

BACKGROUND NOTE ON ACTION PLANS

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

1. The legal and regulatory environment for the profession;
2. The status of adoption of international standards and best practices in the jurisdiction; and
3. The level of a Member's or Associate's fulfillment of 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](#).

Use of Information

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

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.

ACTION PLAN

IFAC Member: Compagnie nationale des commissaires aux comptes (CNCC)

Approved by Governing Body: CNCC President

Original Publish Date: December 2009















Last Updated: October 2022

Next Update: October 2025

Note: All past actions, as of the date of publication of this Action Plan, have been completed.

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](#).

	PAO Level of Responsibility for Adoption	Adoption Status as of 2022	Level of SMO Fulfillment as of 2022
QA / SMO 1	Shared	 Partially Adopted	 Sustain
IES / SMO 2	No Direct	 Adopted	 Sustain
ISA / SMO 3	Shared	 Partially Adopted	 Sustain
IESBA / SMO 4	No Direct	 Partially Adopted	 Review & Improve
IPSAS / SMO 5	No Direct	 Not Adopted	 Sustain
I&D / SMO 6	No Direct	 Partially Adopted	 Consider
IFRS / SMO 7	No Direct	 Partially Adopted	 Sustain

Attestation of SMO Compliance

The **Compagnie nationale des commissaires aux comptes (CNCC)** has developed an Action Plan to demonstrate how it fulfills the requirements of the SMOs (revised in 2012). The abovementioned [*Governing Body*](#) has reviewed the information contained within the SMO Action Plan and affirms that the **CNCC** continues to undertake these and other relevant actions to maintain ongoing compliance and fulfillment of the membership obligations where IFAC's assessments are at *Review & Improve* and/or *Sustain*. In areas where IFAC's assessments are at *Execute*, *Plan*, *Consider*, or *Not Active* the **CNCC** has updated the Action Plan to reflect the specific actions to adopt or support adoption and support implementation that must be taken to achieve the improvement accompanied by a timeline.

On behalf of the **CNCC**, the *Governing Body* endorses the information contained within the SMO Action Plan as of the publication date and its publication on the IFAC website in the interests of transparency and to demonstrate our commitment to enhancing the quality and credibility of the accountancy profession worldwide.

Glossary

AMF	Autorité des Marchés Financiers
CFPC	Centre de Formation de la Profession Comptable, CPD Center for OEC Members and Trainees
CPD	Continuing Professional Development
CNCC	Compagnie nationale des commissaires aux comptes
DEC	Diplôme d'Expertise Comptable
DIPAC	Délégation Internationale pour l'Audit et la Comptabilité
EC	European Commission
EFRAG	European Financial Advisory Group
EGAOB	European Group of Auditors' Oversight Bodies
EU	European Union
FEE	Federation of European Accountants
H3C	Haut Conseil pour le Commissariat aux Comptes
IES	International Education Standards
IFRS	International Financial Reporting Standards
IASB	International Accounting Standards Board
IAASB	International Auditing and Assurance Standards Board
IASCF	International Accounting Standards Committee Foundation
IPSAS	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
IRE	Institut des Réviseurs d'Entreprises
ISA	International Standard on Auditing
ISQC 1	International Standard on Quality Control 1
NEP 220	Contrôle de la qualité des missions d'audit des comptes
QA	Quality Assurance

Action Plan Subject: SMO 1 - Quality Assurance
Action Plan Objective: Maintaining compliance with ISQC1 and ISA 220 by doing promotion of the incorporation of ISQC 1 and ISA 220 in the Quality Assurance review system

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background</i></p> <p>In accordance with the European Union (EU) 8th Directive, the Decrees of December 8 and December 31, 2008, the Haut Conseil pour le Commissariat aux Comptes (H3C), which is the public oversight body for the audit profession, was responsible for Quality Assurance review system either directly or through the Compagnie Nationale des Commissaires aux Comptes (CNCC). The H3C's Secretary General employed specific controllers who are non-practitioners but who intervene mainly in the controls of public interest entity firms.</p> <p>H3C also supervised the Quality Assurance (QA) of non-public interest firms conducted by the CNCC. H3C had set up quality control questionnaires based on the French code of Ethics.</p> <p>In accordance with the above mentioned regulations, CNCC had established a monitored peer review mechanism for reviewing audit assignments of non-public interest firms. CNCC members, specifically trained for this purpose, reviewed statutory audits under the supervision of H3C. Quality Assurance reviews of public interest entities were undertaken at least every three years, whereas other entities were reviewed at least every six years.</p> <p>Since the implementation of the European audit directive 2014/56/EU and the European audit regulation (EU) No 537/2014 on 17 June 2016, the H3C has the ultimate responsibility for all the inspections of PIEs and non-PIEs firms and files. It cannot delegate the inspections of any PIEs' firms to the CNCC. However it can continue to delegate to the CNCC the inspections of non-PIEs firms and is doing so through a delegation contract published by decree on 25 April 2017. In practice the situation has therefore not changed much except for the SMPs who have one or two small PIEs clients and used to be inspected by peers when they are now inspected by the inspectors of the H3C.</p>					
<i>CNCC to Support Endorsement of ISA 220</i>					
1.	2011	Continue to support the endorsement by the European Commission (EC) of International Standard on Quality Control (ISQC) 1 and International Standard on Auditing (ISA) 220, acting with Federation of European Accountants (FEE).	Ongoing as part of the Audit Reform (article 26 of proposed Directive)	CNCC Technical Department	CNCC Technical Department
2.	2011/2012	Will work on the possible adoption by the Ministry of Justice of ISA 220 as French NEP 220, " <i>Contrôle de la qualité des missions d'audit des comptes</i> ".	Stand by (see above continuous support on ISA adoption as part of the Audit Reform)	CNCC Technical Department	CNCC Technical Department
<i>CNCC to Support Implementation of NEP 220</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
3.	Ongoing	Pending possible adoption by the Ministry of Justice of NEP 220 (see above), it must be noted that all firms who audit large Public Interest Entities (PIEs) are ISQC 1 compliant (either on a voluntary basis or as a result of their commitment to the FOF) and their audit methodology is compliant with ISAs, including ISA 220.	Ongoing	CNCC Quality Control Department	CNCC Quality Control Department
<i>CNCC Maintaining Ongoing Processes for ISQC1 Compliance</i>					
4.	Ongoing	See above ISQC 1 has not been adopted in France, the H3C conducts the QAs of public interest firms on the basis of questionnaires based on the French Code of Commerce, but all the firms who audit large PIEs are ISQC1 compliant (either on a voluntary basis or as a result of their commitment to the FOF). It must also be noted that the European directive and regulation contain some elements dealing with the organization of the firms, including its quality assurance system which are very close to ISQC1 and are now therefor embedded into French Law.	Ongoing See above (the Audit Reform foresees the adoption of ISQC1 at European level)	CNCC Quality Control Department	CNCC Quality Control Department
<i>Review of CNCC's Compliance Information</i>					
5.	Ongoing	Perform periodic review of CSOEC and CNCC response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 1 as necessary. Once updated, inform IFAC Compliance staff about the updates.	Ongoing	Delegation of the Executive	Delegation of the Executive + DIPAC

Main Requirements of SMO 1

Requirements	Y	N	Partially	Comments
Scope of the System 1. At a minimum, mandatory QA reviews are required for all audits of financial statements.	Y			All firms are covered, and all audit are potentially covered but audit engagement to be controlled are selected on a risk-based approach
Quality Control Standards and Other Quality Control Guidance 2. Firms are required to implement a system of quality control in accordance with the quality control standards.	Y			The system of quality control of audit firms is required in France by the Code of Commerce (Art R 822/33) which is a transposition of the audit directive.

Requirements	Y	N	Partially	Comments
3. Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.		N		ISQC1 is not adopted for the statutory audit firms in France. The requirement to have a quality assurance system is in the Code of Commerce.
4. Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	Y			
Review Cycle 5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.	Y			A risk-based approach over a cycle of 6 years.
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			
QA Review Team 7. Independence of the QA Team is assessed and documented.	Y			
8. QA Team possesses appropriate levels of expertise.	Y			
Reporting 9. Documentation of evidence supporting the quality control review report is required.	Y			
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	Y			

Requirements	Y	N	Partially	Comments
Corrective and Disciplinary Actions				
11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.	Y			
12. QA review system is linked to the Investigation and Discipline system.	Y			
Consideration of Public Oversight				
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.	Y			
Regular Review of Implementation and Effectiveness				
14. Regular reviews of implementation and effectiveness of the system are performed.	Y			The H3C regularly reviews the effectiveness of its own system.

Action Plan Subject: SMO 2 – International Education Standards
Action Plan Objective: Continue to use best endeavors to incorporate the IES into the French accounting education system and update the syllabus and program, including the CPD process, in accordance with the IAESB Pronouncements.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background</i></p> <p>Candidates for OEC and CNCC memberships have to complete a professional accountancy education program delivered by Universities and elaborated by the Ministry of Higher Education in cooperation with the CNOEC and CNCC, accomplish 3 years of practical training in an accounting/auditing firm, pass a final assessment and obtain the French higher accountancy degree: “Diplôme d’Expertise Comptable” (DEC).</p> <p>The accounting syllabus has been updated and modernized in 2006 for the two intermediate diplomas and, in 2009, for the final one. The two corresponding decrees published in 2006 and 2009 have been integrated in 2012 in a global decree n° 2012-432 of March 30th 2012. The intermediary degrees (“Diplôme de Comptabilité et de Gestion”, DCG, & “Diplôme Supérieur de Comptabilité et de Gestion”, DSCG) do not give access to the profession but are the first steps in this direction. The final diploma, “Diplôme d’Expertise Comptable” is the only one giving access to the profession of “Expert-comptable” as well as the profession of “Commissaire aux comptes” if the training period includes a minimum of practice in audit (European Audit Directive)..</p> <p>A second route exists to become a “Commissaire aux comptes” (statutory auditor), less used, through a professional certificate which is entitled “Certificat d’aptitude aux fonctions de commissaire aux comptes” (“CAFCAC”, “Code of commerce”, article L. 822-1-1). This professional certificate has been recently renewed by the Ministry of Justice ; it now gives access to the final exams of the “Diplôme d’Expertise Comptable”.</p> <p>The main goal of this renewal is to permit to non-graduate person in accounting to pass a preparatory certificate “Certificat préparatoire aux fonctions de commissaire aux comptes” (CPCAC) before beginning a 3 years practical training.</p> <p>This CPCAC is equal at an undergraduate degree in Accountancy and Management (3-year course, Bachelor’s level)</p> <p>This second route is complementary to the main one.</p> <p>Both Institutes worked on the content of the education programs attached to each accounting degrees in accordance with the “Professional Accountancy Education Europe (PAEE) ” model, which aims at harmonizing the accountancy education programs amongst the European countries taking part in this project. There are 16 participating Institutes from 12 countries in the PAEE: Germany, England, Scotland, Ireland, Italy, the Netherlands, Belgium, Poland, Romania, Spain, Austria and France.</p> <p>CSOEC and CNCC participate to the IAESB issues and usually provide comments to exposure draft either directly or through the “PAEE”. The French syllabus and the professional rules (CPD) are compliant with the IES. A cross-referencing document exists between the IES and the French syllabus. It has been updated in November 2018 for the “PAEE” self-assessment review of the French syllabus (DCG, DSCG, DEC, Training period, CPD).</p>					
<i>The New French Accountancy Syllabus: 3 Stages</i>					
6.	2006	<u>Stage1</u> The 2006 reform introduced two degrees:	2008	Ministry of Higher Education	Consultative Group for the Professional Accountants’

#	Start Date	Actions	Completion Date	Responsibility	Resource
	(decree abrogated and integrated in a global 2012 decree)	<ul style="list-style-type: none"> Undergraduate (3-year course, Bachelor's level) degree in Accountancy and Management: "Diplôme de Comptabilité et de Gestion", DCG; and Masters degree (5-year course) in Accountancy and Management, "Diplôme Supérieur de Comptabilité et de Gestion", DSCG. <p>These 2 diplomas assess the professional competences carried out during the Initial Professional Development phase.</p>			Education, directed by the Ministry of Higher Education: Members of CNOEC, CNCC + Representatives of the Ministry of Finance, of Justice, of the Universities and academics.
7.	2008/2009	<p><u>Stage 2</u> Modernize/update the 24 days seminars over the 3 years practicing for accountancy trainees. Part of this program is organized in E-learning.</p> <p>The trainees education program will be redrafted in 2015 to take into consideration the new version of the "Certificat d'aptitude aux fonctions de commissaire aux comptes, CAFCAC" (see the background above).</p>	<p>2008/2009</p> <p>2015</p>	CNOEC and CNCC Education Commissions	Idem
8.	2009 (decree abrogated and integrated in a global 2012 decree)	<p><u>Stage 3</u> The "Diplôme d'expertise comptable" (DEC) includes 3 exams:</p> <ul style="list-style-type: none"> 2 written tests : a case study in audit + a questionnaire in ethics and professional rules, and, 1 oral test: a dissertation (written part and oral part) on a subject matter or situation in relation with the professional environment. <p>The master degree, DSCG, and the certificate of completion of the 3 years accountancy training period, are mandatory to pass the DEC.</p>	01/07/2010	Ministry of Higher Education + CNOEC and CNCC Education Commissions	Idem
<i>Detail of the second way to become a "Commissaire aux comptes" (statutory auditor) : 3 Stages</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
9.	Décret n° 2013-192 du 5 mars 2013 relatif à la formation des commissaires aux comptes entré en vigueur le 1 ^{er} juillet 2013	Stage 1: Masters degree (5-year course) - <i>regardless of specialty</i> + a preparatory certificate "Certificat préparatoire aux fonctions de commissaire aux comptes" (CPCAC) This CPCAC is equal at an undergraduate degree in Accountancy and Management (3-year course, Bachelor's level)	1 st application : march 2014	CNCC + Ministry of Justice	CNCC Commission : National training commission Young & Professional attractivity commission Ministry of Justice
10.		Stage 2: 3 years practical training.	1 st application : 2015	CNCC	
11.		Stage 3: The "Certificat d'aptitude aux fonctions de commissaire aux comptes" (CAFCAC) includes 6 exams - 4 written tests Audit and accountancy Law Economy, finance, management Synthesis (concerning all the exams) - 2 oral tests Ethics English	1 st application : October 2014	CNCC + Ministry of Justice	
12.	2013/2015	Undertake necessary adjustments to ensure that the syllabus is still consistent with the "PAEE" and the revised International Education Standards (IES) issued by the International Accounting Education Standards Board (IAESB). Refer to the conclusion of the "PAEE" self-assessment review of the French syllabus carried out in 2018.	2015	Ministry of Higher Education + CNOEC and CNCC Education Commissions	CNOEC and CNCC Education Commissions
<i>Reviewing the Content of the French Accountancy Education Program in Accordance with the "Common Content" Model</i>					
13.	2003	Launch the "PAEE Project". This project aims at aligning the content of accountancy syllabuses amongst the European countries taking part in the project.	Self-assessment reviews in	The "PAEE" Steering Committee is now	Education staff of the founding institutes.

#	Start Date	Actions	Completion Date	Responsibility	Resource
			2008 and 2018 (each 10 years)	chaired by a Romanian Professional. The "PAEE Project" is under the responsibility of the two Education Commissions (CSOEC and CNCC).	In France, the Education staff of the CNOEC and CNCC.
14.	2008	National review (audit) of the syllabuses of each Founding Institute accordingly to the "PAEE" model (Self Assessment & Oversight Process). Review of the French syllabus. A report is issued by the review team on each national syllabus and communicated to the Steering Committee.	2018 Review: conclusion and review team report: beginning of 2019	Ministry of Higher Education + CNOEC and CNCC Education Commissions	Idem
15.	2009/2012	Take into consideration the review team conclusion and comments for remedial actions.	2012/2013	Each founding institute	CNOEC and CNCC Education Commissions.
16.	2014-2015	Carry out new checks.	2014-2015	Each founding institute	CNOEC and CNCC Education Commissions
<i>Maintaining Competences to a High Level (IPD to CPD Process)</i>					
17.	2008	Decree of 19 December 2008, introducing the obligation of CPD for the Commissaires aux comptes. Part of this obligation is controlled and updated by an Oversight Committee, the "Comité scientifique" (scientific committee). <u>Following the transposition of the Audit Reform in France, the commercial code has been amended to include the new responsibilities of the H3C on CPD. The H3C is now responsible to define the general guidelines and the key areas of CPDs and monitor compliance with these</u>		CNCC Education commission	

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<p><u>requirements. A decree of 20 February 2019 defines what training programs or conferences, or others are eligible to CPDs and the decision from the H3C guidelines as to what are the key areas of CPD. New areas such as cyber-security and management skills have been added to the guidelines. In addition, the H3C can impose training sessions on areas which have been considered deficient as a result of the quality controls conducted in the firms. The CNCC has been delegated by the H3C for a 3 years-period, the control of the compliance by the practitioners with the CPD requirements.</u></p> <p>CNCC Members are required to complete 120 hours of CPD over a 3 years rolling period. If they are Members of the two Institutes, they do not double their CPD obligation. They are responsible of their choices according to their activities. The compliance with the CPD requirements is verified through the Quality Control process.</p> <p>In accordance with the Decree 2016-315 of 17th March 2016, H3C defines the general guidelines and the key areas for CPD obligation, and ensures compliance with these requirements. H3C can delegate the task of monitoring compliance with CPD obligation to the CNCC. The “delegation contract” between H3C and CNCC has been signed on 12 April 2017(see above).</p>			CNCC Education Commission
<i>Review of CNCC's Compliance Information</i>					
18.	Ongoing	<p>Perform periodic review of CNOEC and CNCC response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 2 as necessary. Once updated, inform IFAC Compliance staff about the updates.</p>	Ongoing	Delegation of the Executive	Delegation of the Executive + DIPAC

Action Plan Subject: SMO 3 – IAASB Pronouncements

Action Plan Objective: Use best endeavors to converge and comply with IAASB pronouncements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background</i>					
Initially, CNCC was responsible for adopting auditing standards in France. The professional body completed a first translation of pre-clarified International Standards on Auditing (ISAs) and incorporated the pre-clarified standards in the national auditing standards, with adaptation to the French national context in 2000.					
This initial adoption process was reformed by the adoption of a new Law. CNCC became responsible for drafting the auditing standards and the Ministry of Justice for endorsing them after they had received an opinion on the standards from the oversight body, H3C. The Ministry of Justice endorsed a second set of auditing standards which include the basic principles and essential procedures (black letters) of the pre-clarity ISAs and took into account, when it was possible, clarified ISAs. These standards are still in force.					
In 2016, the adoption process has been modified by the implementation of the European Union Directive 2014/56/UE. A joint commission (CNCC/H3C) now prepares the auditing standards. Then the H3C adopts them after receiving an opinion on the standards from the CNCC. The Ministry of Justice is still responsible for endorsing the standards at the end of the process. The French audit standards are based on the requirements of the ISAs, with national additions to include specifics of the French law.					
Regarding the adoption of ISAs, the situation is such: following the implementation of the European Union Directive 2006/43/EC in France, the adoption process of ISAs in France is now framed within the overall process of adoption of ISAs in Europe. CNCC supports the European Union in this adoption process by conducting a translation of the clarified ISAs in cooperation with the Belgian Institut des Réviseurs d'Entreprises (IRE) for the future use of the European Commission and contributing to the auditing standard-setting process. Following the Audit Reform (article 26 of the Directive 2006/43/EC amended by the Directive 2014/56/UE and article 9 of the Regulation 537/2014 of April 2014), the CNCC continues to update the ISAs together with the Belgian institute, but regarding the adoption of ISAs, the H3C and the Ministry of Justice are still awaiting a clear signal of the European Commission on the ISA adoption.					
<i>CNCC to Promote the adoption of IAASB pronouncements for statutory audits</i>					
19.	2000	Translate pre-clarified ISAs into French.	Completed in	CNCC	CNCC Staff
20.	2000	Incorporate pre-clarified ISAs, with adaptation to the national context in the French auditing standards.	Completed in 2000	CNCC	CNCC Staff
<i>Maintaining Ongoing Processes</i>					
21.	December 2005	Following the adoption of a French Law that reformed the adoption process of auditing standards (as auditing standards established by the CNCC had to be endorsed by Minister of Justice after he had	Completed in July 2007	Ministry of Justice after H3C commentary	Ministry of Justice and H3C

#	Start Date	Actions	Completion Date	Responsibility	Resource
		received an opinion on the standards from the Oversight Body H3C), incorporate the French auditing standards in the national regulation ³ .			
22.	2008	Following the adoption of the Statutory Audit Directive, support the European Commission in the adoption of ISAs, such as support now continues in the context of the Audit Regulation.	Ongoing	CNCC	CNCC Staff
23.	2008	In coordination with the Institut des Réviseurs d'Entreprises (IRE, IFAC member body in Belgium), translation into French of the clarified ISAs for the future use of the EC. Updated translation of ISAs as 2017 (Handbook 2016-2017) Updated translation ISA 250, ISA 540, ISAE 3000	2010 Updated 2012 Updated 2018 2019	Working group CNCC / IRE	Working group CNCC / IRE (principal translators Claude Charron / Dries Schokaert) led by Claude Charron and supported by Cédric Gélard Working group CNCC / IRE IRE : Inge Van Beveren, Jacques Vandernoot, CNCC : Isabelle Tracq Sengeissen, Cedric Gélard, Béatrice Noguier-Briand
24.	2009	Contribute to the work of the Standard-setting Boards (IAASB, IESBA, IPSASB) through responses to the exposure drafts and invitations to comment	Ongoing	CNCC	CNCC Staff and working group
25.	2009	Contribute to the work of the IAASB through continuous support of the French member (Isabelle Tracq) of the IAASB.	Ongoing	Cédric Gélard	Isabelle Tracq Sengeissen
26.	2009	Cooperate and do actions with the H3C and Ministry of Justice on the implementation of the last ISAs (220 and 402) into French national standards. Joint effort with the H3C and the Ministry of Justice to incorporate into French standards the past resolution of the ISAs	Ongoing	Anne Marie Lavigne / Cédric Gélard	Anne Marie Lavigne / Cédric Gélard

³ As a result, the endorsed standards are now comprised of the basic principles and essential procedures (black-letters) of the pre-clarified ISAs, taking into account, when it was possible in view of the timing delay of the clarification, the evolution of the clarified ISAs.

#	Start Date	Actions	Completion Date	Responsibility	Resource
27.	2009	Cooperate and do actions with the H3C and Ministry of Justice on the implementation of the last ISAs (220 and 402) into French national standards. Joint effort with the H3C and the Ministry of Justice to incorporate into French standards the past resolution of the ISAs	Ongoing	Anne Marie Lavigne / Cédric Gélard	Anne Marie Lavigne / Cédric Gélard
28.	Ongoing	Perform periodic review of CNCC's response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 3 as necessary. Once updated inform IFAC Compliance staff about the updates in order for them to republish updated information.	Ongoing	CNCC President	DIPAC

Action Plan Subject: SMO 4 – IESBA Code of Ethics

Action Plan Objective: Use best endeavors to converge, comply and promote adoption of the IESBA Code of Ethics

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background</i>					
<p>The Ministry of Justice has responsibility for adopting ethical requirements. The Code of Ethics of CNCC members (« Code de Déontologie de la profession de Commissaires aux Comptes ») was endorsed by the Decree number 2005-1412 of November 16, 2005 after consultation with the Autorité des Marchés Financiers (AMF, National securities market regulator), and the H3C. The Decree also included requirements of the law on financial safety number 2003 – 706 of August 1st, 2003. When these provisions were made public and implemented by the profession, a number of criticisms rose. These criticisms were issued on the one hand by the profession which stressed the excessive and too prescriptive approach of the Code, and on the other hand by the European Commission which underlined that certain provisions of the Code dealing with the activities of networks were not consistent with the provisions of the Treaty of Rome dealing with cross-border provision of services within the European Union.</p> <p>The Decree number 2005-1412 does not incorporate the requirements of the International Ethics Standards Board of Accountants (IESBA) Code of Ethics but its requirements are considered more stringent and it includes a threats and safeguard framework which applies in limited circumstances. CNCC has undertaken activities to promote the IESBA Code of Ethics at the national and European levels and has begun translating the IESBA Code of Ethics. CNCC and CSOEC translated the 2009 version of the IESBA Code of Ethics.</p> <p>Substantial evolution on those matters has occurred further to the implementation of the European audit reform. In particular it must be noted that the prohibition of non-audit services has moved from what was previously a system of white list, whereby only certain specified services were allowed, to what is now a system of black list whereby a number of services are prohibited. As foreseen, a new Code of Ethics has been published on April 2017. The new Code is transposed from the EU audit Directive and Regulation and therefore, complies with those texts.. It is not considered less stringent than the IESBA Code of Ethics. The CNCC trained its members to the requirements of the new Code of Ethics by providing them with an e-learning tool. The Code of Ethics of CNCC members is nowadays included in annexe 8-1 of livre VIII of code of commerce. It has been modified recently (mars 2020), mainly by the suppression of the system of black list whereby a number of services are prohibited for non PIEs. Since 2020, the risks and safeguards approach applies without restriction to the audit of non PIEs.</p>					
<i>Promoting the Requirements of the IESBA Code of Ethics to the Ministry of Justice</i>					
29.		CNCC has developed an e-learning tool on the new Code of Ethics	October 2018	CNCC Training department	CNCC Training department and CNCC legal department
30.	Ongoing	CNCC monitors the IESBA work program, provides comments to exposure drafts. Responses are under the responsibility of the ethical committee of CNCC	Ongoing	CNCC Ethical Committee /	CNCC Legal department

#	Start Date	Actions	Completion Date	Responsibility	Resource
31.	Ongoing	CNCC supports the implementation of the standards by providing training with specialized classes to obtain a specific diploma of statutory auditor and with CPD trainings.	Ongoing	CNCC Training department	CNCC Training department
32.	September 2010	CNCC and CSOEC have prepared a translation into French of the revised IESBA Code of Ethics (effective on January 1, 2011). The translation has been done in cooperation with other French speaking Institutes (including Belgian IBR-IRE, Canadian Institute ICCA and Institute of Chartered Accountants of Cameroon).	End 2011	DIPAC staff	DIPAC staff
33.	Ongoing	CNCC monitors the IESBA work program, provides comments to exposure drafts. Responses are under the responsibility of the ethical committee of CNCC	Ongoing	CNCC Ethical Committee /	CNCC Legal department
34.	Ongoing	Perform periodic review of CNCC' response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 4 as necessary. Once updated inform IFAC Compliance staff about the updates in order for them to republish updated information.	Ongoing	CNCC President	DIPAC

Action Plan Subject: SMO 5 – IPSAS
Action Plan Objective: Promote the adoption of the IPSASs

#	Start Date	Actions	Completion Date	Responsibility	Resource
<p><i>Background</i></p> <p>In France, public sector accounting is the responsibility of the Public Sector Accounting Standards Board “Conseil de Normalisation des Comptes Publics (CNOCP)”, an advisory body placed under the authority of the Minister of the Budget and Public Accounts. . The main role of CNOCP is to issue prerequisite recommendations to the Ministry of Finance on the accounting principles applicable to the State and other entities forming part of the public sector in France. It is also responsible for participating in the international accounting standard-setting process, notably by commenting the exposure-drafts and other public consultations issued by International Public Sector Accounting Standards Board (IPSASB). The CNOCP is independent from the two French professional institutes, CSOEC and CNCC.</p> <p>The standards are different for central government, local governments, and social security agencies but they are all accrual-based standards.</p> <p>Regarding the International Public Sector Accounting Standards (IPSAS), they have not been adopted in France but are an important source of reference in the national standard-setting process.</p> <p>It should be noted that the CNOCP is not in the process of adopting the IPSAS. In 2014, the CNOCP conducted a thorough analysis of the IPSAS and concluded that IPSAS could not constitute the sole basis for the accounting standard of the public sector in France. However, the CNOCP is translating the IPSAS with the support of the French profession (CNOEC and CNCC). The translation of the “Handbook 2018” has been finalized in December 2020. A new phase of translation (“Handbook 2020”) is in the working plan of the CNOCP.</p> <p>Five seats are occupied by accountancy qualified persons at the CNOCP Board. Also, chartered accountants and statutory auditors are members of the CNOCP Commissions, Consultative Advisory Committee and working groups. The CSOEC and the CNCC use their position with their representatives to promote the IPSAS and the IPSASB’s activities to the CNOCP.</p>					
<i>CNCC to support Maintaining Ongoing Processes for</i>					
35.	Ongoing	Promote the IPSAS to the public sector accounting standard-setting	Ongoing	Conseil de Normalisation des Comptes Publics (CNOCP)	Chartered accountants and statutory auditors and CNCC-CNOEC staff
36.	Ongoing	Raise continuous awareness of IPSAS and carry-out other promotional actions such as: <ul style="list-style-type: none"> Participating in the working groups set up by CNOCP to develop the commentary letters to IPSASB exposure-drafts or consultative papers ; Animating different public sector groups 	Ongoing	Conseil de Normalisation des Comptes Publics (CNOCP)	Chartered accountants and statutory auditors and CNCC-CNOEC staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
37.	Ongoing	Propose specialized training in the public sector in the continuing professional education program.	Ongoing	CNCC and CSOEC Education Commissions	CNCC and CNOEC Education Commissions
<i>Review of CNCC's Compliance Information</i>					
38.	Ongoing	Perform periodic review of CNCC response to the IFAC Compliance Self-Assessment questionnaire and update sections relevant to SMO 5 as necessary. Once updated inform IFAC Compliance staff about the updates in order for them to republish updated information.	Ongoing	CNCC President	DIPAC

Action Plan Subject: SMO 6 – Investigation and Discipline

Action Plan Objective: Use best endeavors to converge and comply with SMO 6 requirements

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background</i>					
<p>The Regional disciplinary Chambers, which were legally independent from the CNCC (Code of commerce articles L. 822-6 to L. 822-8 and R. 822-32 to R. 822-59), had legal responsibility for investigations and discipline of CNCC members for breaches of the rules, in accordance with the Code of commerce, Code of ethics and the rules of professional standards. A minority of professionals were represented within these disciplinary bodies, which were supervised by the judges who chaired them. CNCC members could lodge appeals with the H3C (supervisory authority of the profession). A cassation appeal against its decision was possible before the French highest Court. The disciplinary system for CNCC members conducted by the H3C globally meet the requirement of SMO 6.</p> <p>Since the implementation of the European audit directive 2014/56/EU and the European audit regulation (EU) No 537/2014 on 17 June 2016, The H3C is now in charge of the discipline (and sanctions) of the profession.</p> <p>The H3C has recruited an independent prosecutor who is in charge of conducting investigations together with his team of 5 persons.</p> <p>The H3C is now judging disciplinary cases in a subset of the H3C Board. Appeal is in front of the “Conseil d’Etat” (Supreme Court), the highest jurisdiction for administrative matters.</p>					
<i>Maintaining Ongoing Processes</i>					
39.		It should be noted that the H3C, the supervisory body of the auditing profession provides detailed information on discipline and sanctions, for which it is responsible, in its annual report.	Ongoing	H3C	H3C
<i>Review of CNCC's Compliance Information</i>					
40.	Ongoing	Perform periodic review and update sections relevant to SMO 6 as necessary.	Ongoing	CNCC President	DIPAC

Main Requirements of SMO 6

Requirements	Y	N	Partially	Comments
Scope of the System 1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	Y			

Requirements	Y	N	Partially	Comments
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	Y			In the Code of Commerce
Initiation of Proceedings				
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			
Investigative Process				
5. A committee or similar body exists for performing investigations.	Y			
6. Members of a committee are independent of the subject of the investigation and other related parties.	Y			A “rapporteur général” whose appointed by the president of the H3C amongst members of the judicial order (judges) investigates the cases (together with his staff) and reports to the H3C board (in fact the board minus those members who are going to judge the case).
Disciplinary Process				
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.		N		A former professional accountant is sometimes, but not always as this member might be conflicted, included in the disciplinary committee.
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	Y			
Sanctions	Y			

Requirements	Y	N	Partially	Comments
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.				
Rights of Representation and Appeal 11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.		N		The Supreme Court (Conseil d'Etat) is the second appeal. There is no more third appeal body since 2020
Administrative Processes 12. Timeframe targets for disposal of all cases are set.		N		There are delays included in the law to appeal but there is no timeframe for investigation nor judgments
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	Y			When the investigation is completed, the practitioner is heard by the rapporteur general. He is then notified the grievances. A report is prepared on which the practitioner can provide comments based on the report, the H3C decides to seize the disciplinary sub-committee and notifies the practitioner.
14. Records of investigations and disciplinary processes are established.	Y			
Public Interest Considerations 15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	Y			The disciplinary system is set in the Code of Commerce and described on the H3C website
16. A process for the independent review of complaints on which there was no follow-up established.		N		

Requirements	Y	N	Partially	Comments
17. The results of the investigative and disciplinary proceedings are made available to the public.	Y			
Liaison with Outside Bodies 18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	Y			
Regular Review of Implementation and Effectiveness 19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.		N		The system is newly set. There is not much hindsight.

Action Plan Subject: SMO 7 – IFRS

Action Plan Objective: Continue to use best endeavors to promote convergence with IFRS and support the implementation of the accounting standards

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Background</i>					
<p>In accordance with the European Union (EU) Regulation (EC) 1606/2002 concerning the application of International Financial Reporting Standards (IFRS) as endorsed by the European Commission (EC), IFRSs are mandatory for the preparation of consolidated financial statements of listed entities. In addition, non-listed entities are permitted to apply IFRS for their consolidated financial statements. However, no entity is allowed to apply IFRS for the preparation of their individual financial statements, which are required to use French accounting standards. The French accounting standards applied for the preparation of the individual financial statements do not fulfill totally the IFRS requirements. It can be noted that some French accounting requirements have converged totally or partially with the IFRS requirements even if some differences remain (for example : accounting for property, plant and equipment and intangibles assets or accounting for provisions and contingent liabilities). But other requirements remain more largely different (for example : finance leases).</p> <p>The Autorité des Normes Comptables (ANC) is the French accounting standard-setter and it has legal responsibility for developing and adopting French accounting standards. Following the reform finalised end of January 2009, the two French professional institutes, CSOEC and CNCC, are no longer members as such of the accounting standard-setter. However, professional members of the two professional institutes are members of the ANC, its Committees and working groups. A link with the ANC is also established through the accounting standards department of CNCC whose technical staff participates in the working groups set up by the ANC. The CNCC contributes to supporting the implementation of the standards and is planning to continue assisting the ANC in its work.</p>					
<i>Contributing to the Accounting Standard-setting</i>					
41.	Ongoing	Continue to advise the French national accounting standard setter when it deals with all international accounting standards matters and develops answers to the public consultations from the International Accounting Standards Board (IASB) and/or the European Financial Advisory Group (EFRAG) on IFRS and related matters (exposure drafts, discussion papers...) by participating in different groups set up by the national accounting standard setter.	Ongoing	CNCC and CNOEC Accounting Commissions + CNCC's specialized accounting committee	Members of CNCC and CNOEC Accounting Commissions, auditors and CNCC- staff
42.	Ongoing	Participate in the "Accounting working party" and "Corporate Reporting Policy Group" meetings of the Accountancy Europe (ACE) in order to produce the commentary letters to IASB and to EFRAG on all public consultations made on IFRS and related matters.	Ongoing	CNCC and CNOEC Accounting Commissions + CNCC's specialized accounting committee	Members of CNCC and CNOEC Accounting Commissions, auditors and CNCC-CNOEC staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Support of Implementation</i>					
43.	Ongoing since May 2005	Website www.focusifrs.com set up in May 2005, entirely devoted to IFRS and its environment at national, European and international levels in French language.	Ongoing	CNCC- staff	Outsourcing
44.	May 2009	Publish a French Guide on IFRS for Small and Medium Entities (SMEs).	July 2009	CNCC and CNOEC staff review	CNOEC and CNCC staff
45.	Ongoing since June 2006	Publish a quarterly newsletter on accounting standards.	Ongoing	CNCC- staff	Outsourcing
46.	Ongoing	Technical conferences on IFRS new developments and presentation of newly issued IFRS.	Twice a year	CNCC's specialized accounting Committee	Auditors and CNCC staff
47.	Ongoing	Answer to technical questions raised by accounting and auditing professionals relating to implementation of IFRS through technical accounting commissions or working groups set up to deal with specific accounting issues.	Ongoing	CNCC Accounting Commission + CNCC's specialized accounting committee	Members of CNCC Accounting Commission, and CNCC- staff
48.	2003	Develop the specific IFRS continuing professional education program. CNCC develops and promotes the knowledge and application of IFRS by proposing specific continuing professional education and training in relation with IFRS in general (or specific IFRS as well as for the trainees in the accounting profession.	Ongoing	Education Commission + CNCC staff review	Outsourcing
49.	Ongoing	Publishing articles in professional magazines	Ongoing	CNCC and CNOEC Accounting Commissions	Members of CNCC and CNOEC Accounting Commissions
<i>Maintaining Ongoing Processes</i>					
50.	2005	The CNCC will continue to participate in the development of the IFRS and will contribute to their promotion through the different actions and means stated above.	Ongoing	CNCC and CNOEC Accounting Commissions + CNCC's specialized accounting committee	CNCC- staff
<i>Review of CNCC's Compliance Information</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
51.	Ongoing	Perform periodic review of CNCC response to the IFAC Compliance Self-Assessment questionnaires and update sections relevant to SMO 7 as necessary. Once updated inform IFAC Compliance staff about the updates in order for them to republish updated information.	Ongoing	CNCC President	DIPAC