



## **Organizational Document**

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France	<b>Compagnie Nationale des Commissaires aux Comptes Ordre des Experts-Comptables</b>
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# Organizational Document

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# 1. COMMON CONTENT FOUNDATIONS

## Vision

1. A collaboration between premier accountancy bodies to further develop, maintain and unify high quality professional accountancy education benchmarks reflected in the distinct qualifications of these bodies and recognised internationally as meeting the challenges posed by globalisation and the needs of diverse stakeholders.

## Mission Statement

2. Common Content seeks to internationalise and harmonise the high quality educational outcomes for relevant skills, of professional accountants, of premier accountancy bodies, that are subject to globalisation and changing public expectations, while retaining the strength of local educational structures, qualifications and designations.
3. Common Content seeks to meet the needs of, and coordinate with, a diverse range of stakeholders in professional accountancy education.
4. Common Content seeks to generate significant professional accountancy education benchmarks.
5. The premier accountancy bodies currently participating in Common Content (“Participating Institutes”) and associate member bodies share this mission and seek participation of other premier accountancy bodies with the same goals and values, within and outside of Europe.

## Values

6. Have mutual respect and be prepared to work together to deliver shared stakeholder benefits.
7. Support collaboration as a means of delivering mutual benefits in an effective, efficient and economical way.
8. Demonstrate fundamental principles of ethical behaviour, integrity and a commitment to the public interest.
9. Be prepared to work with other premier accountancy bodies and associate member bodies that support the Common Content ethos and oversight process.
10. Share a commitment to protect and contribute positively to Common Content brand.

## Objectives

11. Collaboration Development
12. Development of Intellectual Content
13. Meeting Stakeholder needs

## 2. CONSTITUTION

### Institutes with Associate Membership

18. Institutes with Associate Membership shall consist of those professional accountancy bodies that:
- share the vision, mission, values and objectives of the Project; and
  - have the objective of becoming Participating Institutes, but only one of the following applies: they
    - have not yet submitted applications for full membership as Participating Institutes because they have not yet commenced the compliance process necessary for the determination of whether their qualifications meet Common Content qualification requirements; or
    - do not have a reasonable expectation (based upon the nature of the particular qualification and those Institutes having adequate technical, financial and other resources to improve that qualification to meet Common Content criteria) of meeting the criteria for full membership within a reasonable time in their qualification improvement process; or
    - represent aspirants, potential members or members-in-waiting (see paragraph 64);
- and
- are making significant progress towards meeting full membership as participating Institutes; and
  - have been admitted to Associate Membership.

An Institute shall be considered for Associate Membership only if it provides adequate evidence that it has met the requirements for associate membership established by the Steering Group. The Steering Group shall establish a process for assessing whether an Institute has provided adequate evidence to support its having met the requirements for associate membership and for approving such membership. The Steering Group shall review the status of associate members annually to determine whether they continue to meet the requirements for associate membership. Since associate members are expected to make significant progress in their qualification over time to become a Participating Institute with full membership, no Institute should be an associate member for more than 10 years.

19. An Institute shall cease to be a Participating Institute or Associate Member from the date agreed by the Steering Group when:
- a) it has ceased to exist as an independent professional accounting body;
  - b) it has resigned as a Participating Institute, or associate membership, as applicable, and the Steering Group has accepted its resignation;
  - c) the Participating Institute no longer meets the criteria for membership established by the Steering Group in accordance with paragraphs 16 and 17 and the Steering Group has resolved to remove that Institute as a Participating Institute
  - d) the Institute with associate membership no longer meets the requirements for associate members in accordance with paragraph 18; or
  - e) the Steering Group has, for good cause, resolved to remove the Institute as a Participating Institute or associate member, as applicable.

## Constitution

20. An Institute shall not publicly assert that its entry-level professional qualifications comply with common content requirements unless it has completed the compliance process and the Steering Group has concluded that the Institute has properly implemented and assessed common content requirements in its entry-level professional qualification.

### Obligations of Participating Institutes

21. A Participating Institute that **has** the responsibility and authority to grant its professional entry-level qualification and to determine the curricula for that qualification shall, in consultation when necessary with any relevant regulatory or government authorities:
- a) implement the common content requirements in that qualification; and
  - b) admit to membership those members of another Participating Institute who have met the assessment requirements established by that Institute for the common content and who have the appropriate work experience and have satisfied the assessment criteria for the Institute's national content.
22. A Participating Institute that does **not have** the responsibility or the authority to grant its qualification shall work with regulatory or government authorities, universities and other relevant national bodies and, in so doing, use its best endeavours to ensure:
- a) the implementation of the common content requirements in its national professional entry-level qualification; and
  - b) the admission to membership of those members of another Participating Institute who have met the assessment requirements established by that Institute for the common content and who have the appropriate work experience and have satisfied the assessment criteria for the Institute's national content.
23. A participating Institute that does **not have** the responsibility or the authority to determine the qualification requirements for its national qualification shall work with regulatory or government authorities, universities and other relevant national bodies and, in so doing, use its best endeavours to ensure:
- a) the implementation of the common content requirements in the qualification requirements for its national professional entry-level qualification; and
  - b) the admission to membership of those members of another Participating Institute who have met the assessment requirements established by that Institute for the common content and who have the appropriate work experience and who have satisfied the assessment criteria for the Institute's national content.

### Governance

24. The Common Content project shall be governed by the Steering Group.
25. The Steering Group shall comprise one representative of each Participating Institute.
  - Participating Institutes and associate members may be accompanied at meetings of the Steering Group by no more than one adviser.
  - Two or more Institutes which share a common membership shall be treated as one Participating Institute for voting, cost-sharing and accompanying advisers.
  - The Steering Group has the right to invite one or more observers to a meeting following a proposal of the Steering Group, a member of a Participating Institute, an associate member or the chair.
  - The Steering Group has the right to convene executive meetings or part-executive meetings that are closed to associate members, and/or advisers and/or observers.
26. Meetings of the Steering Group shall be presided over by a chair, supported by a vice chair and a secretary. The chair acts independently from any Participating Institute or associate member.
  - The chair is appointed by the Steering Group for a term of two years, which is renewable for a single additional two-year term.
  - The vice-chair is appointed by the Steering Group on a rotating basis from the representatives of the Participating Institutes for a non-renewable term of one year. The Steering Group will decide on the rotating scheme.
  - The secretary is appointed by the Steering Group with no set term limit.
27. The Steering Group shall be responsible for the governance of all aspects of the project including, but not limited to, the following:

#### *Participating Institutes*

- the admission of Institutes as Participating Institutes (including the establishment of the criteria and the process for determining membership that such Institutes are required to meet; and the timing for, and sequence of, its consideration of applications, and any appeals process);
- the removal of Participating Institutes from the project (including the establishment of the criteria and the process that would lead to removal, the timing of consideration of possible removal from the project and any appeals process).

#### *Institutes that are Associate Members*

- the admission of Institutes to the project as associate members (including the establishment of criteria and the process for determining associate membership that such Institutes are required to meet; and the timing for, and sequence of, its consideration of applications, and an appeals process);
- the removal of Institutes from the project as associate members (including the establishment of the criteria and the process that would lead to removal, the timing of its consideration of possible removal from the project and any appeals process).

## Constitution

### *Common Content Requirements*

- the development of the Common Content requirements including the agreement of the learning outcomes and knowledge, interdisciplinary and other competencies and attributes, and policies on education and assessment;
- the updating of the learning outcomes and knowledge, interdisciplinary and other competencies and attributes, and the policies on education and assessment;
- the accreditation and oversight processes, including the framework and indicators used in those processes;
- the monitoring of the endeavours made by Participating Institutes to ensure the portability of their respective Common Content qualifications.

### *Communications and Consultations*

- communications and consultations relating to the project with participating, associate and non-participating Institutes and with other appropriate national and international organisations;
- any joint branding of the Common Content;

### *Management and Governance of Project*

- the creation of Task Forces and other such groups that the Steering Group decides are necessary to manage the project;
- the recommendation of consultants to Institutes seeking assistance in the preparation of the self-assessments;
- the obligations of Participating Institutes to name competent individuals as potential consultants for the preparation of self-assessments, and provide competent individuals for the review team pool free of charge for the time incurred on reviews;
- the appointment of any review teams that are required to carry out the accreditation process;
- the appointment of a chair for any Task Forces, Review Panels and other groups;
- the appointment of a Project Director (or equivalent) and other staff required to manage and administer the project;
- the agenda, frequency and timing of Steering Group meetings, including video-meetings;
- the attendance of associate members as observers at meetings of the Steering Group and any other groups of the Project;
- the determination of the budget and financing of the project (including the allocation of shares of costs to Participating Institutes and Institutes that are associate members);
- the establishment of any legal entity or any other administrative or legal arrangements necessary to achieve the effective management of the project;
- the establishment of, and any changes to, the project's operating procedures provided that those procedures are consistent with the Constitution;
- any other strategy issues associated with the project;
- any other matters necessary to manage and administer the project; and
- changes to the governance arrangements, including changes to the Constitution.

## Steering Group Meetings

28. Meetings of the Steering Group shall be held at such times and in such places (including video- meetings) as it shall decide.
29. In the absence of consensus, decisions of the Steering Group relating to the following matters shall require the approval of at least three-quarters of the Participating Institutes:
  - the appointment of the chair;
  - the appointment of the vice chair based on a rotating scheme;
  - the appointment of the secretary;
  - the admission of Participating Institutes to the project;
  - the removal of Institutes from membership of the project;
  - the admission of Institutes to associate membership in the project;
  - the removal of Institutes from associate membership in the project;
  - the approval of changes to Common Content requirements including the learning outcomes and knowledge, interdisciplinary competencies, oversight, education,
  - assessment and the portability of qualifications;
  - the approval of the budget and financing of the project (including the allocation of shares of costs to participating Institutes and Institutes that are associate members);
  - the approval of changes to the governance arrangements; and
  - other matters for exceptional circumstances.
30. In the absence of consensus, decisions of the Steering Group relating to matters other than those in paragraph 29 shall require the approval of a simple majority of the Participating Institutes.
31. When a vote is required in accordance with paragraphs 29 or 30, Participating Institutes shall be entitled to one vote. The chair of the Steering Group shall not have a vote.
32. Institutes with associate membership have the right to be heard by the Steering Group in relation to decisions that affect associate members, but do not have the right to participate in decisions or voting under paragraphs 29 and 30.

## Financial Arrangements

33. The Steering Group shall prepare an annual budget for the ensuing calendar year and send that budget to the Participating Institutes, unless otherwise agreed by the Steering Group.
34. The Participating Institutes shall contribute on 1st January and 1st July each year the amount decided by the Steering Group unless the Steering Group determines otherwise. Unless otherwise agreed by the Steering Group, Participating Institutes shall contribute equally to the annual budget. Institutes that are Participating Institutes for part only of a calendar year shall contribute a pro rata proportion calculated by reference to the period of their membership. The Steering Group shall determine the



## Constitution

contribution of Institutes with associate membership to the cost of the Project; such contribution shall be less than that applicable to Participating Institutes.

35. The Steering Group shall reimburse the chair of the Steering Group for expenses incurred in attending Steering Group meetings and otherwise on behalf of the project. The Steering Group shall also reimburse the independent members of the Oversight Committee for expenses incurred in attending Oversight Committee meetings and otherwise on behalf of the Project.
36. The Steering Group shall determine what other expenses shall be a charge against the budget.
37. The Steering Group shall prepare annual financial statements and send those financial statements to the Participating Institutes, unless otherwise determined by the Steering Group.
38. Unless otherwise agreed by the Steering Group, any surplus of contributions and other income over expenses for a year shall be returned to the Participating Institutes in proportion to their contributions as determined under paragraph 34 for the year.

## Administration and Language

39. The legal and administrative office, and location of the Common Content Project shall be determined by the Steering Group.
40. The authoritative text of the Common Content requirements shall be that published by the Steering Group in the English language. The Steering Group may publish authorised translations or authorise Participating Institutes to publish translations of the authoritative text.

## Changes to Constitution

41. If the number of Participating Institutes increases, the Steering Group shall reconsider the governance of the project, in particular the membership of the Steering Group and the voting arrangements at Steering Group meetings.

## 3. MEMBERSHIP BY ADDITIONAL INSTITUTES

### Definitions

42. This section of the organizational document uses the following terms that are defined in the Constitution:

“Participating Institutes” Professional accountancy bodies (Institutes) that share the vision, mission, values and objectives of the Project, that have met the criteria for membership established by the Steering Group in accordance with paragraph 17 of the Constitution, and that have been admitted to membership.

“Associate members” professional accountancy bodies that

- share the vision, mission, values and objectives of the Project;
- have the objective of becoming Participating Institutes, but only one of the following applies: they
  - have not yet submitted applications for full membership as Participating Institutes because they have not yet commenced the compliance process necessary for the determination of whether their qualifications meet Common Content qualification requirements; or
  - do not have a reasonable expectation of meeting the criteria for full membership within a reasonable time in their qualification improvement process; or
  - represent aspirants, potential members or members-in-waiting (see paragraph 64);

and

- are making significant progress towards meeting full membership as participating Institutes; and
- have been admitted to Associate Membership.

### Importance of Membership Process and Criteria

43. The membership process and criteria are important to the following parties for the following reasons:

- the existing Participating Institutes and Institutes with associate membership, to protect the “Common Content” brand;
- members of Participating Institutes seeking greater portability of qualifications;
- successful applicants for full membership as Participating Institutes, who seek an efficient process;
- unsuccessful applicants for full membership as Participating Institutes or as associate members, who seek a fair and transparent process; and

## Membership By Additional Institutes

- other stakeholders (regulators and employers), with legitimate interests in the activities of the profession.

## Objectives of Membership Process and Criteria

44. The objectives of the membership process are:
- a. to allow those Institutes whose qualifications meet the criteria for membership as Participating Institutes to become such members if they so desire.
  - b. To allow those Institutes that meet the criteria set by the Steering Group for associate membership to become such members if they so desire.
  - c. to ensure that those Institutes whose qualifications do not meet the criteria for membership as Participating Institutes cannot become such members, and that those Institutes that do not meet the criteria for associate members cannot become such members.
  - d. to assist those Institutes whose qualifications have a reasonable expectation (based upon the nature of the particular qualification and those Institutes having adequate technical, financial and other resources to improve that qualification to meet Common Content criteria) of meeting the Common Content criteria within a reasonable time in their qualification improvement process.
  - e. to ensure that criteria for acceptance to membership as Participating Institutes or associate members are applied in a fair, efficient and transparent manner.
  - f. to ensure that the process is seen to be fair, efficient and transparent by existing member Institutes, the applying Institute, and third parties.
45. The objective of the membership criteria for membership as Participating Institutes is to ensure that only qualifications that meet the common high standards set by the project are eligible for such membership. The objective of the membership criteria for associate membership is to ensure that only Institutes that meet the criteria for such membership are eligible for such associate membership.

## Membership Criteria for Participating Institutes

46. Only the following Institutes may become full members (“Participating Institutes”) in the Common Content Project:

### **Institutes with a substantial portion of members eligible to become statutory auditors**

47. In this context:
- a) the term “members” means those members of an Institute who hold that Institute’s entry-level qualification that meets the requirements of the Common Content Project.
  - b) “eligible” means the professional accountant has:
    - completed the requisite theoretical education and successfully completed the national professional examinations necessary to become a statutory auditor in the Institute’s home jurisdiction;

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- completed the practical experience required to obtain the Institute’s national entry-level qualification or designation; and
  - holds the Institute’s national entry level qualification or designation.
- c) “eligible” does *not* mean the professional accountant:
- holds a licence as a statutory auditor;
  - has obtained the additional practical experience beyond that needed for the Institute’s entry-level national qualification or designation required to obtain the licence to practise as a statutory auditor; or
  - has taken out any professional indemnity insurance required to practise as a statutory auditor.
- d) the term “statutory auditor” means:
- in the EU; an auditor so qualified under the EU Statutory Auditor Directive;
  - in jurisdictions requiring a licence for public accountants to practise as independent external auditors of financial statements, those with such a licence; and
  - in jurisdictions where the practice as an independent external auditor of financial statements is not regulated, those who practise as such external auditors.

### **Institutes that support fully Common Content and have implemented the requirements as agreed by the existing Participating Institutes**

48. In this context:
- a) the term “full support” means that the Institute supports without reservation; however, this does not mean that it is not allowed to make meaningful suggestions for improvement.
  - b) the “Common Content requirements” are defined in the *Qualifications Requirements document*.
  - c) “Implementation” is defined in *the Qualifications Requirements document*.
49. An Institute shall become a *Participating Institute* only if it has implemented the common content qualification requirements in its professional entry-level qualification and has met the other criteria for membership.
50. An Institute may not join the project even though it meets common content requirements where a local authority requires acceptance of the application of a second Institute that does not meet those requirements, i.e., the Steering Group will apply the same criteria to all applications for membership and will not approve the membership of an Institute that does not meet the criteria as a condition of granting membership to another Institute that does meet the criteria.
51. Arrangements for the reciprocal acceptance of members between Participating Institutes and non-participating Institutes would not apply to the Common Content Project – and in particular, to any portability mechanisms established by the Common Content Project.
52. Issues in relation to education, such as the level of education required for entry into the programme of professional education are addressed in the *Qualifications Requirements and Introduction to the Learning Outcomes and Knowledge*. Issues in

## Membership By Additional Institutes

relation to required professional ethos are addressed in those documents and the *Skills Framework*.

53. There will be no “grandfathering” of the Common Content Project for existing members of a Participating Institute. Nevertheless, existing members will be given the opportunity to “top up” their qualifications. The ability to top up qualifications means, however, that such a “top up” be subject to the requirements of the Common Content Project. This means both, that the Institute’s own self assessment of its “top-up” be subject to review by the Steering Group, and that it involve a reasonable assessment by the Institute of these members’ top up.
54. The Steering Group has agreed that few (perhaps 20) other Institutes are likely to meet the necessary criteria for admission as Participating Institutes in the foreseeable future. The Steering Group has also agreed that Institutes that do not currently meet the criteria should aspire to membership, and may also seek to obtain associate membership.

## Membership Criteria for Associate Members

55. Only the following Institutes may become associate members of the Common Content Project:
  - a) Institutes with a substantial portion of members eligible to become statutory auditors (see paragraph 47 for further details of the meaning of this requirement); and
  - b) Institutes that support fully Common Content (see paragraph 48 (a)).

## Operation of the Membership Process for Applications for Membership as Participating Institutes

56. The formal membership process for an applicant Institute seeking membership as a Participating Institute commences upon submission of a formal application by that Institute to the Steering Group based upon final decisions made in relation to governance (actual receipt of applications for processing would be undertaken by any body or office to which the Steering Group delegates that responsibility).
57. Whether Participating Institutes choose to provide assistance to applicants is within their judgment: they may act as a conduit to the Steering Group if they so wish. The process ought to strive to allow applicants to be successful in implementing the Common Content, but applicants must otherwise have the financial and technical resources to support their application. Upon request, the Steering Group may recommend consultants with Common Content experience to applicants seeking assistance with their self assessment.
58. The information provided in an application ought to include:
  - a description of the Institute’s entry-level national qualification;
  - information about the Institute’ technical, financial and other resources;
  - information about the Institute’s professional, legal and regulatory environment;
  - an outline documenting how the qualification has a reasonable likelihood of meeting Common Content requirements; and
  - a commitment to meet the obligations of Participating Institutes.

## Membership By Additional Institutes

59. New participants must:
  - accept the project as it is before joining;
  - implement the project as it is before joining; and
  - upon admittance by the Steering Group as a Participating Institute, name competent individuals as potential consultants for the preparation of self assessments, and provide competent individuals (at least one) for the review team pool free of charge for the time incurred on the review of self assessments.
60. Existing Participating Institutes have the right and responsibility to make available to the Steering Group during the membership process any information that they believe may be relevant to the Steering Group's decision on the acceptance of a new member.
61. Existing Participating Institutes will not have any right of veto or any delaying powers in the acceptance of new members, nor will applicants require the support of existing members.
62. Pursuant to an agreement under an application for membership with the Common Content Project, an applicant for membership shall bear the costs of:
  - preparing and submitting the application, including the preparation of its self assessment, subject to any arrangement made with Participating Institutes with respect to consulting;
  - the translation of its application for membership into English;
  - the travel and accommodation of review team members for the site review as part of Steering Group's review of the applicant's self assessment in accordance with the compliance process; and
  - any appeals resulting from the rejection of the application.
63. The timing of processing of membership applications ought to be determined by the added value that a particular potential member may bring to the project; the Steering Group wishes to retain its flexibility to exercise judgment in this regard, rather than being bound by strict rules. The Steering Group will determine the timing for, and sequence of, its consideration of applications.
64. The membership process involves the following stages towards membership:
  - potential applicants (i.e., those who have expressed an interest and may have entered into discussions with existing Participating Institutes or members of the Steering Group);
  - applicants (i.e., those who have applied for membership by submitting a formal application to the Steering Group);
  - aspirants (i.e., those who support the project, but upon initial processing of the application it has become apparent that they require considerable assistance to improve their qualification or perform a self-review, but have no reasonable expectation of successful implementation within the near future);
  - potential members (i.e., those who have commenced the membership process because they have a reasonable expectation of successful implementation within a reasonable time);
  - members-in-waiting (i.e., those who have completed their membership process, including the review, but who are in the process of taking substantial remedial action so that they comply with the Common Content criteria within a reasonable time);
  - associate members (i.e., those that have chosen not to apply for full membership or that represent aspirants, potential members or members-in-waiting, that seek a

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formal relationship with the Project and to participate in its activities without having achieved full membership)

- members (i.e., those who are in compliance with the Common Content criteria; also known as “Participating Institutes); and
- reciprocal members (i.e., Participating Institutes that have been able to establish the mechanisms for portability of qualifications).

## Operation of the Membership Process for Applications for Membership as Associate Members

65. The formal membership process for membership for an applicant Institute seeking membership as an associate member commences upon submission of a formal application by that Institute to the Steering Group based upon final decisions made in relation to governance (actual receipt of applications for processing would be undertaken by any body or office to which the Steering Group delegates that responsibility).
66. Applicants must have the financial (the ability to support its application, subsequent reviews and contribute the appropriate share to the Common Content budget, and the ability to continue as a going concern) and technical (provide the relevant information required by the Steering Group about its qualification) resources to support their application.
67. The information provided in an application shall include:
  - a description of the Institute’s entry-level national qualification;
  - information about the Institute’ technical, financial and other resources;
  - information about the Institute’s professional (including any issues related to the reputation of the Institute), legal (including in relation to any substantive legal proceedings or disputes) and regulatory environment;
  - a commitment to meet the obligations of associate membership, including submission to the membership application and review process;
  - a sufficiently detailed explanation supported by evidence as to why associate membership, rather than membership as a Participating Institute is desired.
68. New potential associate members must accept the project as it is before joining as an associate, but may provide recommendations and other information for consideration by the Steering Group.
69. Existing Participating Institutes have the right and responsibility to make available to the Steering Group during the membership process any information that they believe may be relevant to the Steering Group’s decision on the acceptance of a new associate member.
70. Existing Participating Institutes will not have any right of veto or any delaying powers in the acceptance of new associate members, nor will applicants require the support of existing members.
71. Pursuant to an agreement under an application for membership with the Common Content Project, an applicant for associate membership shall bear the costs of:
  - preparing and submitting the application;
  - the translation of its application for membership into English;
  - any appeals resulting from the rejection of the application.

## 4. COMPLIANCE

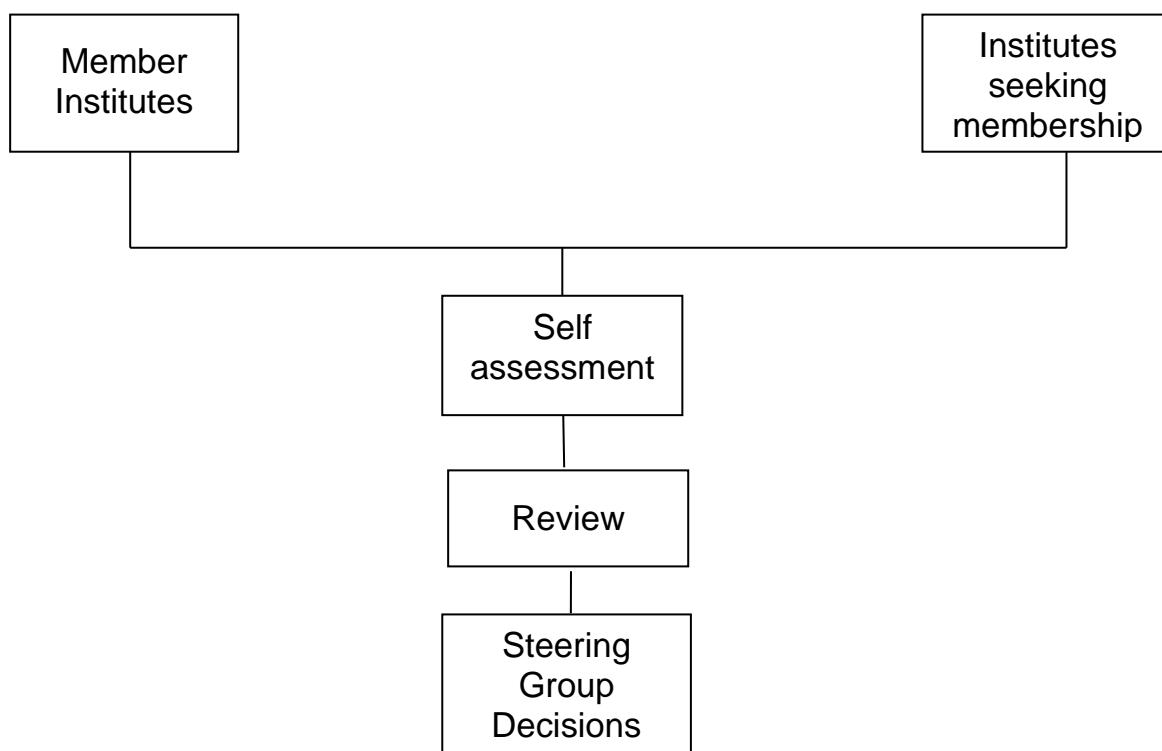
### Purpose and Scope

72. The objective of the compliance process is to determine whether an Institute's qualification is in compliance with common content qualification requirements.
73. The compliance process applies to the entire qualification program, whether or not an Institute has direct responsibility for parts of that program.

### Overview

74. The compliance process is managed by the Steering Group and consists of:
- a *self assessment* prepared by an Institute providing evidence of whether its entry-level professional qualification meets the Common Content qualification requirements;
  - a *review* of the self assessment by a review team on behalf of the Steering Group to assess whether there is adequate evidence to support the conclusions expressed in the self assessment
  - *Steering Group decision-making* in relation to the self assessment and review processes
75. The compliance process applies equally to member Institutes (that is, Participating Institutes) and to those Institutes seeking membership as Participating Institutes (see Table 1).

**Table 1: Compliance Process**





## Self assessment

### Overview of self assessment

76. An Institute prepares a self assessment comparing its entry level professional qualification or qualifications specified with common content qualification requirements and issues a statement of conclusions resulting from the self assessment.
77. The preparation of the self assessment in accordance with common content self assessment requirements is entirely within the responsibility of the Institute that is seeking to have the compliance of its qualification assessed.
78. The self assessment has seven parts:
  - A. A description of the Institute's qualification program together with a conclusion on whether the Institute's qualification meets common content general requirements.
  - B. A description of the quality control over the qualification program and a conclusion, supported by documentation of adequate self assessment evidence, whether the quality control process has applied the common content quality control principles.
  - C. A conclusion, supported by documentation of adequate self assessment evidence, whether the Institute's entry-level professional qualification meets the appropriate international requirements for professional accountants and the examination requirements at EU and international levels for statutory auditors.
  - D. A conclusion, supported by documentation of adequate self assessment evidence, whether the assessment for the qualification program is at the appropriate academic level.
  - E. A conclusion, supported by documentation of adequate self assessment evidence, whether the qualification program achieves the common learning outcomes.
  - F. A conclusion, supported by documentation of adequate self assessment evidence, whether the qualification program covers, in an integrated way, the five service areas and achieves the skills framework.
  - G. An overall conclusion on whether the qualification meets common content qualification requirements.
79. When a self assessment is carried out subsequently to a reviewed self assessment, the subsequent self assessment draws on the reviewed self assessment and focuses on the changes in the specified qualification(s) and in common content requirements since the reviewed self assessment.

### Description of Institute's qualification program

80. The Institute describes the professional and educational environment, and the main components of the program, including requirements for admission to the profession, professional education, practical experience and assessment. The description should also cover the relative contributions of universities, other academic institutions, other educational institutions, government and their agencies and professional accountancy and audit firms as well as the Institute itself. The description should include an assessment of whether the qualification meets common content general requirements and an overall conclusion on that assessment.

## Compliance

### Description of quality control

81. The Institute describes its quality control over its professional qualification at a general level. The general description covers the conclusion on whether the Institute applies the common content quality control principles and refers to the sources of evidence supporting this conclusion. A more detailed description of quality control over specific areas (compliance with national and international education standards, academic level, learning outcomes, and skills framework) may be provided in the self assessment of these areas.

### Compliance with international education requirements

82. The Institute provides a conclusion, supported by documentation of adequate self assessment evidence, of whether the Institute's entry-level professional qualification:
- meets or exceeds IAESB education standards;
  - meets or exceeds examination requirements at EU and international levels for statutory auditors; and
  - requires compliance with the highest ethical standards, including the *IESBA Code of Ethics for Professional Accountants*.

### Compliance with requirements for academic level

83. The Institute provides a conclusion, supported by documentation of adequate self assessment evidence, whether the assessment for the qualification program is at first degree level, that is, at least equivalent to a three year university degree of professional competence and skills, and the assessment of whether key parts of the knowledge, including but not limited to financial reporting and assurance, are at second degree level.

### Compliance with Common Content qualification requirements in the Learning Outcomes document

84. The Institute provides a conclusion, supported by documentation of adequate self assessment evidence, whether the qualification program achieves the common learning outcome requirements that are set forth in the Learning Outcomes and Knowledge documents.
85. As noted in the learning outcomes documents, as a matter of principle, Common Content only includes material qualification requirements. Consequently, in principle, full compliance with common content qualification requirements means compliance with every qualification requirement. The learning outcome documents explain that since both common content requirements and qualification programs are subject to continual change, full compliance in terms of a point in time may never be practically achieved. However, departures from common content requirements identified in the self assessment would need to be adequately addressed in a qualification program by a plan of remedial action that would need to have been implemented by the time of the next self assessment and review. Of course, given the continual change in both common content qualification requirements and qualification programs, new issues may arise.
86. The learning outcomes are defined in terms of what students should be able to do using verbs, and the knowledge that is necessary to achieve these capabilities. Full compliance means that students have achieved the capabilities required in the learning outcomes documents for each service area.

## Compliance

87. In achieving that objective, an Institute can apply the principle of transferability in its qualification programme. This means that capability in a given learning outcome may not necessarily be directly assessed provided that the required capability is covered elsewhere in the same service area in a closely related context or in a related service area where the same capabilities are required.
88. This overall approach makes it possible to have viable Common Content programmes in each participating country that also reflect local circumstances.
89. The learning outcome document notes that in order to perform well in a service area, professional accountants need an understanding of the other service areas. The program of assessment needs to reflect this by integrating knowledge from other disciplines to enable the satisfactory achievement of the learning outcomes in a particular discipline.

### Compliance with the requirements in the Skills Framework

90. The Institute provides a conclusion, supported by documentation of adequate self assessment evidence, whether the qualification program covers, in an integrated way, the five service areas and achieves the skills framework. As well as requiring entry-level accountants to have the appropriate skills in each of the separate subject areas (as defined by the verbs in the learning outcomes – e.g. “recommend”, “discuss”, “compare” – see above), to meet the requirements of the skills framework, entry-level accountants also draw upon their practical experience to obtain multidisciplinary and other skills.
91. The skills framework explains that in order to deal with situations encountered in practice, professional accountants need to integrate knowledge from across the range of all subject areas. The program of assessment needs to reflect this by integrating knowledge and skills across service areas, other knowledge and ethical and professional requirements.

### Overall Conclusion on Common Content compliance

92. Based upon the conclusions reached in the six previous parts of the self assessment, the Institute should form an overall conclusion on whether the qualification meets common content qualification requirements and whether any remedial action is necessary.

## Review of self assessment

93. A review team appointed by the Steering Group performs a review of the self assessment, which involves a verification of a participating Institute’s self assessment to determine whether the self assessment conclusions are reliable, and a report to the Steering Group whether the team has obtained adequate evidence to support its conclusions on the self assessment.
94. The review of an Institute’s self assessment is the responsibility of the review team, which plans and performs the review in accordance with Common Content review requirements. Common content review requirements relate to the review process, and its documentation, reporting, and retention of records. The review team is not responsible for the self assessment.

## Compliance

95. The review team performs a preliminary review of parts A to C of the self assessment, and, on the basis of the results of this preliminary review and after having provided its proposed conclusions to the Institute, reports to the Steering Group on the review team's conclusion as to whether the review process should be continued. If the Steering Group decides that the review process should be continued, the review team performs the review of parts A to G of the self assessment.
96. The review team reviews the self assessment in order to obtain adequate evidence to support the review team's conclusions on whether the Institute's self assessment conclusions on the achievement of the Common Content qualification requirements by the qualification are reliable. During the review process, the Institute is responsible for providing the review team with access to information that is relevant to the self assessment.
97. The review team provides the draft report to the Institute for comments that may affect the content of the final report. The final report of the review team to the Steering Group should highlight any remaining areas of disagreement with the Institute. The language of the final report will be in English. The Institute may provide comments on any remaining issues to the Steering Group on the final report.
98. When a review is performed subsequently to a previous review, the review team draws on the previous review and focuses the subsequent review on changes in the specified qualification(s) and in Common Content requirements since the previous review.

## Steering Group decisions

99. The Steering Group is responsible for managing the compliance process. The Steering Group selects Institute qualifications for review and determines the timing of reviews, including any review cycle. The Steering Group also selects the review team members.
100. Based on its consideration of the self assessment and the review, together with any comments on that review from the Institute, the Steering Group shall conclude whether:
  - the Institute's qualification complies with the Common Content requirements;
  - the Institute's qualification complies with the Common Content requirements subject to remedial action;
  - the Institute's qualification does **not** comply with the Common Content requirements;
  - the review team is unable to reach a conclusion on whether the qualification of the Institute complies with Common Content requirements.
101. When remedial action is required, the Steering Group may specify the nature of that action, the timetable for completion and review of that action (including the need for a further self assessment and review).
102. When an Institute's qualification does not comply with the Common Content requirements, the Steering Group may indicate the areas of non-compliance and the actions required to achieve compliance (including the need for a further self assessment and review).

## Compliance

103. A possible additional recommendation could be that a review or partial review may be necessary within a period that is shorter than the cycle determined for reviews by the Steering Committee.
104. The Steering Group is responsible for communicating with the Institutes and the review team on a timely basis in relation to the self assessment and review processes for major issues, and for ensuring the comparability of reviews.

## Assertions of Compliance

105. An Institute, including a Participating Institute, shall not publicly assert that its entry-level professional qualification complies with the common content unless it has completed the compliance process and the Steering Group has concluded that the Institute has properly implemented and assessed the common content in its professional entry-level qualification.

## 5. OVERSIGHT COMMITTEE

### Role

106. The Steering Group shall establish an Oversight Committee in order to provide assurance that the compliance process and the admission of new members (whether Participating Institutes or Associate Members) has been properly carried out. The Oversight Committee shall consist of a minimum of 4 and maximum of 5 members. The Steering Group shall review the Oversight Committee's activities annually.
107. The Oversight Committee shall:
  - report to the Steering Group and thereafter to the Participating Institutes on whether the compliance process and the admission of new members has been properly carried out;
  - report publicly on whether the compliance process and the admission of new members has been properly carried out;
  - make recommendations to the Steering Group for changes in the compliance process and the admission of new members; and

### Membership

108. The Steering Group will appoint, for each calendar year, a Nominating Committee consisting of the chair of the Steering Group, two of its members and a secretary. The Nominating Committee will propose members of the Oversight Committee for the next calendar year.
109. Members of the Oversight Committee are appointed by the Steering Group. Each appointment requires the approval of at least three-quarters of the Participating Institutes.
110. The Oversight Committee consists of an independent chair, two independent members and at least one but no more than two members chosen by the Steering Group.
111. The independent chair of the Oversight Committee is appointed by the Steering Group for a period of three years. Re-appointment for one period is possible.
112. All Members of the Oversight Committee are appointed for a period of three years. Re-appointment for one period is possible. The maximum period that all members can serve, including the time when acting as chair, is six years.
113. The Steering Group will appoint a secretary to the Oversight Committee and will make a budget available to cover the costs of the activities of the Oversight Committee, including the setting of fees, where appropriate for the independent members.

### Procedures

114. The Steering Group will make all information on compliance and the admission of new members available to the Oversight Committee.
115. The Oversight Committee will review compliance and the admission of new members on an annual basis. The chair of the Oversight Committee will report its findings and

## Oversight Committee

recommendations for changes in the processes for compliance and the admission of new members to the Steering Group.

116. The Steering Group has the right to ask for clarification from the Oversight Committee.
117. The Oversight Committee will report annually to the Steering Group, and will publish an annual report on the Common Content website.
118. The Oversight Committee may meet with guests to discuss current issues relevant to the Common Content Project such as quality, standard setting, regulatory issues, portability and convergence. The Oversight Committee will report the results to the Steering Group.
119. The Oversight Committee will set its own bye-laws for ratification by the Steering Group.