

International Federation of Accountants

***International Accounting Education Standards:
Contribution to Accounting Education***

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Outline of Presentation

1.

- Overview of IFAC & IAESB

2.

- Work of IAESB

3.

- Challenges in the global implementation of education standards

What is IFAC?

- Global organization of the accountancy profession, dedicated to the public interest
- Comprised of 159 member bodies and associates in 124 countries
- Represents 2.5 million accountants in public practice, education, government, service, industry, and commerce

What does IFAC do?

- Serves the public interest
- Establishes and promotes adherence to high quality professional standards
- Furthers the adoption and implementation of such standards
- Supports the global development of the accountancy profession
- Shares in the regulation of the profession

The IAESB's objective is to serve the public interest by:

- Establishing a series of **high quality standards** and other publications reflecting good practice in the education, development and assessment of professional accountants
- Promoting the **adoption and implementation of the IESs**
- Developing education **benchmarks** for measuring the implementation of the IESs
- Advancing **international debate on emerging issues** relating to the education, development, and assessment of professional accountants

IAESB Publications:

- **International Education Standards (IESs)**
- **International Education Practice Statements (IEPSs)**
- **International Education Information Papers (IEIPs)**

Revision of the Standards

Pre-Qualification

Entry Requirements for General Education (IES 1)

Content of Professional Accounting Education (IESs 2,3,4)

Practical Experience (IES 5)

Assessment (IES 6)

Post-Qualification

Continuing Professional Development (IES 7)

Specialization (IES 8)

Revision of the Standards

- *IES 1, Entry Requirements to a Program of Professional Accounting Education*
- *IES 2, Content of Professional Accounting Education Programs*
- *IES 3, Professional Skills and General Education*
- *IES 4, Professional Values, Ethics and Attitudes*
- *IES 5, Practical Experience Requirements*
- *IES 6, Assessment of Professional Capabilities and Competence*
- *IES 7, Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence*
- *IES 8, Competence Requirements for Audit Professionals*

How Standards are used

- **Professional accounting bodies - IFAC's Compliance Program , SMO 2**
- **World Bank's Reports on the Observance of Standards and Codes (ROSC) Initiative**
 - **Use as a diagnostic tool**
- **USAID BISTA Project – Benchmarking International Standards of Transparency and Accountability**
- **UNCTAD – Guideline for a Global Accounting Curriculum and Other Qualification Requirements**

Project Objectives:

- **Improve Clarity;**
- **Ensuring consistency with concepts from the revised Framework document; and**
- **Update the standards' requirements because of new developments in the environment of accounting education.**

Challenges in global implementation

Why is it so difficult to achieve global implementation?

- **Diversity of education models in different countries**
- **Different political environments in different countries**
- **Variety of specializations and roles of accountants**
- **Different levels of resourcing and expertise across professional accounting bodies**

Challenges in global implementation

What can the IAESB do to overcome these challenges?

- **Provide guidance on implementation of accounting standards, drawing on the experiences of IFAC member bodies**
- **Improve accessibility of standards through language translations**
- **Improve clarity of standards**
- **Gain an understanding of the problems associated with the implementation of standards**

Challenges in global implementation

What can the IAESB do to overcome these challenges?

- Engage in effective consultation with stakeholders during revision of standards
 - Undertake targeted research projects
 - Develop benchmarks to measure implementation
- ❖ What types of benchmarks could be included in education standards to allow member bodies to demonstrate implementation?

Challenges in global implementation

Accounting standards' contribution to accountancy education?

- **Provides guidance to stakeholders who deliver, regulate or control accountancy education (member bodies, regulators, employers, universities) by prescribing principles and best practices for the learning and development of professional accountants**
- **Independent authoritative standards to assist professional bodies negotiate with regulators and governments**
- **Standards provide a common reference point to help reduce differences between countries**
- **Recognizes that technical knowledge is only one component of accounting education**
- **Views professional accounting education over the entire professional career of an accountant**
- **Requires professional bodies and universities and other stakeholders to work together**

Challenges in global implementation

- **IFAC's web site – www.ifac.org – provides access to all standards and a wide range of free guidance for the world's accountants**
- **IAESB pronouncements available at:
www.ifac.org/Education/Pronouncements.php**

THANK YOU