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Agenda Item

9

**Committee:** International Accounting Education Standards Board

**Meeting Location:** Istanbul

**Meeting Date:** November 6 to 8, 2006

## **REVIEW AND UPDATE OF THE *FRAMEWORK FOR INTERNATIONAL EDUCATION STATEMENTS AND INTRODUCTION TO INTERNATIONAL EDUCATION STANDARDS***

### **Objectives of Agenda Item**

- To determine the scope of a proposed review and update of the above documents; and
- To appoint a Working Group to undertake this work.

### **Background**

The *Framework for International Education Statements*, originally drafted in 2001, provides the basis for IESs and other international education statements, describing their nature, scope and authority and giving a detailed explanation of what each type of statement is designed to achieve. The *Framework* also sets out the mission, objectives and meeting procedures of the IAESB, and explains due process for the development of IESs and IEPSs. In addition, the *Framework* contains a discussion of development concepts in accounting education, and of the relationship between capability and competence, which provides a foundation for the approach adopted throughout IESs and IEPSs. A glossary of defined terms is also provided.

The *Introduction to International Education Standards*, also drafted in 2001, provides background information to the development of IESs, describes the scope of issues covered within the IESs, and discusses the ways in which the IESs may be adopted and applied to the education programs of IFAC member bodies.

### **Conforming Changes**

Some aspects of the *Framework* (and less so, the *Introduction*) require updating to ensure consistency with the IAESB's updated strategic plan, terms of reference, due process and document titles, as well as to include references to international education statements since the *Framework* was originally drafted. The areas where conforming changes are required are outlined in the table below. In addition, a first draft of a revised *Framework* containing these changes is included as Agenda Item 9-1.

<b>Section</b>	<b>Conforming Changes Required</b>
Objectives and Terms of Reference Mission and Strategic Objectives	Sections need to be updated to reflect revised Terms of Reference as approved by the PIOB in March 2006
Nature, Scope and Authority of Statements	Needs updating to reflect new document titles
Consultative Process	Needs re-writing to reflect new due process as approved by the PIOB
Development Concepts	Can remain unchanged except for small edits
Relationship Between Capability and Competence	Can remain unchanged except for small edits
Glossary of Terms	Needs updating to include terms defined in recent international education statements May need some updating of previously defined terms and/or explanations
References	Needs to be brought up to date

In terms of the *Introduction*, a limited number of conforming changes are required, all of an editing nature. A first draft of a revised *Introduction* containing these changes is included as Agenda Item 9-3.

It is planned to publish a new hard-copy version of the IESs in 2007, including IESs 7 and 8 (never previously released in hard-copy format). It is therefore proposed that the IAESB take this opportunity to make conforming changes to the *Framework* and *Introduction* to enable an up-to-date set of IESs to be published.

### **Fundamental Review**

In addition to making conforming changes to ensure consistency, the IAESB may wish to consider undertaking a more fundamental review of the *Framework* and *Introduction*. Since both documents were drafted in 2001, developments in accounting education may mean that a review is timely. Among other issues that may be identified, the IAESB may wish to consider:

- Developments in competence-based approaches (possibly including some of the content of IEIP 2, *Towards Competent Professional Accountants*) and drawing on the work of IFAC member bodies, academics, and others;
- Increasing specialization within the profession, and the effects this may have/is having on accounting education;
- Increasing regulatory focus on the education and development of professional accountants (especially CPD);
- Addressing the specific needs of developing professions, SMPs and SMEs, and or other constituencies;
- Issues of convergence and benchmarking, and whether these should be reflected in the *Framework* and/or *Introduction*; and
- Clarifying the nature, scope and authority of IEPs - are these the same as for IEGs?

The IAESB may want to consider whether the *Framework* and or *Introduction* need to be revised conceptually to deal with some/all of the above, and/or other issues.

**Material Presented**

Agenda Item 9-1	<i>Framework for International Education Statements</i>
Agenda Item 9-2	<i>Introduction to International Education Standards</i>
Agenda Item 9-3	Draft Revised <i>Framework for International Education Statements</i> containing conforming changes
Agenda Item 9-4	Draft Revised <i>Introduction to International Education Standards</i> containing conforming changes
Agenda Item 9-5	Draft <i>Framework for International Education Statements</i> tracking suggested changes from published version (Word)
Agenda Item 9-6	Draft <i>Introduction to International Education Standards</i> tracking suggested changes from published version (Word)

**Action Requested**

The IAESB is asked to:

- Discuss the scope and nature of a proposed review and update of the *Framework for International Education Statements* and *Introduction to International Education Standards*;
- Consider the issues set out above in the “Fundamental Review” section of this agenda paper, and highlight any other relevant issues for IAESB consideration; and
- Appoint a Working Group or Task Force to undertake any planned review and update.