

## **BACKGROUND NOTE ON ACTION PLANS**

SMO Action Plans are developed by IFAC Members and Associates to demonstrate fulfillment of IFAC Statements of Membership Obligations (SMOs). SMOs require IFAC Members and Associates to support the adoption<sup>1</sup> and implementation<sup>2</sup> 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.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where improvements are needed. Based on the results of the assessment, Members and Associates develop an SMO Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs and (b) where some requirements are not yet addressed, to present plans towards their fulfillment.

SMO Action Plans are designed to be ever-green documents that provide a comprehensive description of the accountancy profession and its legislative and regulatory environment in the jurisdiction as well as the actions undertaken by IFAC Members or Associates to support adoption and implementation of international standards and best practices.

Regular updates of the SMO Action Plans are required as part of the IFAC Member Compliance Program.

### **Use of Information**

Please refer to the Disclaimer published on the Compliance Program website.

## **ACTION PLAN**

<b>IFAC Member:</b>	Ordre des Experts-Comptables du Royaume du Maroc (OEC)
<b>Approved by Governing Body:</b>	OEC Board
<b>Original Publish Date:</b>	May 2009
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<sup>1</sup> *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 effect 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.

<sup>2</sup> *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.

## **GLOSSARY**

<b>CNC</b>	Conseil National de la Comptabilité / National Council of Accountancy
<b>CPE</b>	Continuing Professional Education
<b>IAASB</b>	International Assurance and Auditing Standards Board
<b>IES</b>	International Education Standard
<b>ISA</b>	International Standard on Auditing
<b>IFRS</b>	International Financial Reporting Standards
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>IPSASB</b>	International Public Sector Accounting Standards Board
<b>ISQC 1</b>	International Standard on Quality Control
<b>IESBA</b>	International Ethics Standards for Accountants
<b>I&amp;D</b>	Investigation and Discipline
<b>SMO</b>	Statement of Membership Obligations

**Action Plan Subject:** SMO 1–Quality Assurance  
**Action Plan Objective:** Develop a Quality Assurance Review System in accordance with SMO 1 Requirements and the International Standard on Quality Control (ISQC1)

<b>Background:</b>					
OEC-Morocco has responsibility for establishing a mandatory quality assurance (QA) review system with regards to all audits of financial statements in accordance with Law 15-89. The OEC has already adopted the International Standard on Quality Control (ISQC) 1 as of January 2011, and the profession is self-regulated and there is no independent audit oversight authority. Since September 2009, the quality control is annually realized by both regional councils (Rabat and the North), (Casablanca and the South); the quality controllers were trained and are annually appointed by the OEC.					
#	Start Date	Actions	Completion Date	Responsibility	Resources
<b>Preparation for the Adoption and Implementation of ISQC1</b>					
1.	March 2008	National Council of Accountancy to establish a Practice Assurance Committee to adopt and incorporate ISQC 1 in the Standards Handbook and to support its implementation.	Completed	Ethic and Quality Control Committee Chairman	Ethics and Quality Control Committee Members
2.	September 2008	Establish contact with the French Speaking organization and obtain a copy of the ISQC1 standard French translation.	Completed	National Council Vice President	National Council Vice President
3.	October 2008	Prepare a planning to incorporate ISQC1 in the Standards Handbook; ISQC1 will be incorporated into the standard relating to professional activity control.	Completed	Ethics and Quality Control Committee Chairman	Members of the National Council and the Regional Councils and Others Non-Elected Colleagues
<b>Adoption of ISQC 1</b>					
4.	November 2008	Assimilate the ISQC1 requirements and prepare a draft to submit to the National Council for approval.	Completed	Ethics and Quality Control Committee Chairman	Members of the National Council and the Regional Councils and Others Non-Elected Colleagues
5.	April 2009	National Council to adopt ISQC1.	Completed	National Council Chairman	National Council Members

<b>Implementation of ISCQ1</b>					
6.	April 2009	Raise all OEC members' awareness of ISCQ1 by organizing seminars.	Completed	National Council Chairman	National Council Members
7.	June 2009	Train the QA reviewers and members of the Institute of Chartered Accountants on the requirements of ISQC1.	Completed	Members of the National Council in association with the French Institute of Chartered Accountants	Members of the National Council of accountancy in association with the French Institute of Chartered Accountants
8.	June 2009	Research, develop, maintain and regularly update appropriate supporting materials tools (i.e. questionnaire) for quality controllers in practice.	Completed	National Council Chairman	National Council Members
9.	July 2009	Implement ISQC1 in respect of the work done by the members since July 2009.	Completed	Chairmen of National Council and the Regional Councils	Members of the National Council and the Regional Councils
10.	October 2020	Follow developments and publication of support materials for new quality management standards and distribute to members through e-newsletters or website	Completed Ongoing	Chairmen of National Council and the Regional Councils	Members of the National Council and the Regional Councils
11.	October 2020	Conducting training to prepare for implementation of quality management standards (2021-2022). 1 webinar completed so far in 2021	In progress	Chairmen of National Council and the Regional Councils	Members of the National Council and the Regional Councils
12.	January 2021	Adopt ISQM for members and prefer in French	In progress December 2021	Chairmen of National Council and the Regional Councils	Members of the National Council and the Regional Councils
<b>Maintaining Convergence Process</b>					
13.	2011	Further develop the action plan for the development of the QA review system in accordance with the requirements of the SMO 1.	Completed	International Standard-Setting Committee	International Standard-Setting Committee

**Main Requirements of SMO 1**

Requirements	Y	N	Partially	Comments
<b>Scope of the system</b>				
1. At a minimum, mandatory QA reviews are required for all audits of financial statements.	Y			
<b>Quality Control Standards and Other Quality Control Guidance</b>				
2. Firms are required to implement a system of quality control in accordance with the quality control standards.	Y			
3. Most up to date versions of ISQC 1 and other relevant ISAs are adopted as the quality control standards.	Y			
4. Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	Y			
<b>Review cycle</b>				
5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.	Y			
6. For cycle-based approach, quality control reviews are required to take place at least every six years (and every three years for audits of public interest entities).	Y			The entire population of chartered accountants was controlled for its professional activity at least once per the first five years (beyond this period, the choice is targeted using the mixed approach).
<b>QA Review Team</b>				
7. Independence of the QA Team is assessed and documented.	Y			

<b>Requirements</b>	<b>Y</b>	<b>N</b>	<b>Partially</b>	<b>Comments</b>
8. QA Team possesses appropriate levels of expertise.	<b>Y</b>			
<b>Reporting</b>				
9. Documentation of evidence supporting the quality control review report is required.	<b>Y</b>			
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	<b>Y</b>			The report draft is prepared by the reviewer, validated by the regional council, and sent to the professional for comment.
<b>Corrective and disciplinary actions</b>				
11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.	<b>Y</b>			The scoring the report is performed as the following: A→ no comment observation. B→ with observation and recommendations to consider in the report. C→ professional to recheck and if scoring consider discipline sanction.
12. QA review system is linked to the Investigation and Discipline system.	<b>Y</b>			
<b>Consideration of Public Oversight</b>				
13. The body responsible for QA reviews cooperates with its oversight body and shares information on the functioning of the QA review system, as needed.	<b>Y</b>			Our institute is engaged in the process of creating an oversight body, and the decision-making is in the hands of the authorities.
<b>Regular review of implementation and effectiveness</b>				
14. Regular reviews of implementation and effectiveness of the system are performed.	<b>Y</b>			In progress.

**Action Plan Subject:** SMO 2–International Education Standards for Professional Accountants and Other Pronouncements Issued by the IAESB  
**Action Plan Objective:** Adopt and implement IES 7 and continue to ensure that the OEC's education system is in line with the IES

<b>Background:</b>					
<p>Candidates for OEC membership are required to complete a program of professional accountancy education, a three-year long practical experience requirement, and pass final examinations. OEC members are also required to complete Continuous Professional Education (CPE) requirements which have recently been strengthened by the OEC in accordance with the International Education Standards (IES) 7, <i>Continuing Professional Development: A Program of Lifelong Learning and Continuing Development of Professional Competence</i>.</p> <p>The measures of the revised IES have been taken into consideration concerning the revision of the local standard of training for both CPD and IPD.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resources
<b>Preparation of the IES 7 Adoption and Implementation</b>					
14.	May 2008	Establish contact with the French Speaking organizations and obtain a copy of the French translation of IES 7.	Completed	Vice President	Vice President
15.	September 2008	Strengthen the OEC Training Center and send to all OEC members an annual program of CPE courses each season. The annual program, which is set in accordance with all the requirements of IES, will be used for monitoring mandatory (40 hours / year) and optional training.	Annual basis	National Training Committee Chairman	National and Regional Training Committees
<b>Adoption of IES 7 Standard</b>					
16.	November 2008	The National Council to formally incorporate IES 7 in the national education requirements of OEC.	Completed	National Council Chairman	National Council Members
<b>Implementation of IES</b>					
17.	November 2008	<p>Raise OEC members' awareness about the annual program aforementioned and the main requirements of the IES7.</p> <ul style="list-style-type: none"> <li>- November 2008 the IES7 was presented to the National Council for adoption;</li> <li>- The members were informed;</li> <li>- The presentation was made to the General Assembly of the OEC.</li> </ul>	Completed	National Education Committee Chairman	National and Regional's Education Committees

18.	January 2021	Conduct review against 2019 IES	September 2021	National Education Committee Chairman	National and Regional's Education Committees
<b><i>Developing Systems for Monitoring Compliance with the CPE Requirements and Delivering Sanctions If Necessary</i></b>					
19.	July 2009	Collect the annual training statement of all the members.	Ongoing	National and regional Education Committee Chairmen	National and Regional's Education Committees
20.	October 2009	Implement the sanctions foreseen by OEC national education requirements in case of breach of the IES 7 requirements. This can occur on an annual basis. - An email is sent to members each year to send feedback about the training; - The annual monitoring of this aspect is performed by the Regional Council.	Completed	National and regional Education Committee Chairmen	Regional Councils Members
<b><i>Maintaining Ongoing Processes</i></b>					
21.	October 2009	Continue to ensure that OEC's education system is operating effectively and in line with all SMO 2 and IES requirements, including IES 7. This includes periodic review of the existing system and updating the Action Plan for future activities as necessary.	Ongoing	National and Regional Education Committee Chairmen	Regional Councils



**Action Plan Subject:** SMO 3–International Standards and other Pronouncements Issued by the IAASB  
**Action Plan Objective:** Establish and Maintain Processes for Ongoing Adoption and Implementation of IAASB Pronouncements

<b>Background:</b>					
<p>Since December 2012, date of Ethic approval by the OEC National Council, it was decided that all members should refer to the Ethic Code of IFAC and revised ISAs in all contractual audit engagements.</p> <p>OEC-Morocco adopted the 2016-2017 Handbook of International Quality Control, Auditing, Review, Other Assurance and Related Services Pronouncements for application in all contractual audit engagements and reports to have completed the convergence between Moroccan Standards on Auditing with the 2016-2017 Handbook for statutory audit engagements..</p> <p>For the statutory audit, the Ethic code convergence with the legal requirements was completed (see SMO4), the convergence of the statutory audit manual with news legal aspects is performed gradually, and the convergence with ISAs standards is progress and the completion date was December 2017.</p> <p>In 2021, OEC Morocco updated the audit reports for social and consolidated accounts. They have been shared with all members in May 2021.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resources
<b><i>Establishing and Maintaining Process for Ongoing Adoption of ISAs</i></b>					
22.	September 2008	Formalize an arrangement with the Fédération Internationale des Experts-comptables Francophones (FIDEF) or the French-speaking professional organizations to have regular access to the translated IAASB pronouncements, exposure drafts, discussion papers and consultation papers on auditing standards.  The new manual has been adopted by the National council on February 2008. The OEC has set as a priority the maintaining of the national audit manual in conformity with the new and amended pronouncements of the IAASB translated by FIDEF.	Completed	International Standard-setting Committee Chairman	International Standard-setting Committee
23.	September 2008	Staff of International Standard-setting Committee to develop monitoring activities to review new and amended IAASB pronouncements translated by the French-speaking organization, including clarified ISAs.	Completed	International Standard-setting Committee Chairman	International Standard-setting Committee staff
24.	Ongoing	Update the Moroccan Standards on Auditing in accordance with the new and amended IAASB pronouncements translated by the French-speaking organization.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee

25.	Ongoing	Broadcast exposure drafts of Moroccan Standards on Auditing through the OEC's Standards Committee to obtain comments from OEC members and to assess the impact of their implementation at the national level.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee
26.	Ongoing	Adopt and issue Moroccan Standards on Auditing. Since December 2012, all the OEC members were informed of the mandatory use of the clarified ISAs for auditing contractual engagements. Concerning the statutory audit engagements, the convergence with new legal aspects is performed gradually and the convergence with ISAs standards is progress with a completion expected at the latest as of December 2017.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee
27.	Ongoing	Update the Moroccan audit standards in accordance with the revision in the ISA's and with the updated version of the IFAC clarified guidance as necessary.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee
28.	Ongoing	Distribute 2017 Handbook (French version) to members electronically	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee
<b><i>Assisting with the Implementation of the Auditing Standards</i></b>					
29.	September 2008	Ensure the CPE, pre-qualification and training programs to be set up by OEC support the effective implementation of ISAs and other IAASB pronouncements.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee
30.	Monthly	Inform regularly the OEC members about the activities of the International Standard-setting Committee and about the new and amended IAASB pronouncements. This is done through the Standards Committee which informs members of all new standards and their adoption. Several webinars in 2020-2021. For example: Webinar on fiscal and social measures to help the companies during COVID-19 crisis. Also held virtual training to members on ISA	Monthly	International Standard-setting Committee Chairman	International Standard-setting Committee
<b><i>Maintaining Ongoing Convergence Process</i></b>					

31.	Ongoing	Continue to develop ongoing adoption and implementation of IAASB pronouncements. This includes regular update of the action plan and the planning of future activities as necessary. EC regularly monitors the OEC members' activities through the QA review system to ensure they follow the Moroccan Standards on Auditing.	Ongoing	International Standard-setting Committee Chairman	International Standard- setting Committee
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**Action Plan Subject:** SMO 4–IESBA Code of Ethics for Professional Accountants  
**Action Plan Objective:** Establish an ongoing process for the adoption and implementation of the IESBA Code of Ethics

<b>Background:</b>					
<p>OEC has adopted the 2018 IESBA Code of Ethics issued by the International Ethics Standards Board for Accountants (IESBA), for all the contractual audit of the financial statements in 2013. Plans to incorporate 2020 Handbook which includes the revisions to Part 4B and role and mindset of professional accountants.</p> <p>For statutory audit, the Ethical requirements are set out both in law (Law of Limited Companies, Law Regulating the Profession of Certified Accountants and Establishing the Certified Public Accountants Association) and by OEC itself with regards to its members.</p> <p>(cf the file attachment Code of Ethics)</p> <p>Added Corporal Social Responsibility CPD session and Code of Ethics – will provide international certification on ethics and corporate social responsibility.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resources
<b><i>Adoption of the Revised IESBA Code of Ethics</i></b>					
32.	July 2008	Request and obtain the translation from the French-speaking organizations of the revised IESBA Code of Ethics.	Completed	2nd Vice President	2nd Vice President
33.	November 2008	Identify differences between the current OEC Code of Ethics and the requirements of the revised IESBA Code of Ethics.	Completed	Ethics and Professional Duties National Committee Chairman	Ethics and Professional Duties National Committee
34.	April 2008	Draft OEC Code of Ethics in accordance with the revised IESBA Code of Ethics.	Completed	Ethics and Professional Duties National Committee Chairman	Ethics and Professional Duties National Committee
35.	January 2011	Issue the exposure draft of the OEC revised Code of Ethics to the Ethics and Professional Duties National Committee members and to the main partners of the OEC.	Completed	Ethics and Professional Duties National Committee Chairman	Ethics and Professional Duties National Committee

36.	December 2009	The national council to approve the final updated version of OEC revised Code of Ethics.	Completed	National Council Chairman	National Council Members
<b>Promotion of the IESBA Revised Code of Ethics</b>					
37.	October 2008	Encourage the local authorities to set the legal requirements in accordance with the IESBA revised Code of Ethics.	Completed	Ethics and Professional Duties National Committee Chairman	Ethics and Professional Duties National Committee
<b>Implementation of the Revised OEC Code of Ethics</b>					
38.	January 2018	Provide members with French version of the 2018 Handbook	Ongoing	Ethics and Professional Duties National Committee Chairman	Ethics and Professional Duties National Committee
39.	January 2010	Raise OEC members' awareness and train them on the new requirements of the revised Code of Ethics. OEC includes trainings on the Code of Ethics in its yearly CPD programming.	Ongoing In 2021	Ethics and Professional Duties National Committee Chairman	Ethics and Professional Duties National Committee
40.	January 2010	Communicate to the OEC members the planned revisions of the IESBA Code of Ethics and other pronouncements. Communication performed by National Commission of Ethic and Conduct and General Meeting. Also through electronic communications.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee
41.	January 2010	Update the OEC training and CPE programs accordance with the new and revised IESBA's Code of Ethics.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee
<b>Maintaining Ongoing Convergence Process</b>					
42.	Ongoing	Monitor new and amended standards of the IESBA, provide and send comments to ensure the adoption, by the OEC, of the future planned revisions of the ethics code as adopted by the IESBA.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee

43.	Ongoing	Continue to support ongoing convergence with IESBA code. This includes the review of the action plan to ensure the implementation of the planned and the future activities as necessary.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee
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**Action Plan Subject:** SMO 5—International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB  
**Action Plan Objective:** Continue to promote the adoption and implementation of IPSASs in Morocco.

**Background:**

The Conseil National de la Comptabilité (CNC) (established by decree in 1989, and mandated by law 15-89 of January 1993 enacted by Dahir 1-92-139 of 14 Rejab 1413 to set accounting standards) has responsibility for adopting public sector accounting standards in Morocco. The CNC has not developed the International Public Sector Accounting Standards (IPSAS) as public sector accounting standards but may further develop activities in this respect. The OEC participates in the CNC activities via its representatives in this organization (three out of seven).

Refer paragraph 42 ; accrual-basis IPSAS standards adopted by the CNC are those that were in effect in December 2008. Since then, no adoption of new standards have been made knowing that the "general treasury of the kingdom" is a board member of the IPSASB.

There is no planned timeline for the adoption of IPSAS.

OEC Morocco continues to engage with the Government to promote adoption of IPSAS. Also engaging with local government level. OEC-Morocco supports its members by increasing awareness of IPSAS via virtual training offerings, website, magazine, electronic newsletter, and publications.

French version of IPSASB Handbook is provided to members and announcements made to public via website and e-newsletter.

#	Start Date	Actions	Completion Date	Responsibility	Resources
<b><i>Participating in the Incorporation of IPSAS in National Public Sector Accounting Standards</i></b>					
44.	June 2007	Raise awareness of the necessity to implement IPSAS, by the CNC, in all public sector entities. Note: The CNC, with the help of French consultants, began working on the adoption of accrual-basis IPSAS by testing implementation in an experimental site which is "the General Treasury of Morocco." After this testing phase, the CNC approved the new General Treasury of Morocco's State Chart of Accounts, which was prepared by a multidisciplinary committee and is in conformity with the prior version of the IPSAS (December 2008). No other public sector entities apply IPSAS.	Completed	National Council Chairman	National Council Members
45.	Ongoing	Continue to follow the activities of the International Public Sector Accounting Standards (IPSASB) and to support the adoption of IPSAS for all public sector entities of Morocco.	Ongoing	National Council Chairman	National Council Members and Other Foreign and Local Consultants

<b>Maintaining Ongoing Processes</b>					
46.	Ongoing	Continue to ensure the conformity of OEC's activities relating to the national public sector with the SMO 5 requirements. Review the Action Plan to ensure planned activities are effectively implemented and update the Action Plan for future activities, as necessary.	Ongoing	International Standard-setting Committee Chairman	International Standard- setting Committee Members



**Action Plan Subject:** SMO 6—Investigation and Discipline  
**Action Plan Objective:** Improve and strengthen disciplinary mechanisms

<b>Background:</b>					
Responsibility for investigating and disciplining (I&D) OEC members for misconduct and breach of the rules is shared between the National and Regional Councils of the OEC in accordance with Law 15-89. The I&D mechanisms established by the OEC have been further strengthened by the professional accountancy organization in accordance with SMO 6 requirements.					
#	Start Date	Actions	Completion Date	Responsibility	Resources
<b><i>Reinforcement of Investigation &amp; Disciplinary Mechanisms in Accordance with SMO 6 Requirements</i></b>					
47.	November 2008	The National Council of the OEC will prepare a statement about the requirements of SMO 6, regarding the composition of the disciplinary council to ensure: <ul style="list-style-type: none"> <li>- The balance of accountants and non-accountants who compose the Disciplinary Committee;</li> <li>- The independence of the Disciplinary Committee.</li> </ul>	Completed	National Council of Chairman	National and Regional Council Members
48.	June 2009	OEC to raise the Regional Councils' awareness of the SMO 6 requirements and the new obligations to be respected in the composition and independence of the Disciplinary Committee of the Regional Councils.	Completed	Ethics and Professional Duties National Committee Chairman	Ethics and Professional Duties National Committee
49.	December 2009	Send the new statement incorporating all the requirements of SMO 6 to all Regional Councils.	Completed	National Council Chairman	National Council Members
50.	January 2010	Ensure that OEC members and the public are informed about the disciplinary mechanisms of OEC through organizing annual seminars and sending the disciplinary rules to targeted audience. Procedures are available on OEC website for public to see.	Completed Annually	National Council Chairman	National Council Members
<b><i>Maintaining Ongoing Convergence Process</i></b>					
51.	February 2010	Periodically review the OEC I&D mechanisms to ensure they incorporate the requirements of SMO 6 and function as intended.	Ongoing Last completed in 2021	Ethics and Professional Duties National Committee Chairman	Ethics and Professional Duties National Committee

52.	Ongoing	Review the Action Plan to ensure planned activities are effectively implemented and update the Action Plan for future activities, as necessary. OEC plan to continue the monitoring of the follow up and the standard compliance.	Ongoing	International Standard-setting Committee Chairman	International Standard- setting Committee
<b>Review of OEC's Compliance Information</b>					
53.	2015	In 2015, 9 cases were processed through the system.	2015	International Standard-setting Committee Chairman	International Standard- setting Committee

#### Main Requirements of SMO 6

Requirements	Y	N	Partially	Comments
<b>Scope of the system</b>				
1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	Y			
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	Y			Mentioned by the law, the profession and the corporate law.
<b>Initiation of Proceedings</b>				
3. Both a "complaints-based" and an "information-based" approach are adopted.	Y			
4. Link with the results of QA reviews has been established.	Y			
<b>Investigative process</b>				
5. A committee or similar body exists for performing investigations.	Y			Mentioned by the law.

6. Members of a committee are independent of the subject of the investigation and other related parties.	Y			Mentioned by the law.
<b>Disciplinary process</b>				
7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.	Y			
8. Members of the committee/entity include professional accountants as well as non-accountants.	Y			The law 15-89 creating the OEC allows for one member of the public administration (Ministry of Finance) as well as accountants
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	Y			Mentioned by the law.
<b>Sanctions</b>				
10. The disciplinary system allows imposing an extensive range of penalties. It is particularly important to include (a) loss of professional designation; (b) restriction and removal of practicing rights; and (c) exclusion from membership.	Y			The ranges and penalties expected: <ul style="list-style-type: none"> <li>- Warning;</li> <li>- Blame;</li> <li>- Radiation;</li> <li>- Ban from running for elections for 10 years.</li> </ul>
<b>Rights of representation and appeal</b>				
11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	Y			
<b>Administrative Processes</b>				
12. Timeframe targets for disposal of all cases are set.	Y			
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	Y			

14. Records of investigations and disciplinary processes are established.	Y			
<b>Public Interest Considerations</b>				
15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	Y			
16. A process for the independent review of complaints on which there was no follow-up is established.	Y			
17. The results of the investigative and disciplinary proceedings are made available to the public.	Y			They are currently made available to members. Judicial decisions are made available to the public.
<b>Liaison with Outside Bodies</b>				
18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	Y			Mentioned by the law.
<b>Regular review of implementation and effectiveness</b>				
19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.	Y			

**Action Plan Subject:** SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB  
**Action Plan Objective:** Establish and maintain process for ongoing adoption and implementation of IFRS

**Background:**

The CNC (established by decree in 1989, and mandated by law 15-89 of January 1993 enacted by Dahir 1-92-139 of 14 Rejab 1413 to set accounting standards) and Moroccan Stock Exchange Commission (MSEC) share responsibility for the adoption of private sector accounting standards in the country. At this stage, the process of adoption and implementation of International Financial Reporting Standards (IFRS) has just started although in practice most of listed entities use IFRS in the preparation of their financial statements. The OEC has developed activities to further promote the adoption of the IFRS and IFRS for SMEs in the country and to assist their members with their implementation.

OEC is working on the Conversion Project which began in 2020 with the World Bank to converge with IFRS. Phase 1 Diagnosis was completed and as of July 2021 are beginning the second phase. Expecting to mostly converge with IFRS and IFRS for SMEs.

OEC encourages CNC to submit comments on Exposure Drafts on the IFRS for SMEs.

To keep members informed on IFRS developments, OEC provides updates through pre-qualification and continuing professional development trainings.

#	Start Date	Actions	Completion Date	Responsibility	Resources
<b><i>Assisting in the Adoption and Implementation of IFRS</i></b>					
54.	June 2007	Raise awareness of the CNC and local authority in charge of overseeing the stock exchange's (MSEC) of the necessity to adopt IFRS at least for public interest entities.	Completed	National Council Chairman	National Council Members and Chairman
55.	April 2008	Via OEC elected and non-elected members involved in CNC, assist the CNC and MSEC in organizing and starting an ongoing convergence process between the national accounting standards and IFRS.	Completed	National Council Chairman	Elected and Non-Elected Members Involved in CNC Activities
56.	October 2008	Work in cooperation with the CNC to draft new national accounting standards incorporating the IFRS. Note: at this stage, CNC has created two committees: - The first committee will be in charge of the preparation of the draft law relating to consolidation (this committee includes three elected members from OEC);	Completed  Completed	National Council Chairman	Elected and Non-Elected Members Involved in CNC Activities

		<p>- The second one is in charge of the convergence process between the national accounting standards and the IFRS (this committee includes four members from the OEC).</p> <p>This project involves the use of IFRS for all groups in the Casablanca Stock Exchange as well as entities of public interest (EIP) and leaves the choice to the others groups either to adopt IFRS or local standards.</p>	In Progress		
57.	Ongoing	Raise the CNC's awareness of the necessity to answer the exposure drafts relating to the IFRS for the small and medium entities.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee Members
58.	Ongoing	Provide information about the last developments of IFRS to OEC members through pre-qualification of the chartered accountants and professional training. OEC includes IFRS in its CPD programs.	Ongoing	International Standard-setting Committee Chairman	Members of an Ad-hoc Committee established by OEC
<b>Maintaining Ongoing Processes</b>					
59.	October 2010	<p>Continue to encourage the development of an ongoing convergence process with IFRS. This is still in progress. The process should include translation, review of IASB new and amended standards, issue of the exposure drafts, adoption of the new and revised standards and assisting with their implementation (see #56).</p> <p>Raise the awareness and provide training about the new and revised standards.</p> <p>This will be done through our strong involvement in the project launched by the CNC (#56).</p>	Ongoing	International Standard-setting Committee Chairman	Members of an Ad-hoc Committee established by OEC
60.	Ongoing	Review the Action Plan to ensure planned activities are effectively implemented and update the Action Plan for future activities, as necessary.	Ongoing	International Standard-setting Committee Chairman	International Standard-setting Committee Members