



**INTERNATIONAL FEDERATION
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Agenda Item

2

Committee: International Accounting Education Standards Board

Meeting Location: Istanbul

Meeting Date: November 6 to 8, 2006

IAESB STRATEGY REVIEW

Objectives of Agenda Item

- To finalize the IAESB's strategic plan for the period 2007-2009;
- To agree a prioritized list of proposed projects and activities for the period 2007-2009; and
- To determine the length and scope of public comment on the IAESB's proposals

Background

The current IAESB Strategic Plan, last updated in March 2005, sets the direction and priorities for the activities of the IAESB to December 2006. Following the IAESB's meeting in New York, in February 2006, a strategy review survey was sent to current and past IAESB members, technical advisors, CAG representatives, and to other IFAC committee chairs and technical managers. The aim of the survey was to gather a range of views on the IAESB's current and future strategic direction, consistent with the general IFAC Strategic Plan and the IAESB's own Terms of Reference, to provide input to the IAESB's strategy review at its meeting in Santiago in July 2006.

At that meeting, it was agreed that the IAESB would propose, as priority projects and activities for the period 2007-2009:

- The development of high quality guidance to support existing International Education Standards (IES);
- The promotion, convergence and implementation of education standards; and
- Activities to improve communication of existing IES and other pronouncements, and of the work of the IAESB in general.

Following the IAESB's meeting in Santiago, a small working group consisting of the IAESB Chair, and Deputy Chair, the IFAC Technical Director and IAESB Technical Manager developed draft strategic and operational plans based on the above to present to the CAG for their comments and advice at their meeting in September 2006.

CAG Comments and Views

At the CAG's meeting in September 2006, a number of suggestions were made for improving the IAESB's draft strategic and operational plans, and for consideration by the IAESB at its current meeting:

- Including more detailed explanation of the link between (a) IFAC's strategic objectives and the IAESB's Terms of Reference, and (b) the IAESB's Terms of Reference and its specific activities, perhaps by providing a mapping or similar;
- Including consideration of projects to develop standards or guidance for accountants training in business; and
- Including consideration of emerging areas in non-regulated sectors of the profession (e.g. forensic accounting), where educational guidance was not readily available.

The CAG also highlighted the importance of the IAESB's objective of establishing education benchmarks, in the context of promoting the global convergence of accounting education standards.

CAG members were asked to prioritize a list of potential projects and activities that could be undertaken by the IAESB in the period to 2007, in terms of the relative priority that should be given to each potential project. The summarized results of this exercise are as follows:

High Priority

- Developing a benchmarking methodology to determine the extent of implementation of IESs, as well as assisting in a determination of the extent to which convergence towards IESs has taken place;
- Conducting a detailed review of existing IES (with input from stakeholders) to determine priority areas for additional guidance; and
- Reviewing and updating the existing *Framework for International Education Statements*.

Medium Priority

- Developing good practice guidance (IEPS) to support IES 3 (guidance on assessment of competence in the skills areas outlined in the standard);
- Developing good practice guidance (IEPS) to support IES 6 (assessment of professional knowledge; professional skills; and professional values, ethics and attitudes);
- Developing good practice guidance (IEPS) to support IES 8 (specific guidance on "advanced level" knowledge);
- Identifying educational materials available from member bodies, firms and others and facilitating effective access to these, including the development of a web-based IAESB search engine; and
- Developing standard or guidance to support education and development of accountants training in business.

Low Priority

- Developing an advanced level version of the current Ethics Education Toolkit;
- Developing IEIP(s) in areas of emerging interest, possibly including an IEIP identifying specializations within the accounting profession;
- Developing guidance (IEPS or IEIP) for member bodies in producing and using competency frameworks; and
- Developing additional good practice guidance (IEPS) to support IES 2 (guidance on implementing accounting/organizational and business knowledge components).

Revised Strategic and Operational Plans

Following CAG input, revised draft strategic and operational plans were developed, taking into account the CAG's views on the relative priority of potential projects and activities. These have been circulated to and agreed by the IAESB Steering Committee, and are presented for consideration by the IAESB at this time.

It is anticipated the revised plans, subject to any further revisions the IAESB wishes to make at this stage, will be released for public comment following the current meeting, with a view to considering comments received and finalizing the strategic and operational plans at the IAESB's meeting in June 2007.

Material Presented

Agenda Item 2-1 IAESB Draft Strategic and Operational Plan 2007-2009 (Revised Version dated 22 September 2006)

Action Requested

The IAESB is asked to:

- Discuss the revised strategic and operational plans, with the aim of approving their release for public comment following the meeting;
- Agree a prioritized list of proposed projects and activities for the period 2007-2009; and
- Agree on the length and scope of the public comment period.