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Technical Manager
International Accounting Education Standards Board
International Federation of Accountants
277 Wellington St West, 4th Floor
Toronto
Ontario M5V 3H2
CANADA

Dear Sir/Madam

Exposure Draft: Proposed International Education Standard (IES) 3 *Initial Professional Development – Professional Skills*

CPA Australia welcomes the opportunity to comment on the proposed IES 3. CPA Australia is one of the world's largest professional accounting bodies, with a membership of more than 139,000 finance, accounting and business professionals and leaders in 114 countries. Our vision is for CPA Australia to be the global professional accountancy designation for strategic business leaders. We support the overall purpose of the revision of this standard.

Responses to Specific Questions

The IAESB is proposing to define professional skills as the intellectual, personal, interpersonal, communication, and organisational skills that a professional integrates with technical competence and professional values, ethics and attitudes to demonstrate professional competence.

Question 1: Do you support the definition of professional skills?

CPA Australia supports the definition of professional skills as provided in the proposed IES 3 (Revised).

The extant IES 3 prescribed general education as a mandatory component of developing professional skills. The IAESB views general education as important to the development of professional competence. General education is, however, often undertaken outside a professional accounting education program and has therefore deleted any reference to general education within the proposed IES 3 (Revised). The IAESB does recognise the need for general education in the development of the aspiring professional accountant and has used the Framework (2009) document to highlight the importance of general education as a component of IPD.

Question 2: Do you support the removal of General Education from this IES?

CPA Australia agrees with the removal of General Education from this IES. The ability for a professional body to control the content and structure of General Education taken outside of its own education programs is limited and therefore the removal from the standard is in line with the aspects of control which realistically sit with the professional body.

Question 3: Is the objective to be achieved by an IFAC member body, stated in the proposed IES 3 (Revised), appropriate?

CPA Australia believes that the objective to be achieved by an IFAC member body is clearly stated and appropriate in the proposed IES 3 (Revised). The stated objective is in line with the objective of CPA Australia in the design and structure of the framework used to guide aspiring professional accountants in their development of professional skills.

The IAESB has decided to adopt a learning outcomes approach to describing professional competence in the proposed IES 3 (Revised), rather than prescribing a list of skill areas as provided in the extant IES 3. The learning outcome approach is consistent with current good practice in skills development work and with the IAESB's principles based approach. The requirement of the extant IES 3 on skills (a list of topic areas) has been replaced with a requirement in the proposed IES 3 (Revised) that specifies the learning outcomes and minimum proficiency levels. The IAESB believes that this will help IFAC member bodies to clearly define the required outcomes of their professional accounting education programs.

Question 4: Do you agree with the adoption of the learning outcomes approach?

CPA Australia supports the adoption of the learning outcomes approach. This approach aligns to the current methodologies being utilised in the design and structure of our professional education programs.

The adoption of the learning outcomes approach adds clarity for those undertaking IPD as to the expected skills and proficiency levels to be reached by the completion of IPD.

Question 5: Table A of the proposed IES 3 (Revised) provides learning outcomes for various competence areas of professional skills, are there any additional learning outcomes that you would expect from an aspiring professional accountant?

CPA Australia believes the learning outcomes provided in Table A are appropriate for an aspiring professional accountant.

Question 6: For Table A of the proposed IES 3 (Revised) are there any learning outcomes that you do not think are appropriate for each professional skills competence area?

CPA Australia believes all learning outcomes provided in Table A are appropriate for the relevant professional skills competence area.

Question 7: Are the minimum levels of proficiency included in the proposed IES 3 (Revised) appropriate for each professional skills competence area?

CPA Australia believes the minimum levels of competency included in Table A are appropriate for each professional skills competence area. We particularly support the requirement for an advanced level of proficiency in the area of Intellectual skills as this competence area forms the basis for sound technical accounting ability which is of critical importance to the professional accountant.

Question 8: Overall are the requirements clear and appropriate? If not, what changes would you like to see?

CPA Australia believes the requirements in the standard are clear and appropriate.

Question 9: Do you anticipate any impact or implications for your organisation, or organisations with which you are familiar, in implementing the new requirements included in this proposed IES 3 (Revised)?

CPA Australia does not anticipate any negative impact in implementing the new requirements in the proposed IES 3 (Revised).

Question 10: Are there any additional explanatory paragraphs needed to better explain the requirements of the proposed IES 3 (Revised)?

CPA Australia does not believe that there are any additional explanatory paragraphs required to better explain the requirements of the proposed IES 3 (Revised).

Question 11: Have the criteria identified by the IAESB for determining whether a requirement should be specified been applied appropriately and consistently, such that the resulting requirements promote consistency in implementation by member bodies?

CPA Australia believes that the criteria identified by the IAESB for determining whether a requirement should be specified been applied appropriately and consistently. It is our opinion that that the resulting requirements promote consistency in implementation by member bodies.

Question 12: Are there any terms within the proposed IES 3 (Revised) which require further clarification? If so, please explain the nature of the deficiencies.

CPA Australia does not believe that there are any terms within the proposed IES 3 (Revised) which require further clarification.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alex Malley', with a stylized flourish at the end.

Alex Malley FCPA
Chief Executive Officer