

Professional accountancy education in selected ECSAFA countries: a comparative study

L Stainbank

School of Accounting
University of KwaZulu-Natal

G Ramatho

Botswana Institute of
Administration and Commerce

Abstract

Investigations into professional accountancy education gathered impetus with the publication of *The impact of globalisation on accountancy education* by Karreman in 2002. This publication provided a comparative analysis of professional accountancy education in 25 countries worldwide, using a model developed for the classification of accountancy education systems. The rationale behind such an exercise is to promote educational exchange and facilitate educational development. The Karreman study only covered two countries in Africa, namely South Africa and Kenya. This study expands the Karreman study by comparing and benchmarking the professional accountancy education programmes in six member countries of the Eastern, Central and Southern African Federation of Accountants (ECSAFA) using the Karreman methodology.

This study reports the results of a questionnaire survey to which seven accountancy bodies located in six countries responded. The results of this study revealed mostly agreement with the Karreman model. All the countries could be categorised as developing countries with common law/Roman-Dutch legal systems and with a strong British influence. Thus similarities in regulation, education and practical experience are expected. The professional bodies tend towards professional self-regulation with low to medium membership regulation. All countries require practical experience before qualifying, and a theoretical approach to the final examination predominates. The study also shows that there is co-operation in the region.

Key words

ECSAFA countries
Final examination
Global accountancy benchmarking
Practical experience
Professional accountancy education
Professional competence

1 Introduction

Investigating the factors influencing global accountancy education standards and their influence on country-specific accountancy education received impetus with the publication

of *The impact of globalisation on accountancy education* in 2002 by Karreman. This publication provided a comparative analysis of professional accountancy education in 25 countries worldwide and developed a model for the classification of accountancy education systems. The objective of the Karreman study was “to contribute to the understanding and further development of accountancy education” (2002:19) with the aim of promoting educational exchange and facilitating educational development. Since the study only covered two countries in Africa, namely South Africa and Kenya, this study expands the Karreman study by providing a comparative analysis of the professional accountancy programmes of seven professional bodies in six member countries of the Eastern, Central and Southern African Federation of Accountants (ECSAFA), using the Karreman (2002) methodology. ECSAFA is a regional body of accountants, which has as one of its objectives, the co-ordination of the development of the accountancy profession and the promotion of internationally recognised standards of professional competence and conduct in the region.

Prior studies (Hove 1986) have argued that current accounting practices in most developing countries were imposed by developed countries initially through colonialism, followed by the operations of transnational corporations, professional accountancy bodies and conditions of economic aid agreements. Thus the societal needs of these countries were largely ignored. Twenty years later, the situation seems unchanged in the ECSAFA region, where many countries, although independent, have adopted the International Financial Reporting Standards (IFRSs) with little or no adaptation (IAS Plus 2006).

With regard to professional accountancy education, Gathinji (1998) comments that under colonialism, Africans were unable to aspire to a career in accountancy because of a lack of career guidance and known role models. Thus colonialism has influenced both accounting practices (Hove 1986) and professional accountancy education (Gathinji 1998).

This study uses the methodology developed by Karreman (2002) to investigate professional accountancy education in the ECSAFA countries. Since these countries are mostly former British colonies, it is expected that there will be some similarities in their professional accountancy education programmes. However, these countries are now independent, but as Gathinji (1998) observes, economic empowerment did not go hand in hand with political empowerment, and empowerment in the accounting profession is necessary. It is possible that since independence, the influence of Britain may be less, and this may mean that there may be some differences in their programmes.

The layout of the remainder of the article is as follows: Section 2 outlines the background to the study and the literature review. Section 3 describes the research methodology, while section 4 discusses the results. Section 5 contains the conclusions, limitations of the research and suggestions for further research.

2 Background and literature review

Providing some background to the importance of this topic, the World Bank comments that many studies of accounting in sub-Saharan Africa have “concluded that sustained economic growth cannot be maintained without a sound accounting infrastructure and appropriately trained accounting profession” (World Bank 1996). Furthermore, the World Bank noted in 2004 that “global financial stability rests on robust national systems and ... requires enhanced measures at the country level” (World Bank 2004:1). The World Bank reported that foreign direct investment (FDI) in sub-Saharan African yielded the highest returns in

the world in 2002 (Frost 2004). However, Salter (1998:211-212) notes that despite the significant returns and continuing good performance of economies that make up the International Financial Corporation's (IFC) index of emerging markets, emerging market stocks are of little interest to the USA and other institutional investors. Risks in emerging economies "include patchy information about companies, rosey accounting practices and lax regulation" (*The Economist* 1997:80, as reported in Salter 1998:212). It would therefore seem that although emerging markets perform well, they suffer from information problems which can be linked to poor disclosure (Salter 1998:212). This would suggest research on professional accountancy education in African countries is useful for a number of reasons, such as providing new comparative information which may further the development of accountancy education, help accountancy bodies work towards international standards, assist with regional co-operation where gaps or strengths are identified, and, by identifying where there are weaknesses, may lead to a strengthening of the professional accounting education system. This in turn may result in a better informed market because of the enhanced accounting skills providing accounting information.

According to Saudagaran (2004), for emerging capital markets to function effectively, the necessary policies and procedures must be in place to provide the necessary information (2004:165), and the quality of accounting education influences the type of accounting that develops (2004:11). He points out that compared to developed capital markets, emerging capital markets have fewer professional accountants and auditors (2004:172). The World Bank (World Bank 1996:1) also commented that efforts to improve accounting education will only succeed if the quality and the status of the profession are high.

Early studies on professional accounting education in Africa provided descriptive information on the accounting profession and the education and training of accountants. For example, a study by Johnson (1995), on behalf of the World Bank, examined the education and training of accountants in sub-Saharan Anglophone Africa. This study made a number of recommendations, such as the establishment of a national accounting body, that each country should have a national accounting qualification and qualifications for accounting technicians (1995:43). These findings provided an update of the United Nations Centre on Transnational Corporations' 1991 publication *Accountancy development in Africa: challenge of the 1990s* (UNCTC 1991). These descriptive studies provide useful information on professional accountancy education but do not summarise their findings according to any suggested model, and it is possible that subsequent to 1995, there have been further developments in professional accountancy education in those countries.

With regard to international differences in accounting, Gray (1988) explored the influence of cultural factors (using the cultural values identified by Hofstede) on international differences in accounting, Nobes (1998a) listed 17 reasons previously suggested in the literature for international accounting differences (1998a:163) but proposed only two explanatory factors: for culturally self-sufficient countries, the dominant accounting system depends on the strength of the equity-outsider market, while for culturally dominated countries, the class of the accounting system is determined by the cultural influence (1998a:183,184). Nobes (1998b:33) commented that "there is strong evidence that accounting in developing countries tend to follow colonial or cultural influence rather than fitness for purpose or context".

Ollier (1998) supplied information on the African situation, and traced the development of accounting in Africa. She noted two distinct patterns, with British Commonwealth countries taking one route and countries with French links following another; Devlin and Godfrey (1998) who described difficulties encountered in exporting accounting education to Uganda, Tanzania and Kenya; Trotman (1999) who provided information on the regional accounting plan in Francophone Africa; and Lamdin (1999) who described accountancy education and training in Botswana. Chamisa (2000) provides a critique of the relevance of the International Accounting Standards for developing countries, for Zimbabwe in particular. Of relevance too are the comments of Rwegasira (2000:263), who notes that with regard to corporate governance, English-speaking Africa is aligned to the British model, French-speaking Africa to the French model and Portuguese-speaking Africa to the Portuguese model. Also, the specific corporate governance system to be found in each country will reflect the economic forces, unique institutional characteristics and laws of each country (2000:266).

This current study, prompted by the Karreman (2002) study, adopts a different perspective and investigates professional accountancy education in six member countries of ECSAFA. Like the Karreman (2002) study, the International Federation of Accountants' (IFAC) 1996 International Education Guideline (IEG) 9 was used to provide the platform for the accountancy education model (IFAC 1996). IFAC's mission is "the worldwide development and enhancement of an accountancy profession with harmonized standards, able to provide services of consistently high quality in the public interest" (IFAC 2003:2). The Education Committee of IFAC was formed to "develop standards, guidelines, discussion papers and other information documents on pre-qualification education and training of professional accountants and on continuing professional education and development for members of the accountancy profession" (IFAC 2003:2). To provide a framework for the comparison of the professional accountancy education programmes of the responding bodies, key differences are identified using the Karreman methodology (2002).

The Karreman study (2002) covered 25 countries, of which only two, South Africa and Kenya, were in Africa. The study selected possible distinguishing factors and tested their relevance to accountancy education. These possible distinguishing factors were as follows:

- the influence of differences in cultural background ("power distance" and "uncertainty avoidance")
- the present economic position (industrialised or in-transition/emerging) of the countries involved
- the effect of the legal system (common law or civil law) on accountancy education
- the contribution of higher education to the qualification of accountants

The influence of these factors on the following elements of accountancy education was then established:

- regulation of the accountancy profession
- orientation of the final examination
- professional education and practical experience
- education background

Subsequently, cultural background was not included as a distinguishing factor as it could not be considered an independent variable, and neither was higher education because general information on higher education was not available (Karreman 2002:71).

Karreman's results, described below, show a connection between the elements of accountancy education and the country characteristics of economic position and legal system, although significant differences occur (Karreman 2002:139).

Karreman (2002:139) found that professional bodies in common law countries, such as countries with a historical UK background, show a tendency towards professional self-regulation, whereas the civil law countries show a tendency towards government regulation. However, the USA tends towards government regulation, while the EU shows that regional regulation can alter regulation pattern.

Karreman (2002:141) found that with regard to the orientation of the final examination, practical experience is considered more important in common law countries than in civil law countries where education systems tend to be more directed towards a theoretical approach. However, for the majority of countries included in the study, regardless of whether the background was common law or civil law, practical experience before qualification is mandatory. Karreman also notes that there is a tendency towards a theoretical approach in developing and in-transition countries probably as a result of the differences in the contribution of full-time higher education to the professional qualifications.

In considering the position of the accounting profession as a co-standard setter for accountancy education, Karreman (2002) considers two indices, a regulation index (which includes the respective positions of the governments and the professional bodies in the standard setting for qualification and the recognition of providers of professional education and practical experience) and a membership regulation index (the responsibility for mandatory Continuing Professional Education [CPE]). His results show that in common law countries, qualification standards are set by either the professional body or by the government and the professional body. However, in civil law countries, it is most likely that the government and the professional bodies set the standards together. He also notes a shift towards government responsibility in the regulation of the providers of professional education and a shift towards the responsibility of the professional bodies in the recognition of providers of practical experience. Regarding mandatory CPE, he concludes that if CPE for an employment sector is mandatory, it is almost always regulated by the professional body (2002:141). With regard to education background, Karreman's (2002:140) results show that general education is increasingly at university level, and that most professional bodies' new members have a university degree with an accountancy, finance or business background or an emphasis in that sector.

As a result of his study, Karreman (2002:143–150) was able to make a number of recommendations relating to the scope, influence and promotion of the international education guidelines, and the promotion of mutual recognition and harmonisation of accountancy education.

Karreman, together with Phelps, subsequently benchmarked the countries comprising the Southern Eastern European Partnership on Accountancy Development (SEEPAD) (Phelps & Karreman 2005). Karreman's (2002) study has been updated to provide possible changes in the classification system and to enable a comparison of developments for the period 2000 to 2006 (GAE 2007).

The relevance of this current research project is that it provides information on professional accountancy education in the ECSAFA countries as well as a benchmark for further studies in this area and in other African countries. Furthermore, it provides information on the degree of compliance with IEG 9 (IFAC 1996) and could assist in developing and implementing regional plans to improve regional institutional capacity.

3 Research methodology

The main research objective is to expand the Karreman (2002) study by investigating the development of professional accountancy education in the ECSAFA countries using the Karreman (2002) methodology. In order to achieve the above objective, a questionnaire, modelled on the Karreman (2002) questionnaire with some adaptation, was developed and pre-tested using lecturers at a tertiary institution and a director of a professional institute. Questions concerning the country profile were omitted because this information could be obtained from other sources. Detailed questions on CPE were not included as this term was not defined in IEG 9 (IFAC 1996).

To place the research in its proper context, explanations of professional education, assessment of professional competence and experience requirements from IEG 9 (IFAC 1996) were placed on the front cover page of the questionnaire. These are shown in appendix A.

The questionnaire was then e-mailed (in the last quarter of 2003) to the respective secretariats of 13 of the 14 member countries using the e-mail addresses on the ECSAFA website. (It was not e-mailed to the Democratic Republic of Congo because there was no contact e-mail address on the ECSAFA website.)

The names of the professional bodies and whether or not the professional body responded are shown in table 1.

Table 1 Professional bodies

Professional body	Official abbreviation	Country	Responded
Botswana Institute of Accountants	BIA	Botswana	yes
Institute of Certified Public Accountants of Kenya	ICPAK	Kenya	no
Lesotho Institute of Accountants	LIA	Lesotho	no
Society of Accountants in Malawi	SOCAM	Malawi	yes
Association of Chartered Certified Accountants (Mauritius)	ACCA	Mauritius	no
Institute of Chartered Accountants of Namibia	ICAN	Namibia	yes
South African Institute of Chartered Accountants	SAICA	South Africa	yes
Institute for Commercial and Financial Accountants of Southern Africa*	CFA-SA	South Africa	yes
Swaziland Institute of Accountants	SIA	Swaziland	no
National Board of Accountants and Auditors	NBAA	Tanzania	yes
Institute of Certified Public Accountants of Uganda	ICPAU	Uganda	yes
Zambia Institute of Chartered Accountants	ZICA	Zambia	no
Institute of Chartered Accountants of Zimbabwe	ICAZ	Zimbabwe	no
* Now the Southern African Institute of Professional Accountants (SAIPA).			

Seven professional bodies from six countries responded to the questionnaire as shown in table 1. The economic position of the six countries is described as developing (World Bank 2006). The legal system that dominates is common law and Roman-Dutch law (CIA 2006). Because of their colonial history, all six countries are members of the British Commonwealth.

4 Results

As reported in the methodology, the questionnaire was e-mailed in the last quarter of 2003, and the results which follow are reported in terms of the context that existed at that time.

4.1 Background information

The questionnaire required the respondents to identify themselves, their institution, its address and contact details, the name of the professional body, its official abbreviation and its web address. The various professional titles granted on entrance to the profession are Certified Public Accountant (CPA) (U) for Uganda, CPA (T) for Tanzania, Chartered Accountant (CA) (NAM) for Namibia, CA (SA) and Certified Financial Accountant (CFA) (SA) for South Africa, and CPA (Malawi) for Malawi. Botswana has multiple membership tiers and the various designations are FCPA (Bots), ACPA (Bots), RBIA, LBIA for Fellow, Associate, Registered and Licentiate members respectively.

Regarding the degree of compliance of the countries' national Generally Accepted Accounting Practice (GAAP) with International Financial Reporting Standards (IFRSs) and International Standards on Auditing (ISAs), Botswana, Malawi and Uganda indicated that they complied fully with the relevant standards. At the time the questionnaire was administered (2003), South Africa was in the process of harmonising SA GAAP with international standards, and Namibia, because it adopts SA GAAP, was in a similar position. Tanzania's NBAA adopts International Accounting Standards (IASs) or ISAs but adapts them to fit the Tanzanian environment, and considers the Tanzanian financial accounting standards and auditing standards largely similar to the IFRSs and ISAs respectively.

In Botswana, statutory audits may only be conducted by members with BIA practising certificates. In Malawi, statutory audits are regulated by law through the Companies Act. In Namibia, the Companies Act requires all companies to be audited by a public accountant and auditor who is registered with the Public Accountants' and Auditors' Board. Likewise in South Africa, the Public Accountants' and Auditors' Act (now the Auditing Profession Act) only permits registered auditors to perform statutory audits. The CFA-SA may not perform statutory audits of companies. In Tanzania, the respondent indicated that statutory audits will be regulated by a monitoring unit to be introduced in 2004. In Uganda, public limited companies and parastatals have to undergo statutory audits. While it may be regarded as a limitation of the research that the Public Accountants' and Auditors' Board of SA (now the Independent Regulatory Board for Auditors [IRBA]) did not participate in the study, this was because the IRBA is not a member of ECSAFA, the target group.

A question probing reciprocity arrangements indicated that reciprocity does exist between the respondents. For example, the ICAN indicated that Namibia and South Africa enjoy automatic full recognition, and that a conversion examination in taxation and law is required of Zimbabwean applicants. SAICA indicated that it has a reciprocity arrangement with Zimbabwe which involves candidates writing a conversion examination. Tanzania

indicated that the NBAA qualification is partially recognised in Kenya and Uganda, and that all members of IFAC are recognised in Tanzania. Uganda indicated that its professional qualification is recognised in countries in the East African community subject to three years' experience and that it recognises "many IFAC and ECSAFA member countries". The CFA-SA indicated that it is recognised in Namibia and Botswana. The above discussion reveals that reciprocity is varied and does not follow any discernible pattern. However, it is unclear from the responses whether the reciprocity grants full membership or associate membership, and whether this reciprocity would allow the applicant to undertake the statutory audit function.

4.2 Regulation and recognition of the professional body

The questionnaire next probed the regulation and recognition of the professional body. These questions concentrated on whether the professional body was regulated by law or whether it was self-regulatory; whether the professional body was recognised as a regulatory and/or disciplinary body; whether the qualification standards are set by the government, the profession or by both bodies; and whether the providers of professional education and practical training are recognised by the profession and/or the government. Using the Karreman methodology, scores were then allocated to the respondents' answers and an overall regulation index then computed on the basis of these scores. (To compute a regulation index ranging from high professional self-regulation to high government regulation, scores ranging from +2 to -2 were assigned to the responses. Thus a score of +6 to +8 indicates that the profession has high self-regulation, a score of +3 to +5 indicates an emphasis on professional self-regulation, a score between 0 to +2 indicates an emphasis on government regulation and a score of -4 to -1 indicates high government regulation.) The scoring and the responses are shown in table 2. Accordingly, SOCAM and SAICA have high professional self-regulation, in ICAN, NBAA and ICPAU, the emphasis is on professional self-regulation, while BIA and CFA-SA focus on government regulation.

Table 2 Government and regulation

Professional body	Country	Regulation of accountancy sector:	Professional body is recognised as:	Qualification standards set by:	Professional education providers are recognised by:	Practical training providers are recognised by:	Regulation index
		By law -2 Professional self +2 Both 0	Regulatory 0 Disciplinary 0 Both +2	Government -2 Profession +2 Both 0	Government -1 Profession +1 Both 0	Government -1 Profession +1 Both 0	HPS (6,7,8) EPS (3,4,5) EGR (0,1,2) HGR(-4,-3,-2,-1)
BIA	Botswana	by law	both	profession	-	-	EGR
SOCAM	Malawi	prof. self	regulatory	profession	profession	profession	HPS
ICAN	Namibia	both	disciplinary	profession	profession	profession	EPS
SAICA	South Africa	prof. self	both	profession	profession	profession	HPS
CFA-SA	South Africa	both	both	government*	government*	profession	EGR
NBAA	Tanzania	both	both	profession	government	n/a*	EPS
ICPAU	Uganda	both	both	-	profession	profession	EPS
Note:	HPS High professional self-regulation EPS Emphasis on professional self-regulation EGR Emphasis on government regulation HGR High government regulation * - the CFA-SA respondent indicated "government" in both these questions.						

4.3 International position and membership regulation

The results of questions used to establish the international position of these professional bodies (i.e. membership of IFAC and ECSAFA), whether or not membership is mandatory in order to use the professional title, and the status of CPE are shown in table 3.

All seven bodies are members of both ECSAFA and IFAC. Membership of the BIA and NBAA is mandatory, while it is optional for SOCAM, ICAN, SAICA, CFA-SA and ICPAU. Again, using Karreman's methodology with some adaptations, scores were then assigned to the respondents' answers and an overall membership regulation index computed. (To compute a membership regulation index, for mandatory membership a score of +2 was awarded. For each sector in which mandatory CPE existed, a score of +1 was awarded, and if the professional body regulated CPE in other areas, a score of +1 was awarded. Thus membership regulation was considered high if the total score was between 5 and 7, medium if the score was 3 or 4, and low if the score was 1 or 2.) These scores, shown in table 3, indicate that the Tanzanian professional body, NBAA, highly regulates its members, whereas the BIA, ICAN, and CFA-SA have medium membership regulation, and SOCAM, SAICA and ICPAU have low membership regulation. In South Africa and Namibia, membership is only mandatory for accountants who use the professional bodies' designations behind their names.

With regard to CPE, at the time the questionnaire was administered, SAICA did not have mandatory CPE, although this has now changed and mandatory CPD is required.

Table 3 International position and membership regulation

Professional body	Country	International position		Membership regulation			
		Member of		Mandatory membership	Mandatory CPE for members in:	Regulation CPE by the prof body in other areas	Membership Regulation Index
		ECSAFA	IFAC				
				Yes = 2 No = 0	a pub prac b ind & com c gov d other areas	Yes = 1 No = 0	high (5-7) medium (3-4) low (1-2)
BIA	Botswana	yes	yes	yes	a	yes	medium
SOCAM	Malawi	yes	yes	no	a	no	low
ICAN	Namibia	yes	yes	no	abc	no	medium
SAICA	South Africa	yes	yes	no	-	yes*	low
CFA-SA	South Africa	yes	yes	no	abc	no	medium
NBAA	Tanzania	yes	yes	yes	abc	no	high
ICPAU	Uganda	yes	yes	no	a	no	low

* - respondent's reply

4.4 Professional qualification

Regarding professional qualification, questions probing the goals of accountancy education and training show some differences. While the aim in Botswana, Namibia, Tanzania and Uganda is to produce both professional accountants and professional auditors, in both Malawi and South Africa (CFA-SA only), it is intended to produce only professional accountants. (In South Africa, the CFA-SA is currently not permitted to perform the attest function.) SAICA is the only professional body to indicate that its goal is also to produce specialist accountants because it offers both an auditing route (candidates would write the

Public Practice Examination [PPE] of the IRBA) and a financial management specialist route (candidates would write a financial management paper set by SAICA). However, to perform the attest function, a South African accountant must be registered with the IRBA.

Most bodies require the completion of an assessment of professional competence, education and training for admission to the profession. Exceptions are Malawi (which only requires a prescribed programme and/or examination of professional education and a prescribed programme of practical training), Tanzania (which only requires a formal final examination of professional competence) and Uganda (which only requires a formal final examination of professional competence and a prescribed programme of practical training). (These differences may have arisen because of the different interpretations of professional education and professional competence by the respondents.) All bodies, except CFA-SA, follow the IFAC accountancy education standards. With regard to qualification standards, ICAN, SAICA and CFA-SA require a final examination, which is externally reviewed and has university entrance status. ICPAU, through its affiliation with the Institute of Chartered Accountants of Scotland (ICAS), has similar qualification standards in place. SOCAM and the NBAA require a final examination, which is externally reviewed, and the NBAA's entrance requirements depend upon the examination entry level. These results are shown in table 4.

Table 4 Professional qualification

Profession- ional body	Country	Qualification objective	Admission requirements to profession	Are IFAC standards for accountancy education followed?	Qualification standards
		a accountant b auditor c specialisation	a prof competence b prof education c prof training		a final exam? b university entrance required? c ext review of final exam?
BIA	Botswana	ab	abc	yes	-
SOCAM	Malawi	a	bc	yes	ac
ICAN	Namibia	ab	abc	yes	abc
SAICA	South Africa	abc	abc	yes	abc
CFA-SA	South Africa	a	abc	no**	abc
NBAA	Tanzania	ab	a	yes	ac*
ICPAU	Uganda	ab	ac	yes	abc (ICAS)

ICAS = The Institute of Chartered Accountants of Scotland established the scheme and oversees its operations.
 * University entrance depends upon examination entry level.
 ** Possibly because they are not recognised to perform the attest function.

4.5 Final examination

The results relating to the final examination are shown in tables 5 and 6. The objective of these questions was to determine any similarities/differences in the different countries' approaches to the final examination of professional competence. With respect to admission to the final examination, the questionnaire was phrased to indicate that only one alternative was to be chosen. Although some respondents did check more than one response, no conclusions could be drawn from this except in the case of Namibia and South Africa, where the respondents did check more than one block.

It is interesting to note that there are two examinations in South Africa. The first is the Qualifying Examination (QE) Part 1 or QE1, which examines core competence on entry to the profession and is set by SAICA. The second is the PPE (referred to earlier, also known as Part 11 Auditing) set by the IRBA which is an assessment of professional capabilities

and competence. It can only be written once a specialism course in auditing has been successfully completed and, in compliance with IES 6's (IFAC 2003) requirement that the final assessment should be made as near as practicable to the end of the pre-qualification programme, after completion of 18 months of the training contract. Candidates not following the auditing specialism route would instead write the Part 11 (Financial Management) examination set by SAICA.

The final examination's entrance requirements, core programme, objectives and methods of examination were analysed in order to categorise the examination and its orientation as either theoretical, practical or mixed. To reach a final categorisation as either theoretical, practical or mixed with regard to the orientation of the final examination, first, the admission to the final examination was scored, depending on whether professional and/or general education was required (theory 2), or if only practical experience was required (practical 2) or if admission was mixed (theory 1, practical 1). The core programme was then scored by evaluating the core programmes of the final examination and making the following distinctions – emphasis on subjects (theory 2); mixed (theory 1, practical 1); emphasis on application (practical 2). Next, what the final examination tests was scored as follows: If the examination tests theoretical knowledge, the application of knowledge and intellectual skills, a score of theory 2 was awarded. If the examination tests interpersonal skills, communication skills and professional values, then a score of practical 2 was awarded. A mixture of responses was awarded a “mixed” score. Finally, the examination methods were scored according to whether the examination method involved open-ended, multiple-choice, case study, thesis, oral or other methods of evaluation. (The scoring of the examination methods was according to the Karreman [2002] methodology.) Here, the first two methods were scored as theory 2, and the last four as practical 2. A mixture of examination methods resulted in a “mixed score” being awarded. Adding these scores together resulted in scores of theory and practical being awarded, from which a final score of theoretical, practical or mixed was derived (see the last three columns of table 5). At this point it should be noted that the BIA does not offer its own final examinations but relies on the final examinations of the Association of Chartered Certified Accountants (ACCA). Accordingly, there are no responses for the BIA in tables 5 to 8.

Table 5 Final examination

Professional body	Country	Admission to final examination	Core programme	Final exam tests:	Exam methods	Theory	Practice	Orientation Final exam
		a prof education b pract exper c general educ *question phrased expecting only 1 response	a fin acc b man acc c fin man d auditing e taxation f bus/com law g info/com syt h econom i marketing j oper man k other	a theor know b applic of know c intellect skills d interper skills e commun skills f profess values	a open-ended b m/choice c case study d thesis e oral f other	Core programme Exam objectives Exam methods Entrance requirement	Theoretical practical mixed	
BIA	Botswana	-	-	-	-	-	-	-
SOCAM	Malawi	a (note 1)	acei	abef	ac	theory 6	practical 2	theoretical
ICAN	Namibia	abc	abcdefg	bcef	a	theory 6	practical 2	theoretical
SAICA	South Africa	ab	abcdefg	abcef	c	theory 4	practical 4	mixed
CFA-SA	South Africa	b	adef	abf	c	theory 3	practical 5	practical
NBAA	Tanzania	c	abcdegk	ab	abc	theory 7	practical 1	theoretical
ICPAU	Uganda	(note 2)	abcd	(Integration of knowledge ICAS)	abc	theory 4	practical 2* * could not use response	-

Note 1 – Malawi’s examination body is the Public Accountants Examination Council (PAEC). It sets its own technician examinations, but has entered into a Joint Examination Scheme with ACCA for professional examinations.
 Note 2 – the scheme has 5 levels: some exemptions are granted up to the first 2 levels on a subject for subject basis.
 ICAS = The Institute of Chartered Accountants of Scotland established the scheme and oversees its operations.

Scores were calculated as follows:
 Admission to final examination: Professional and/or general education = theory 2; practical experience = practical 2; mixed (theory 1, practical 1).
 Core programme: based on an evaluation of the core programmes of the final examination, the following distinctions are made - emphasis on subjects (theory 2); mixed (theory 1, practical 1); emphasis on application (practical 2)
 Final exam tests : a – c = theory 2; d – f = practical 2; mixed (theory 1, practical 1).
 Exam methods : a – b = theory 2; c – f = practical 2; mixed (theory 1, practical 1)

Table 6 provides further information on the final examination. The length of the examination, the pass mark % and the pass rate are shown alongside the conditions under which the examination is written and which body provides the examination. These conditions are whether a) the examination is uniform for all students, b) it is given simultaneously to all students irrespective of location and time differences, c) it is developed and administered under adequate security conditions, and d) it is objectively graded by qualified staff. The level of the final examination was mostly at the postgraduate level with the exception of the CFA-SA and the NBAA (which has different tiers of accounting qualifications).

SOCAM indicated that they did not have the expertise and resources available for the assessment of professional competence. However, the respondent did not elaborate on this point but presumably it is because of their reliance on the ACCA.

Table 6 Final examination continued

Professional body	Country	Length of exam	Pass mark %	Pass rate %	Conditions	Providers	Level of final exam	Expertise and resources available?
					a uniform b simultan c security d qual staff	a govt b prof body c university	a postgrad b grad c undergrad	
BIA	Botswana	-	-	-	-		-	yes
SOCAM	Malawi	3 hours	50	40 - 50	abcd	b	a	no
ICAN	Namibia	>5 hours	50	40-50	abcd	b	a	yes
SAICA	South Africa	5 hours	50	50-60	abcd	b	a	yes
CFA-SA	South Africa	>5 hours	80	50-60	abcd	b	b	yes
NBAA	Tanzania	3 hours	<50	<40	abcd	b	abc*	yes
ICPAU	Uganda	5½ hours (ICAS)	50	40-50	ac	b	a	yes

* depends on entry level

4.6 Education requirements

Table 7 provides information on the education requirements of the professional accountancy qualification. However, it should be noted that different providers had different interpretations of what was meant by “education”, despite the explanations provided in the preamble to the questionnaire. For example, ICAN indicated that professional education required two years (probably focusing only on the postgraduate portion of the education requirement which would be completed after a three-year bachelor’s degree and would entail a one-year bridging programme to obtain entry into a one-year honours programme offered by the South African universities), whereas SAICA indicated that four years was necessary (referring to a three-year bachelor’s degree followed by a one-year honours degree).

Respondents also had different interpretations of “general education”. For example, the duration of general education required in Uganda is eight years and four years in Namibia and Malawi. In South Africa, the CFA-SA indicated that the duration of general education is three years. SOCAM and ICPAU also indicated that some of this general education is obtained prior to university entrance, while the nature of other respondents’ replies indicates that they viewed this to be the undergraduate degree or diploma.

Admission requirements for professional education are present in all countries. In Tanzania admission depends on the examination entry point. For the accounting technician examination, a general certificate of secondary education is required, and for the professional level examinations, a graduate level/accounting technician certificate is required.

The minimum admission requirement for Uganda is an advanced level certificate, but the majority of students are university graduates. In South Africa, SAICA requires a BCom degree (or equivalent) and CFA-SA requires the prescribed tertiary education. SOCAM requires “A levels” or a bachelor’s degree, while Namibia requires postgraduate study (honours programme) of one year.

Professional education can be obtained on either a full-time or a part-time basis in all responding countries, although the number of years differs. (This may be the result of different understandings of the term “professional education” by the respondents.)

Professional education is provided by universities in Namibia and South Africa, by commercial companies in Uganda, and by both universities and commercial companies in

Malawi. In Tanzania, the respondent indicated that professional education is provided by the professional body. Although this part of the questionnaire was not answered by Botswana, there is one state-owned university and one state-owned college of accountancy in Botswana, which are the main suppliers of accountancy graduates and qualified accountants.

Exemptions are possible for professional education, based on general education in Uganda for the first two of five levels, in Malawi if any accountancy-related degree is held, while in Tanzania, exemptions are possible where accounting-related qualifications are held, depending on entry point. There are no such exemptions in South Africa (both SAICA and CFA-SA) and Namibia.

The necessary expertise and resources for providing the professional education exist in all countries, although in the case of Namibia, this is only by correspondence through the University of South Africa and the University of KwaZulu-Natal.

In Malawi, Namibia and South Africa (SAICA), the providers are recognised by the profession, whereas the CFA-SA and NBAA indicated that the provider is recognised by the government.

Periodical reviews of professional education are undertaken in Tanzania every three years, while in Uganda, syllabuses are reviewed every five years. In South Africa, for SAICA there is a periodic review of the syllabuses by the providers of professional education, and for the CFA-SA, this is also by their providers of professional education. Namibia relies on the reviews conducted by SAICA and the IRBA. No reviews of professional education are undertaken in Malawi. (This may be as a result of their reliance on the ACCA.)

Table 7 Education

Professional body	Country	Admission requirements (degree)	No of yrs	Professional education	Providers prof educ	Final level	Exemptions possible	Resources available	Provider recognised by	Periodic review
		a gen degree b acc univ c gen high ed d acc high ed		f/t p/t both	a prof body b university c com cos	pg g ug				
BIA	Botswana	-	-	-	-	-	-	-	-	-
SOCAM	Malawi	A levels or B degree	4	both	bc	pg	yes	yes	profn	no
ICAN	Namibia	BCom (Hons)	2	both	b	pg	no	yes*	profn	yes
SAICA	South Africa	BCom	4	both	b	pg	no	yes	profn	yes
CFA-SA	South Africa	Tertiary	3	both	b/technikon	g	no	yes	govt	yes
NBAA	Tanzania	Depends on entry point	3	both	a	g	-**	yes	govt	yes
ICPAU	Uganda	Minimum is adv cert level – but mostly univ grad	3	both	c	pg	yes	yes	-	yes

* Only through correspondence provided by South African universities.
 ** Respondent indicated that exemptions are possible depending on entry point.

4.7 Training or practical experience

The results for training or practical experience are shown in table 8. Both terms were used in the questionnaire. Regarding admission requirements, with the exception of ICAN and

CFA-SA, the respondents indicated that there are no admission requirements, but trainees are expected to have completed their secondary education. The respondents may have thought that completion of secondary education was implied. Only in South Africa were exemptions possible. SAICA did not specify how these exemptions were granted, but CFA-SA indicated that “one year for every two years’ relative experience” would be the allowed exemption. Practical experience is provided by public practice, industry and commerce and the government for all institutions except for those in South Africa where, because experience in the audit function is required, this precludes experience from being obtained in other areas. (However, for SAICA, if the financial management specialism is followed, practical experience can be obtained in authorised training offices in commerce and industry.) Practical experience was generally at least three years, and again, possibly a misinterpretation of what was meant by full-time versus part-time may have contributed to SOCAM and the NBAA indicating that this could be undertaken either on a full-time or part-time basis for the same number of years. Generally, the providers of practical experience were in public practice and were recognised by the appropriate professional body. Only ICPAU did not have a periodic review of the training, nor did any regulations exist for training.

Table 8 Training/practical experience

Professional body	Country	Admission requirements	Exemptions possible	Providers a public practice b ind/com c govt d other	Expertise and resources exist	Practical experience		Providers recognised by:	Periodic review	Regulations (training contract/supervision)
						length	provider			
BIA	Botswana	-	-	-	-	-	-	-	-	-
SOCAM	Malawi	no	no	abc	yes*	both 3	pp 70%	prof body	yes	yes
ICAN	Namibia	yes	no	a	yes	f/t 3 p/t 5	pp 100%	prof body	yes	yes
SAICA	South Africa	no	yes	abc	yes	f/t 3 p/t 5	pp>75%	prof body	yes	yes
CFA-SA	South Africa	Yes (grade 12)	yes	a	yes	f/t 3	pp>75%	prof body	yes	yes
NBAA	Tanzania	no	no	abc	yes	both 3	mixed	n/a	yes	yes
ICPAU	Uganda	no	no	abc	yes	f/t 3	pp 60%	prof body	no	no

* But not sufficient
 Note: In this table an attempt is made to establish the amount of practical experience provided in public practice (pub pr) or industry and commerce (ind/com).

4.8 Summary of professional accountancy education

Table 9 provides an overall summary of professional accountancy education in the responding ECSAFA countries.

Table 9 Overall summary of professional accountancy education

Professional body	Country	Regulation index (Table 2)	Education guidelines	Membership regulation	Members public practice	Degree category (note 1)	Accountant Auditor Specialist	Orientation final exam
			IFAC IEG 9*	Mandatory membership and CPE (Table 3)	(IFAC 2007)	AU acc, fin, bus univ GU gen univ AH acc, fin, bus higher ed GH gen higher ed	(Table 4)	theoretical practical mixed (Table 5)
BIA	Botswana	EGR	Yes	medium	6%	-	ab	-
SOCAM	Malawi	HPS	Yes	low	15%	AU/GH	a	theoretical
ICAN	Namibia	EPS	Yes	medium	43%	AU (Higher)	ab	theoretical
SAICA	South Africa	HPS	Yes	low	26%	AU (Higher)	abc	mixed
CFA-SA	South Africa	EGR	No	medium	84%	AH/AU	a	practical
NBAA	Tanzania	EPS	Yes	high	41%	#	ab	theoretical
ICPAU	Uganda	EPS	Yes	low	50%	AU	ab	-

HPS High professional self-regulation
 EPS Emphasis on professional self-regulation
 EGR Emphasis on government regulation
 HGR High government regulation
 *- Questionnaire was administered in the last quarter of 2003.
 # - depends on level.
 Note 1: Calculated from education requirements (see table 7).

Since all the countries are located in eastern, southern and central Africa, region is not expected to be a distinguishing factor. Furthermore, all the countries are members of the Commonwealth, implying a strong British influence, and their legal systems are common law/Roman-Dutch law. Thus with regard to regulation, the findings are as follows:

- high professional self-regulation: SOCAM (Malawi), SAICA (SA)
- emphasis on professional self-regulation: ICAN (Namibia), NBAA (Tanzania), ICPAU (Uganda)
- emphasis on government regulation: BIA (Botswana), CFA-SA (SA)

The reasons for the latter two deviating from the expected regulation index is probably, in the case of Botswana, that it does not have its own professional accountancy education programme, and in the case of CFA-SA, that it is not allowed to perform the attest function and therefore operate within existing laws and regulations.

Both SAICA (HPS) and SOCAM (HPS) have low membership regulation, as does ICPAU. The remaining bodies, with the exception of the NBAA, which has high membership regulation, have medium membership regulation. For SAICA, membership is only mandatory for members wishing to use the designation CA(SA). However, no clear pattern is discernible.

The objective of qualifying is usually to become an accountant and auditor. For the CFA-SA, the auditor specialism is not an option in view of the non-availability of the attest function for its members, whereas SAICA also offers a financial management specialism route. The degree category of the accountancy bodies is mainly university oriented with the exception of CFA-SA which accepts technikon qualifications. (This has subsequently changed with the restructuring of the higher education system in South Africa. Former technikons are now “universities of technology”.)

Using information from the IFAC Member Body Compliance Program questionnaires, which are available on the IFAC website, the number of members in public practice shows a wide spread ranging from 6% (BIA) to 84% (CFA-SA).

Regarding the orientation of the final examination, only SAICA has a mixed (i.e. mix of theoretical and practical) orientation to the final examination, whereas SOCAM, ICAN and the NBAA follow a theoretical approach and the CFA-SA a practical approach.

4.9 Comparison to Karreman (2002) findings

Karreman (2002:139) found that professional bodies in common law countries showed a tendency towards self-regulation as opposed to a tendency towards government regulation in civil law countries, noting that this was particularly true for common law countries with a historical UK background. This current study confirms this. The BIA and the CFA-SA have an emphasis on government regulation because of the unique circumstances applicable to them. The BIA does not have its own education programme and instead relies on the programmes of other institutions, and the CFA-SA is not permitted to perform the attest function with regard to companies in South Africa – hence their compliance with existing regulations which permit them to carry out only certain functions. It should be noted that Malawi's examination body, the Public Accountants Examination Council (PAEC), sets its own technician examinations, but has entered into a Joint Examination Scheme with ACCA for professional examinations.

Karreman (2002:139) found that practical experience had a more important position in common law countries as opposed to civil law countries. The current study confirms this because mandatory practical experience is required before qualification by all bodies in the study (see table 8). Karreman (2002:141) also found a tendency towards a theoretical approach in developing and in-transition countries. This finding is supported by this study where a theoretical approach predominated except for the professional bodies in South Africa, where SAICA followed a mixed approach and the CFA-SA reported a practical approach (see table 9). The relative size and sophistication of the South African capital market, compared to the other countries in the sample, may be a contributing factor to this difference, and the CFA-SA orientation towards a practical approach may be explained in its position of not being accredited to perform the attest function in South Africa.

Currently ICAN and SAICA have some degree of co-operation with a certain level of sharing of examinations and recognition. Because SAICA may have access to more of the necessary skills, more regional co-operation should be encouraged. SOCAM indicated that it did not have sufficient resources for providing training/practical experience, and in Namibia, education in professional competence is only available on a distance basis, with all distance providers being in South Africa.

5 Conclusions, limitations and future research

The importance of this research is that it provides comparative information on professional accountancy education programmes in six countries in ECSAFA. As a first step to investigating professional accountancy development in the rest of Africa, it provides useful information to researchers and all organisations involved in professional accountancy education. Furthermore, the study's findings are presented in an orderly manner that corresponds to the presentation of the findings of Karreman (2002) and is therefore possible to replicate in other countries.

The role of ECSAFA in encouraging regional co-operation between the various institutional bodies comprising its membership is a positive step. Currently, the BIA does not offer its own examinations, but has in place both private and public provisions to prepare candidates for the CIMA and ACCA examinations administered directly from London. Only corporate law and taxation are examined locally. The ICPAU has ties with ICAS, and Namibia and South Africa enjoy regional co-operation. Although the professional bodies were not asked to project future needs for professional accountants and auditors, the pass rates on a five-year basis (see table 6) in most of these countries are not high –hence the countries’ future human resource requirements may not be met. In this respect, SAICA has a number of current initiatives for increasing the number of black chartered accountants, as does the Association for the Advancement of Black Accountants in South Africa (ABASA). It may be necessary for each country to develop its own unique solutions for providing professional accountancy education programmes and increasing the number of accountants.

The limitations of the current study relate to the fact that this was a questionnaire survey, and although explanations of professional education, the assessment of professional competence and experience requirements were placed at the forefront of the questionnaire, different interpretations by respondents of items such as “general education”, “assessment of professional competence” and “professional education” meant that in some instances, firm conclusions cannot be made. In a follow-up study, more direct contact with the respondents should be made to ensure that such different interpretations do not re-occur or more explanations should be included throughout the questionnaire to guide the respondents in their replies. After the questionnaire was administered, IFAC issued IES 1 – 6 in October 2003 (IFAC 2003), and subsequently IES 7 (IFAC 2004) and IES 8 (IFAC 2006). These educational standards provide fresh opportunities to investigate professional accountancy education in Africa.

A further limitation is that only seven professional bodies responded from 13 countries, and as a result, a complete picture is not presented. Furthermore, had the IRBA been included in the target group and had a response been received from them, a better picture of professional accountancy education may have been provided for South Africa. However, as a preliminary investigation into professional accountancy education in the ECSAFA region, this study has shown both similarities and differences in the accounting programmes of the various countries, that regional co-operation does take place, that there are opportunities for countries to develop their own accountancy education programmes tailored to meet their own unique needs, and that there are avenues for possible co-operation. Africa does have skills shortages – hence the need to share knowledge and resources.

The reliance of many of the ECSAFA countries on the ACCA to supply accountancy education should be acknowledged. In Africa, the ACCA has offices in Botswana, Cameroon, Ethiopia, Ghana, Kenya, Lesotho, Mauritius and South Africa. Currently, the ACCA allows exemptions from some ACCA examinations for certain qualifications from Swaziland, Zimbabwe, Zambia, Botswana, Lesotho, Malawi, Mauritius, South Africa and Uganda. and offers variant papers based on the home country’s tax and law in South Africa, Botswana, Lesotho, and Malawi towards the ACCA qualification (ACCA 2006). A lack of resources and accountancy expertise in many African countries is a possible reason for the reliance of many of these countries on ACCA to supply much-needed accountancy education.

Future research could focus on more African countries. Furthermore, in order to identify more precisely the reasons for differences in professional accountancy education programmes in Africa, it may also be necessary to include more country variables in future studies, such as the political system, the number of years since independence and the influence of the ACCA.

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Appendix A

Explanations of professional education, the assessment of professional competence and experience requirements

Professional education	The professional education component must consist of at least two years of full-time study (or the equivalent) and must build on and develop further the intellectual, interpersonal and communication skills provided in general education. Professional education consists of the a) Organizational and business knowledge core, b) Information technology knowledge core, and c) Accounting and accounting related knowledge core.
Assessment of professional competence	A required component of the assessment process for individuals seeking to become qualified is a final examination, administered by, or with substantive input from, the professional body or regulatory authority. The examination must be comprehensive, require a significant portion of responses to be in writing, and be administered near the end of the educational and, where appropriate, experience requirements.
Experience requirements	An appropriate period of relevant experience in performing the work of professional accountants must be the component of a pre-qualification program. The period of experience may vary due to differences in the environment in which professional accountants offer their services. However, this period should be long enough to permit prospective accountants to demonstrate they have gained the knowledge, skills, and professional values sufficient for performing with professional competence and for continuing to grow throughout their careers. This objective cannot normally be met in a period of less than three years.
Source: IEG 9 (IFAC 1996)	

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