<table>
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<th>Translations and Permissions</th>
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<td>• The Translations function continues to participate, as appropriate, in potential European Union (EU) adoption of the standards. As of December 31, 2010:</td>
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<td>o 19 of 20 translation agreements with EU translating bodies have been signed.</td>
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<td>o 100% of translated Clarity standards have been submitted to the European Commission’s (EC’s) Directorate General of Translations (DGT) for review.</td>
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<td>o DGT has completed its review of translations for most of the official EU languages. Reviews of the Danish, Dutch, Estonian, French, German and Spanish translations remain to be completed (note that Danish and German were finalized in January 2011). Many of the finalized translations have now been published.</td>
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<td>o In addition, two non-EU European countries have published translations of the Clarity standards (Croatia and Norway).</td>
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<td>• Efforts continue to encourage one quality translation per language. The following are highlights in regard to translation of standards and publications issued by IFAC for the official languages of the United Nations (UN) for the 4th quarter of 2010:</td>
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<td>o Arabic - An Arabic translation of the <em>Handbook of International Public Sector Accounting Pronouncements – 2010 Edition</em> is in progress by the Arab Society of Certified Accountants (Jordan).</td>
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<td>The Arabic language translation of the IFAC Professional Accountants in Business Committee publication <em>Defining and Developing an Effective Code of Conduct for Organizations</em> (June 2007), was completed by the Saudi Organization for Certified Public Accountants.</td>
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<td>Information about Chinese translations of the IFAC Professional Accountancy Organization Development Committee (formerly the Developing Nations Committee) publication <em>Good Practice Guide: The Education, Training, and Development of Accounting Technicians</em> (2009) and the IFAC Professional Accountants in Business Committee publication <em>Financial Reporting Supply Chain: Current Perspectives and Directions</em> (2008) performed by CICPA was posted on the IFAC Translations Database.</td>
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<td>In addition, a translation of the <em>Handbook of International Public Sector Accounting Pronouncements – 2010 Edition</em> is in progress by the China Financial and Economic Publishing House, on behalf of the Ministry of Finance of the People’s Republic of China.</td>
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1 This report shows progress throughout 2010.
Practices Committee (SMPC).

- **Russian** - Increasing interest for Russian language translations of the standards and publications issued by IFAC has been registered. Various translation activities are taking place in both Kazakhstan and the Russian Federation in regard to the International Standards on Auditing and Quality Control, the Code of Ethics for Professional Accountants, the International Public Sector Accounting Standards (IPSAS) and various SMPC implementation guidance publications.

  The Chamber of Auditors of the Republic of Kazakhstan is translating the *Handbook of International Standards on Auditing and Quality Control - 2009 Edition* into both Kazakh and Russian.

  The Ministry of Finance of the Republic of Kazakhstan is translating the *Handbook of International Public Sector Accounting Pronouncements – 2010 Edition* into both Kazakh and Russian.


  The Russian translations of the SMPC publication *Guide to Quality Control for Small- and Medium-Sized Practices (March 2009)* and the *Framework for International Education Standards for Professional Accountants (December 2009)* of the International Accounting Education Standards Board (IAESB) were performed by the Collegium of Auditors (Kazakhstan).

  In connection with the 2010 World Congress of Accountants in Kuala Lumpur, Malaysia, IFAC hosted a meeting regarding the possibility of developing a single, high-quality Russian language translation of the IAASB’s Clarified Standards that would be recognized by all Russian speaking countries. Representatives of 14 organizations (mainly IFAC member bodies and associates) representing eight countries participated in the meeting.

- **Spanish** - The Latin American Review Committee, coordinated by the Federación Argentina de Consejos Profesionales de Ciencias Económicas and including participants from IFAC member bodies in numerous Latin American countries, has completed the review of the translation of the IAASB Glossary of Terms performed by the translating bodies of Spain (Instituto de Censores Jurados de Cuentas de España (ICJCE) and Instituto de Contabilidad y Auditoría de Cuentas (ICAC)) and has commenced its review of the individual ISAs and ISQC 1. The goal is to publish, during the first part of 2011, a Spanish language translation of the 2009 IAASB Handbook that is acceptable for use in Spain and Latin America.

  In addition, ICJCE has translated the *Code of Ethics for Professional Accountants (July 2009)* and is in the process of finalizing its review.


- Ongoing management of permission requests and translation proposals
  - In the period October-December 2010, the Translations function has processed 91 requests for translation or reproduction (404 year to date). Many requests are for Spanish language translations of publications and standards issued by IFAC.
  - Translation and Reproduction agreements continue to be put into place for other major world languages.
In the period October-December 2010, 34 agreements for translation or reproduction have been signed (137 year to date). Of these signed agreements, 11 are newly designed overarching “umbrella” agreements (32 year to date). These “umbrella” agreements are being introduced to streamline the process for translation and reproduction agreements, and to improve efficiency while accomplishing the necessary legal objectives.

- An up-to-date overview of available translations and other reference material is provided
  - In the period October-December 2010, 13 updates have been made to the web-based Translations Database (208 year to date).
  - The following three policy statements/positions are being translated into the official UN languages:
    - Policy for Translating and Reproducing Standards Issued by the International Federation of Accountants (December 2008)
    - Policy for Reproducing, or Translating and Reproducing, Publications Issued by the International Federation of Accountants (December 2008)

- A sustainable mechanism for French and Spanish translations of the IPSAS is being identified:
  - IFAC is in the process of finalizing an agreement with the International Financial Reporting Standards Foundation (IFRSF) to allow for use of IFRS in developing IPSAS. This agreement will also allow for the potential use of translated IFRS in order to leverage IPSAS translations into French and Spanish, and possibly additional languages.
  - The World Bank has secured funding from the Spanish government for the Spanish language translation of the 2010 Handbook of International Public Sector Accounting Pronouncements. IFAC is working together with the World Bank to establish a structure for performing this translation and managing its review.

- Strategic relationships with key stakeholders
  - During the quarter, the Senior Technical Manager, Translations and Permissions held presentations on translation and reproduction of standards and publications issued by IFAC at meetings of the Presidents of the Latin American IFAC Member Bodies and IFAC’s Professional Accountancy Organization Development Committee (formerly the Developing Nations Committee) in Panama City, Panama in October, and at the International Consortium of Governmental Financial Management and the World Bank in Washington, DC in December.

- The Translations function continues to raise awareness about translations and intellectual property issues
  - Efforts continue to obtain an overview of existing third-party sub-licensing arrangements and put into place necessary sub-licensing arrangements.
  - Identified issues related to the enforcement of intellectual property rights were actively managed.

- Trados Translation Memory Software
  - The Translations function has recently commenced populating the translation memory software
Trados with lists of key terms and translated content. In addition to providing a central repository of translations, Trados will enable the creation of translation assets. By storing translated content once in Trados, it will be possible to share and reutilize that content, thereby reducing processing time and the need to perform multiple, or new translations.

### Monitoring Group Effectiveness Review

- The Final Report of the Monitoring Group was issued in November. IFAC’s response has been submitted to the Monitoring Group. See agenda item 4.1.
- A meeting with the Monitoring Group is scheduled for February 24, 2011. An oral update on that meeting will be presented to the Board at its March meeting.

### Impact Analysis Process

- The proposed impact analysis process is being piloted as follows:
  - The IAASSB has included an impact analysis in the explanatory memorandum to the exposure draft of revised ISA 610, *Using the Work of Internal Auditors*.
  - The IAESB included questions designed to elicit information on the impact of its proposals in *A Consultation Paper on the Revision of International Education Standards 8: Competence Requirements for Audit Professionals*.
  - The IESBA is piloting the proposed impact analysis process on its conflicts of interest project.
- Staff is evaluating feedback from these pilots and will refine the proposed impact analysis process accordingly.

### Business Reporting Project

- The project has been completed and is being submitted to the Board for approval at its March meeting. See agenda item 5.1.

### Developing Nations Activity Review

- Emphasis will now be placed on implementing the approved recommendations of the DNC Review Task Force and on developing the future strategy and work plan of the PAODC.

### Professional Accountants in Business Activity Review

- The last of the PAIB Activity Review Group’s recommendations to be implemented is: *Consider whether revisions need to be made to the structure of service delivery to PAIB community: IFAC should consider the effectiveness of the existing committee approach in acting as a strategic oversight body to efficiently and effectively manage a program of activities relying on the coordination and collaboration of a diverse set of members*. A proposal concerning this recommendation was presented to the IFAC Board at its November 2010 meeting for discussion and is being submitted to the Board for its approval in March. See agenda item 2.8.
**Small and Medium Practices Activity Review**

- Despite only recently getting the additional staff resources crucial to implementing the recommendations, the SMP Committee has begun implementation of those recommendations that are directly linked to its terms of reference. Please refer to the SMP Committee's dashboard activity report.
- Recommendation 16 requires that the SMP Committee “conduct a post-implementation review of the recommendations that can be implemented in the short-term.” The SMP Committee Chair will present a report summarizing the findings from this review at the September 2011 Board meeting.