



**The Japanese Institute of  
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Technical Manager

International Accounting Education Standards Board

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***JICPA Comments on the Exposure Draft, Proposed Redrafted International Education Standard 7, Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence***

The Japanese Institute of Certified Public Accountants (JICPA) is pleased to comment on the above-captioned Exposure Draft.

**Request for Comments**

**Question 1**

Is the objective to be achieved by a member body, stated in the proposed redrafted IES 7, appropriate?

The objective is appropriate, since previously, it had been disseminated in many sections of the standard, has been put together and clearly set out in one section of the proposed redrafted IES 7.

**Question 2**

Have the criteria identified by the IAESB for determining whether a requirement should be specified been applied appropriately and consistently, such that the resulting requirements promote consistency in implementation by member bodies?

The criteria identified by IAESB are appropriate and consistently stated, with no variance shown between the objective and the requirements.

### **Question 3**

Are there any terms within the proposed redrafted IES 7 which require further clarification? If so, please explain the nature of the deficiencies.

There are no terms that require further clarification.

### **Comments on Other Matters**

#### **1. CPD as means to protect the public interest**

Paragraph 11 of the current standard which states that, "(M)ember bodies need to consider a variety of quality assurance methods when considering their responsibility to protect the public interest. CPD is only one method," was redrafted to " ...member bodies may consider a variety of quality assurance processes, of which CPD is an important one. " in the A3 of the proposed redrafted IES 7.

Since CPD is a continuation of IPD, and through which members of the IFAC member bodies maintain the most up-to-date knowledge and competence, we believe that it is desirable, in the redrafting, to state that "... CPD is an important one."

#### **2. Waiver or relaxing of CPD requirements**

In the proposed redrafted IES 7, there is no clear statement of whether or not a waiver or relaxing of CPD requirements is permitted, and if permitted, what would the conditions be for the waiver or relaxing for those who are unable to fulfill CPD requirements, due to their age, health, or other compelling reasons. Since there are many member bodies, including the JICPA, with a policy of waiver or relaxing of requirements, and because it would seem impossible, in practice, not to permit any waiver at all, we believe it is necessary to include such cases or conditions when members are permitted to request waiver or relaxing of CPD requirements. This may be included in the Explanatory Materials or other appropriate sections of the proposed redrafted IES 7.

#### **3. Appendix of the current standard**

Requirements of the proposed redrafted IES 7 are now clear since the examples of planning tools and learning activities, previously included in the Appendix of the current standard, are reorganized in a systematic manner in the sections of the Explanatory Materials.

**4. A competent source that can verify the maintenance and development of relevant competence in the output-based approach**

As a part of the explanation about “objectively verified by a competent source” in the paragraph 12, “use of a competent source who is able to confirm that the outcome or competence has been developed and maintained” has been stated in the A12 of the proposed redrafted IES 7. We would appreciate IAESB’s further clarification as to who specifically IAESB has assumed to be “a competent source” in the output-based approach.

**5. Wording of A 24**

The first sentence of A24, which reads “Member bodies are encouraged to require professional accountants to maintain evidence of their learning for a sufficient period of time to support the prescribed reporting requirements”, is difficult to understand in terms of relevance to the second sentence “(I)it should be noted, however, that a monitoring cycle of longer than five years would unlikely meet the objectives of this IES.” In paragraph 46 of the current IES 7, it states that “(R)reporting cycles of greater than five years would unlikely to meet the objectives of this Standard.” However, the proposed redrafted IES 7 states “monitoring cycle” of the member bodies in the same context. We suggest that the wording of A24 and the place, where “monitoring cycle” has been mentioned, may need to be reconsidered. If IAESB is indicating the maximum time limit for the maintenance of leaning evidence in the A24, we suggest that IAESB considers to change the wording to”...that a reporting cycle of longer than five years would unlikely meet the objectives of this IES.”

Sincerely yours,

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Executive Board Member - CPE

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