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Ref.: QMA/PRJ/PWE/MBR

Dear Mr McPeak,

**Re: FEE Comments on the IAESB Exposure Draft on the Proposed IES 3 - Initial Professional Development - Professional Skills (Revised)**

FEE (the Federation of European Accountants) is pleased to provide you below with its comments on the Proposed IES 3 Initial Professional Development - Professional Skills (Revised).

FEE supports the IAESB's project to improve the clarity of its standards.

***Responses to questions***

**Question 1: Do you support the definition of professional skills?**

We support the definition of professional skills as “intellectual, personal, interpersonal, communication and organisational skills that a professional integrates with technical competence and professional values, ethics and attitudes to demonstrate professional competence”.

**Question 2: Do you support the removal of General Education from this IES?**

We welcome that the reference to “General Education” has been deleted from the title and the content IES 3.

Although general education is important for any professional, it is not a specific matter of Initial Professional Development (IPD). General education covers a large range of intellectual skills and knowledge, not only professional skills. It can be gained in a variety of ways and within different contexts and usually starts long before IPD.

**Question 3: Is the objective to be achieved by an IFAC member body, stated in the proposed IES 3 (Revised), appropriate?**

Paragraph 6 states that “*The objective of an IFAC member body is to provide aspiring professional accountants with the professional skills required to perform a role of a professional accountant.*”, which is not appropriate for the following two reasons:

Paragraph 6 should state the objective of IES 3, not the objective of an IFAC member body. The objective of a professional institute is governed by the legal framework in its country and by its statutes, not by education standards.

Furthermore, education is not in all countries carried out by IFAC member bodies. In some countries, IFAC member bodies have shared responsibilities in education with government authorities or educational organisations and in other countries IFAC member bodies are not at all involved in education.

IFAC member bodies can only use their best endeavours (see IFAC SMO 2) to ensure that aspiring professional accountants are equipped with the professional skills required to perform a role of a professional accountant.

The same applies to the second sentence of paragraph 2, which states that “IFAC member bodies *have responsibility* for ensuring that IPD meets the requirements of this IES.”

**Question 4: Do you agree with the adoption of a learning outcomes approach?**

We agree with the adoption of a learning outcomes approach rather than a list of skill areas as provided in the extant IES 3.

**Question 5: Table A of the proposed IES 3 (Revised) provides learning outcomes for various competence areas of professional skills, are there any additional learning outcomes that you would expect from an aspiring professional accountant?**

We agree with the four competence areas (intellectual, personal, interpersonal and communication as well as organisational) listed in Table A.

However, the related learning outcomes are described rather detailed, which might be conducive for a certain harmonisation of education and can certainly be helpful as background material. Considering the large differences in national requirements regarding accounting education across the EU, they could however be too detailed to be translated into national requirements.

Therefore, it could be considered to keep the learning outcomes more general and to move the detailed descriptions from the “Requirements” part of the standard into the “Explanatory Materials”, using them as examples.

**Question 6: For Table A of the proposed IES 3 (Revised) are there any learning outcomes that you do not think are appropriate?**

See response to question 5 above.

**Question 7: Are the minimum levels of proficiency included in the proposed IES 3 (Revised) appropriate for each professional skills competence area?**

Overall, we question whether IES 3 should prescribe any level of proficiency. As the competence areas are comprehensive and if the learning outcomes are described clear enough but not too detailed (see above), the level of proficiency could after all be subject to the assessment system that is used on national level.

Given the importance of personal, interpersonal and communication as well as organisational skills, we doubt that “intermediate” would be the appropriate level. It might be worth considering whether a higher level (“advanced”) would be more appropriate.

**Question 8: Overall, are the requirements clear and appropriate? If not what changes would you like to see?**

Generally, the requirements stated in paragraphs 7 to 9 are sufficiently clear and appropriate, with the modifications as suggested above in the responses to questions 5 and 7.

**Question 9: Do you anticipate any impact or implications for your organization, or organizations with which you are familiar, in implementing the new requirements included in this proposed revised IES 3 (Revised)?**

We are not aware of any specific impact, however, we do have some concerns that implementing the requirements that are related to the learning outcomes and to their assessment might be difficult in practice.

**Question 10: Are there any additional explanatory paragraphs needed to better explain the requirements of the proposed IES 3 (Revised)?**

Please refer to the responses to question 5.

**Question 11: 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 requirements are specified in paragraphs 7 to 9 and appear to be comprehensive and detailed enough to promote consistency in implementation by member bodies. As outlined above in the response to question 5, they might even be too detailed to be adapted to national requirements.

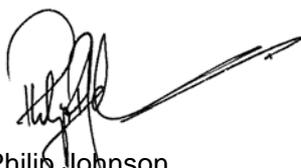
**Question 12: Are there any terms within the proposed IES 3 which (Revised) require further clarification? If so, please explain the nature of the deficiencies.**

The third sentence of paragraph 2 says. "In addition, this IES *will be* helpful to educational organisations, employers, regulators, government authorities, and any other stakeholders who support learning and development of professional values, ethics, and attitudes of aspiring professional accountants." We question whether this standard is relevant for such large range of stakeholders. IAESB needs to avoid drafting standards which would go beyond its responsibility. Therefore, we suggest to amend the sentence as follows: "However, this IES *might be* helpful to ..."

Considering the overall concept of the IES and the consistency within this concept, we wonder whether the assessment of professional skills (paragraph 9 and A13 to A15), would not be better placed in IES 6 which is specifically dedicated to the assessment of professional competences.

For further information on this letter, please contact Ms Petra Weymüller from the FEE Secretariat (email: [petra.weymuller@fee.be](mailto:petra.weymuller@fee.be), Tel.: +32 2 285 40 75).

Yours sincerely,



Philip Johnson  
President