Standards(IES) 7, *Continuing Professional Development*.	June 2009 Completed	OROC Executive Board	Education/Training Committee
12.	December, 2015	A Review of SMO 2 will be made in 2016 to confirm OROC´s compliance with its requirements	March, 2016	Technical Department/Training Department	Education/Training Committee
13.	Ongoing	Ensure that all active members follow the required CPD courses.	Ongoing	OROC Executive Board	Education/Training Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
14.	September 2009	Investigate implementing a more output-based approach system for CPD.	June 2010 Completed	OROC Executive Board	Education/Training Committee
Maintaining Ongoing Processes					
15.	Ongoing	Continue to ensure that entry-requirement level of IES 1, *Entry Requirements to a Program of Professional Accounting Education,* are incorporated in OROC education standards.	Ongoing	OROC Executive Board	Education/Training Committee
16.	Ongoing	Maintain an ongoing process to monitor new and revised International Accounting Education Standards Board(IAESB) pronouncements and incorporate them into education and examination requirements. OROC will participate in the international standard setting process by providing comments on Exposure Drafts and other pronouncements issued by the IAESB.	Ongoing	OROC Executive Board	Education/Training Committee
17.	Ongoing	Continue to ensure OROC education requirements incorporate all IES requirements. This includes review of the Action Plan and updating the Action Plan whenever necessary.	Ongoing	OROC Executive Board	Education/Training Committee
Review of OROC's Compliance Information					
18.	Ongoing	Perform periodic review of OROC's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 2 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	OROC Executive Board	Education/Training Committee

Action Plan Subject: SMO 3and IAASB Pronouncements
Action Plan Objective: Continueto adopt and implement international standards on auditing

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background:					
		OROC is responsible for endorsing auditing standards in Portugal and has established, since a few decades, an ongoing process for convergence with the International Standards on Auditing (ISA). Although OROC's legal regime provides for the application of ISAs as adopted by the European Union, we have made available to all professionals a translation into Portuguese of ISAs as a mandatory supplement (in case of loopholes) to the national audit standards (witch anyway are ISA based). The new audit legal regime establishes the use of ISAs issued by the IAASB until ISAs adopted by the EU are in place. This legal regime enters into force in 2016.			
		Our institute frequently informs its members of all IFAC pronouncements, generally through OROC's website, the quarterly magazine and through our web based "Auditor's Manual" containing various subjects that is available to all members.			
		With the implementation of the new EU Directive, ISAs will be applicable as adopted by the European Commission. National auditing standards will be allowed only to the extent that the matter is not provided in or covered by ISAs as adopted by EC. Any developments on this matter depend on how and when the EC will adopt ISAs.			
		Future national standards will be developed by OROC and endorsed by the national oversight board (CMVM).			
Maintaining Ongoing Process of Review, Translation and Adoption of International Standards on Auditing					
19.	March 2009	Translate the new and updated ISAs under the clarity project of International Auditing and Assurance Standards Board (IAASB).	Completed	Technical Department	Staff of Technical Department together with Review Translation Committee
		International Standards on Auditing and ISQC Handbook for 2010 was translated and published in Portuguese language.	Completed in October 2010		
	Ongoing	The IAASB Policy Position on Modifications will be respected, if standards are modified.	Ongoing		
20.	Ongoing	Make translated standards publicly available through OROC website and OROC web based manual.	Ongoing	Technical Department	Staff of Technical Department
21.	March 2009	Constitute a Review Translation Committee (RTC) following the Policy for Translating and Reproducing Standards Issued by the IFAC.	April 2009 Completed	OROC Executive Board	Big 4 Audit Firms; Auditor´s Oversight Board (CNSA) and OROC

#	Start Date	Actions	Completion Date	Responsibility	Resource
22.	Ongoing	Send for approval of CNSA all ISAs translated and reviewed by the RTC.	Ongoing	OROC Executive Board	RTC
23.	Ongoing	As required by the European Commission send all ISAs for review and approval for further publication in the European Official Journal.	December 2009 Completed	OROC Executive Board	Technical Department
24.	July 2012	Review translation of IAASB Pronouncements related to Part II International Standards on Auditing and ISQC Handbook for 2012. Bound Volume Part II, 2012 Published.	September 2013 Completed	OROC Executive Board	Technical Department
25.	September 2015	Prepare ISA implementation in Portugal as Audit Framework for all audits performed by Portuguese auditors and audit firms. Since the 1st of January 2016, ISAs have been fully adopted as the Audit Framework in Portugal.	December 2015 Completed	OROC Executive Board	Technical Department
26.	March 2018	Issue a Guide to Use ISAs in a SME environment based on existing IFAC literature..	September 2018	OROC Executive Board	Technical Department
27.	December 2018	Issue translation of IAASB Pronouncements related to Part I and II International Standards on Auditing and ISQC Handbook for 2018.	February 2019	OROC Executive Board	Technical Department
28.	January 2022	Initiated the process to translate the updated version of IFAC Handbook	Ongoing	Technical Department	Staff of Technical Department
Ongoing Education and Information on ISAs					
29.	As needed	Provide training sessions over the new, revised or redrafted ISAs as adopted by the EC to all members. OROC launched in March, 2015, an e-learning ISA course available for auditors and others.	Ongoing	OROC Executive Board	Education/Training Committee
30.	Ongoing	Promote discussion with Universities to further include the updated ISAs in their curricula.	Ongoing	OROC Executive Board	Education/Training Committee
31.	Ongoing	Provide information on the latest developments on ISA through the website and OROCs Magazine.	Ongoing	OROC Executive Board	Technical Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
32.	Ongoing	Translate and make public to all members all new IAASB standards	Ongoing	OROC Executive Board	Technical Department
33.	Ongoing	Issue technical guidance about the application of ISA and other IAASB pronouncements considering local environment and regulations. OROC has issued till June 2018, 20 technical guidelines (denominated "Guia de Aplicação Técnica") most of them relating to reporting models. Also, OROC as disseminated technical alerts on specific topics (COVID-19, conflict in Ukraine)	Ongoing	OROC Executive Board	Technical Department
Ongoing Review Process of New and Revised Standards					
34.	Ongoing	Continue internal quality control reviews assessing, among other things, the compliance with ISAs.	Ongoing	OROC Executive Board	Quality Control Committee
Review of OROC's Compliance Information					
35.	Ongoing	Perform periodic review of OROC's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 3 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Executive Board of OROC	Technical Department

Action Plan Subject: SMO 4 and IESBA Code of Ethics
Action Plan Objective: Continue to use best endeavours to maintain ongoing process to adopt and implement of the IESBA Code of Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background:					
Ethical requirements are set in the Audit Legal Regime and the Code of Ethics of the Profession. The Code of Ethics was developed by OROC based on the IESBAs code, approved in the General Assembly. OROC has decided to adjust its Code of Ethics to be in line with the relevant parts of the Code of Ethics of the International Ethics Standards Board for Accountants (IESBA). This objective has resulted in the draft of a new Code of Ethics in July 2011. The draft was submitted for final approval to the CNSA and OROC´s members through the general assembly. The final Code of Ethics was approved in September 2011 and became effective in January 2012.The OROCs Code of Ethics currently in place is based on the 2009 IESBAs Code of Ethics. OROC is considering to update the current Code of Ethics with the most recent version of the IESBA Code of Ethics taking into consideration the requirements of the new EU Directive and Regulation. Training courses on the Code of Ethics are being considered for 2018. The new Code of Ethics was also integrated into the exams to access the profession. OROC Ethics are dealt with directly by the Executive Board. The new EU Directive and Regulation for audit of PIEs reflected many of the ethical issues included in the Code of Ethics mainly with respect to independence.					
Adoption of the Current Code of Ethics					
36.	April 2009	Review of IESBA' and OROC's Code of Ethics to identify significant differences.	June 2009 Completed	OROC Executive Board	Executive Board of OROC
37.	June 2009	Draft new version of OROC´s Code of Ethics which includes all changes needed to ensure convergence with the 2009 IESBA Code of Ethics.	September 2009 Completed in July 2011	OROC Executive Board	Executive Board of OROC
38.	January 2016	Review current OROC Code of Ethics and assess what might be in conflict with the new EU Directive an Regulation and conform it as appropriate	March 2016 Completed	OROC Executive Board	Executive Board of OROC

#	Start Date	Actions	Completion Date	Responsibility	Resource
39.	June 2018	Perform training courses on Ethics for all OROC members	June 2018 Completed	OROC Executive Board	OROC Training Committee
40.	October 2018	Amend and issue a new OROC Code of Ethics based on IESBA Code.	November 2018	OROC Executive Board	Executive Board of OROC
41.	October 2018	Translate the current IESBA Code of Ethics	March 2019	OROC Executive Board	Technical Department
42.	January 2022	Initiated the process to translate the updated version of IESBA Code 2021 (comparison with previous version from 2018)	Ongoing	Technical Department	Staff of Technical Department
43.	February 2022 and April 2022	Perform training courses on Ethics including IESBA Code of Ethics	April 2022	OROC Executive Board	OROC Training Committee
44.	Ongoing	Continue to support ongoing adoption and Implementation of the IESBA Code of Ethics through our local of ethics and interpretation. CMVM issued an FAQ stating that IESBA Code of Ethics is being consider as a source for interpreting and develop the independence principles stated on the Statute of OROC.	Ongoing	OROC Executive Board	Executive Board of OROC
Review of OROC's Compliance Information					
45.	Ongoing	Perform periodic review of OROC's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO4 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	OROC Executive Board	Executive Board of OROC

Action Plan Subject: SMO 5 and Public Sector Accounting
Action Plan Objective: Continue to notify the use of IPSAS by the public sector in Portugal

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background: The Government is responsible for the adoption of public sector accounting standards in Portugal. International Public Sector Accounting Standards (IPSASs) are the basis for new legal regime issued in September 2015 for public sector entities. OROC has promoted the use of IPSASs or IPSASs based accounting framework within its participation on the Portuguese Accounting Standard Setter (CNC). OROC has a chair in CNC and has been an active member in the implementation of an IPSAS based framework. Translation and Publication of IPSAS 2012 Handbook (only Preface and text that is an integral part of the standards) was made in July 2013.					
Notify of New or Revised IPSAS					
46.	Ongoing	Provide information on the latest developments on IPSAS through the website and OROCs' Magazine.	Ongoing	OROC Executive Board	Technical Department
47.	Completed	Translate and publish the IPSAS 2012 Handbook.	July 2013 Completed	OROC Executive Board	Technical Department/IPCA's Staff
48.	June 2021	Initiated the process to translate the updated version of IPSAS 2021 (comparison with previous version from 2012)	Ongoing	Technical Department	Staff of Technical Department
49.	Ongoing	Organization of implementation activities (trainings, workshops) for our members on local IPSAS based public sector framework.	Ongoing	Education/Training Committee of OROC	Education/Training Committee
50.	Ongoing	Training courses on public sector accounting (local IPSAS based framework) are made on an annual basis (December 2018 - 7 sessions). Currently, the annual training deals only with specific standards (updates or complex issues such as Public Concessions Arrangements).	Ongoing	Education/Training Committee of OROC	Education/Training Committee
51.	Quarterly	In our OROC journal, we publish the recent updates on IPSAS.	Ongoing	Technical Department	Staff of Technical Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
52.	Ongoing	Participating on the implementation process of the IPSAS based local public sector accounting framework in the next two years, conducted by the Ministry of Finance.	Ongoing	OROC Executive Board	OROC Executive Board
Review of OROC's Compliance Information					
53.	Ongoing	Perform periodic review of OROC's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 5 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Executive Board of OROC	Technical Department

Action Plan Subject: SMO 6 - Investigation and Discipline (I&D)
Action Plan Objective: Continuous Development of Investigation and Disciplinary System

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background:					
		Investigative and disciplinary measures are defined in the Audit Legal Regime and in the National Audit Oversight Regime. Under the current laws, both OROC and CMVM have powers to investigate and sanction auditors. I&D system follows EU Audit Legislation. OROC has a Disciplinary Committee, with independence from the Board with powers to investigate and sanction auditors for any breach in law. Disciplinary sanctions are annually disclosed in OROCs annual report. The system exists since the beginning of the regulated profession. OROC and CMVM have responsibility for implementing mechanisms to investigate & discipline (I&D) its members for misconduct or failure to meet technical and ethical standards as well as laws and regulation. I&D system incorporates the main requirements of SMO 6.			
Maintaining Ongoing Convergence					
54.	Ongoing	OROC will continue to inform its members about their requirements and the I&D rules. I&D rules and members responsibilities are mainly integrated in OROC´s legal regime. All I&D Matters are dealt with the Disciplinary Committee, which is an independent body within OROC. The matters that OROC feels should be highlighted or reminded are communicated to all members through an alert letter.	Ongoing	OROC Executive Board	Staff of Disciplinary Committee
Review of OROC's Compliance Information					
55.	Ongoing	Perform periodic review of OROC's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 6 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Executive Board of OROC	Staff of Disciplinary Committee

Action Plan Subject: SMO 7and IFRS
Action Plan Objective: Continue to support an ongoing program for adoption and implementation of an IFRS based framework

#	Start Date	Actions	Completion Date	Responsibility	Resource
Background:					
In accordance with the European Union Regulation concerning the application of International Accounting Standards as endorsed by the European Commission, International Financial Reporting Standards (IFRS) are mandatory for the preparation of financial statements of consolidated financial statements of listed entities. In addition, non-listed entities are permitted to apply IFRS for their consolidated financial statements. Decree Law No. 98/2015 of July 13 (as amended by subsequent laws, the last of which is decree-law 98/2015), *Sistema de Normalização Contabilistica (SNC),* stipulates the accounting standards that must be used in the preparation of companies' financial statements, without prejudice for the bank of Portugal and the insurance regulator to set standards for banks, other financial institutions and insurance companies. SNC is IFRS-based. Financial reporting of banks, other financial institutions and insurance companies are set by the respective regulators and they have to comply with IFRSs as adapted by these authorities. OROC takes an active role in the activities of the Portuguese Accounting Standard Setter (CNC) and is using, whenever possible and appropriate, its best endeavors to assist CNC with the implementation of IFRSs in Portugal and promote ongoing convergence with IFRSs. The IFRS-based accounting framework entered into force as at 1st of January of 2010. OROC has made several education courses on this matter.					
Promote and Support Implementation of the IFRS-based Accounting Framework					
56.	Ongoing	Continue participation on the working group to establish in the country an IFRS based accounting framework.	December 2009 Completed	CNC	Accounting and auditing professionals as well as government bodies
57.	Ongoing	Several training courses on IFRS are made on an annual basis for all members.	Ongoing	Education/Training Committee of OROC	Education/Training Committee
58.	Ongoing	Continue to notify our members of developments on IFRS as adopted by the European Commission. Courses on IFRS and national accounting framework (IFRS based) are, for many years now, integrated in both OROC´s annual education plan and the specific course for preparation of candidates to access the profession.	Ongoing	OROC Executive Board	Technical Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
59.	Quarterly	In our OROC journal, we publish the recent updates on IFRS.	Ongoing	Technical Department	Staff of Technical Department
Review of OROC's Compliance information					
60.	Ongoing	Perform periodic review of OROC's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 7 as necessary. Once updated inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing	Executive Board of OROC	Technical Department