

BACKGROUND NOTE ON ACTION PLANS

The SMO Action Plan is intended to provide a summary of:

- The legal and regulatory environment for the profession;
- The status of adoption of international standards and best practices in the jurisdiction; and
- The actions of a Member's or Associate's to fulfill the IFAC membership requirements.

IFAC [Statements of Membership Obligations](#) (SMOs) require IFAC Members and Associates to support the adoption¹ and implementation² of international standards and other pronouncements issued by independent standard-setting boards under the auspices of IFAC as well as by the International Accounting Standards Board (IASB); and to establish a quality assurance (QA) review and investigation and disciplinary (I&D) systems. The SMOs are recognized as the international benchmarks for credible and high-quality PAOs that are focused on and have the necessary expertise to serve the public interest and meet the market demands of their respective jurisdictions.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where, if any, improvements are needed. Members and Associates should develop an Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs (revised in 2012), and (b) where some requirements are not yet addressed, to present plans towards their fulfillment. Action Plans are designed to be **ever-green** documents that take into consideration IFAC recommendations. Depending on the PAO's level of fulfillment (see *IFAC's Summary Assessment* – page 2), an Action Plan may not be necessary for each SMO section and instead the '*Attestation of Ongoing SMO Compliance*' is used to confirm their ongoing commitments. However, PAOs may wish and are welcome to utilize the Action Plan as a tool to demonstrate how they are using 'best endeavors' and going beyond their mandate with innovative approaches to fulfilling the SMOs and strengthening the national profession.

The specific details of each organization's actions will vary even where two PAOs are involved in the same SMO area. Each PAO operates in its own unique regulatory and standard-setting framework and has different operating, technical, and resource capacities. Moreover, in deciding when and how a particular SMO requirement is to be addressed, PAOs might have differing timeframes and objectives to achieve. Notwithstanding these inevitable differences, seeking the advice and assistance of other PAOs who have already faced and dealt with similar challenges can save significant time and resources. IFAC staff will offer assistance as needed.

Regular updates of the SMO Action Plans are required as part of the [IFAC Member Compliance Program](#).

¹ *Adoption* is concerned with the decision that international standards are appropriate for use in specific national financial reporting environments and with the actions necessary to affect those decisions, including incorporation into national requirements or requiring the use of international standards through law. Adoption may include a process to review draft international standards, translation, public exposure of proposed standards, approval, incorporation into national requirements as necessary, and promulgation of final standards, and, where applicable, a convergence process to eliminate or minimize differences between international and national standards.

² *Implementation* may include a process to build awareness of the adopted standards, provide relevant education and training, develop, or disseminate implementation guidance and any other activities that promote proper understanding and use of the standards in practice.

Use of Information















Please refer to the [Disclaimer](#) published on the IFAC website.

ACTION PLAN

IFAC Member/Associate: Malaysian Institute of Accountants (MIA)
Original Publish Date: 8 April 2009
Last Updated: September 2024
Next Update: September 2027

IFAC's Summary Assessment: IFAC staff will complete this section at the conclusion of each SMO Action Plan review and update process. PAOs are encouraged to take staff's recommendation into consideration as part of future strategic planning conversations at the PAO.

For more information on [IFAC Member Compliance Program](#) and the legends used to describe the status of adoption of international standards, best practices, and fulfillment of SMO requirements, please refer to the Status of Adoption [methodology](#) and SMO Fulfillment [methodology](#).

FOR IFAC COMPLETION	MIA Level of Responsibility for Adoption	Adoption Status as of 2024	Level of SMO Fulfillment as of 2024
QA / SMO 1	Shared	 Adopted	 Sustain
IES / SMO 2	Shared	 Adopted	 Sustain
ISA / SMO 3	Shared	 Adopted	 Sustain
IESBA / SMO 4	Shared	 Adopted	 Sustain
IPSAS / SMO 5	No Direct	 Partially Adopted	 Sustain
I&D / SMO 6	Shared	 Partially Adopted	 Review and Improve
IFRS / SMO 7	No Direct	 Adopted	 Sustain

GLOSSARY:

AASB	Audit and Assurance Standards Board	PAIB	Professional Accountants in Business
ACCA	Association of Chartered Certified Accountants	QA	Quality Assurance
AOB	Audit Oversight Board of Malaysia	RPG	Recommended Practice Guide
CARE	Chartered Accountant's Relevant Experience	SC	Securities Commission of Malaysia
CEO	Chief Executive Officer	SMP	Small and Medium Practices
CFM	Competency Framework		
CG	Corporate Governance		
CPD	Continuous Professional Development		
CPE	Continuous Professional Education		
ESB	Ethics Standards Board		
FRS	Financial Reporting Standards		
FRSIC	Financial Reporting Standards Implementation Committee		
GASAC	Government Accounting Standards Advisory Committee		
I&D	Investigation and Discipline		
IAASB	International Auditing and Assurance Standards Board		
IASB	International Accounting Standards Board		
ICAEW	Institute of Chartered Accountants in England and Wales		
IES	International Education Standards		
IESBA	International Ethics Standards Board for Accountants		
IFAC	International Federation of Accountants		
IFRS	International Financial Reporting Standards		
IPSAS	International Public Sector Accounting Standards		
ISA	International Standards on Auditing		
ISQC	International Standards on Quality Control		
IT	Information Technology		
MASB	Malaysian Accounting Standards Board		
MIA	Malaysian Institute of Accountants		
MICPA	Malaysian Institute of Certified Public Accountants		
MoHE	Ministry of Higher Education		
MoU	Memorandum of Understanding		
MQA	Malaysian Qualifications Agency		
PD	Professional Development Department		

Note:

The Committee to Strengthen the Accountancy Profession in Malaysia (CSAP)

The CSAP was established as part of the country action plan to address issues raised in the Report on the Observance of Standards and Codes in Accounting and Auditing (ROSC AA) released by the World Bank in 2012. In addition to addressing the issues raised in the report, the CSAP considered this as the opportune juncture to identify ways to further strengthen the Accountancy profession in Malaysia and enhance the contribution of the accountancy profession in nation building, given the changing economic landscape and the need for Malaysia to remain competitive as a nation.

The CSAP, which comprised senior representatives of key regulators and stakeholder of the accountancy profession, had presented the Report on the Strengthening of the Accountancy Profession in Malaysia (Report) to the Minister of Finance (MOF) in August 2015. The MOF has accepted the Report and its 15 Recommendations in 2016 and mandated the Securities Commission (SC) to set up an Implementation Committee to look into the implementation of the Recommendations and to oversee the implementation process. The full CSAP report can be viewed [here](#).

In essence, the CSAP report recommended strengthening two major areas which are the Governance Structure (as per Recommendation 1) and Competency of Accountants (as per Recommendation 2).

The Institute continues to work closely with the Accountant General's Department and other stakeholders on changes to the Accountants Act 1967 which are needed to implement those recommendations.

Action Plan Subject: SMO 1 and Quality Assurance (QA)
Action Plan Objective: To ensure that the Institute's Practice Review Programme is in Line with the Requirements of SMO 1

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>Practice Review is a core component of the Surveillance and Enforcement Division of MIA and the Practice Review Programme forms a critical element in the overall scheme of audit regulation in Malaysia. In 2016/2017, MIA revised the existing Practice Review Framework so as to expedite the process of instituting remedial actions and enable together tougher sanctions against recalcitrant practitioners. MIA believes that the new Practice review framework, which was effective from 1st July 2017, will expedite the practice review processes while reinforcing the need for the audit practitioners to uphold a high level of audit quality. The revised Practice Review Framework is a pro-active measure and incorporates forward looking features which ensure direct and timely communications with individual firms and identify opportunities to enhance the relevance, efficiency and effectiveness of our standard setting process.</p> <p>A separate statutory body, the Audit Oversight Board (AOB) had commenced operations on 1 April 2010. The AOB was established to oversee the auditors of Public Interest Entities (PIEs) and provide independent audit oversight for PIEs and to ensure Malaysia's regulatory framework for auditors is on par with international standards. The establishment of the AOB is provided for under the Securities Commission's Amendment Act 2010, which was passed by Parliament in December 2009. Based on MIA's discussions with the AOB, the AOB's QA review system is in line with SMO 1.</p> <p>In October 2016, MIA together with the Malaysian Institute of Certified Public Accountants (MICPA) had announced the launch of the Quality Assessment Programme (QAP), which is an initiative to enhance audit quality among SMPs. Participation in the QAP by SMPs is on a voluntary basis and designed to be educational in nature. More information on the QAP can be found here: http://www.mia.org.my/v1/smp/activities/quality.aspx</p> <p>Road shows, magazines and dialogues with practitioners are also held to raise the level of compliance with applicable professional standards and statutes (including ISQC 1) among SMPs. ISQC 1 courses are held to educate practitioners on its requirements.</p>					
<p><i>To Increase the Resources Available to the Practice Review Programme</i></p>					
1.	Ongoing	Strengthening of human capital through recruitment of new talents and provide continuous training to existing staffs	Ongoing	Executive Director of Surveillance & Enforcement	Talent & Human Capital Department and Practice Review Department

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>To Enhance Awareness of the Practice Review Programme and its Findings</i>					
2.	Ongoing	(i) Publication of articles in MIA's Accountants Today magazine on the common findings from practice review. (ii) Publication of Practice Review Annual Report	Ongoing	Executive Director of Surveillance & Enforcement	Head and Manager in the Practice Review Department
3.	Ongoing	Conduct regular seminars on audit quality enhancement as part of the audit enhancement programme and public practice programme for member firms.	Ongoing	Executive Director of Surveillance & Enforcement	Head and Manager in the Practice Review Department
<i>To Enhance the Practice Review Programme</i>					
4.	July 2017	The Practice Review Framework had been effective since July 2017 with the introduction of 4 Types of rating. The objective of the revised framework is to position practice review as a prime driver of audit quality for our profession in Malaysia. The Revised PR framework will make the practice review processes more effective while reinforcing the need for our practitioners to uphold a high level of audit quality.	Completed	Executive Director of Surveillance & Enforcement jointly with the Practice Review Committee	Head and Manager in the Practice Review Department
<i>Maintaining Ongoing Processes</i>					
5.	Ongoing	Review the Practice Review Programme on an annual basis to ensure that the programme is operating effectively and continues to be in line with SMO 1 requirements.	Ongoing	Executive Director of Surveillance & Enforcement jointly with the Practice Review Committee	Staff in the Practice Review Department

Action Plan Subject: SMO 2 and International Education Standards (IESs)
Action Plan Objective: To Implement the MIA Competency Framework (“CFM”)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Background:</p> <p>The MIA Competency Framework (“MIA CFM”) is a set of principles that defines the baseline competencies for accountancy professionals in line with the IFAC International Education Standards (IES). The MIA CFM, which is developed by the MIA Education Board, focuses on the three proficiency levels of the IES Framework, namely “Foundation”, “Intermediate”, and “Advanced”.</p> <p>Following from the release of the MIA CFM, the Education Board is carrying out its implementation plans which include:</p> <ul style="list-style-type: none"> • Development of new Relevant Practical Experience Programme in line with the three proficiency levels of the IFAC IES and • Development of new accreditation guidelines and criteria in line with the MIA CFM and IES. <p>Currently there are three existing routes of MIA membership in accordance to the Accountants Act 1967:</p> <ul style="list-style-type: none"> • Passed any of the final examination specified in Part I of the First Schedule to the Accountants Act, 1967 and gained not less than 3 years of working experience in the service of a Chartered Accountant or in a government department, bank, insurance company, local authority or other commercial, financial, industrial or professional organisation or other undertaking approved by the Council; and/or • Member of any of the recognised bodies specified in Part II of the First Schedule to the Accountants Act, 1967; and/or • Passed the MIA Qualifying Examination (QE) and gained 3 years of working experience in the service of a Chartered Accountant or in a government department, bank, insurance company, local authority or other commercial, financial, industrial or professional organization or other undertaking approved by the Council. <p>For further information, please refer to: https://www.mia.org.my/v2/Membership/membership_area/guidelines.aspx</p> <p>The Chartered Accountant’s Relevant Experience (CARE) Programmes is a structured assessment programme which is based on the mentor – mentee approach that monitors the practical experience of the mentees. Candidates from the Part I of the Act and those who have completed the MIA QE would be required to fulfill the requirement of CARE for a minimum of 36 months. The programme sets out a range of competencies that need to be attained before applying for MIA membership as a Chartered Accountant.</p>					

The present CARE programme is overall aligned to the International Education Standards 5 whereby mentor-mentee approach has been adopted and the aspiring applicants must complete a minimum of 36 months of working experience under the supervision of a Chartered Accountant. The aspiring applicant must also demonstrate the fulfilment of at technical competencies and generic competencies and those achievement must be verified by the mentor accordingly. Following from the development of the MIA Competency Framework, the MIA Education Board is in the progress of further enhancing the relevant practical experience requirements focusing on the three proficiency levels of the IES Framework.

For further information, please refer to: <https://www.mia.org.my/v2/CARE/CARE.aspx>

Continuing Professional Education (CPE)

By-Law A-4 (currently known as Section 410) on CPE promotes compliance with the International Education Standard (IES) 7, all members of MIA must undertake 60 CPE credit hours of structured and verifiable learning and 60 CPE credit hours of unstructured learning for each CPE cycle regardless of the category of membership or nature of their practice, and at least 20 CPE credit hours of such structured and verifiable CPE learning should be obtained each calendar year.

For more information, please refer to: https://www.mia.org.my/v2/surveillance/cpe/cpe_compliance.aspx

Implementation Plans of the MIA Competency Framework

6.	Completed	<p>Release of the MIA Competency Framework Document</p> <p>The MIA CFM is a set of principles that defines the baseline competencies and skill sets required to become accountancy professionals who are able to demonstrate their proficiency at different levels as defined by the framework issued by the International Accounting Education Standards Board (IAESB).</p> <p>This MIA CFM is calibrated against the International Education Standards as released by the IAESB and has taken into consideration of the specific requirements of Malaysia laws and regulations, feedbacks received from the MIA Competency Framework Exposure Draft as well as other matters to be considered in the development and implementation of the ASEAN Mutual Recognition Arrangement on Accountancy Services.</p> <p>The MIA CFM is principle based in nature, whereby it focuses on the proficiency requirements of accountancy professionals across all</p>	Completed (June 2020)	CEO and Executive Director of Membership, Technology & Operations	Appointed consultant, MIA Education Board, MIA Management, Working Group and staffs from the Competency Framework and Development Department
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		<p>spectrum of the profession covering public practice, public sector, commerce & industry, and the academia. Employers are recommended to make reference to the MIA CFM to interpret and define the skill sets that best fit their organisations' requirements.</p> <p>For further information, please refer to: https://www.mia.org.my/v2/downloads/education/competency/2020/06/12/MIA_Competency_Framework.pdf</p>			
7.	Ongoing	<p>Redefine the membership admission and criteria for different classification of membership</p> <p>Under the MIA Competency Framework, three classifications of membership levels are proposed in line with the IES proficiency levels namely:</p> <ul style="list-style-type: none"> • Accounting Technician (Foundation) • Accountant (Intermediate) • Chartered Accountant (Advanced) <p>The present provisions of the Accountants Act 1967 catered for only the title of Chartered Accountant and the proposed three levels could only be put into effect once a new Act has been amended.</p> <p>The proposed three levels have considered the requirements and also feedback from the employers whereby support needs to be given to the accountancy professionals at all levels such as the Accounting Technicians considering the growth of the Shared Service Centre in Malaysia.</p> <p>The Education Board is also developing and enhancing the Relevant Practical Experience Requirement to improve the present requirements of the CARE programme.</p>	Ongoing	CEO and Executive Director of Membership, Technology & Operations	MIA Education Board, MIA Management, Working Group and staffs from the Competency Framework and Development Department

<i>Transition Period Initiatives (Pipeline Management)</i>					
8.	Ongoing	<p>CARE – Chartered Accountants Relevant Experience (Awareness).</p> <p>To promote the CARE programme to accounting students and ensure that they possess the necessary knowledge on the Relevant Practical Experience Requirements once they have graduated from the university.</p> <p>MIA has appointed CARE Coordinators from the respective universities recognised under the Part I of the First Schedule to the Accountant’s Act 1967. Briefing sessions are held annually to equip them with a CARE Slide Pack and the necessary knowledge to hold CARE Awareness sessions at their respective universities.</p> <p>The CARE Coordinators will act as a liaison between their respective universities and the Institute in promoting the CARE programme and related matters.</p> <p>This benefit the university students and aspiring graduates so that they are equipped with the knowledge on the relevant practical experience requirements upon their graduation as part of the support for them to become Chartered Accountant in Malaysia.</p>	Ongoing	Executive Director of Membership, Technology & Operations	Staffs in the Competency Framework and Development Department and MIA Regional Offices. Close relationship with universities, MIA members for CARE coordinators

<i>Quality Control & Education for Professional Programmes</i>					
9.	Ongoing	<p>MIA and MQA Joint Technical Committee (JTC)</p> <p>MIA and Malaysian Qualifications Agency (MQA) had established a JTC with an objective to ensure that Higher Education Providers (HEPs) seeking accreditation demonstrate that their professional programmes meet and comply with the required quality standards set by both MQA and MIA. The formation of the JTC is provided for by the relevant sections under the MQA Act 2007. The JTC comprises members from MIA Education Board, MQA, Ministry of Higher Education, and Accountant's General Department of Malaysia.</p> <p>At present, the JTC is focusing on the establishment of Working Committee that focuses on the accreditation of university degree programmes for the purpose of allowing universities to conduct the Bachelor of Accounting degree programmes in Malaysia.</p>	Ongoing	MIA/MQA/MoHE	MIA Education Board, Joint Technical Committee and staff in the Competency Framework and Development Department

10.	Ongoing	<p>Feedback and Input on University's Degree Programme in Support of the Ministry of Higher Education</p> <p>MIA is a panel member of the Higher Education Committee of the Ministry of Higher Education, whereby MIA is invited to provide input on the establishment of new accounting programmes as well as changes of curriculum structure proposed by universities.</p> <p>Universities will also invite MIA to share its insights on the current needs of the industry and whether the suggested university programmes meet the current needs of the market.</p> <p>With these initiatives, MIA aspires to assist universities with the development of new accountancy programmes to ensure quality education is provided.</p>	Ongoing	Executive Director of Membership, Technology & Operations/ MoHE	Staff in the Competency Framework and Development Department/ MIA Education Board
<i>Capacity Building for Academia/ Educators</i>					
11.	Ongoing	<p>Collaboration with other professional bodies to conduct "Train the Trainers" programme on a complimentary basis, mainly for the purpose of upskilling the academia and to bridge the gap between educators and industrial practice. The "Train the Trainers" programme is delivered in the mode of slides, case studies and discussion groups to facilitate a more meaningful session whereby the academia can bring back the experience in enhancing their own teaching methodology. To date, MIA has organised 26 sessions of "Train the Trainers" programme benefitting 1,379 academicians as of 31 December 2021.</p>	Ongoing	Executive Director of Membership, Technology & Operations/ MoHE	Staff in the Competency Framework and Development Department/ Professional Accountancy Organisations (PAO)

<i>Promotion of Lifelong Learning</i>					
12.	Ongoing	Produce various technical and non-technical CPE programmes relevant to the accountancy profession in the form of Seminars, Workshops, Forums and Conferences. Regularly communicate with members about the CPE requirements and the CPE courses via the website, email campaigns, journals and other publications such as brochures.	Ongoing	Executive Director, Strategy & Development	Staff in the Professional Development Department, External Subject Matter Experts
<i>Access to Continuous Professional Development (CPD)</i>					
13.	Ongoing	Facilitate access to CPD opportunities and resources for professional accountants by organizing CPE programmes throughout the country and offering E-Learning modules.	Ongoing virtually	Executive Director, Strategy & Development	Staff in the Professional Development Department & Regional offices, E-learning vendor, IT Department

Action Plan Subject: SMO 3 and International Standards, Related Practice Notes and Other Pronouncements Issued by International Auditing and Assurance Standards Board (IAASB)
Action Plan Objective: Continue to Support Ongoing Adoption and Implementation of IAASB Pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>The Auditing and Assurance Standards Board (AASB) is an independent standard-setting body designated by and operating under the auspices of the Malaysian Institute of Accountants (MIA). Standards and technical pronouncements issued by the IAASB are reviewed by the AASB through its rigorous process on standard-setting. Information about AASB and its activities is published on the MIA website (www.mia.org.my).</p> <p>MIA adopts standards issued by the IAASB as Malaysian Approved Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements. The IAASB standards are adopted as drafted with minimal amendments to localise the reference to Malaysian context. The foreword to the Malaysian Approved Standards explains the status on each approved standard that is adopted, including the applicability, notes and exceptions and the effective date of the standard.</p> <p>Since 2019, the AASB had undertaken the following:</p> <ol style="list-style-type: none"> 1. <u>Submission of comments on IAASB's consultation documents</u> <ul style="list-style-type: none"> • Proposed ISQM – Quality Management at the Firm and Engagement Level, including Engagement Quality Reviews • Proposed ISQM 1 – Quality Management for Firms that Perform Audits or Reviews of Financial Statements or Other Assurance or Related Services Engagements (previously ISQC 1) • Proposed ISQM 2 – Engagement Quality Reviews • Proposed ISA 220 (Revised) – Quality Management for an Audit of Financial Statements • Proposed Non-Authoritative Guidance: Extended External Reporting Assurance • Proposed ISA 600 (Revised) – Special Considerations – Audit of Group Financial Statements (Including the Work of Component Auditors) • Discussion Paper, Fraud and Going Concern in an Audit of Financial Statements: Exploring the Differences Between Public Perceptions About the Role of an Auditor and the Auditor's Responsibilities • Proposed International Standard on Auditing of Financial Statements of Less Complex Entities • Proposed ISRS 4400 (Revised) Agreed upon Procedures Regarding Financial and Other Information 2. <u>Adoption and issuance of auditing standards</u> <ul style="list-style-type: none"> • ISA 540 (Revised) Auditing Accounting Estimates and Related Disclosures • ISA 315 (Revised), Identifying and Assessing the Risks of Material Misstatement • ISQM 1 Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements • ISQM 2 Engagement Quality Reviews 					

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<ul style="list-style-type: none"> • ISA 220 (Revised), Quality Management for an Audit of Financial Statements • ISRS 4400 (Revised) Agreed upon Procedures Engagements • All other conforming amendments up to 15 December 2020 <p>3. Issuance of the following guidance:</p> <ul style="list-style-type: none"> • AAIG 1 Letter of Engagement, Statutory Audit for Single Entity and Group • AAPG 1 (Revised June 2021), Auditors' Report on financial statements prepared in accordance with the Malaysian Financial Reporting Standards (MFRS) Framework and those of the Malaysian Private Entities Reporting Standards (MPERS) Framework • AAPG 6, Report on Compliance with Pioneer Status Incentive Conditions Approved under the Promotion of Investments Act, 1986 <p>4. Roundtable and forum in response to the proposed ISQM (in 2019) and LCE (in 2021) consultations.</p> <p>5. Collaboration with CPA Australia through the publication of A Guide to Understanding Auditing and Assurance for Malaysian listed companies in August 2021.</p>			
<i>Promulgating Adoption and Implementation of IAASB Pronouncements</i>					
14.	Ongoing	<p>Continuously disseminate information to members on pronouncements issued by IAASB through the Institute's</p> <ul style="list-style-type: none"> • Website; and • Circulars. <p>Update the Institute's website for the adoption of new/revised standards issued by the IAASB as Malaysian Approved Standards. A dedicated site has also been created to assist members with their ISQM implementation in November 2021.</p>	Ongoing	AASB, Executive Director of the Professional Practices and Technical Division	Technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)
15.	Ongoing	Review exposure drafts and other consultative documents issued by IAASB and submit comments thereon.	Ongoing	AASB, Executive Director of the Professional Practices and Technical Division	Members of AASB with the assistance of technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)

#	Start Date	Actions	Completion Date	Responsibility	Resource
16.	Ongoing	Review AASB work programme and update as appropriate on a periodic basis to be in line with the IAASB work programme, support convergence with IAASB's pronouncements and other activities where necessary.	Ongoing	AASB, Executive Director of the Professional Practices and Technical Division	Members of AASB with the assistance of technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)
17.	Ongoing	Offer technical assistance to members by responding to technical enquiries from members.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)
<i>Implementation Guidance</i>					
18.	Ongoing	Consider the need for implementation guidance and disseminating guidance in implementing the requirements of the pronouncements issued by the IAASB through Auditing and Assurance Practice Guides (AAPGs) and Auditing and Assurance Illustrative Guides (AAIGs).	Ongoing	AASB, Executive Director of the Professional Practices and Technical Division	Technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)
19.	Ongoing	Develop resources (including FAQs) with the purpose of assisting auditors in understanding practical-related issue surrounding their work. The resources are including in the Auditing and Assurance section on the MIA website.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Education and Training</i>					
20.	Ongoing	Organise courses and webinars focusing on the implementation of assurance and related services standards to enhance members' knowledge as part of MIA's continuing professional education program.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit) and Professional Development Department.
21.	Ongoing	Issue publications relevant to audit and assurance which are disseminated to members and relevant stakeholders. The aim of the publications is to improve awareness of the development in the auditing profession.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)
22.	Ongoing	Maintain dialogue with local regulators and government ministries on auditor's role and responsibilities to reduce expectation gap.	Ongoing	AASB, Executive Director of the Professional Practices and Technical Division	Members of AASB with the assistance of technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)

#	Start Date	Actions	Completion Date	Responsibility	Resource
Review of MIA's Compliance Information					
23.	Ongoing	Perform periodic review of MIA's response to the IFAC Compliance Self-Assessment questionnaire and update sections relevant to SMO 3 as necessary. Once updated, the IFAC Compliance staff will be informed immediately to facilitate the publication of the updated information.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of the Capital Market and Assurance Department (Auditing and Assurance Unit)

Action Plan Subject: SMO 4 and the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants

Action Plan Objective: To Maintain Alignment with the IESBA Code of Ethics and Promote MIA's Ethical Requirements to Members

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>The Ethics Standards Board (ESB) is a standard setting body, designated by and operating independently under the auspices of the MIA Council, to promote adherence to high quality professional and ethical standards, and convergence with international standards. Information about ESB and its activities is published on the MIA website (http://www.mia.org.my/v1/).</p> <p>The ESB adopted the IESBA Code of Ethics with modifications to ensure consistency with the Malaysian regulatory or legislative framework and to suit the Malaysian professional environment. The ESB continues to monitor the implementation of the MIA's By-Laws by reviewing and commenting on the IESBA's exposure drafts on proposed changes to the IESBA Code of Ethics, as well as creating dialogue with members to discuss the issues of the application of the MIA's By-Laws. The MIA By-Laws is updated following the revisions to the IESBA Code with some modifications. Modifications made to the IESBA Code were done to suit the local environment and have gone through the approved due process.</p> <p>The IESBA's revised and restructured Code was adopted by MIA in June 2019. Since then, other notable submissions by the ESB include:</p> <ul style="list-style-type: none"> • ED on Proposed Revisions to Part 4B of the Code to Reflect Terms and Concepts Used in ISAE 3000 (Revised) • ED on Proposed Revisions to the Code to Promote the Role and Mindset Expected of Professional Accountants (PA) • ED on Proposed Revision to the Code Addressing the Objectivity of Engagement Quality Reviewers • ED on Proposed Revision to the Non-Assurance Services (NAS) Provisions of the Code • ED on Proposed Revision to the Fees Related Provisions of the Code • ED on Proposed Revision to the Definition of Listed Entity and Public Interest Entity (PIE) in the Code <p>In addition, the ESB has also responded to the various questionnaires and surveys as issued by the IESBA from time to time, such as the questionnaire on the definitions of listed entity and PIE, the survey on the impact of technology, questionnaire on the long association's Post Implementation Review (PIR) and the survey on the Strategy & Work Plan 2024-2027.</p>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption and Implementation</i>					
24.	Ongoing	Adopt the latest IESBA Code of Ethics with modifications, if necessary, to ensure consistency with the local regulatory framework and to suit the local professional environment.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of Capital Market & Assurance (specifically, the Ethics Unit)
<i>Maintaining Ongoing Processes</i>					
25.	Ongoing	Continue to educate members and create awareness of the requirements of the MIA By-Laws through engagement with the members through various outreaches (Town Hall, webinars and quizzes)		Executive Director of the Professional Practices and Technical Division	Ethics Standards Board with the assistance of technical staff of Capital Market & Assurance (specifically, the Ethics Unit)
26.	Ongoing	Continue to educate members and create awareness of the requirements of the MIA By-Laws through engagement with the members at key stages of their membership. This is done through the members' induction program and Public Practice Program.	Ongoing	Executive Director, Strategy & Development & Executive Director of the Professional Practices and Technical Division.	External speakers, Board Members of ESB and Head of the Capital Market and Assurance Division
27.	Ongoing	Engage and solicit views and comments from stakeholders on the matters relating to the MIA By-Laws or the IESBA Code of Ethics.	Ongoing	Executive Director of the Professional Practices and Technical Division	Ethics Standards Board with the assistance from technical staff of Capital Market & Assurance (specifically, the Ethics Unit)

#	Start Date	Actions	Completion Date	Responsibility	Resource
28.	Ongoing	Disseminate information to members on pronouncements issued by IESBA through the MIA's website and circulars.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of Capital Market & Assurance (specifically, the Ethics Unit)
29.	Ongoing	Offer technical assistance to members by responding to members' technical enquiries.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of Capital Market & Assurance (specifically, the Ethics Unit)
30.	Ongoing	Educate members on the requirements of the MIA By-Laws through media contents such as publications and videos.	Ongoing	Executive Director, Strategy & Development and Executive Director of the Professional Practices and Technical Division	Staff of Professional Development Department & technical staff of Capital Market & Assurance (specifically, the Ethics Unit)
31.	Ongoing	Review exposure drafts and other consultative documents issued by IESBA and submit comments thereon.	Ongoing	Executive Director of the Professional Practices and Technical Division	Ethics Standards Board with assistance from technical staff of Capital Market & Assurance (specifically, the Ethics Unit)
<i>Review of MIA's Compliance Information</i>					
32.	Ongoing	Perform periodic review of MIA's response to the IFAC Compliance Self-Assessment questionnaire and update sections relevant to SMO 4 as necessary. Once updated, the IFAC Compliance staff will be informed immediately to facilitate the publication of updated information.	Ongoing	Executive Director of the Professional Practices and Technical Division	Technical staff of Capital Market & Assurance (specifically, the Ethics Unit)

Action Plan Subject: SMO 5 and International Public Sector Accounting Standards (IPSAS) Guidelines
Action Plan Objective: Continue to Use its Best Endeavors to Assist in the Implementation of IPSASs

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>The Accountant General’s Department, which is entrusted with the accounting functions of both Federal and State governments in Malaysia, endeavours to comply with the requirement of IPSASs where possible. Whenever MIA receives any updates on IPSAS Guidelines, the information is communicated to the Accountant General’s Department.</p> <p>Whilst the Federal Government at present is in full compliance with cash-basis IPSAS, it intends to adopt full accrual accounting using accounting policies which are consistent in all material aspects with accrual-basis IPSAS. The implementation of full accrual accounting forms part of the Federal Government’s policy measure in its public sector transformation initiatives of the New Economic Model. Accrual-based accounting using accounting policies which are identical to those to be adopted by the Federal Government will also be extended to all State Governments, local authorities, as well as statutory bodies.</p> <p>Government Accounting Standards Advisory Committee (“GASAC”) is a committee established under the Accountant General’s Department to develop Malaysian Public Sector Accounting Standards (“MPSAS”). MPSAS have been adapted from IPSAS. MPSAS are endorsed by GASAC and approved by the Accrual Accounting Steering Committee (“AASC”). MIA’s Head of Reporting and Assurance has been appointed as a member of GASAC.</p> <p>MIA has also established the Public Sector Accounting Committee (“PSAC”). In general, the terms of reference of the Committee are as follows:</p> <ul style="list-style-type: none"> • To advocate the role of accountants in public financial management in Malaysia; • To review exposure drafts and other consultative documents issued by the International Public Sector Accounting Standards Board (“IPSASB”) and to submit comments thereon; and • To contribute (by sharing experience and expertise) towards the implementation of accrual accounting in public sector in Malaysia. 					
<p><i>To Provide Input to the Standard-Setting Process</i></p>					
33.	Ongoing	Involvement in the process of setting Malaysian Public Sector Accounting Standards through participation in GASAC.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Public Sector Unit)

#	Start Date	Actions	Completion Date	Responsibility	Resource
34.	Ongoing	Review exposure drafts issued by GASAC and submit comments thereon.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Public Sector Unit)
35.	Ongoing	Review exposure drafts issued by IPSASB and submit comments thereon.	Ongoing	PSAC and Executive Director of Digital Economy, Reporting and Risk Division	Members of PSAC and technical staff of the Financial Reporting and Tax (Public Sector Unit)
<i>To Assist in Implementation of Accrual-based Accounting</i>					
36.	Ongoing	Regular engagement with the Accountant General Office to provide support to migrate to accrual-based accounting through capacity building initiatives.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Public Sector Unit)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Education & Training</i>					
37.	Ongoing	Continuous professional developments initiatives on accrual accounting by organising/speaking at accounting-related training courses and roundtables.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division and Executive Director of Strategy and Development Division	Technical staff of the Financial Reporting and Tax (Public Sector Unit) and staff of Professional Development
<i>Review of MIA's Compliance Information</i>					
38.	Ongoing	Perform periodic review of MIA's response to the IFAC Compliance Self-Assessment questionnaire and update sections relevant to SMO 5 as necessary. Once updated, the IFAC Compliance staff will be informed immediately to facilitate the publication of the updated information.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Public Sector Unit)

Action Plan Subject : SMO 6 and Investigation and Discipline
Action Plan Objective : To Enhance the Regulatory Function of the Institute

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p>Background:</p> <p>MIA, via its Investigation function, considers and investigates formal complaints lodged against members and cases of unprofessional conduct which are brought to the knowledge of the Investigation Committee (IC) and to refer any matter to the Disciplinary Committee, where appropriate, upon completion of its investigations. All cases referred by the Investigation Committee and those coming directly to the Disciplinary Committee (DC) are handled under this function of MIA. Disciplinary proceedings are carried out and decisions are made in accordance with the Malaysian Institute of Accountants (Disciplinary) Rules, 2002 where the Committee finds that a complaint has been proven against a member.</p> <p>One of the principal strategic objectives going forward is to clear all cases within a maximum timeline of 18 months from its respective date of receipt. In addition, new and revised standard operating procedures have recently been formulated and implemented to increase efficiency and effectiveness of the investigation and disciplinary processes. MIA has made significant progress by having cleared all its backlog cases since 2018 and finalized the standard operating procedures for its units and departments so as to enhance the efficiency and effectiveness of its operations. Since June 2016, MIA had employed an Executive Director to Head its Surveillance and Enforcement Division assisted by Senior Managers and Managers in Investigation, Disciplinary, Surveillance and Legal matters.</p> <p>The Institute had also made a concerted effort together with the Companies Commission of Malaysia, Inland Revenue Board and the Royal Malaysia Police to take action against bogus accountants and bogus auditors.</p> <p>MIA's investigation and disciplinary processes are mostly in line with SMO 6 and the Institute is continuously looking into improvements on various areas. For additional information regarding the Investigation and Discipline mechanisms of MIA, please visit the website (www.mia.org.my).</p>					
<i>To Review and Enhance the Investigation and Discipline Function and Process</i>					
39.	31 December 2021	Strengthening of human capital within this division in particular to conduct the pending investigations	Ongoing	Executive Director of Surveillance & Enforcement	Talent & Human Capital Department and Enforcement

					Department
40.	Jan 2020	Developed and implemented a Guide for the Disciplinary Committee on imposition of disciplinary punishments.	March 2020 (Completed)	Executive Director of Surveillance & Enforcement	Manager-DC
41.	On Going	Training on investigation and disciplinary procedures and rules and regulation to familiarise new members of IC, DC, DAB and secretariat staff of the respective Committees and Board on their functions and job scope	to do annually after AGM (on going)	Executive Director of Surveillance & Enforcement	Executive Director of Surveillance & Enforcement
42.	June 2016	Secretariat for the IC, DC and DAB are updating and upgrading their respective Standard Operating Procedures ("SOP") manual with the help of a consultant. The above SOP manuals are being compiled with certain formats and elements which are compliant with ISO 9001	Ongoing annually	Executive Director of Surveillance & Enforcement	IC & DC secretariats

43.	31 December 2020	A new Act on accountancy is currently being drafted to repeal the existing Accountants Act 1967 so as to enhance the quality of qualified accountants in Malaysia and to improve the effectiveness and efficiency of the regulatory and oversight functions of the accounting profession in Malaysia.	<p>July 2017 for completion of final draft for the new Act.</p> <p>The new Act should reflect the views of the MIA Council and CSAP Implementation Committee.</p> <p>A Technical Committee has been formed under the auspices of the Ministry of Finance chaired by the Accountant General since Jan 2021 to deliberate on the draft Act and make proposal to the Steering Committee.</p>	Chairman of CSAP Implementation Committee, CSAP Committee's Legal Consultant and CEO of MIA	CEO
<i>To Clear the Cases Currently Being Investigated by the Investigation Committee</i>					
44.	Ongoing	MIA has made significant progress by having cleared all its backlog cases since 2018. During FYE 2018, a bulk of proactive complaints were lodged by the Investigation unit working alongside with the Membership Department to monitor compliance by its members in the line with SMO 3. Since 1 July 2020, a total of 29 new complaints have been lodged by	31 December 2021 (in progress)	Executive Director of Surveillance & Enforcement	Staff in the Enforcement Department.

		<p>the Investigation Unit pursuant to its proactive enforcement initiatives.</p> <p>As at 31 December 2021, there are currently 71 cases pending investigation, after 25 cases being referred to DC and 11 of the referrals were dismissed. During the year, there are 39 new cases received from Registrar.</p>			
<i>To Clear the Cases Referred to the Disciplinary Committee</i>					
45.	Ongoing	As at 31 December 2021, there are currently 60 pending cases, after a disposal of 25 cases (with 19 found guilty and 6 withdrawn)	31 December 2021 (in progress)	Executive Director of Surveillance & Enforcement	Manager - DC

Action Plan Subject: SMO 7 and International Financial Reporting Standards (IFRSs)
Action Plan Objective: To Play an Active Role in the Standard-Setting Process

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background:</i></p> <p>The Malaysian Accounting Standards Board (MASB), an external body to MIA, is responsible to set the financial reporting standards i.e. MASB Approved Accounting Standards for the entities registered with the Companies Commission of Malaysia. Entities other than private entities should comply with the Malaysian Financial Reporting Standards (MFRS). MFRSs are identical to IFRSs. Private entities should comply with the Malaysian Private Entities Reporting (MPERS) or alternatively MFRSs. For more information, please refer to MASB website at http://www.masb.org.my</p> <p>In 2007 the Financial Reporting Standards Implementation Committee (FRSIC) was established to provide guidance on implementation issues related to financial reporting standards. For details about FRSIC and the consensuses issued, please visit www.mia.org.my/frsic. In addition to the consensuses, MIA also issued the frequently asked questions on MFRS 9 Financial Instruments, MFRS 15 <i>Revenue from Contracts with Customers</i> and MPERS. In 2019, the MASB established the MFRS Application and Implementation Committee which took over the role of FRSIC in providing accounting implementation guidance.</p>					
<i>To Provide Input to the Standard-Setting Process by MASB</i>					
46.	Ongoing	Review exposure drafts and other consultative documents issued by MASB and IASB and provide comments through participation in MASB working groups.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of Financial Reporting and Tax (Accounting Unit)
47.	Ongoing	Involved in the standard-setting processes of MASB through participation in Working Groups and Task Forces.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Accounting Unit)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>To Assist in Implementation of Financial Reporting Standards</i>					
48.	Ongoing	Continuously disseminating information to members on pronouncements issued by MASB and MIA through the Institute's website and circulars.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Accounting Unit)
49.	Ongoing	Offer technical assistance to members by responding to technical enquiries from members.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Accounting Unit)
<i>Education and Training</i>					
50.	Ongoing	Issue technical publications for dissemination to members and relevant stakeholders.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Accounting Unit)
51.	Ongoing	Continuous professional developments initiatives on financial reporting standards by organising accounting related training courses and roundtables.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division and Executive Director of Strategy and Development Division	Technical staff of the Financial Reporting and Tax (Accounting Unit) and staff of Professional Development

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of MIA's Compliance Information</i>					
52.	Ongoing	Perform periodic review of MIA's response to the IFAC Compliance Self-Assessment questionnaire and update sections relevant to SMO 7 as necessary. Once updated, the IFAC Compliance staff will be informed immediately to facilitate the publication of the updated information.	Ongoing	Executive Director of Digital Economy, Reporting and Risk Division	Technical staff of the Financial Reporting and Tax (Accounting Unit)