

October 4, 2013

David McPeak
Senior Technical Manager
International Accounting Education Standards Board
International Federation of Accountants
277 Wellington Street West, 4th Floor
Toronto, Ontario M5V 3H2

Dear David,

RE: Exposure Draft 2014-16 IAESB Strategy and Work Plan

The Chartered Professional Accountants of Canada (CPA Canada) has reviewed IAESB's Exposure Draft on 2014-16 IAESB Strategy and Work Plan. Our comments and recommendations are outlined below.

CPA Canada is the national organization representing the Chartered Professional Accountant (CPA) profession in Canada. It was created January 1, 2013 by the Canadian Institute of Chartered Accountants (CICA) and The Society of Management Accountants of Canada (CMA Canada) to support unification of the Canadian accounting profession under the CPA banner. CPA Canada is responsible for providing services to CAs and CMAs on behalf of CICA and CMA Canada as well as to CPAs and CGAs participating in the unification effort. Historically the CICA and CMA Canada have been strong supporters of IFAC and the work of its various Public Interest Activity Committees (PIACs) and CPA Canada will continue to be an active member of IFAC.

CPA Canada acknowledges the significant work completed by the IEASB over the past four years in the revision of its eight International Education Standards (IES). We believe that education standards reflecting best practices for the initial and continuing professional development of our members contributes to increased competency for professional accountants, and thus to our mandate to protect the public interest.

The Exposure draft proposes a number of activities necessary to complete the IAESB's current work plan. CPA Canada's input on these activities is summarized below.

- **Completion of the revision IES 8** – we support the need to complete this project, but suggest every effort be made to complete the work in a shorter time frame than is currently contemplated. We would encourage the Board to consider approaches to accelerate the project's completion.



- **Definition of “Professional Accountant”.** This is a project with wider applicability than the IAESB’s education-related mandate. We believe the definition of “professional accountant” would be more appropriately undertaken as part of a broader project of the IFAC Board or of a special work group reporting to the IFAC Board.
- **Revision the IAESB Framework *International Education Standards for Professional Accountants*.** With the completion of the IES revision project, we question the need for an immediate revision of the IAESB Framework. The proposed framework revision appears to suggest the development of further standards and revisions of current standards which seems unnecessary in the near term. We believe the more appropriate focus of the global accounting profession with regards to education is the consistent implementation of the revised standards and the development of guidance and support for developing PAOs.

The Strategy and Work Plan also proposes future priorities both committed and targeted. Many proposed activities focus on providing guidance and support for IES implementation and on encouraging member bodies to adopt the IESs. These include:

- Develop Guidance on Learning Outcomes Approaches for Professional Accounting Education
- Develop guidance on the implementation of IES 8
- Promote the Recognition and Adoption of the Revised IESs with IFAC Member Bodies, Regulators, and Education Providers through Outreach Activities
- Develop implementation guidance on how general education is used to develop the professional accountant
- Develop implementation guidance on entry requirements into professional accounting education programs

While we agree these are laudable objectives that may be required to support the adoption of the revised IESs, we point out that mature member bodies have significant experience and expertise in developing professional programs incorporating IESs and may not require detailed guidance documents. We suggest an assessment of the relevance and benefit of these guidance documents to meet the needs of most PAOs be undertaken before these projects are commenced.

Further, we suggest that other mechanisms may be better suited to assisting developing PAOs in implementing the revised standards. These could include contracting with other member bodies to provide support and providing summaries of best practices used by other member bodies. The Professional Accountancy Organization Development Committee could coordinate these initiatives.

The second major theme in the current and planned priorities relates to advocacy and compliance to ensure the adoption of the revised IESs:



- Promote the Benefits of the Revised IESs as a Benchmark for Country Accountancy Development and the Development of Human Capacity
- Facilitate Knowledge Sharing and Capacity Building in the Professional Accounting Organization Community
- Promote the Recognition and Adoption of the Revised IESs with IFAC Member Bodies, Regulators, and Education Providers through Outreach Activities

We do not dispute the merit of advocating as to the benefits of the education standards and encouraging their adoption by member bodies, regulators and education providers. We believe however, that these activities can be undertaken more efficiently and without the need for the formal structure of a PIAC. We suggest that the investment of resources for consultation and oversight to support the due process of standards development is not warranted to undertake the advocacy role as described in the Strategy and Work Plan.

With regard to the recognition and adoption we believe that the responsibility for ensuring that member bodies implement the revised IESs should rest with the Compliance Advisory Panel.

In summary, CPA Canada supports the standard setting role of the IAESB and believes that the IAESB has done excellent work in developing education standards to guide and direct PAOs in the establishment of high quality programs for the initial and ongoing development of professional accountants. In an environment with unlimited resources, the IAESB's plan to focus on support mechanisms to encourage and assist in the implementation of these standards is a reasonable aspiration. However, the resource constraints of IFAC **must be considered in** when developing priorities. We believe that, over the next few years, the work of other standards boards, in particular Ethics and Auditing, will need to take precedence. While implementation guidance and support, advocacy and compliance for the education standards are important initiatives, we believe these objectives can be accomplished through other mechanisms.

Sincerely,

A handwritten signature in black ink that reads "Tashia Batstone".

Tashia Batstone
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