

## **RULES OF THE ASEAN CHARTERED PROFESSIONAL ACCOUNTANT COORDINATING COMMITTEE**

### **1. INTRODUCTION**

#### **1.1. Legal Basis**

These Rules have been developed and will be applied in accordance with the provisions of the ASEAN Mutual Recognition Arrangement (MRA) on Accountancy Services covered under Central Product Classification (CPC) 862 (excluding independent auditor's report and other accountancy services that requires domestic licensing), and are intended to be read in conjunction with those provisions.

Should the requirements of the Rules and those of the MRA be found to be inconsistent, the requirements of the MRA will prevail.

#### **1.2. ASEAN Chartered Professional Accountant (ASEAN CPA)**

1.2.1 Under the MRA – a professional accountant or practitioner who holds the nationality of an ASEAN Member States and possess qualifications and experience that complies with the requirements specified in the Assessment Statement may apply to be emplaced on the ASEAN Chartered Professional Accountant Register (ASEAN CPAR) and accorded the title of ASEAN CPA.

1.2.2 An ASEAN CPA shall practice accountancy where he/she has adjudged to be competent in this arrangement.

#### **1.3. Registered Foreign Professional Accountant (RFPA)**

1.3.1 An ASEAN CPA who wishes to provide professional accountancy services in another ASEAN Country shall be eligible to apply to the National Accountancy Body (NAB)/ Professional Regulatory Authority (PRA) of a host ASEAN Country to be registered as a RFPA.

1.3.2 A RFPA will only be permitted to work in collaboration with designated local Professional Accountants in the said host country, subject to domestic laws and regulations of the host country.

#### **1.4. National Accountancy Body (NAB) and/or Professional Regulatory Authority (PRA)**

The NAB and/or PRA of each participating ASEAN Member State shall be responsible for the following:

1.4.1 Considering applications from and registering ASEAN CPAs as RFPAs;

- 1.4.2 Monitoring and assessing the professional practice of the RFPAs and ensuring the compliance of such practice with this Arrangement;
  - 1.4.3 Reporting to relevant local and international bodies the developments in the implementation of this Arrangement;
  - 1.4.4 Maintaining high standards of professional and ethical practice in accountancy within the ASEAN Member State to which they belong;
  - 1.4.5 Where the ASEAN Member State to which the NAB and/or PRA belongs is a Host Country, notifying the ACPACC Secretariat promptly in writing when a RFPA practising in that ASEAN Member State has contravened this Arrangement,
  - 1.4.6 Where the ASEAN Member State to which the NAB and/or PRA belongs is a Country of Origin, notifying the ACPACC Secretariat promptly in writing when an ASEAN CPA:
    - (a) is no longer qualified to practise accountancy services in that ASEAN Member State, has not complied with Continuing Professional Development (CPD) policy of that ASEAN Member State, or;
    - (b) has seriously violated technical, professional or ethical standards either in that ASEAN Member State or in the Host Country whereby such violations have led to deregistration or suspension from practice;
  - 1.4.7 Promulgating rules and regulations to enable the implementation of this Arrangement; and
  - 1.4.8 Exchanging information with one another regarding laws, practices and prevailing developments in the practice of accountancy within the region with the view to harmonisation in accordance with regional and/or international standards.
- 1.5 Monitoring Committee (MC)
- An MC shall:
- 1.5.1 be established in and by each participating ASEAN Member States to develop and maintain a process of submitting, on behalf of Professional Accountants eligible under Article 4.1 of the MRA, applications to be emplaced on the ASEAN CPAR maintained by the ACPACC.
  - 1.5.2 be authorised to certify the qualification and experience of individual Professional Accountants directly or by reference to the NABs and/or PRAs.
  - 1.5.3 be responsible for the development and maintenance of the ASEAN CPAR as set out in article 1.5.4 below and also including the

development of criteria and procedures, preparation of Assessment Statement, and summary of assessment of the ASEAN CPA applications.

1.5.4 further undertake to ensure that:

- (a) all Professional Accountants registered as ASEAN CPAs by the ACPACC Secretariat comply fully with the requirements and have demonstrated their compliance through the procedures and criteria.
- (b) Professional Accountants applying for registration as ASEAN CPAs are required to provide evidence that they have complied with the Continuing Professional Development (CPD) policy of the Country of Origin;
- (c) Professional Accountants registered as ASEAN CPAs apply from time to time for renewal of their registration, and in so doing, provide evidence that they have complied with the CPD policy of the Country of Origin;
- (d) the implementation and execution of the amendments (if any) as directed by the ACPACC; and
- (e) the certificate of the ASEAN CPAs who contravene with the professional and ethical standard will be withdrawn and that he/she will be deregistered from the ASEAN CPAR.

1.6 ASEAN Chartered Professional Accountant Coordinating Committee (ACPACC)

1.6.1 The ACPACC shall be established and shall have the authority to confer and withdraw the title of ASEAN CPA. This authority may be delegated in writing from time to time by the ACPACC to the MC in each participating ASEAN Member States. The ACPACC shall comprise of one appointed representative from each MC of the participating ASEAN Member States.

1.6.2 The functions of the ACPACC shall include:

- (a) Facilitating the development and maintenance of the ASEAN CPAR;
- (b) Promoting the acceptance of ASEAN CPAs in each participating ASEAN Member Country as possessing general technical and professional competence that is substantially equivalent to that of Professional Accountants registered or licensed in the Country of Origin;
- (c) Developing, monitoring, maintaining and promoting mutually acceptable standards and criteria for facilitating practice by

ASEAN CPAs throughout the participating ASEAN Member States;

- (d) Seeking to gain a greater understanding of existing barriers to such practice and to develop and promote strategies to help governments and licensing authorities reduce those barriers and manage their processes in an effective and non-discriminatory manner;
- (e) Encouraging the relevant government and licensing authorities to adopt and implement streamlined procedures for granting rights to practice ASEAN CPAs, through the mechanisms available within ASEAN;
- (f) Identifying and encouraging the implementation of best practice for the preparation and assessment of accountants; and
- (g) Continuing mutual monitoring and information exchange by whatever means that are considered most appropriate, including but not limited to:
  - (i) sharing of information and regular communication concerning assessment procedures, criteria, systems, manuals, publications and lists of recognised Professional Accountants; and
  - (ii) informing all NABs and/or PRAs, when it has been notified that an ASEAN CPA is no longer qualified to undertake professional accountancy practice in the Country of Origin, has not complied with the CPD policy of the Country of Origin, or has seriously violated technical, professional or ethical standards either in the Country of Origin or the Host Country, whereby such violations have led to deregistration or suspension from practice or withdrawal from the ASEAN CPAR.
- (h) The ACPACC may, whenever it deems appropriate, invite the non-participating ASEAN Member States to attend as observers to its meetings.

## **2. CHAIRMANSHIP AND ORGANISATION**

- 2.1 The ACPACC Chairmanship will be rotated every 2 years in alphabetical order of the participating Member States and the vice-Chairman will be from the next country in line.
- 2.2 Based on the principle in paragraph 2.1, Singapore and Thailand will be the first Chairman and Vice-Chairman, respectively.

- 2.3 Members of the ACPACC shall comprise of one appointed official representative from each MC of the participating ASEAN Member States, while others may attend the meeting as observers.
- 2.4 Organisation of ACPACC shall comprise of:
  - 2.4.1 Chairman;
  - 2.4.2 Vice Chairman;
  - 2.4.3 Secretary (to be appointed by the Chairman)
  - 2.4.4 Members of ACPACC (one appointed representative from each MC of the participating ASEAN Member States)
  - 2.4.5 Delegates of the participating ASEAN Member States (maximum 3 persons, other than the Chairman and Vice Chairman)

### **3. ACPACC SECRETARIAT**

- 3.1 The administration of the ACPACC shall be facilitated by a Secretariat. The establishment and funding of the Secretariat shall be decided by the ACPACC.
- 3.2 The ACPACC Secretariat will be hosted by Indonesia on permanent basis.
- 3.3 The secretariat will consist of one (1) head of Secretariat and will be supported by a group of Secretariat staff.
- 3.4 The Secretariat will provide assistance in a variety of ways, such as:
  - 3.4.1 maintain ASEAN CPA document management system and ensure the implementation the administrative procedures afterwards;
  - 3.4.2 management system of ACPACC member communications
  - 3.4.3 maintenance of the website of ACPACC as well as the data bases;
  - 3.4.4 management and supervision of publications and technical reports published by ACPACC;
  - 3.4.5 preparation of all documents related to the work of the ACPACC, in particular documents for the ACPACC meetings;
  - 3.4.5 as and if requested, research and gathering of input for ACPACC meetings;
  - 3.4.6 liaising and coordinating with relevant authorities and or parties;
  - 3.4.7 office and travel management; and
  - 3.4.8 as and if necessary, any other task pertinent to the accomplishment of ACPACC function
- 3.5 The Head of Secretariat:

- 3.5.1 has a critical role for coordinating, facilitating, administering and otherwise providing structure and form to the ACPACC.
- 3.5.2 in addition to its coordinating administrative duties of the Secretariat, will play the role of the 'liaison' for the entire dialogue process in ACPACC.
- 3.6 The Support staff of Secretariat:
  - 3.6.1 have a key role in administratively supporting ACPACC activities;
  - 3.6.2 organize ACPACC meetings and manage the Secretariat office and deals with all logistics related to the Secretariat;
  - 3.6.3 shall preferably consist of:
    - (a) an analyst who provide assistance on research and preparation of materials for discussion as well as handle report/publication of ACPACC.
    - (b) administrative support who provides assistance on administrative and secretarial matters
    - (c) an IT support who handle website and databases

#### **4. ACPACC MEETINGS**

- 4.1 General Meetings of the ACPACC shall be held at least once in each two (2) year period to deal with applications for emplacement on the ASEAN Chartered Professional Accountant Register and/or applications by Monitoring Committees to review the Guidelines on Criteria and Procedures, Assessment Statement, Assessment Statement Flowchart and other related guidelines, procedures and documentation, and recommend any amendments.
- 4.2 Meeting of ACPACC may be held if needs arise. The Secretariat shall circulate an invitation signed by the ACPACC Secretariat to call for an ACPACC meeting giving reasonable notice prior to the date of the meeting. The invitation shall specify the agenda, time and venue of the meetings. Confirmation from participating ASEAN Member States to participate in the ACPACC meeting shall be received by the Secretariat at least 21 days before the meeting. The meeting shall have a quorum of at least 6 Member States.
- 4.3 Decision on any matter shall be made in ASEAN spirit of cooperation among members attending the meeting.
- 4.4 The Agenda of the meeting shall include, among others:
  - 4.4.1 Report of the ACPACC Secretariat
  - 4.4.2 Report of the Monitoring Committee on the update of the Register
  - 4.4.3 Review and endorsement of the submitted assessment statement

4.4.4 Discussion on developing, monitoring, maintaining, and promoting mutually acceptable standards and criteria for facilitating practice by ASEAN CPAs throughout ASEAN.

4.4.5 any other matters relating to the operation of the MRA.

## **5. REPORTING**

The ACPACC shall report its progress of work to ASEAN Coordinating Committee on Services (CCS) through the Business Services Sectoral Working Group (BSSWG) as and when required.

## **6. REVIEW PROCEDURES**

- 6.1 The ACPACC shall review the Guidelines on Criteria and Procedures, Assessment Statement, Assessment Statement Flowchart and other related guidelines, procedures and documentation as proposed by each MC, and recommend any amendments
- 6.2 The ACPACC shall have the authority to confer and withdraw the title of ASEAN CPA and shall inform all NABs and/or PRA when it has been notified that an ASEAN CPA:
  - 6.2.1 is no longer qualified to undertake professional accountancy practice in the Country of Origin
  - 6.2.2 has not complied with the Continuing Professional Development (CPD) policy of the Country of Origin, or
  - 6.2.3 has seriously violated technical, professional or ethical standards either in the Country of Origin or the Host Country, whereby such violations have led to deregistration or suspension from practice or withdrawal from the ASEAN CPAR.
- 6.3. The ACPACC shall evaluate and decide whether the violation / contravention warrants a withdrawal of the ACPA:
  - 6.3.1. The appeal mechanism for disqualification of an RFPA by a Host Country should be fair and transparent, with clear powers and accountability for the Host Country and ACPACC.
  - 6.3.2. The Host Country should notify the Country of Origin of a disqualification of the latter's member and the reasons for the disqualification.
- 6.4 Where the article 6.2 above is applicable, the respective MC shall withdraw and deregister the said ASEAN CPA from the ASEAN CPAR.

## **7. CERTIFICATES**

- 7.1 The registration as ASEAN CPA is attested by a certificate signed by the Chairman of the ACPACC and Chairman of the MC of Country of Origin

- 7.2 The ACPA Certificate will be issued once by the ACPACC Secretariat with the fees paid to the respective MC.
- 7.3 The ASEAN CPA title may be retained as long as the individual continues to comply with the requirements of the ASEAN CPA and be a registered member of the NAB/PRA of country of origin.

## **8. FINANCES**

- 8.1 The financial resources of ACPACC:
  - 8.1.1 Annual registration fees paid through the respective Monitoring Committee
  - 8.1.2 Unbinding donation from other sources
  - 8.1.3 Income from activities of the ACPACC, such as publications that may be developed by the International Conferences and Technical Committees.
- 8.2 The financial resources of ACPACC Secretariat:
  - 8.2.1 The financial expenditure for day-to-day operation of the ACPACC Secretariat shall be borne by Government of Indonesia.
  - 8.2.2 The travel expenses of Head of the Secretariat for attending an ACPACC Meeting will be provided by the host country of the ACPACC Meeting.

## **9. APPEALS AND DISPUTE SETTLEMENTS**

The provisions of the ASEAN Protocol on Enhanced Dispute Settlement Mechanism, done at Vientiane, Lao PDR on the 29 November 2004, shall apply to disputes concerning the interpretation, implementation, and/or application of any of the provisions under this MRA.

## **10. RULES AMENDMENT**

- 10.1 Any ASEAN Member State may request in writing any amendment to all or any part of this Arrangement.
- 10.2 Unless otherwise provided by the MRA, the provisions of the MRA may only be modified through amendments mutually agreed upon in writing by the Governments of all participating ASEAN Member States. Any such amendment agreed to shall be made in writing and shall form part of the MRA and shall come into force on such date as may be determined by all the ASEAN Member States.
- 10.3 Any amendment to the list of NAB and/or PRA can be made administratively by the ASEAN Member State concerned and notified in writing to the ASEAN Secretary-General, and the ASEAN Secretary-General shall thereafter notify the rest of the ASEAN Member States of the same.



- 10.4 The provisions in ASEAN CPA Guidelines on Criteria and Procedures, Assessment Statements, Assessment Statement Flowchart and other related guidelines, procedures and documentation may be modified through amendments mutually agreed upon in writing by all the NABs and/or PRAs of the participating ASEAN Member States, provided that the amendments shall not contradict or modify any of the provisions in the MRA. All approved changes shall be implemented by the ACPACC).

## **11. COMMUNICATION**

Each MC shall provide the list of contact details of its focal points to the ACPACC and shall inform whenever there is any changes in the list.

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