

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 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](#).

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: Jordanian Association of Certified Public Accountants (JACPA)
Original Publish Date: October 2011
Last Updated: May 2023
Next Update: May 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	PAO Level of Responsibility for Adoption	Adoption Status as of 2023	Level of SMO Fulfillment as of 2023
QA / SMO 1	Direct	 Partially Adopted	 Review & Improve
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 & Improve
IFRS / SMO 7	No Direct	 Adopted	 Sustain

Attestation of SMO Compliance

The **Jordanian Association of Certified Public Accountants (JACPA)** 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 **JACPA** 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 **JACPA** 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 **JACPA**, 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

ACCA	Association of Chartered Certified Accountants
AICPA	American Institute of Certified Public Accountants
ASCA	Arab Society Certified Accountants
CoE	Code of Ethics
CPD	Continuous Professional Development
I&D	Investigation and Discipline Mechanism
IAASB	International Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IASB	International Accounting Standards Board
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
IPSASB	International Public Sector Accounting Standards Board
ISA	International Standards on Auditing
ISQC 1	International Standards on Quality Control 1
JACPA	Jordanian Association of Certified Public Accountants
JCPA	Jordanian Certified Public Accountant (exam)
PAO	Professional Accountancy Organization
QA	Quality Assurance System
SME	Small and Medium Enterprise
SMO	Statements of Membership Obligations

Note Regarding World Bank Grant Activity in JACPA:

In 2012, JACPA was the recipient of a World Bank IDF Grant in the amount of USD 250,000.. The objective of this Grant is to strengthen the Jordan Association of Certified Public Accountants (JACPA) and its members' capacity to provide accounting and financial reporting services. This project includes four components:

- 1) Development of a strategy for supporting member capacity (assess academic curricula in accounting, auditing and ethics and design continuing professional education mechanisms);
- 2) Assessment of the training needs (on International Financial Reporting Standards, IFRS, IFRS for SMEs, International Public Sector Accounting Standards, IPSAS, quality review, investigation & discipline, ethics, etc.) and development of training plan and programs on these subjects;
- 3) Selection, training, and utilization of master trainers by JACPA on the aforementioned subjects; and
- 4) Train JACPA in project management for this grant.

The project has been completed, the development an automated audit tool as a second stage, the main purpose is to standardize minimum audit procedures to facilitate in quality review. This project is under process. JACPA is looking for funding to support its projects.

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective: Continue Efforts to Encourage Legal Adoption and Development of a System of Quality Assurance In-Line with Statement of Membership Obligation (SMO) 1

Background:

The JACPA is responsible for inspections on quality in accordance with Practicing Certified Accountancy Profession Regulations of 2006. The regulations authorize JACPA board of directors to appoint a committee or more for a period of three years; the committee will assure that practitioner is in compliance with International Standards on Auditing and Code of Ethics. The committee has the right to review the performance of trainee members working under the direct supervision of a member. Presently, an inspection on quality is performed when a complaint is received about one of the members and not through a formal Quality Assurance (QA) review system as detailed by SMO 1. To bridge the gap, JACPA started a review for practitioners in certain business sectors as all auditors who audit money exchangers. QA review is planned to be a membership requirement in the draft amendments to Jordanian Law No 73 of 2003, organizing the profession of certified accountants. JACPA proposes that they have the legal responsibility for developing and implementing a formal QA review system for its members which is more in-line with SMO 1.

Until such program is operational, JACPA addresses SMO 1 through the development of formal communication and education programs to communicate the importance of QA and quality control - including the requirements of International Standards on Auditing (ISA) 220 and International Standards on Quality Control (ISQC) 1 (a draft instructions on implementing ISQC 1 is under process which will be applied within a year) - to its members.

JACPA started sessions in requirements of ISQC 1. JACPA planned to focus first on larger firms and networks thereby providing an incentive to others. Unfortunately, they refused to participate, declaring that they need to take approval from risk management in head office.

JACPA Board's strategy is to select all members for QA reviews, either on a random basis or on cycle basis.

In 2022, JACPA and IASCA expanded the scope of the QA review system to provide voluntary additional QA services to the members who request this service.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Encouraging Legal Adoption of QA System</i>					
1.	June 2011	Continue supporting the proposed amendment to Jordanian law No 73 of 2003, organizing the profession of certified accountants, which will permit JACPA to develop a system of quality assurance and conduct quality assurance reviews. Presently, the law is in the Jordanian Parliament waiting for passage. This proposal has been waiting too long. JACPA is always looking for any opportunity when meeting with officials about the approval of amendments.	December 2018	Jordanian Parliament	Parliamentarians, JACPA Board, JACPA Staff, JACPA Membership
2.	June 2011	Undertake planning and agreement regarding a QA review system.	Completed January 2012	JACPA Board	JACPA Board, JACPA Staff, JACPA Membership
3.	January 2012	Preparation of quality review checklist for review team to utilize by a special committee from JACPA Board.	Completed June 2012	JACPA Board	JACPA Board, JACPA Staff, JACPA Membership
4.	June 2012	A training course of quality audits was done and will be repeated about once a year.	Completed August 2012	Training Committee	JACPA Board, JACPA Staff, JACPA Membership
5.	August 2012	Circulation of checklist to JACPA members that will be used for quality control review.	Completed December 2012	JACPA staff	JACPA Board, JACPA Staff, JACPA Membership
6.	December 2012	A quality review will be done on a sample of audit firms; the project is still under process.	June 2017	JACPA staff	JACPA Board, JACPA Staff, JACPA Membership
7.	November 2015	A group of 10 members participated in a workshop in Lebanon on how to do quality review in cooperation with LACPA, AICPA and AFAA. The program is to make a regional team that will perform QA review in countries in the region. The workshop trained participants on the AICPA Q&A system. The main purpose is to secure independence of the review team who will perform reviews not in their countries.	November 2018	AFFAA and PAO's in the region	QA regional review team.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Converting System of Quality Inspections to a System of Quality Assurance</i>					
8.	August 2010	Publish "IFAC SMP Committee Guide to Quality Control for Small and Medium Sized Practices" in Arabic to facilitate members' understanding of the subject. Work with IFAC Translations Department to ensure that translation activities are undertaken in accordance with IFAC translation policies.	Completed January 2012	Training Committee	Training Committee
9.	Ongoing	<p>Continue the development and delivery of formal communications and education programs to communicate the importance of quality assurance and quality control -including the requirements of ISA 220 and ISQC 1- to its members.</p> <ul style="list-style-type: none"> • In 2015, JACPA has developed and delivered several courses in sampling, new audit report, feasibility study and due diligence as tools for new opportunities in accounting business. • Specifically, JACPA intends to develop training courses on the new QA program which will further educate members not only on the procedures of this system, but on ISQC1. 	Ongoing June 2017	Training Committee	Training Committee
10.	January 2012	Review SMO 1 and compare to current system of quality inspections. Consider necessary modifications in order to convert the current system of quality inspection to a system of quality assurance in-line with SMO 1.	Completed January 2013	Inspection Committee	Training Committee
11.	April 2016	A draft instructions on Q&A was prepared to be implemented after approval of JACPA board and propose to the higher committee to enact these instructions as regulations.	June 2017	JACPA Board	
12.	Ongoing	Implement necessary modifications to the current system of quality inspections to convert it to a system of quality assurance aligned with SMO 1.	Ongoing	Inspection Committee	IFAC Guide to Quality Control for Small and Medium Sized Practices
13.	2016	The instructions will have minimum standards on audit documentation, and independence.	June 2017		
14.	2012	Commence Quality Assurance (QA) system implementation and review of firms/individuals.	Completed 2013	Quality Review Committee	IFAC Guide to Quality Control for Small and Medium Sized Practices

#	Start Date	Actions	Completion Date	Responsibility	Resource
15.	2013	Continue operation of system of Quality Assurance and the review of firms/individuals.	2014 Ongoing	Quality Review Committee	IFAC Guide to Quality Control for Small and Medium Sized Practices
<i>Maintaining Ongoing Processes</i>					
16.	Ongoing	Monitor ISQC 1 and SMO 1 for any changes and modify and update plans for the development of the quality assurance system accordingly.	Ongoing	JACPA	Quality Review Committee, JACPA Staff
17.	January 2016	Special license has been issued to audit listed companies, JACPA is monitoring requirements with approval of Jordan SEC. Requirements include compliance with ISQC1.	Ongoing	JACPA and Jordan SEC	ISQC1 and Jordan SEC regulations
18.	2023	Conducting ISQM 1 & 2 training / awareness raising	2023	Quality Review Committee	Quality Review Committee, JACPA Staff
<i>Review of JACPA's Compliance Information</i>					
19.	Annually	Perform periodic review of JACPA response to SMO 1 monitor what are the updates in Q&A standards. Review if JACPA objectives were achieved. Propose a plan to enhance Q&A and solutions in case of barriers.	Ongoing Annually	Quality Review Committee, JACPA Staff	Quality Review Committee, JACPA Staff

Main Requirements of SMO 1

Requirements	Yes	No	Partially	Comments
Scope of the System 1. At a minimum, mandatory QA reviews are required for all audits of financial statements.		No	Yes	Main barrier is that members presume that Q&A is a complaint against them due. Although many firms who are part of an accounting network are subject to Q&A from their own network.
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.	Yes			Quality Control guidance.
3. Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.	Yes			According to law, in practice we implement quality guidance as minimum standards.
4. Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	Yes			Through quality training.
Review Cycle 5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.		No		There is no cycle based, although basis of selection depends on risk.
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).				

Requirements	Yes	No	Partially	Comments
QA Review Team				
7. Independence of the QA Team is assessed and documented.	Yes			
8. QA Team possesses appropriate levels of expertise.	Yes			
Reporting				
9. Documentation of evidence supporting the quality control review report is required.	Yes			
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	Yes			
Corrective and Disciplinary Actions				
11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.		No		
12. QA review system is linked to the Investigation and Discipline system.	Yes			The system is fully documented as member has the right to object any results in courts. JACPA learned from legal actions to assure independence of review team to avoid any conflicts, confidentiality, investigation reports and disciplinary actions.
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.		No		There is no public oversight body in Jordan. Reviews are implemented with cooperation with regulators in general.
Regular Review of Implementation and Effectiveness				
14. Regular reviews of implementation and effectiveness of the system are performed.		No		The system needs a basis of selection, detailed guidance on certain audit issues.

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements issued by the IAESB

Action Plan Objective: Undertake Efforts to Align JACPA Continuous Professional Development (CPD) Requirements with International Education Standards (IESs)

Background:

JACPA enhance and promote IES standards. JACPA had promoted IES in its conferences as part of evaluating the accountancy education system. A plan to implement IES in CPD courses.

Accountancy Education: All members are required to complete a program of professional accountancy education. This education is provided by special institutions. A member must hold an undergraduate degree in accounting, finance, law or any related degree in business.

In the evaluation of accounting education curriculum done as part of WB grant components, Jordanian accounting universities teaches extra materials in accounting and auditing theory. There were a few or no courses in corporate governance, business environment, soft skills and computer skills. JACPA is trying to enhance higher education ministry to promote these courses and make them as an essential requirement for graduation.

JACPA is trying to influence the ministry of higher education to make changes to in the accounting curriculum to be in line with IESs, including IES 8, *Competence Requirements for Audit Professionals*.

Professional Examination: JACPA supervises the Jordanian CPA (JCPA) exam that certifies members to practice. Every member has to pass the JCPA exam. The exam consists of subjects related to accounting, auditing, business and related regulations. The exam is offered twice a year and is comprised of a mix of multiple choice questions, case studies and technical questions – all in written format. Exams are created by the JACPA Exam Committee. The committee is headed by the chairman of Jordan Accounting Bureau, JACPA chairman, two universities professors, and two professional accountants. This Committee is responsible for the selection of questions from the data bank, designation of exam time, and appointment of a review team. Questions are collected from universities, professionals and regulatory departments.

Practical Experience: Candidates are required to attain three years of practical experience in order to be authorized to practice. Completion of the practical experience requirement must be obtained under the supervision of a JACPA Member. Candidates must register their practical experience with JACPA prior to commencement. Practical experience may be attained before, during or after passage of the JCPA Exam. Record of the practical experience is kept and submitted to JACPA when the candidate applies for membership.

Continuing Professional Development (CPD): All members of JACPA are required to complete CPD. Members have to complete a minimum of 20 hours or equivalent learning units in each year. The achievement of this requirement is monitored by JACPA and members are required to submit a declaration stating that they have attained the required number of hours of CPD each year. Additionally, JACPA conducts an audit of compliance with CPD requirements each year to ensure compliance. For those members who fail to achieve the minimum number of hours of CPD, JACPA can enforce sanctions such as expulsion or the denial of the right to practice. As a part of the ongoing legal reforms, JACPA is proposing to increase the number of minimum hours of CPD achieved to 40 hours / year to ensure compliance with IESs and SMO 2.

<p>Mutual Recognition: Previously, JACPA accepted members of the American Institute of Certified Public Accountants (AICPA), CAs (UK) and Association of Chartered Certified Accountants (ACCA) as a full members in JACPA after completing an examination on Jordanian legislation. Please note that mutual recognition was cancelled in 2010 by the Higher Committee of the Accountancy Profession (a mixed committee from private and public sector formed in accordance to law No.73 of 2003. Currently there are no plans to reinstate this requirement.</p> <p>As of 2023, education requirements are aligned with IES 2019 including CPD offerings.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Enhancing Alignment of JACPA CPD Requirements with SMO 2</i>					
20.	August 2011	<p>Review SMO 2 and familiarize and raise awareness among JACPA Membership and the Higher Committee of the Accountancy Profession with the components and requirements of SMO 2 and IESs.</p> <ul style="list-style-type: none"> This is being conducted as a part of the World Bank IDF Grant Project for JACPA. 	Completed	Higher Committee of Profession	Higher Committee of Profession & ICAEW
21.	June 2013	<p>Review SMO 2 and compare current CPD requirements with the requirements for CPD noted under SMO 2.</p> <ul style="list-style-type: none"> The World Bank IDF Grant Project envisions the design and implementation of a system of CPD as well as the design and implementation of a system for monitoring achievement of the updated requirement of 40 hours/year with 120 hours cumulative over a three year period. 	Completed	Higher Committee of Profession	Higher Committee of Profession
22.	June 2014	<p>JACPA started promoting the compliance with IES standards through its conferences and professional magazine that most Accounting universities are aware of these standards.</p> <p>Specialized educational researchers compared educational standards with universities curriculums and how to improve it accordingly.</p>	2014 Ongoing	JACPA Board	JACPA training committee
23.	June 2014	<p>JACPA started a committee with Universities instructors to introduce a better accounting education, promote a highly qualified accounting technicians and promote IES standards.</p> <p>The committee plans is to promote accounting education and professional opportunities.</p>	2018	JACPA and committee of universities teachers	JACPA board Training Committee
24.	Ongoing	<p>The current law requires every member of JACPA to complete 20 hours of CPD. According to IES, members must complete 40 hours per year with a cumulative amount of 120 hours total during a three year period.</p>	2022	Higher Committee of Profession	Higher Committee of Profession

#	Start Date	Actions	Completion Date	Responsibility	Resource
		<ul style="list-style-type: none"> • Training courses are available free of charge to JACPA members, most training sessions are prepared in accordance to member's needs. • Training courses are targeting business developments, updates in IFRS, ISA's and taxation. 	Ongoing	Training Committee	
<i>Maintaining Ongoing Processes</i>					
25.	Ongoing	Providing IASCA's Arabic translation of the 2019 standards to members	2019-Ongoing	Training Committee	Higher Committee of Profession
26.	Ongoing	Continuously monitor the attainment of CPD requirements by JACPA.	Ongoing	Higher Committee of Profession	Higher Committee of Profession
27.	2016	A task group of training committee will focus on a plan of how CPD courses will be in-line with ISE standards.	2018 Completed	Training Committee	
28.	Ongoing	Cooperate with universities instructors to promote study materials set in accordance with IAESB Pronouncements. There is however a lack of translated study materials on IFRSs. Every year on November or early December, JACPA organizes a full course on updates in IFRS and the pronouncements issued by the International Auditing and Assurance Standards Board (IAASB) to ensure that all members know them.	Ongoing	JACPA Exam Committee & Higher Committee of Profession	JACPA Exam Committee & Higher Committee of Profession

Action Plan Subject: SMO 3–International Standards and other Pronouncements Issued by the IAASB
Action Plan Objective: Implementation of ISA for all audits according to Jordanian law.

Background:					
JACPA founded by law of regulating certified accountants profession No (73) of 2003, the legal successor of Jordanian Auditing Association founded by law No (32) of 1985, JACPA recommend adoption of International Standards of Auditing to the Higher Committee of the Accountancy Profession which is the standard setting body for auditing standards. In 1992, this Committee authorized the implementation of International Standards of Audit (ISAs) and IAASB Pronouncements. All new IAASB pronouncements are applicable in Jordan as issued; therefore the standards adopted and applied in Jordan maintain no divergences from ISA.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Implementation of ISA's on All Audits According to Jordanian Law</i>					
29.	1992	<ul style="list-style-type: none"> JACPA adopted ISA's in 1992, several courses have been conducted on ISA's since then. All standards should be adopted. 	January 2013 Cancelled Ongoing	Board of Directors Higher Committee & all legal system	Translation Committee
30.	2004	JACPA started doing a training course annually on the updates of ISA's. During 2016, several courses about the new audit report has been conducted.	Ongoing	Training Committee	
31.	2012	JACPA planned to adopt an audit software to assure standardized audit procedure that can reduce judgmental audit issues or procedures. By using an automated audit tool, JACPA will insure higher quality audits from SMP. JACPA in cooperation with AAFA will adopt Pack PE-EK as an audit tool. An Arabic version will be completed within a year.	June 2017	JACPA Board Technical Committee	
32.	Ongoing	Provide members with the latest available Arabic translations of the Handbook and standards: the <i>2018 Handbook of International Quality Control, Auditing, Review, Other Assurance, and Related Services Pronouncements</i> as well as ISA 315, ISA 200 (revised), ISA 220 (revised), ISQM 1 & 2, and ISA 600 (revised).	2023	Technical Committee	

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
33.	September 2016	<p>Design and deliver training courses that summarize the updates and changes to ISA and other related standards and pronouncements:</p> <ul style="list-style-type: none"> JACPA designed and delivered training tailored to new audit report according to ISA in Amman during September 2016 (200 members attended). JACPA designed and delivered its ISA 2016 Updates training in November 2016 (160 members estimated to attended). 	Ongoing Annually	Training Committee	Training Committee
34.	Ongoing	Plan to develop guidance in line with IFAC guide to assist JACPA members with the implementation of the ISAs in SMP Practices. For this purpose, use the IFAC SMP Committee <i>Guide on Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities</i> .	Ongoing	Board of Directors	Board of Directors
35.	Quarterly	Translate and publish amendments or modifications to ISA standards in JACPA magazine quarterly. Provide training courses about new and updates of ISAs.	Ongoing Quarterly	Magazine Committee	Magazine Committee
36.	Annually	<p>Develop conferences and events for JACPA and participate in regional conferences on the subject of ISA:</p> <ul style="list-style-type: none"> In 2015, JACPA conducted its annual conference on latest issues on accounting and auditing and its effect on regional and local economic issues. This conference is held every two years. If there is no conference there will be a one day workshop for JACPA members on any updates of IFRS and ISA standards. Members of JACPA attend annual conferences held by members of Arab Federation of Accountants (AFAA) as well as other regional conferences. JACPA Chairman was elected to be president AFAA Arab Federation of Accountants and Auditors. A planned work shop on SMO's with IFAC Quality and Membership relations will be held in Jordan by the beginning of 2017. 	Ongoing Annually	Conference Committee	Conference Committee

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: Continue Efforts to Converge Current Code of Ethics with Updated Version of the IESBA Code of Ethics

Background:					
<p>As part of its adoption of international standards in 1992, Jordan adopted the International Ethics Standards Board for Accountants (IESBA) Code of Ethics for Professional Accountants. JACPA always issue updates of code of ethics in it official magazine. On a yearly basis, JACPA held a training course on Ethics for Professional Accountants.</p> <p>The translation committee will translate only headings of standards and introductions only of a general purpose All new IESBA pronouncements are applicable in Jordan as issued; therefore the standards adopted and applied in Jordan maintain no divergences from current IESBA Code of Ethics for Professional Accountants.</p> <p>Although currently this applies, there are several versions of the Arabic translation of the IESBA Code of Ethics available. Therefore the Board of Directors will be working to promote the official IFAC translation that is granted to IASCA and ensure compliance of this Code of Ethics with Jordanian law.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adopting a Code of Ethics Which Is in Compliance with the IESBA Code of Ethics</i>					
37.	January 2014	Jordan maintains several different Arabic language translations of the IESBA Code of Ethics. The Board provides members with IASCA’s Arabic official translation of the Code of Ethics.	Ongoing	Board of Directors	IESBA Code of Ethics for Professional Accountants
38.	January 2012	As a sub-component of the previous action, JACPA will review ethical requirements in all legislation regarding ethical requirements for accountants and compare with those included in the IESBA Code of Ethics. Identify areas of deviation, which may need to be modified. <ul style="list-style-type: none"> This action has been postponed due to JACPA focus on QA system development. 	September 2018	Board of Directors	Board of Directors
39.	June 2012	Collect all legislative rules related to ethical requirements for JACPA members in a book that will be distributed to all members. <ul style="list-style-type: none"> This action has been postponed due to focus on QA activities 	September 2018	Technical Support Committee	Technical Support Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
40.	June 2012	Introduce an ethics exam as part of the licensing requirements.	Upon approval of draft law in 2023	Board of Directors	Exam Committee
<i>Maintaining Ongoing Processes</i>					
41.	Ongoing	Provide members with the latest available Arabic translations of the Handbook—the 2018 Handbook of the International Code of Ethics for Professional Accountants .	Ongoing	Training Committee	Training Committee
42.	Ongoing	JACPA will continue to maintain the highest level of professional conducts by its members by: (a) Producing seminars/training courses on the professional code of ethics and (b) Translating standards and international best practices and publication for membership. <ul style="list-style-type: none"> • Maintain an annual course on code of ethics and publish any updates in the official magazine of JACPA. • Update the code of ethics according to the last updated ethic code. 	Ongoing	Training Committee And Magazine Committee	Training Committee And Magazine Committee
43.	Ongoing	Monitoring the implementation of code of ethics is done by the investigation and disciplinary committee according to complaints.	Ongoing	Investigation & Disciplinary Committee	Investigation & Disciplinary Committee

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Support the adoption and implementation of IPSAS

Background:

The Jordanian government implements public sector accounting standards in accordance with Jordanian laws & regulations. Currently, the Jordanian government does not implement International Public Sector Accounting Standards (IPSAS). In an effort to further strengthen the Government of Jordan's financial management system, the Jordan government adopted a five year plan to implement the International Public Sector Accounting Standards (IPSAS) starting in November 2014. The five year plan will be gradual transformation from cash basis to accrual basis. IPSAS will be implemented on all governmental units that will be included in the treasury single account. The project is funded by US AID with the cooperation with JACPA and IASCA to provide:

- (a) producing seminars/training courses on the subject;
- (b) giving consultancy and advice in implementing each standard;
- (c) recommending the adoption of best accounting policy if any that will serve Jordan economy and governmental budget;
- (d) providing any assistance to the project if needed.

The project envisions a gradual transformation from cash basis to accrual basis of IPSAS accounting with completion of this project now slated for 2025.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Supporting the Adoption and Implementation of IPSAS</i>					
44.	December 2014	JACPA has assigned members in the IPSAS project committees. The project divided the standards to several groups of standards and a JACPA member will be part of these groups.	Ongoing	Ministry of Finance	Ministry of Finance, JACPA committee of Government Accounting conversion
45.	January	A meeting held between Ministry of finance team, JACPA members, US AID project team for the opening of the project. A roadmap of the project was planned and the responsibility of each team was assigned.	2020	Ministry of Finance	Ministry of Finance, JACPA committee of Government Accounting conversion
46.	January 2015	JACPA will give the full support by technical advice and training session if needed to the IPSAS conversion group. The conversion group have divided IPSAS standards according to general headings as Assets, Current Assets, etc. A team of JACPA members are part of the conversion group.	Ongoing	JACPA	JACPA

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
47.	January 2015	As IPSAS will be implemented by the Jordanian government within the coming few years. JACPA conducting courses in the implementation of IPSAS.	Ongoing	Training Committee	
48.	2021	Sign MoU with IASCA to support implementation and engage with government / provide awareness-raising activities and technical assistance	2021-2023 Ongoing	Board of Directors	JACPA
49.	2022	Participate in the Middle East North Africa: Moving from Cash-basis to Accruals-basis Accounting webinar co-hosted by World Bank Group Middle East North Africa (MENA) Governance Global Practice and IFAC, in cooperation with the Arab Federation of Accountants and Auditors (AFAA) to position themselves for success in a transition to accruals-basis.	June 2022 Completed	JACPA	JACPA
<i>Review of JACPA's Compliance Information</i>					
50.	Ongoing Annually	JACPA will support its members to understand how to implement IPSAS and will follow up on any new updates to monitor the compliance of SMO 5.	Ongoing Annually	Board of Directors	JACPA

Action Plan Subject: SMO 6–Investigation and Discipline

Action Plan Objective: Encourage Legal Adoption of Investigation and Discipline System which is In-Line with Requirements of SMO 6

Background:

JACPA, in cooperation with the Jordanian Court System, is responsible for the investigation and discipline (I&D) of its members. As such, JACPA follows up on member misconduct (criminal activity, breaches of professional standards, and gross professional negligence) and all complaints made against its members related to misconduct.

JACPA's I&D system includes several committee/panel to investigate the complaint and a separate committee/tribunal to administer disciplinary action. Members of these committees are appointed by the Board of Directors and JACPA confirms at the start of the investigation that any individual chosen to assist in an investigation is independent and sign a declaration that he is independent and all his tasks are confidential matters according to law basically: (a) the subject of the investigation, and (b) anyone connected with or interested in the matter that is investigated.

One disciplinary committee is appointed for one year according to law. This committee meets at least once a month to look at results of investigation committee reports if further actions is needed. The committee impose sanctions after careful understanding of misconduct or complaints, a legal advisor helping disciplinary committee in implementing the law and related regulations.

In regards to sanctions, JACPA has the right to issue warnings to members, restriction to practice up to two years and exclusion from membership. However, the JACPA system of I&D permits the defendant to appeal the conviction and any imposed sanctions. The same procedures apply to the appeal process as apply to hearings before the disciplinary tribunal.

In some cases, JACPA issues interpretations for regulators on disputes related to accountancy standards.

In the year 2013 JACPA restricted two members from practicing, while in the year 2014 JACPA restricted four members from practicing. In 2015, in addition to some warnings, two members were restricted to practice, and recommendation was issued to Higher Committee of accounting to expel one member due to sever misconducts.

The reporting of disciplinary committee are considered confidential matters until a final decision is approved. Most members who have been restricted from practicing use the right to appeal. After a final decision, the name of member will be distributed to regulators.

The JACPA system has brought forward ten cases between 2018-2020 with six cases being appealed and four cases resulting in the eventual expulsion of JACPA members

Amendments to the legislation are expected to pass this year in 2023.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Encouraging Legal Revision to Disciplinary Committee Responsibilities and Rights</i>					
51.	June 2011	<p>JACPA proposed to have more powers in the new law to adopt new penalties such as fines and different types of sanctions. JACPA currently has limited penalties according to the law. For example, in order to use 'Exclusion from Membership' JACPA needs the approval of the Higher Committee of the Accountancy Profession to approve such action.</p> <ul style="list-style-type: none"> This action has been delayed due to the dissolution of the Jordanian parliament. In the context of the new elections efforts will be placed on enhancing I&D within JACPA and the country of Jordan. <p>JACPA has been promoting the change in accounting law and regulations. The political situation in the area make these law of less importance to government and public.</p> <p>Several reforms has been implemented by different regulators. Jordan SEC has required a special permit for audit firms who audits listed companies. Central bank of Jordan made a new regulations for banks not provide facilities without a financial statement certified by an auditor and authenticated by JACPA.</p>	December 2018	Jordanian Parliament	Parliamentarians, JACPA Board, JACPA Staff, JACPA Membership
			2016	JACPA Board	JACPA board
52.	June 2011	<p>Encourage the Higher Committee of the Accountancy Profession to appoint members to the Disciplinary Committee from among retired JACPA members. This will help to maintain their own independence, and to ensure appropriate skills and experience to address independence breaches and complaints.</p> <p>This recommendation is still pending. Although members of disciplinary committee are practitioners that have at least 10 years' of experience.</p>	December 2018	Board of Directors	Board of Directors

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
53.	Ongoing	The Disciplinary Committee meets once a month to follow up complaints raised by members, their clients or any third party. All investigation committee and disciplinary committee actions are documented and signed by each member of committee.	Ongoing	Disciplinary Committee	Disciplinary Committee
54.	Ongoing	In case of complaints raised, the committee meets, if needed on a daily basis as there is time limitation in proceeding with any case, to follow up on actions and issue its decisions.	Ongoing	Disciplinary Committee	Disciplinary Committee
55.	Ongoing	Board of Directors approves all decisions of Disciplinary Committee. JACPA Board of Directors met to set out the implementation review of the I&D mechanisms.	Ongoing	Disciplinary Committee	Disciplinary Committee
56.	Annually	Perform periodic review of JACPA response to SMO 6 to monitor and update the response as necessary. Pay special attention to the modifications which have been incorporated into the revised SMOs (2015). Once updated, inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Annually	Board of Directors	Board of Directors, JACPA Staff, Volunteers

Main Requirements of SMO 6

Requirements	Yes	No	Partially	Comments
Scope of the System				
1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	Yes			
2. Information about the types of misconduct which may bring about investigative actions is publicly available.		No		It is considered confidential matter as member has the right to appeal.
Initiation of Proceedings				
3. Both a "complaints-based" and an "information-based" approach are adopted.	Yes			Most cases by complaints.
4. Link with the results of QA reviews has been established.	Yes			If a complaint about negligence a Q&A review will be conducted and audit file will be reviewed thoroughly.
Investigative Process				
5. A committee or similar body exists for performing investigations.	Yes			There is more than one investigating committee.
6. Members of a committee are independent of the subject of the investigation and other related parties.	Yes			
Disciplinary Process				
7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.	Yes			Disciplinary committee make the decision after reviewing the investigation committee (IC) report. No decisions or recommendations should be written in the (IC) report.
8. Members of the committee/entity include professional accountants as well as non-accountants.		No		Members of the committee are accountants, they work with full cooperation with a legal consultant.

Requirements	Yes	No	Partially	Comments
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	Yes			
Sanctions 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.	Yes			Sanctions are in accordance with law 73 of 1993: a) Warning; b) Suspension and restriction from practicing up to two years; c) Expel of membership and cancellation of license.
Rights of Representation and Appeal 11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	Yes			In High court of Justice.
Administrative Processes 12. Timeframe targets for disposal of all cases are set.	Yes			
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	Yes			
14. Records of investigations and disciplinary processes are established.	Yes			
Public Interest Considerations 15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.			Partially	Regulators and members are aware of this process. The general public might be not aware.
16. A process for the independent review of complaints on which there was no follow-up is established.		No		There is few complaints on a monthly basis that are easy to follow up.

Requirements	Yes	No	Partially	Comments
17. The results of the investigative and disciplinary proceedings are made available to the public.		No		According to Jordan law, all cases are considered confidential matters.
Liaison with Outside Bodies 18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	Yes			Some charges by law as imprisonment, JACPA has no authority for that. In these cases JACPA will transfer the case to prosecutor.
Regular Review of Implementation and Effectiveness 19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.	Yes			

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective: Undertake Translation of IFRS and Continue Efforts to Enhance Awareness of and Education on the Standards.

Background:					
<p>Jordan does not have an independent body that regulates the adoption of accounting standards. All Jordanian Laws, such as the companies' law, central bank law, security exchange law, and the law on organizing the profession of certified accountants have referred to and required the use of IFRS since 1992. All new International Accounting Standards Board (IASB) pronouncements are applicable in Jordan as issued; therefore the standards adopted and applied in Jordan maintain no divergences from current IFRS.</p> <p>JACPA will promote IFRS for SME to regulators in order to be part of the accounting standards in Jordan. There is however no set definition for SME that make it a barrier for regulators to impose it.</p> <p>The major obstacle for JACPA compliance with SMO 7 is not IFRS adoption, but rather the implementation of IFRS in Jordan. This is due to the need for translation of standards into Arabic language. The most recent translated version available is the 2015 IFRS which is translated by the Arab Society of Certified Accountants (ASCA).</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Identifying Financing and Developing Plans to Translate IFRS into Arabic Language</i>					
57.	January 2013	<p>JACPA uses the Arabic Language version of IFRS from 2010. In many cases the use of newer versions of standards are always available in English. Presently, there is no updated official translation conducted by JAPCA. This affects the quality of implementation of IFRS in Jordan.</p> <ul style="list-style-type: none"> The project of translation was cancelled due to a lack of funding. This proposal was replaced by the proposal for assistance in developing the capacity of the profession. 	June 2013 Cancelled	Board of Directors	Funded by Grant for First Issue
58.	September 2011	<p>Develop and present a proposal for the translation of IFRS into Arabic language to the World Bank to seek external financing for translation.</p> <ul style="list-style-type: none"> This proposal was replaced by the proposal for assistance in developing the capacity of the profession. This proposal resulted in the provision of an IDF Grant to support this activity. As such, JACPA efforts have been focusing on those areas covered by the Grant since 2013. 	January 2013 Cancelled	Translation committee	Translation committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
59.	January 2012	Contact and begin dialogue with IFRS Foundation and IASB regarding the official process of translation of IFRS. This discussion is in relation to the possibility of translating future versions of IFRS (e.g., 2014 and beyond). <ul style="list-style-type: none"> Cancelled – See Actions #51 and 52 for explanation. 	January 2013 Cancelled	Board of Directors	Translation Committee
60.	June 2012	Develop program of translation which will be conducted in accordance with IFRS Foundation. <ul style="list-style-type: none"> Cancelled – See Actions #51 and 52 for explanation. 	January 2014 Cancelled	Board of Directors	Translation Committee
61.	January 2013	Identify and source personnel to undertake translations. Commence translation of IFRS. <ul style="list-style-type: none"> Cancelled – See Actions #51 and 52 for explanation. 	June 2014 Cancelled	Board of Directors	Translation Committee
62.	January 2015	A summary of all IFRS has been outlined in Arabic language and published on the website of JACPA. These standards will be updated accordingly.	June 2015	Website committee	Translation committee
Maintaining Ongoing Processes					
63.	June 2006	Design and deliver training courses that summarize the updates and changes to IFRS and other related financial reporting standards. <ul style="list-style-type: none"> JACPA training on the subject of updates to IFRS was implemented in December every year –JACPA for years have been delivering a yearly training courses in updates of IFRS and ISA. The course will be delivered before the end of the year that members will be aware of all newly implemented standards. 	Ongoing Annually	Training Committee	Training Committee
64.	January 2014	A plan to implement IFRS for SME's was suggested to the board to be implemented by all unlisted companies. As there is no definition for SME in Jordan, the committee proposed to use the IFRS definition for entities that must use IFRS. This needs approval of the higher committee.	January 2018		
65.	Ongoing Quarterly	Translate and publish amendments or modifications to IFRS standards in JACPA magazine quarterly.	Ongoing Quarterly	Magazine Committee	Magazine Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
66.	Ongoing Annually	<p>Conduct conferences and other events on latest issues related to IFRS accounting and its effect on regional and local economic issues.</p> <ul style="list-style-type: none"> • Every two years JACPA held a conference that IFRS issues will be part of the conference topic. The scientific day is maintained yearly to update members about all new issues in IFRS, ISA's and any new issues in the accountancy field. 	Ongoing Annually	Conference Committee	Conference Committee
<i>Review of JACPA's Compliance Information</i>					
67.	Ongoing Annually	Perform periodic review of JACPA response to SMO 7 and monitor any updates needed. Once updated, a course on the new updates will be conducted. Technical committee will inform IFAC Compliance staff about the updates in order for the Compliance staff to republish updated information.	Ongoing Annually	Board of Directors, JACPA Staff	Board of Directors, JACPA Staff, Volunteers