

ORDEM DOS TECNICOS OFICIAIS DOS CONTAS

Country: Portugal

Established: 1995 as Associação dos Técnicos Oficiais de Contas

Membership: 74,000

Website: www.otoc.pt/pt/

Ordem dos Tecnicos Oficiais de Contas (OTOC) is a Portuguese public corporate body endowed with administrative, financial, and asset-owning autonomy, and is responsible for representing and grouping its members (registered in accordance with Decree-Law nr. 459/99), as well as overseeing all aspects pertaining to the technical accountancy profession—including professional ethics (enforcement basis, not standard setting—ethics standards are set by the government).

OTOC members are given the Técnico Oficial de Contas (TOC) title, characterized as the Portuguese professional accountant acting in all—except audit and audit-related (such as review to the accounts)—widespread aspects of accountancy practice activities.

Individuals must be a member of the OTOC to present/sign—alongside the companies/entities owners and under Companies Act—financial statements (including for listed ones and banking and assurance sectors).

Q1. *How have the dynamics of the European Union played a role in the development and growth of OTOC?*

The European Union has played a significant role in the development and growth of OTOC, in large part because EU accounting rules and related legislation are applicable in a harmonized basis for all State-members. For example, OTOC's professional development standards can be traced to the 2002 European Union decision regarding the adoption and use of international accounting standards [as issued or adopted by the International Accounting Standards Board (IASB)]. That decision influenced changes in the Portuguese GAAP (General Accepted Accounting Principles) in 2009, when European Union IAS based accounting rules were integrated into Portuguese legal framework. The new GAAP challenged OTOC and all of its members to raise technical, professional and ethical standards, all of which were met through new CPD programs, revised entry requirements, new attitudes, responsibilities and status revisions. As a result, development and growth was possible not only for the benefit of members, or state authorities but for society in general.

Q2. *What have been OTOC's most significant initiatives in recent years?*

In recent years, OTOC has become a key player in Portuguese accounting and tax related matters. OTOC's significant domestic initiatives include the free courses provided during 2010 to members concerning the implementation of new accounting and reporting standards and the ongoing "Soma das Partes" ("sum of parts") initiative, which consists of public sessions and nationwide radio broadcasts with OTOC representatives, members, and guest speakers (usually major personalities from the political, academic, and other key sectors). These sessions, debate and reflect on the social-economic status of

the country and national, regional, or local perspectives are shared and always have the role professional accountants as part of the solutions.

From the international context, special mention must be made regarding the ongoing joint project with Conselho Federal de Contabilidade in Brazil. The initiative aims to foster knowledge transfer among the professional accountancy organizations across all the existing Portuguese speaking countries. This is a very special initiative as it represents the first official OTOC collaboration with IFAC as one of the international partners of this project, alongside with the World Bank.

Q3. *Have there been any significant changes to how OTOC is organized?*

There have been no significant changes to OTOC's global model of organization. Since its origins, back in 1995, it has maintained its Board of Directors, the Disciplinary Council, the Supervisory Council and the General Assembly representatives. These days OTOC does have two new bodies: an individual representative, named "Bastonário" (as the institutional chairman / president) and also a Consultative Board.

Q4. *Why did you apply for associate status?*

OTOC and its members were interested in a relationship with IFAC because of IFAC's mission, values, global view, standards, and guidance. We believe that the associate status represents the proper way toward IFAC full member body status. As an IFAC associate, OTOC expects to more fully understand and learn about the perspectives of a global accountancy organization. Although this status won't entitle OTOC to vote at meetings of the Council, we expect to fully benefit from the possibility to attend and participate in the discussions and deliberations at IFAC meetings, to receive access to publications, and to participate in other IFAC activities, all while progressing in membership status.

Q5. *What are some of the most significant challenges in Portugal for development of the profession?*

Portuguese professional accountants, in particular OTOC members, face very significant challenges in the coming years, including the European accounting directives revision process and the professional services open market context. Also, the role of the professional accountant is anticipated to change very rapidly in the near future as a result of market demands. The professional accountant will be seen as a valuable advisor to business as opposed to the figure hired only to attend to accounting and tax compliance mandatory requirements. In fact, the new role of the professional accountant was the main theme of our last congress meeting in September 2012.

Q6. *What does IFAC represent for you and your organization?*

IFAC is a global organization for the accountancy profession. The organization is recognized by us as a valued leader in the development of strong and sustainable organizations, financial markets and economies. Under this context, IFAC offers OTOC and its members a global vision and actions related to accountancy professional themes and issues.

Q7. *How do you think joining IFAC will impact your organizations and your members?*

As an IFAC associate OTOC will have the opportunity to offer its members a new and wider perspective on professional accounting best practices, along with up to date high quality standards and guidance documentation. Expected benefits to our members and the organization as a whole, includes increased liaison with and acknowledgment within IFAC members and associates, other worldwide professional accountants and organizations.