

5/19/20235/19/2023BACKGROUND 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 adoption and ¹ implementation of ² 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

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.

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

ACTION PLAN

IFAC Member:

Approved by Governing Body:

Original Publish Date:

Last Update: July 2024

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 XX	Level of SMO Fulfillment as of XX
QA / SMO 1			
IES / SMO 2			
ISA / SMO 3			
IESBA / SMO 4			
IPSAS / SMO 5			
R&D / SMO 6			
IFRS / SMO 7			

Attestation of SMO Compliance

The Consejo General de Economistas de España (CGEE), Corporación de Derecho Público de los Economistas de España has developed an Action Plan to demonstrate how it fulfills the requirements of the SMOs. The abovementioned [Governing Body](#) has reviewed the information contained within the SMO Action Plan and affirms that the (CGEE) 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 (CGEE) 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 (CGEE), 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

IAASB	International Assurance and Auditing Standards Board
IESs	International Education Standards
IESBAs	International Ethics Standards for Accountants
IFRSs	International Financial Reporting Standards
IPSASs	International Public Sector Accounting Standards
IPSASB	International Public Sector Accounting Standards Board
ISQC 1	International Standard on Quality Control 1
ISA	International Standards on Auditing
QA	Quality Assurance
SMEs	Small and Medium Sized Entities
SMOs	Statement of Membership Obligations
SMPs	Small and Medium Practitioners

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective:

Background:

REA-CGEE

As mentioned in article 2.4 of the Law on Auditing of Accounts (LAC), the quality standards of auditors and audit firms "*are prepared, adopted or reviewed in accordance with the general principles and commonly accepted practice in the Member States of the European Union, as well as with the international auditing standards adopted by the European Union, by the public law corporations representing those who carry out the activity of auditing accounts, after public information for a period of two months and will be valid from their publication, by resolution of the Institute of Accounting and Auditing of Accounts, in its "Official Gazette".*

In the event that the representative public law corporations referred to in the preceding paragraph, at the request of the Institute of Accounting and Auditing of Accounts, do not prepare, adapt or revise any of the technical auditing standards, the ethics standards and the internal quality control standards, in the manner established above, this Institute shall proceed to its preparation, adaptation or revision, informing the aforementioned representative public law corporations thereof and also complying with the requirement of public information within a period of two months."

- REA-CGEE, the CGEE's specialized auditing body, and the Institute of Chartered Accountants of Spain (ICJCE) constitute the two representative corporations of auditors and audit firms in Spain.
- With regard to the QA regulations applicable to the professional activity of account auditors in Spain, there are several lines of action that REA-CGEE has developed and is developing:
 - REA-CGEE and the ICJCE, have submitted to the ICAC, the revised ISQM1, ISQM2 and NIA-220, adapted to Spanish regulations, which have been approved and published in the Official Gazette of the State of the Kingdom of Spain by ICAC Resolution of April 20, 2022.
 - To support the members of REA-CGEE in the QA implementation of the quality management standards in their audit firms, for which the REA-CGEE has carried out and regularly carries out the following actions:
 - 1.- Preparation of a model of Internal Organization Manual (MOI) with explanatory records, in accordance with the policies and procedures established in the adaptation in Spain of the revised ISQM1, ISQM2 and ISA-220 and the requirements of the Accounts Audit Law and its implementing regulations.
 - 2.- Design, advertise and deliver a theoretical and practical training plan in 2022 and 2023.

3.- Advice and response service for queries by the quality control department of REA-CGEE.

The team involved in the above actions has the appropriate skills and competencies as it has participated in the REA-CGEE working groups that have allowed the presentation to the ICAC of the texts adapted in Spain of the revised ISQM1, ISQM2 and ISA-220. The team also participates in REA-CGEE technical committees such as the Standards and Procedures Committee with the participation of auditing firms. With the above actions, implementation guidelines are established on issues related to standards and information on quality assurance review systems is disseminated.

- In Spain, the Institute of Accounting and Auditing of Accounts (ICAC), an autonomous administrative body attached to the Ministry of Economic Affairs and Digital Transformation, is the authority responsible for the public supervision of the audit activity. audits of Public Interest Entities, therefore, and within the framework of a contractual relationship.
 - The General Council of Economists of Spain (REA-CGEE) collaborates with the ICAC on all matters related to the supervisory function of auditors who do not audit public interest entities (PIE) through contracts and tenders that are renewed annually. The contract for the 2023 financial year is currently being executed.
 - In addition, in accordance with the functions established in the Regulations of the Accounts Audit Law (article 140), we comply with the function of verifying the observance of the internal practices and procedures of action of its members in the exercise of the activity of auditing accounts and proposing to the ICAC the initiation of the sanctioning procedure. Where appropriate, report any issues or matters detected in the exercise of their duties that may entail non-compliance with the regulations governing the activity of auditing accounts. (SMO 6)

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resources
<i>Establishing/Supporting the Establishment of QA review system (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	2023	Investigations and inspections of audits carried out in 2022 and previous years, to auditors and audit firms that have not carried out audit work on the accounts of public-interest entities. Contract signed with the ICAC	Estimated December 2023	REA- CGEE	Own and contracted
	Current	Training sessions on the results and aspects of improvement resulting from the inspections and investigations carried out on auditors and audit firms	2023	REA-CGEE	Own and contracted
<i>Support Implementation of Quality and Assurance review system (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Continuous	Include in the Training Plan for auditors activities aimed at promoting knowledge of the standards for adapting ISQM1, ISQM2 1 and revised ISA-220 to Spain	2022 & 2023	REA-CGEE	REA
	Continuous	Keep the Model of the Internal Organization Manual (MOI) of the Auditors of Accounts in accordance with the policies and procedures established in the adaptation in Spain of the revised ISQM1, ISQM2 and ISA-220 and the requirements of the Accounts Audit Law and its implementing regulations	2023	REA CGEE	REA
	Continuous	Develop a training plan to promote the implementation of the best practices of the policies and procedures to be taken into account, in accordance with the standards of adaptation to Spain of ISQM1, ISQM2 1 and revised ISA-220 aimed at auditors and audit firms through workshops.	2023	REA-CGEE	REA

	Current	Include in all accounts audit congresses presentations to communicate the changes to take into account the adaptation in Spain of the revised ISQM1, ISQM2 and ISA-220.	2022 & 2023	REA-CGEE	REA
	Continuous	Maintain a system for resolving direct queries raised to assist members in the implementation of ISQM1, ISQM2 and revised ISA-220 and their implementation.	Continuous	OER Quality Department	REA
		Publication of quality management documents and communications to inform members about regulatory changes and agreements between the OER and the ICAC			
		Report to the ICAC the cases that are identified of firms that fail to comply with the requirements of applicable regulations and put the quality and competition of the sector at risk.			

SMO 1 Best Practice	Yes	No	Partially	Comments
(For #) Scope of the System At a minimum, mandatory QA reviews are required for all audits of financial statements.	Yes			The ICAC is responsible for assessing compliance with the regulations governing the audit activity and for the purpose of verifying and concluding on the effectiveness of such systems (Article 54 LAC)
Quality Control Standards and Other Quality Control Guidance Firms are required to implement a system of quality control in accordance with the quality control standards.	Yes			Spanish legislation includes the obligation for auditors and audit firms to have an internal quality control/management system and indicates that it must be included. (Article 28 of the LAC and Articles 66 to 71 of the RLAC) Article 4 of the RLAC, which implements the provisions of the LAC, establishes the following: <i>"The purpose of the internal quality control standards shall be to establish the principles and requirements to be followed by the auditors in the implementation and maintenance of an internal quality control system that allows them to reasonably ensure that the audit activity is carried out in accordance with the requirements of</i>

SMO 1 Best Practice	Yes	No	Partially	Comments
				<i>Law 22/2015, of 20 July, in this regulation and in the auditing and ethics standards".</i>
Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.	Yes			The published standards reflect the IAASB's review of the ISQC1, replacing it with two standards, International Quality Management Standards 1 and 2, respectively: "Quality Management in Audit Firms Conducting Audits of Financial Statements" (ISQM1) and "Quality Reviews of Financial Statement Audit Engagements" (ISQM2, in its acronym in English). It has also revised ISA 220 to "Quality Management of an Audit of Financial Statements" (ISA 220 (Revised)).
+Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	Yes			The approval of the organisational structure, allocation of responsibilities and policies on which the internal organisation is based, must be approved by the highest governing body, which in the case of audit firms is the board of directors or equivalent body. This approval must be recorded in writing in the minutes of the body that made the approval. Procedures require greater flexibility, and can therefore be approved by a body with a lower level of responsibility or even by the person responsible for directing a particular activity. The ultimate responsibility for the management/quality control system should be vested in an auditor in a position of exercising authority and independence sufficient for the exercise of his or her functions, appointed by the highest governing body. (Article 67 RLAC)
Review Cycle A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.	Yes			The regulation establishes a system of inspections that combines minimum periodicity and risk analysis. The implementation of this risk-based inspection model is the responsibility of the ICAC.

SMO 1 Best Practice	Yes	No	Partially	Comments
<p>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).</p>	<p>Yes</p>			<p>The criteria for inspection actions are regulated in Article 101 of the RLAC</p> <p><i>"1. All individual auditors in the position of practising auditors and audit firms shall be subject to regular inspections.</i></p> <p><i>2. The selection of auditors, as well as the selection of both the elements of the quality control system and the files of the audit work to be reviewed, shall be carried out taking into account the risk criteria of the auditors and the risk criteria of the auditing entities.</i></p> <p><i>3. Auditors who audit only entities other than those in the public interest shall be inspected at least every six years, unless they only carry out voluntary audits or audit small entities as defined in Article 3.9 of Law 22/2015 of 20 July, in which case the inspection shall not be subject to this minimum periodicity.</i></p> <p><i>4. Inspections may be carried out less frequently than that established in Article 54 of Law 22/2015 of 20 July 2015 and the preceding paragraph when, in the opinion of the Institute of Accounting and Auditing and in accordance with the information and means at its disposal, the size of the auditor's activity or the volume of the audit activity or other circumstances, so requires."</i></p>
<p>QA Review Team Independence of the QA Team is assessed and documented.</p>	<p>Yes</p>			<p>The reviewers confirm to the ICAC their independence by declaring the supervisory work in which they are going to participate.</p>
<p>QA Team possesses appropriate levels of expertise.</p>	<p>Yes</p>			<p>The auditor must be registered as an auditor in the ROAC in a situation of non-practising and must provide proof of previous experience in supervisory work.</p>
<p>Reporting Documentation of evidence supporting the quality control review report is required.</p>	<p>Yes</p>			

SMO 1 Best Practice	Yes	No	Partially	Comments
A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	Yes			
Corrective and Disciplinary Actions Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.	Yes			
QA review system is linked to the Investigation and Discipline system.				
Consideration of Public Oversight The body responsible for QA reviews cooperates with its oversight body and shares information on the functioning of the QA review system, as needed.	Yes			
Regular Review of Implementation and Effectiveness Regular reviews of implementation and effectiveness of the system are performed.	Yes			

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

Action Plan Objective:

Background:

REA-CGEE

- The Institute of Accounting and Auditing (ICAC) is the competent body for the development of accounting and auditing standards in Spain within the European and Spanish legal framework. In this sense, the HEIs have not been specifically adapted by the ICAC, although Law 22/2015, of July 20, 2015, on Auditing of Accounts and its implementing regulations regulate the requirements for access to the profession and continuous training for the exercise of auditing activity.
- Law 22/2015 establishes the requirements for initial training (IPD) and continuing education (CPD)
- The requirements for the exercise of the activity regulated by law are: a) Obtain a university degree, b) pass a final exam, c) accredit theoretical training, and comply with the provisions regarding the CPD.
- In relation to the IPD, Spanish regulations require a minimum of 3 years' practical experience in the financial and accounting field, of which 2 years must have been carried out with an auditor or an audit firm.
- In terms of CPD, since 2012 the minimum number of hours to be completed is 120 hours every 3 years, as set out in the Audit Regulations in the articles dealing with continuous training.
- REA-CGEE, as a representative organization of auditors, has the legal capacity to carry out theoretical teaching programs accredited and recognized by the ICAC. REA-CGEE annually prepares a training program that includes the competencies included in the resolutions issued by the ICAC.
- REA-CGEE, together with the Juan Carlos I University of Madrid, participates in the Master's Degree in Auditing and Higher Accounting, which qualifies for initial theoretical training and dispenses with the first phase of the professional aptitude exam.
- The CGE includes in its Statutes the participation in the advisory bodies of the General State Administration in relation to professional activity. Through REA-CGEE, it participates in the elaboration of the CPD requirements and the preparation of the exam.

REC

- As established in the Regulations of the REC], one of the obligations to maintain the accreditation of the REC] is the fulfillment of 20 hours of Continuing Vocational Training per year. This requirement has been established in line with what is required by most EU member countries, as can be deduced from the attached study "The figure of the Accounting Expert in Spain and the EU";

- One of the ways to access the REC] is the examination route, and for the development of its structure and content, the programs of other international professional accreditations have also been reviewed. Likewise, the REC] has a total of 7 master's degrees or homologated own degrees which, after passing, do exempt students from part 1 and 2 of the exam. To this end, the REC] has approved the Resolution of 27 July 2017, of the Register of Accounting Experts (REC), which establishes, in general, the conditions that must be met by theoretical training programmes taught by Entities other than the Institute of Chartered Accountants of Spain (ICJCE) and the General Council of Economists (CGE). as well as the Groups and Colleges that make them up, for access to the REC through Route 3 of the exam;
- In addition, as a public law corporation, the Council of Economists participates in the commissions, which report to the Ministry of Economy and Education, which are responsible for evaluating the recognition of the various foreign professional qualifications;

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resources
<i>Adoption/Supporting Adoption of IESs (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					

<i>Support Implementation of Educational Standards (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Continuous	<p>Development and execution of the Programme of Training Activities for the period from 1 October 2022 to 30 September 2023,</p> <p>The program includes the requirements of article eighteen of the Resolution of the Institute of Accounting and Auditing of October 29, 2012, which develops different aspects related to the obligation to carry out continuous training by account auditors.</p> <p>In addition to the aforementioned program, training activities are developed in other subjects not included in the ICAC's continuing education.</p>	Continuous	REA-CGEE	<i>Own and contracted</i>
		<p>From an accounting point of view, Economistas Contables of the General Council of Economists of Spain annually schedules a set of courses and webinars in order to cover all aspects and novelties, regarding the preparation of financial and non-financial information, of our members. As part of this programme, as we have pointed out above, we must take into account the obligation of continuous training contained in Article 20 of the Regulation.</p>		EC	
	Continuous	<p>The Universidad Rey Juan Carlos (URJC) in collaboration with the General Council of Economists (CGE) through REA-CGEE, its specialized body in auditing, organize the UNIVERSITY</p>		REA-CGEE	

		<p>MASTER'S DEGREE IN AUDITING AND HIGHER ACCOUNTING, which is offered in face-to-face and online modalities.</p> <p>It is an official qualification and theoretical training programme approved by the ICAC for access to the Official Register of Account Auditors (ROAC), which is taught by Auditors and University Professors.</p> <p>The master's degree includes a specific Training Complement in NIA-ES for ROAC access that is aimed at people who need the additional theoretical training required by the ICAC in NIA-ES.</p> <p>The sixteenth edition, which takes place in the period 2022-2023, is underway and is developing satisfactorily.</p> <p>The information brochure and presentation document of the eighteenth edition of the Master's Degree for the 2023-2024 academic year are now available. The aforementioned information can be accessed on our website, mentioned above, by entering the OER website and in Services / Training / Official Master's Degree in Auditing or at the address</p>			
	<p>May 2023</p>	<p>In the Official State Gazette of 12 May 2023, Order ETD/479/2023, dated 5 May, has been published, relating to the joint call of the General Council of Economists of Spain-Register of Auditor Economists and the Institute of Chartered Accountants of Spain, of the professional aptitude examination (EAP) for the authorisation of the Institute of Accounting and Auditing of Accounts and registration in the Official Register of Account Auditors (ROAC).</p>		<p>REA- CGEE</p>	

		<p>EAP Training</p> <p>Our Corporation will offer a specific training plan for this exam that is specified in the Auditing Practical Course that will take place in ONLINE format, with the following program:</p> <p>Accounting Module</p> <p>Consolidation and Business Combinations Module</p> <p>Audit Module</p> <p>Duration and mode of delivery</p> <p>42 teaching hours, with an ON LINE method for its realization, through recorded classes and live classes</p> <ul style="list-style-type: none"> • Accounting & Consolidation 9.5 hours • Audit 32.5 hours 			
		<p>One of the pathways to the REC] is Route 3 of the exam. The exam consists of 3 parts or blocks. Block I is a multiple-choice test, Block II is a short question to be developed and Block III is a practical exam.</p> <p>All those who have taken the approved access courses and passed the tests contained therein will be exempt from taking Blocks I and II. In Blocks I and II, you can ask about the content of all the following subjects:</p> <p>Advanced Accounting. (*)</p> <p>Costs, budgets, and applications. (*)</p> <p>Business Combinations. Consolidation. (*) Analysis of financial statements. (*)</p>		<p>REA-CGEE</p>	

		<p>Finance. Other economic matters (Ethics, Corporate Income Tax) English. Legal matters Professional environment.</p> <p>In Block III, questions may only be asked about the content of the subjects indicated with (*). In addition, a question may be included about the content of any of the practical guides published by the REC].</p> <p>The last session of the REC] exam took place on 24 February 2023.</p> <p>Among the courses or master's degrees approved by the REC], which dispense with parts I and II of the exam, we highlight the Advanced Course of the Accounting Expert, organized by Accounting Economists. This course is held annually, online, and brings together an average of 100 students (future accounting experts) in each call.</p>			
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					

IES Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p>IES 1, Entry Requirements for Professional Accounting Education Programs Effective: January 1, 2021 Objective: To establish the technical competence that aspiring professional accountants need to develop and demonstrate at the end of IPD, in order to play a role as a professional accountant.</p>						
<p>Educational entry requirements for professional accounting education programs are specified that will allow entry only to those with a reasonable chance of successfully completing the professional accounting education program, without posing excessive barriers to entry.</p>	<p>Certified auditor</p>	<p>EU/Government</p>	<p>Yes</p>			<p>The professional activity of the auditor is regulated in Spain by Law 22/2015 on Auditing of Accounts and Royal Decree 2/2021, of January 12, 2021, approving the Regulations implementing Law 22/2015, of July 20, 2015, on Auditing of Accounts.</p> <hr/> <p>The Act regulates the initial professional development requirements for access (IPD), continuing professional development (CPD), a quality assurance system (QA) and a research and discipline (R&D) mechanism. The Act empowers the Institute of Accounting and Auditing (ICAC), part of the Ministry of Economic Affairs and Digital Transformation, to oversee the auditing profession</p>

	Expert Accountant	REC	Yes			Chartered Accountants registered in the REC] must comply with the provisions of its Regulations
The rationale for the principles to be used when setting educational entry requirements for stakeholders, including relevant education providers and individuals considering a career as a professional accountant, is explained.	Certified auditor	Institute of Accounting and Auditing (ICAC)	Yes			
	Expert Accountant	REC	Yes			
Relevant information is publicly available to help individuals evaluate their own chances of successfully completing a professional accounting education program.	Certified auditor	ICAC	Yes			
	Expert Accountant	REC	Yes			

HEI Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p>IES 2, Initial Professional Development: Technical Competency Effective: January 1, 2021</p> <p>Objective: To establish the technical competency that aspiring accounting professionals must develop and demonstrate upon completion of Initial Professional Development (IPD) in order to fulfill their role as accounting professionals.</p>						
<p><i>Learning Outcomes for Technical Competence</i></p> <p>It sets out the learning outcomes on technical competence that aspiring accounting professionals must achieve upon completion of the IPD. These learning outcomes should include those listed in IES 2, Table A.</p>	<p>Certified auditor</p>	<p>Universidad Rey Juan Carlos/CGE-REA</p>	<p>Yes</p>			<p>Our Master's Degree in Auditing and Higher Accounting (theoretical access training program for auditors) co-organized by the Universidad Rey Juan Carlos/CGR-REA has a series of subjects and complementary training that cover all the Technical Competence Areas described in table A of IES 2.</p> <p>The Teaching Guides for each of the subjects (public for all students) establish the learning outcomes of each subject and the complete syllabus of each subject.</p>
	<p>Expert Accountant</p>	<p>Accounting Economists of the General Council of Accounting Economists (EC-CGE)</p>	<p>Yes</p>			<p>Our "Advanced Course for Accountants", in addition to dispensing with theoretical parts I and II of the REC</p>

					<p>exam, has the following specific objectives:</p> <p>To prepare future Chartered Accountants to be able to carry out the accounting profession with quality assurances;</p> <p>Prepare students to effectively pass the REC Exam, seeing in depth all the contents of the program;</p> <p>To provide students who successfully pass the course with Parts I and II of the Examination;</p> <p>Serve as a mechanism for updating the training activity for active professionals;</p> <p>To provide a forum for discussion and networking that allows different professional experiences to be contrasted;</p> <p>Provide training in the main developments in accounting and similar matters.</p> <p>In addition, within the REC], the Resolution of July 27, 2017, of the Registry of Accounting Experts (REC) has been adopted, which establishes, in general, the</p>
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						conditions that must be met by theoretical training programs taught by Entities other than the Institute of Chartered Accountants of Spain (ICJCE) and the General Council of Economists (CGE). as well as the Groups and Colleges that make them up, for access to the REC through Route 3 of the exam. Through this Resolution, up to a total of 7 university degrees have been homologated, the following being: University of A Coruña; University of Cantabria; University of the Basque Country; University of Valencia; University of Valladolid; University of Zaragoza and Universidad Europea.
<p><i>Review of Professional Training Programs in Accounting</i></p> <p>Professional training programs in accounting designed to achieve the learning outcomes in IES 2 are regularly reviewed and updated.</p>	Certified auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			In relation to our Master's Degree mentioned in the previous section, all the teaching periods update the technical contents to incorporate the new regulations in auditing and accounting

	Expert Accountant		Yes			In relation to our courses approved in the previous section, all teaching periods the technical contents are updated to incorporate the latest regulations in auditing and accounting
<p><i>Assessment of technical competence</i></p> <p>Appropriate assessment activities are established to assess the technical competence of aspiring accounting professionals.</p>	Certified auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			As required by the ICAC, the Master's Degree in Auditing and Accounting (URJC-CGE-REA) includes mandatory face-to-face exams (in addition to other assessment activities). In the Teaching Guides of each subject, the evaluation methods are established in detail, including Weighting for the evaluation, Description of the evaluation tests and their weighting and the review criteria of the evaluation tests
	Expert Accountant		Yes			Most of the degrees approved by the REC] are also approved by the ICAC and therefore mandatory face-to-face exams will be carried out (in addition to other assessment activities). In the Teaching Guides of each subject, the evaluation methods are established in

						detail, including Weighting for the evaluation, Description of the evaluation tests and their weighting and the review criteria of the evaluation tests
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HEI Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p>IES 3, Early Professional Development: Professional Skills Effective: January 1, 2021 Objective: To establish the professional skills that aspiring accounting professionals must develop and demonstrate upon completion of the IPD in order to fulfill their role as accounting professionals.</p>						
<p><i>Learning Outcomes for Professional Skills</i></p> <p>Learning outcomes for professional skills to be achieved by aspiring accounting professionals upon completion of the IPD are established. These learning outcomes should include those listed in IES 3:</p>	Certified Auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			The teaching guides of the subjects of the Master's Degree in Auditing and Higher Accounting, discussed in the previous sections, cover, in general terms, the professional skills described in IES 3
	Expert Accountant		Yes			The teaching guides of the subjects of the approved university degrees, discussed in the previous sections, cover, in general terms, the professional skills described in IES 3
<p><i>Review of Professional Training Programs in Accounting</i></p> <p>Professional training programs in accounting designed to achieve the learning outcomes in HEI 3 are regularly reviewed and updated.</p>	Certified Auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			The teaching guides mentioned in the comments in the previous section are reviewed annually.
	Expert Accountant		Yes			The teaching guides mentioned in the comments in the previous section are reviewed annually.

<p><i>Assessment of professional skills</i></p> <p>Appropriate valuation activities are established to assess the professional skills of aspiring accounting professionals.</p>	<p>Certified Auditor</p>	<p>Universidad Rey Juan Carlos/CGE-REA</p>	<p>Yes</p>		<p>P</p>	<p>We believe that in our Master's Degree in Auditing and Higher Accounting (already mentioned in the previous sections), professional skills are assessed indirectly through face-to-face exams. Likewise, professional skills are also valued through the completion of the subject of internships in companies.</p>
	<p>Expert Accountant</p>			<p>Yes</p>		<p>We consider that in the homologated university degrees (already mentioned in the previous sections), professional skills are assessed indirectly through face-to-face exams. Likewise, professional skills are also valued through the completion of the subject of internships in companies.</p>

HEI Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p>IES 4, Initial Professional Development: Professional Values, Ethics, and Attitudes Effective: January 1, 2021 Objective: To establish the professional values, ethics, and attitude that aspiring accounting professionals must develop and demonstrate upon completion of the IPD in order to fulfill their role as accounting professionals.</p>						
<p><i>Framework of professional values, ethics and attitude</i> Professional training programs in accounting provide a framework of professional values, ethics, and attitudes for aspiring accountants.</p>	Certified Auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			In the Master's Degree in Auditing and Higher Accounting within the subject of Fundamentals of Auditing II, the Audit Law 22/2015 is explained, which can be considered as a framework of values, ethics and professional attitude
	Expert Accountant		Yes			In most of the approved university degrees, the framework of values, ethics and professional attitude is discussed.
Accounting professionals to (a) apply professional skepticism and exercise professional judgment, and (b) act in an ethical manner in the public interest.	Certified Auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			In the Master's Degree in Auditing and Higher Accounting, within the subject of Fundamentals of Auditing II, the Audit Law 22/2015 is explained, which in its article 13 deals with the application of professional skepticism and the exercise of professional judgment. The Act also addresses the importance of the auditor's performance and professional activity in the public interest

Accounting professionals to (a) apply professional skepticism and exercise professional judgment, and (b) act in an ethical manner in the public interest.	Expert Accountant		Yes			Most recognised university degrees deal with the application of professional scepticism and the exercise of professional judgment.
<p><i>Applicable Ethics Requirements</i></p> <p>Applicable ethics requirements are integrated throughout professional accounting training programs for aspiring accounting professionals.</p>	Certified Auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			<p>In the Master's Degree in Auditing and Higher Accounting, within the subject of Fundamentals of Auditing II, there is a specific topic on the subject of Independence (6 hours) in which all the ethical requirements applicable in Spain are addressed and the complex regime of independence to which Spanish auditors are subject is developed in detail.</p> <p>A seminar is also organized to explain the Audit Regulations (RD2/2021) (4 hours) in which a large part of it addresses the subject of Independence.</p>
	Expert Accountant		Yes			Most of the approved university degrees address all the ethical requirements applicable in Spain
<p><i>Learning Outcomes for Professional Values, Ethics, and Attitude</i></p> <p>Learning outcomes are set out for professional values, ethics, and attitudes that aspiring</p>	Certified Auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			In the Master's Degree in Auditing and Higher Accounting, the face-to-face exam of the subject of Fundamentals of Auditing II

<p>accounting professionals should achieve upon completion of the IPD. These learning outcomes should include those listed in IES 4, Table C.</p>						<p>places special emphasis on the subject of Independence and ethics. We consider that the work carried out in these areas adequately complies in general terms with the IES 4 table with regard to the learning outcomes that form professional values and attitudes in ethics.</p>	
	<p>Expert Accountant</p>			<p>Yes</p>			<p>In most of the university degrees approved by the REC] special emphasis is placed on the subject of Independence and ethics. We consider that the work carried out in these areas adequately complies in general terms with the IES 4 table with regard to the learning outcomes that form professional values and attitudes in ethics.</p>
<p><i>Review of Professional Training Programs in Accounting</i></p> <p>Professional training programs in accounting designed to achieve the learning outcomes in HEI 4 are regularly reviewed and updated.</p>	<p>Certified Auditor</p>	<p>Universidad Rey Juan Carlos/CGE-REA</p>		<p>Yes</p>			<p>All the subjects of the Master's Degree in Auditing and Higher Accounting, including Independence, are updated annually, in order to be in accordance with current regulations in Spain.</p>
	<p>Expert Accountant</p>			<p>Yes</p>			<p>All the subjects of the approved university degrees, including the Independence degree, are updated annually, in order to be in accordance with the</p>

						regulations in force in Spain.
<i>Reflective Activity</i>	Certified Auditor	Universidad Rey Juan Carlos/CGE-REA	Yes			The Spanish regulatory regime on Independence for auditors is based on a mixed system that contemplates on the one hand self-assessment (identification of threats and safeguards) and on the other hand a series of prohibitions (incompatibilities) that have a regime of extensions of their causes that affect the relatives of the main auditors responsible. situations that occur in persons or entities directly related to the auditor or audit firm and, finally, situations that occur in other persons or entities belonging to the auditor's or audit firm's network.
	Expert Accountant		Yes			The Spanish regulatory regime on independence for accounting experts is based on the Code of Ethics of the General Council of Economists and Accounting Experts.
Learning and professional development activities on professional values, ethics, and attitudes for aspiring accounting professionals are designed to include formalized and documented reflective activity.	Certified Auditor		Yes			

<p><i>Assessment of professional values, ethics and attitude</i></p> <p>Appropriate assessment activities are established to assess the professional values, ethics, and professional attitudes of aspiring accounting professionals.</p>	<p>Certified Auditor</p>	<p>Universidad Rey Juan Carlos/CGE-REA</p>	<p>Yes</p>			<p>Already answered in the previous sections</p>
	<p>Accounting Experts</p>		<p>Yes</p>			<p>Already answered in the previous sections</p>

HEI Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p>IES 5, Initial Professional Development: Hands-On Experience Effective: July 1, 2015 Objective: To establish sufficient practical experience for aspiring accounting professionals that they must complete at the end of the IPD in order to fulfill their role as accounting professionals.</p>						
<p><i>Hands-on experience</i> Aspiring accounting professionals are required to complete professional practice upon completion of the IPD.</p>	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>			<p>Article 9 of Law 22/2015 states. Authorisation and registration in the Official Register of Account Auditors, which will require the following: Practical training must extend for a period of at least three years in work carried out in the field of finance and accounting, and shall relate in particular to annual accounts, consolidated accounts or similar financial statements. At least two years of such practical training must be carried out with an auditor or an audit firm, and in the exercise of this activity in any Member State of the European Union. The Regulation implementing the Audit Law (RD 2/2021) establishes, in its article</p>

						Article 28. Practical training, the following: The practical training requirement referred to in article 9.2.b) of Law 22/2015, of 20 July, will not be understood to have been fulfilled until the effective performance of the tasks that make up the different phases that make up the audit activity has been accredited for a period that adds up to at least two years of full-time or its equivalent part-time.
	Expert Accountant		Yes			According to the REC] Regulations, there are 3 different ways to access the REC]. Track 1 for auditors; route 2 for professional merits reaching a scale; and track 3 by examination. In order to take the exam, the candidate must demonstrate professional experience for at least 3 years in any of the professional activities related to the areas of work of the Accounting Expert
Sufficient practical experience is required to enable aspiring accounting professionals to demonstrate that they have acquired (a) the technical	Certified Auditor	ICAC/CGE-REA	Yes			The CGE-REA considers that the 3 years indicated in the previous section are reasonably sufficient.

<p>competence, (b) the professional skills, and (c) the professional values, ethics, and attitudes necessary to perform as accounting professionals.</p> <p>The preferred approach to measuring practical experience is established by using one of the following three approaches:</p> <ul style="list-style-type: none"> ✓ results-based; ✓ input-based; or <p>combined approach</p>						
	Expert Accountant		Yes			EC-CGE considers that the 3 years indicated in the previous section are reasonably sufficient
	Certified Auditor	ICAC/CGE-REA	Yes			We believe that the approach can be seen as a combination
	Expert Accountant		Yes			We believe that the approach can be seen as a combination

HEI Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p><i>Results-based approach</i></p> <p>In the case of a results-based approach, aspiring accounting professionals must demonstrate, through the use of outcome measures, that they have gained practical experience.</p>	Certified Auditor					Combined approach
	Expert Accountant					Combined approach
<p><i>Input-based approach</i></p> <p>In the case of an input-based approach, aspiring accountants must demonstrate, through the use of input measures, that they have gained practical experience.</p>	Certified Auditor					Combined approach
	Expert Accountant					Combined approach
<p><i>Combined approach</i></p> <p>A combination of outcome-based and input-based approaches meets the outcome-based approach requirement and the input-based approach requirement, as appropriate.</p>	Certified Auditor	ICAC/CGE-REA	Yes			The purpose of the practical training is to ensure that the future auditor knows how to apply the theoretical knowledge acquired to real situations that involve obtaining evidence and forming judgments about the information contained in the financial statements, while allowing them to exercise the qualities that make up the quality of their performance, such as independence, respect for

						compliance with auditing standards, professional scepticism and the ethical dimension and public interest function of its mission.
	Expert Accountant		Yes			The purpose of the practical training is to ensure that the future Accounting Expert knows how to apply the theoretical knowledge acquired to real situations that involve the preparation of financial and non-financial information, as well as the preparation of independent expert reports, while allowing them to exercise the qualities that make up the quality of their performance. such as independence, respect for compliance with the rules, professional scepticism and the ethical dimension and public interest function of its mission.

<p><i>Monitoring and follow-up of practical experience</i></p> <p>Practical experience for aspiring accounting professionals should be conducted under the direction of a hands-on experience supervisor.</p>	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>			<p>Regarding practical training:</p> <p>Auditors and audit firms usually have the collaboration of personnel, with different contractual ties, in the performance and development of the audit work contracted with the different entities. This collaboration helps these people to carry out a learning stage in order to complement their theoretical training and to be able to attend the aptitude tests to access the Official Register of Account Auditors.</p>
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<p>The practical experience of aspiring accounting professionals should be recorded in a consistent manner as indicated by the responsible body or, where appropriate, by a regulatory body, and should be supported by verifiable evidence.</p>	<p>Expert Accountant</p>		<p>Yes</p>		<p>Regarding practical training:</p> <p>Accounting experts and REC companies usually have the collaboration of personnel, with different contractual ties, in the performance and development of the work of independent experts contracted with the different entities. This collaboration helps these people to carry out a learning stage in order to complement their theoretical training and to be able to attend the aptitude tests to access the Register of Accounting Experts.</p>
	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>		<p>Regarding practical experience:</p> <p>Auditors and audit firms must account for these collaborations in the annual declarations they must submit to the ICAC, in accordance with article 28.3 of the Regulations implementing the Law on</p>

					Auditing of Accounts, approved by Royal Decree 2/2021, of 12 January, which establishes that auditors and audit firms must report annually to the ICAC on the practical training they have carried out people at your service, with the detail and distribution and within the period determined by ICAC Resolution
Expert Accountant		Yes			In accordance with the Regulations of the REC] (Article 20), it will be a requirement to maintain registration in the REC to prove the performance of activities of Continuing education. Continuing education will consist of 20 hours per year in accounting and related subjects (courses, seminars, conferences, conferences, forums, congresses) and must be approved by the REC. Its calculation may be made for periods

					longer than one year, depending on what determine the Board of Directors.
Certified Auditor	ICAC/CGE-REA	Yes			<p>In relation to practical training:</p> <p>It is established that the certifications issued to accredit the requirement of practical training with a person authorized to audit accounts, for the purposes of attending the professional aptitude exam, must refer to the contractual relationship that may have existed, as well as the effective time worked in auditing accounts, in accordance with the detail and content provided for in the ICAC Resolution cited in the previous section.</p> <p>On the other hand, auditors and audit firms, in relation to personnel in practical training, must record in the documentation of each audit work, the information corresponding to the time</p>

					spent individually in each audit work in which they have participated and the information that proves the effective performance of the tasks that make up the different phases that make up the audit activity. This documentation will serve as a basis for completing the annual information to be reported to the ICAC and the certifications mentioned above.
Expert Accountant		Yes			In relation to practical training, as we have reported in previous sections, in order to be able to attend the REC] exam, it is necessary to justify professional experience as a self-employed person or as an employee, of at least 3 years, in any of the professional activities related to the areas of action of the Accounting Expert.

Appropriate valuation activities are established to assess whether an aspiring accounting professional has completed sufficient practical experience	Certified Auditor	ICAC/CGE-REA	Yes			The certifications mentioned in the previous section are considered sufficient as appropriate assessment activities to assess whether an aspiring professional accountant has completed sufficient practical experience
	Expert Accountant		Yes			The certifications mentioned in the previous section are considered sufficient as appropriate assessment activities to assess whether an aspiring professional accountant has completed sufficient practical experience

HEI Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p>IES 6, Initial Professional Development: Professional Competency Assessment Effective: July 1, 2015</p> <p>Objective: To establish whether aspiring accounting professionals have demonstrated an appropriate level of professional competence at the end of the IPD to fulfill their role as accounting professionals.</p>						
<p><i>Formal assessment of professional competence</i></p> <p>It is formally assessed whether aspiring accounting professionals have achieved an adequate level of professional competence by the end of the IPD, by considering the results of a variety of valuation activities that are carried out during the IPD.</p>	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>			<p>According to Law 22/2015 on Auditing of Accounts, and what is indicated in its article 9, for registration in the ROAC</p> <p>It is necessary to have passed a professional aptitude examination organized and recognized by the State.</p>
	<p>Expert Accountant</p>		<p>Yes</p>			<p>As indicated in previous sections, there are 3 different ways to access the REC, and the candidate must comply with the provisions of article 17 of the Regulations of the Register of</p>

					Accounting Experts (REC)
<p><i>Valuation Principles</i> Valuation activities that have high levels of reliability, validity, fairness, transparency and sufficiency are designed within professional training programs in accounting.</p>	Certified Auditor	ICAC/CGE-REA	Yes		The professional aptitude examination, which will be aimed at rigorously verifying the candidate's qualifications for the exercise of the audit, must cover the following subjects: regulatory framework for financial reporting; financial analysis; analytical cost accounting and management accounting; risk management and internal control; audit of accounts and rules of access to it; regulations applicable to the control of the audit of accounts and to auditors and audit firms; International Standards on Auditing; as well as standards of ethics and

					<p>independence.</p> <p>Likewise, the aforementioned examination must cover, to the extent that they are required for the exercise of the activity of auditing accounts, the following subjects: company law, other entity law and governance; insolvency, tax, civil and commercial law; labour and social security law; information technology and computer systems; general economics, business economics and financial economics; mathematics and statistics, and fundamental principles of financial management of enterprises.</p> <p>According to the Regulations implementing the</p>
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					<p>Audit Act, the professional aptitude examination will consist of two phases</p> <p>a) In the first phase, the level of theoretical knowledge achieved with respect to the subjects indicated above will be checked.</p> <p>(b) In the second phase, which will only be available to those who have passed the first phase of the examination, the ability to apply theoretical knowledge to the practice of the audit activity will be determined.</p>
Expert Accountant		Yes			<p>The professional aptitude examination, which will be aimed at rigorously verifying the candidate's qualifications as an Expert Accountant, must cover the following subjects: Module 1: Financial Accounting;</p>

					<p>Module II: International Accounting;</p> <p>Module III: Sectoral Accounting;</p> <p>Module IV: Public Accounting;</p> <p>Module V: Companies in liquidation;</p> <p>Module VI: Costing in Industrial and Commercial Enterprises;</p> <p>Module VII: Budgeting and treasury management. Banking negotiation.</p> <p>Module VIII: Mergers, spin-offs and takeovers;</p> <p>Module IX: Accounting Consolidation;</p> <p>Module X: Analysis of Financial Statements;</p> <p>Module XI: New formulas for non-bank financing;</p> <p>Module XII: Financial</p>
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					<p>Mathematics; Module XIII: Corporate Income Tax. Off-the-books adjustments; Module XIV: Other subjects.</p>
<p><i>Verifiable evidence</i> The assessment of the professional competence of aspiring accounting professionals is based on verifiable evidence.</p>	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>		<p>The ministerial order publishing the notice corresponding to the professional aptitude examination, referred to in the previous section, will determine the basis for its development or completion, the content of the syllabus of subjects and the amount of the examination fees.</p> <p>The management and development of each call will be jointly the responsibility of the public law corporations representing auditors and, where appropriate and subsidiarily, the Institute of Accounting and</p>

					<p>Auditing of Accounts.</p> <p>The criteria for coordination and action will be established in each order of call.</p> <p>The examination board shall be appointed in each order of the examination and, in accordance with the order, shall be responsible for the design, conduct and marking of the aptitude examinations.</p> <p>The Tribunal shall consist of a chairperson, who shall be a representative of the Institute of Accounting and Auditing appointed from among the heads of the units at the organizational level of sub-directorate-general or equivalent of that body, an even number of members and a secretary.</p>
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	Expert Accountant		Yes		<p>In accordance with Article 18 of the BER Regulations, the examination shall cover at least the following matters: financial accounting, accounting management, finance and auditing. The programs of each subject will be published on the website of the promoting corporations. The format, duration and score of the exam will be decided by the Evaluation Board. The last call for the REC] exam, it was stipulated that it will consist of 3 blocks of questions. Blocks I and II will be theoretical. Block III will be practical (in this block III you will be able to consult the PGC and the NOFCAC).</p>
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					<p>The exam will be passed with a score of 5 out of 10. In addition, a minimum score of 0.75 points (out of 1.5) must be obtained in Block I, 1.25 points (out of 2.5) in Block II and 3 points (out of 6) in Block III.</p> <p>Detail by blocks:</p> <p>Block I. Test type (20 minutes / 1.5 points). 15 theoretical questions (3 possible answers/question, 1 of which is correct). 0.1 point/correct answer. 1 wrong answer subtracts 0.05. Questions that are left blank do not penalize.</p> <p>Block II. Theoretical questions to be developed (40 minutes / 2.5 points) 5 theoretical questions to be developed (0.5 points/question). The</p>
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						<p>response space will be limited.</p> <p>Block III. Five or six practical exercises (120 minutes / 6 points)</p>
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HEI Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p>IES 7, Continuing Professional Development</p> <p>Effective: January 1, 2020</p> <p>Objective: To establish that accounting professionals participate in continuous professional development (CPD) to develop and maintain the professional competence necessary to perform as accounting professionals.</p>						
<p><i>CPD for Accounting Professionals</i></p> <p>Accounting professionals should participate in relevant CPD that develops and maintains the professional competence necessary to perform as accounting professionals, and keep records of such training.</p>	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>			<p>According to Law 22/2015 on Auditing of Accounts, article 7.8 establishes that</p> <p>Auditors registered in the Official Register of Auditors of Accounts, ..., must follow courses and carry out continuous training activities, which may be taught, in the manner and under the conditions established by regulation, by the representative corporations of the auditors, authorized educational entities or other entities.</p>
	<p>Expert Accountant</p>		<p>Yes</p>			<p>In accordance with Article 20 of the REC's Regulations, it will be a requirement to maintain</p>

						<p>registration in the REC to prove that the completion of continuing education activities has been carried out. Continuing education will consist of 20 hours per year in accounting and related subjects (courses, seminars, conferences, conferences, forums, congresses) and must be approved by the REC. Its calculation may be made for periods longer than one year, depending on what the Board of Directors determines</p>
<p><i>Promotion of and access to the DPC</i></p> <p>The importance of CPD and the development and maintenance of professional competence, and commitment to them are promoted.</p>	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>			<p>Article 33 of the regulation implementing the Accounts Audit Law RD 2/2021 establishes that account auditors registered in the Official Register of Auditors of Accounts, in a situation of practising auditors, and non-practising auditors who are actively collaborating with an auditor in tasks directly linked to the activity of auditing accounts, Regardless of the</p>

						<p>contractual relationship, they must carry out continuing education activities for a period equivalent to at least one hundred and twenty hours in a period of three years, with a minimum of thirty hours per year.</p> <p>The obligation of continuous training must be complied with considering its practical application and the regulatory framework in which the activity, aspects of the business and sector of the audited entities are carried out, to the extent that they are considered necessary for the exercise of the activity of auditing accounts.</p>
	Expert Accountant		Yes			<p>As indicated in previous sections, in accordance with Article 20 of the Regulations of the REC], it will be a requirement to maintain registration in the REC to prove the completion of continuing training activities.</p>

						<p>Continuing education will consist of 20 hours per year in accounting and related subjects (courses, seminars, conferences, conferences, forums, congresses) and must be approved by the REC. Its calculation may be made for periods longer than one year, depending on what the Board of Directors determines</p>
<p>Access to CPD opportunities and resources is facilitated to help accounting professionals meet their personal responsibility to participate in CPD that develops and maintains professional competence.</p>	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>			<p>The CGE offers a multitude of continuing education courses for auditors every year, through its specialized auditing body, the REA Auditores, and the professional associations that are part of the collegiate institution. Annuities are established from October 1 to September 30.</p> <p>For the 2022-2023 annuity, a summary of the programming reported to the ICAC has been as follows</p>

						<table border="1"> <tr> <td></td> <td>Course s</td> <td>Hour s</td> </tr> <tr> <td>CGE- REA Auditor s</td> <td>82</td> <td>455</td> </tr> <tr> <td>College s</td> <td>465</td> <td>3.27 8</td> </tr> <tr> <td>Total</td> <td>547</td> <td>3.73 3</td> </tr> </table>		Course s	Hour s	CGE- REA Auditor s	82	455	College s	465	3.27 8	Total	547	3.73 3
	Course s	Hour s																
CGE- REA Auditor s	82	455																
College s	465	3.27 8																
Total	547	3.73 3																
	Expert Accountant		Yes			The CGE offers a multitude of continuing education courses for accounting experts every year, through its specialized accounting body, Accounting Economists, and the professional associations that are part of the collegiate institution. Annuities are established from October 1 to September 30.												
<i>Data Center Measurement</i> An approach is established to measure the CPD of accounting professionals by using the results-based approach, the input-based approach, or both.	Certified Auditor	ICAC/CGE-REA	Yes			We believe that the approach is input-based												
	Expert Accountant					We believe that the approach is input-based												
<i>Results-based approach</i> With an outcome-based approach, accounting professionals must develop and maintain professional competence, which is demonstrated by	Category 1																	
	Category 2																	

achieving learning outcomes relevant to their performance such as accounting professionals.						
<p><i>Input-based approach</i></p> <p>With an input-based approach, accountants must develop and maintain professional competence, which is demonstrated by completing a specified number of learning and development activities relevant to their performance as accounting professionals.</p> <p>accounting.</p>	Certified Auditor	ICAC/CGE-REA	Yes			The number of hours to be completed each triennium and the minimum number of hours to be completed annually have already been indicated above. In addition, at least twenty hours of continuing education in one year and eighty-five hours in three years must be completed in matters relating to accounting and auditing.
	Expert Accountant			Yes		The number of hours to be completed each triennium and the minimum number of hours to be completed annually have already been indicated above.
<p><i>Monitoring and compliance with the DPC</i></p> <p>It specifies the nature and extent of the verifiable evidence that accounting professionals must maintain about the DPC in which they have participated.</p>	Certified Auditor	ICAC/CGE-REA	Yes			Public law corporations representing auditors, universities, higher education centres accredited by the National Agency for Quality Assessment and Accreditation or equivalent body at the regional level, audit firms,

						groups of audit firms, groups of practising individual auditors and training centres that carry out continuing education activities, shall submit to the Institute of Accounting and Auditing, in November of each year, an annual statement of the activities completed in the twelve months prior to 30 September of each year
	Expert Accountant					As mentioned in previous sections, continuing education will consist of 20 hours per year in accounting and related subjects (courses, seminars, conferences, conferences, forums, congresses) and must be approved by the REC. Its calculation may be made for periods longer than one year, depending on what the Board of Directors determines.

<p>A systematic process is established to (a) monitor whether accountants meet the CPD requirements of the IFAC member body and (b) apply appropriate sanctions in the event that such requirements are not met</p>	<p>Certified Auditor</p>	<p>ICAC/CGE-REA</p>	<p>Yes</p>			<p>The ICAC in the field of public supervision is responsible for the continuous training of auditors.</p> <p>In accordance with the above, it carries out activities to inspect the compliance of auditors with continuing education obligations. The sanctioning regime established in Law 22/2015 on Auditing of Accounts establishes that non-compliance with the provisions of the regulations in relation to the monitoring of continuous training is considered a serious infringement. The penalties that can be established can involve a fine of a minimum amount of 6,001 euros and a maximum of 18,000 euros.</p>
	<p>Expert Accountant</p>		<p>Yes</p>			<p>In the area of the Chartered Accountant, the Board of Directors of the REC] is responsible for</p>

						the inspection of compliance with continuing training.
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HEI Requirements	Category of Professional Accountant	Authorized Entity	Yes	No	Partially	Comment
<p>IES 8, Professional Competence for Engagement Partners Responsible for Audits of Financial Statements</p> <p>Effective Date: January 1, 2021</p> <p>Objective: To establish the professional competence that accounting professionals develop and maintain when they work as partners in a firm.</p>						
Accountants who serve as partners in a firm must develop and maintain a professional competency that is demonstrated through the achievement of learning outcomes including, but not limited to, those that are indicated in IES 7 , Table D.	Certified Auditor	ICAC/CGE-REA	Yes			The same training obligations as those indicated for the previous section relating to HEI 7 are applicable to the Partners of an assignment
Accounting professionals who serve as partners in a firm must participate in CPD that develops and maintains the professional competence required for this role.	Certified Auditor	ICAC/CGE-REA	Yes			Same comment as the previous section

Action Plan Subject: SMO 3—International Standards and other Pronouncements Issued by the IAASB

Action Plan Objective:

Background:

REA

- REA-CGEE is not legally responsible for the adoption of auditing standards in Spain, since it is the ICAC (Body under the Ministry of Economy and Digital Transformation) that issues the standards, although it has a very important role, since according to the Law on Auditing of Accounts: *"Technical auditing standards, the rules of ethics and internal quality control standards of auditors and audit firms shall be drawn up, adapted or revised in accordance with the general principles and commonly accepted practice in the Member States of the European Union as well as with the international auditing standards adopted by the European Union; by the public law corporations representing those who carry out the activity of auditing accounts, after public information for a period of two months and will be valid from their publication, by resolution of the Institute of Accounting and Auditing of Accounts, in its "Official Gazette"*.
- Technical auditing standards (Spanish GAAS) are those contained in the Audit Law (Law 22/2015), its implementing regulations (Royal Decree 2/2021), the international auditing standards adopted by the European Union and the technical auditing standards. The Recognized Auditing Corporations (professional accounting organizations) (REA-CGEE and ICJCE) develop the Generally Accepted Auditing Standards in Spain that are based on the ISAs (ISAs), and are approved as NIA-ES adopted in Spain. These standards are based on the official translation of the ISA international standard (NIA) where the relevant aspects to be taken into account required by Spanish legislation are added, where applicable.
- The ICAC formally approves and publishes auditing technical standards that are mandatory for all auditors and audit firms. The ICAC adopted the International Standards on Auditing (ISAs), translated into Spanish, by Resolution of October 2013, applicable to audits of financial statements for periods beginning on or after January 1, 2014. Subsequently, the updates that have taken place in international standards have been transferred to our legal system. In this regard, in December 2016 a Resolution was published updating the ISAs of the 700 series, on the preparation of the audit report, which is effectively applicable to audits of financial statements for years beginning on or after June 17, 2016. And subsequently, new ISA-ES updates have been published as a result of ISA updates (e.g., ISA 720R, ISA 250R, NIA610R, etc.)
- In accordance with the provisions of Law 22/2015 on the audit of accounts, REA-CGEE participates in the ICAC's Technical Group on Auditing Standards, where the ISAs and their updates for their adoption in Spain of new ISAs are studied and analysed and the additions that, where appropriate, are necessary in accordance with Spanish regulations are determined. REA-CEGEE collaborates permanently in this working group through a continuous process in which the translation of updates and new standards issued by the IAASB is reviewed to adapt to the Spanish casuistry, trying to ensure that there are no major differences with respect to the date of entry into force of each standard.
- REA-CGEE publishes communications, notice notes, and other documents informing of updates and revisions of the standards, offering action guides and other support material to assist its members in the implementation of the new standards that are being published. In addition, it organises training activities

through congresses, national and regional seminars, and continuing education programmes; disseminates information on ISA updates and revisions; and prepares orientation material.

- In addition, REA-CGEE provides comments on the drafts for public exhibition and other pronouncements of the IAASB.

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption/Supporting Adoption of ISAs (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Ongoing	<p>Development of guides and other ISA-ES application material, including translation of help materials and guides published by the IAASB:</p> <p>Updating the database of examples of KAM in EIP and non-EIP;</p> <p>Revision and translation of IAASB guides and other material;</p> <p>Updating of the different sections of the REA Auditors website with the new developments that arise, and other support material for the auditor's work;</p> <p>Press articles, notice notices and other communications disseminating news and regulatory developments in the EU.</p>		REA-CGEE	
	Ongoing	<p>Continue to monitor and review of new and amended pronouncements issued by the IAASB. Technical Department reports in each meeting of the Standards and Procedures Commission (CNyP) on the news and CNyP decides on the action to be taken to disseminate these pronouncements (translations, communiqués, etc.).</p>		REA-CGEE	
	Ongoing	<p>Continue to inform on new and/or amended ISREs, ISAEs and IRSs.</p> <p>Continue to support implementation of IAASB pronouncements</p>		REA -CGEE	
	Ongoing	<p>Continue to establish and maintain Action Plans to support ongoing convergence with IAASB pronouncements. This includes review of the implementation of the Action Plan to date and preparation of the Action Plan for future activities as necessary</p>		REA-CGEE	

	Ongoing	We participate, with two members of REA Auditores, in the ICAC Translation Committee, which is responsible for the translations of the pronouncements issued by the IAASB.		REA-CGEE	
<i>Support Implementation of Auditing Standards (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Ongoing	<p>Organization of congresses, seminars and various conferences to inform the members of REA Auditores of the new developments that are emerging as well as to reinforce the knowledge of the ISAs and their practical application.</p> <p>During 2023, numerous workshops and sessions are being organized on the new quality management standards as well as the ISAs that have been modified as a result of the adoption of new updates of these standards (ISA-ES 250R, 610R, 315R, 700R, 720R)</p>		REA-CGEE	
		Press articles, notice notices and other communications disseminating news and regulatory developments in the EU.			
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Ongoing 2022-2023	<p>The General Council of Economists (CGE), through its body REA Auditores, is part of the Technical Group on Technical Auditing Standards of the ICAC, participating in the adaptation of the ISAs in Spain (NIA-ES).</p> <p>Updating of all ISAs to incorporate Conforming Amendments</p>	Ongoing Finals 2023	EA Technical Dept.	REA Technical Dept.

		(MCs) published since 2013. Revised ISA 600.	Mid 2023		
	2023	Preparation and publication of communications informing of the new developments introduced by the update of the ISAs as a result of the CMs.	Finals 2023	REA Technical Dept.	REA Technical Dept.

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants

Action Plan Objective:

Background:

REA- CGEE

- Law 22/2015, of July 20, 2015, on Auditing of Accounts includes a section dedicated to the independence of the auditor in the exercise of the auditing activity. The concept of independence includes by law any conflict of interest that may directly or indirectly influence the work of the auditor or participation in the management or decision-making of the audited company.
- The Institute of Accounting and Auditing (ICAC) assumes by law the function of supervising compliance with the principle of independence defined by the Law on Auditing of Accounts.
- The Law obliges the auditor of accounts and audit firms to implement a procedure for identifying threats to independence and defining safeguard measures within the scope of the audit activity. These procedures need to be periodically evaluated, applied to each job, and documented as part of the working papers for each assignment.
- In addition to identifying situations of incompatibility arising from personal situations or situations arising from the provision of services, including related entities or entities with a situation of control by the audited company, it establishes a rotation regime in the hiring of the auditor (in EIP) and criteria for transparency in fees.
- ISA ES-210 on Engagement Terms Agreements establishes the obligation of the auditor to comply with the requirements of ethics and independence, and ISA ES 260 on communication with those responsible for the governance of the audited entity refers to the fact that not only the team in charge but also other persons belonging to the auditing firm as appropriate comply with the ethics requirements.
- In 2017, the General Council of Economists and its specialized bodies approved the current Code of Ethics for professional practice, which updates the previous code of 2011, maintaining the commitment to ethical principles, rules of conduct and good practices in professional practice. In addition, and given the organisational structure of the CGE and its specialised bodies, the Professional Associations have developed their codes of ethics accepted by their members in the exercise of their auditing and/or accounting activity.
- In June 2022, the indicative model of the Code of Ethics and Conduct applicable to auditors was published

REC

- The legislator attributes to each Association the responsibility of regulating the social and ethical aspects of the profession in its geographical area. Therefore, the Economist – when carrying out the professional accounting activity – must follow the

provisions of the code of ethics of their respective Association of Economists or Commercial Graduates. Although this code does not regulate quality control procedures, it does promote certain practices that may be related to compliance with certain quality standards.

- In addition to the above territorial codes of ethics, mention should also be made of the Code of Ethics of the General Council of Economists of Spain. This code does not intend, therefore, to invade the competences of the Autonomous Councils of Associations or the Associations of Economists, but to provide them with a service, offering them a text that complements and, where appropriate, replaces the Codes that they may elaborate, and that contributes, if necessary, to unifying criteria, for a better service to the members.
- The General Council of Economists (CGE) and the Institute of Chartered Accountants of Spain (ICJCE), as the only public law corporations representing auditors and accountants in Spain, have signed a collaboration agreement through which they have created the Register of Accounting Experts (REC), which will bring together and represent the group of professionals. Highly qualified in accounting, who have previously passed the established requirements. Both institutions, which share interests in accounting and auditing issues, have decided to join forces, once again, to develop and launch this new recognition of the professional figure of the Accounting Expert.
- The purpose of the REC] is to enhance the functions of the Chartered Accountant and help to set up a model for the recognition of this activity in our country (in Spain, contrary to what happens in the countries of reference in our environment, such as Germany, France, Portugal and various Anglo-Saxon countries, there is no legal framework that regulates this figure).
- In this way, both corporations intend to establish a system that allows them to respond to the needs of companies and other entities, as well as to society in general (especially at times like the present, in which accounting is a key element for their development), enabling them to identify the most qualified professionals for the provision of this service.
- Accredited Chartered Accountants must follow the Code of Ethics. This Code of Ethics, which is based on the IESBA Code of Ethics, establishes the fundamental ethical principles that must be complied with by the accounting expert and offers a conceptual framework for their application. The existence of this Code of Ethics is justified by the fact that one of the essential features of the accounting expert is his or her public responsibility in relation to financial and accounting information, in order to respond to the needs of companies and society as a whole.
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Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption/Supporting Adoption of IESBA Code of Ethics (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
		Continuous updating of the CGEE Code of Conduct		CGEE	
<i>Support Implementation of IESBA Code of Ethics (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
		Ethics Training (Auditor Code of Conduct)		REA-CGEE	
		Access and dissemination of the Code of Ethics and Conduct for the Auditor of Accounts through the REA-CGEE website		REA-CGEE	
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource

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

Background:

REA- CGEE

- The General State Comptroller (IGAE) is the internal body of the Administration in charge of the management of public accounting, the body that controls the economic and financial activity of the public sector and adapts international accounting and auditing standards.
- The General Plan of Public Accounts, which was approved by ministerial order issued by the Ministry of Finance in 2010, has pursued the objectives of accounting harmonization between the different public administrations and adaptation to the International Public Sector Accounting Standards (IAS-SP) developed by the International Federation of Accountants (IFAC) through the International Public Sector Accounting Standards Board. In 2021, the amendments for the preparation of consolidated annual accounts are included by ministerial order. For the regulatory adaptation, the IGAE set up a working group in which representatives of the different administrations (state, regional and local) and the academic field participated to discuss proposals. The Plan was approved as a framework chart of accounts for all public administrations and mandatory for the State administration.
- On October 25, 2019, the IGAE approved the adaptation of the Public Sector Auditing Standards to the International Standards on Auditing, which included 34 ISA standards and the Public Sector Code of Ethics. To this end, in accordance with the Resolution of February 18, 2014, the Public Sector Auditing Standards Commission (CNASP) was set up, with the participation of representatives of the public and private sectors related to the activity of auditing accounts (one representative of each REA-CGEE and ICJCE corporation).
- On March 21, 2022, the initiation, direction, coordination and promotion of the adaptation and integration of the Audit quality management standards based on those developed by the ICAC was approved. The rules will be adapted by CNASP and will be subject to a period of public information.
- In addition to the accounting and internal control body of the Administration, in Spain (IGAE) the Constitution creates the Court of Auditors as the external control body of the economic and financial management of the Public Sector. This body is part of INTOSAI.
- The Public Sector Committee has been set up in REA-CGEE, in which public auditors and private auditors participate and whose objective is to promote relations with public institutions at the state and regional level (OCEX) and the internal control bodies of local entities, and to promote public-private collaboration by contributing to the improvement of knowledge of the public sphere among private auditors. To this

end, it promotes study, analysis and dissemination activities through the development of specific training plans, the holding of specific public sector conferences and publications.

- In accordance with the provisions of the previous paragraphs REA-CGEE:
 - a) It participates in the process of establishing international standards and contributes with its contributions to the preparation of the final texts.
 - b) It monitors the modifications in the standards and pronouncements issued by the IPSASB, issuing technical notebooks to guide both public and private auditors for their implementation
 - c) Offers training activities
 - d) Publishes technical notebooks on the ISAs SP

REC

- In 1981, the first General Public Accounting Plan was approved, applicable to the state public sector, but was later applied to all administrative bodies. In 1983, a new version of the Plan was adopted, applicable to the entire public sector, except for state-owned companies. Subsequently, adaptations of this Plan were approved for certain public bodies with specific characteristics. In 1986, Royal Decree 324/1986 introduced an integrated accounting and budgetary information system called SICOP. The set of reforms carried out culminated in the approval in 1994 of a new General Public Accounting Plan, which introduced all the necessary modifications and adaptations to ensure more efficient management of the public sector. The approval of a new General Chart of Accounts in 2007 applicable to the private sector, and the adaptation of international accounting standards and all European regulations, will influence the accounting regulation of the public sector. In addition, the adaptation of the public sector accounting system to the new requirements of control, transparency and budgetary stability set out in General Budget Law 47/2003, of 26 November, establishes the need to draw up new accounting regulations for the sector, leading to the approval of a new General Public Accounting Plan in 2010. Subsequently, Organic Law 2/2012, of April 27, 2012, on Budgetary Stability and Financial Sustainability, establishes the principles of financial sustainability, multi-annuality, responsibility and institutional loyalty as fundamental principles in the management of these entities. It is a further step towards achieving accounting harmonization, the application of international accounting standards and the consolidation of the principles of transparency and efficiency in management. A new General Public Accounting Plan is approved by Order 820/2021 of the Ministry of Finance, which modifies the 2010 General Public Accounting Plan and includes the amendments introduced by Order 1489/2013 on the preparation of Consolidated Annual Accounts.

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Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption/Supporting Adoption of IPSASs (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
<i>Support Implementation of International Public Sector Accounting Standards (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Continuous	Include in the Auditor Training Plan activities aimed at promoting knowledge of ISAs among auditors who perform or will perform functions as collaborating auditors in Public Sector audits.	2023	REA-CGEE	
		Keep the Public Accounting and Auditing Manual up to date		CGEE Public Sector Committee	
		Activities aimed at training economists who intend to work in the public sector, (Public Sector Accounting and Auditing Manual, courses on next generation funds, amendments to the Subsidies Act or the Public Sector Contracts Act)		EC	
		Conferences aimed at both the public auditor and the collaborating auditor that promote the exchange of knowledge and improve public-private collaboration.	2023	Public Sector Committee	
	Current	Publication of the technical notebook on operational audits in accordance with the standards and guidelines issued by ISSAI-ES (100; 300; 3000; 3100) for the OCEX, they are the GPF-OCEX (3000; 3910; 3920).	2023	Public Sector Committee	
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource
	Pending public information process	Provide input on the adaptation of public sector quality management standards once they are submitted to public information	2 months from publication	REA-CGEE	REA-CGEE

Action Plan Subject: SMO 6—Investigation and Discipline
Action Plan Objective:

Background:

REA CGEE

- In addition to the rest of the aspects that will be discussed below, we must also consider that the General Council of Economists of Spain is a public law entity and as such is subject to certain obligations such as Law 19/2013, of 9 December, on transparency, access to public information and good governance. This Law, in addition to requiring the publicity of certain issues such as the transparency of economic data, must also guarantee good governance within the corporation itself, which implies acting as transparency, due diligence, impartiality and with independent criteria and unrelated to any particular interest. In the event of non-compliance, certain conflict of interest or disciplinary sanctions are foreseen.
- Law 22/2015, of July 20, 2015, on Auditing of Accounts assigns to the ICAC the control of the activity of auditing accounts through inspections and investigations. It also exercises the power to impose penalties.
- The Act defines infringements, including non-compliance with auditing standards resulting from a reasonably justified legal or technical discrepancy in their interpretation or application.
- The investigation and sanction procedure is regulated within the Law on the Common Procedure of the Administration.

REC

- As mentioned in the section "Code of Ethics for Professional Accountants", all economists are subject to the Code of Ethics of each of their professional associations, whose documents establish a series of duties and obligations, as well as a disciplinary regime in the event of non-compliance.

The Statute of the CGE and for the purposes of the members of the General Council of Economists and the Governing Boards of the Associations that it groups has a recognized disciplinary regime, which typifies infractions and defines infractions to its members. The opening of the procedure corresponds to the Standing Committee, and the Plenary, which resolves and imposes the sanction if appropriate. A member of Consejo General de Economistas (REA, EC, REAF, REDI) must comply with the rules and principles included in the code of deontology and ethics of the profession and, if said non-compliance is confirmed, it would be expelled.

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Establishing/Supporting the Establishment of I&Ds (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
		<p>Among the follow-up activities carried out by the General Council of Economists of Spain, we can highlight those referring to the continuous training of Accounting Experts. Those professionals, accredited as Accounting Experts, who do not comply with the minimum number of hours established after a warning period, in case of repeated non-compliance would imply the loss and withdrawal of the accreditation.</p> <p>In the same vein, with regard to disciplinary proceedings, the Council, as well as the respective Associations of Economists, carry out an important sanctioning task by instructing different procedures for non-compliance with the codes of conduct, which may imply the suspension of the association for a certain period of time or indefinitely.</p>		EC-CGEE	
<i>Support Implementation of Investigation and Discipline (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					

#	Start Date	Actions	Completion Date	Responsibility	Resource

SMO 6 Best Practices	Yes	No	Partially	Comments
<p>(For #) Scope of the system A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.</p>		No		Not for the accounting profession, but for the professional activity of auditing accounts through its supervisory body, the ICAC
<p>Information about the types of misconduct which may bring about investigative actions is publicly available.</p>				<p>Auditors and audit firms are required to keep a register containing at least the information relating to serious or very serious infringements declared by a final administrative decision by the Institute of Accounting and Auditing of Accounts.</p> <p>The ICAC must publish the definitive inspection report. Only the parts of the inspection report relating to the scope of the review carried out, the main details of the audited auditor relating to its size, as well as a summary of the deficiencies revealed as a result of the inspection shall be published. The summary shall distinguish between deficiencies relating to quality control policies and procedures and deficiencies relating to the performance of audit work. In no case will the identification data of the audited entities be published, although the number of works and entities selected for the review of files will be published, indicating both the sector in which they operate and the type of entity of public interest, as well as the number of</p>

SMO 6 Best Practices	Yes	No	Partially	Comments
				works and entities and the sector in which they operate to which the deficiencies refer.
<p>Initiation of Proceedings Both a "complaints-based" and an "information-based" approach are adopted.</p>	Yes			<p>Yes, by the ICAC, as it can carry out inspections based on complaints received.</p> <p>The OER Auditors is obliged to inform the ICAC of any regulatory non-compliance that it may become aware of from information received from third parties.</p>
Link with the results of QA reviews has been established.			Partially	<p>In the case of auditors, the ICAC publishes the Activity Control Plan annually in which it identifies the deficiencies detected in inspections and investigations</p> <p>The REA Auditors communicates the results of these control plans to its members and carries out specific training actions, with ICAC staff, with staff of the corporation or with third parties, to disclose the deficiencies detected and offer recommendations to avoid possible non-compliance.</p>
<p>Investigative process A committee or similar body exists for performing investigations.</p>	Yes			In the activity of auditing accounts, it is the responsibility of the ICAC
Members of a committee are independent of the subject of the investigation and other related parties.	Yes			<p>The inspection, investigation or verification functions of the Institute of Accounting and Auditing shall be carried out by the civil servants in its service.</p> <p>However, when the needs of the service so require, and the insufficiency of resources is adequately accredited, it will be possible to hire third parties to carry out only merely instrumental tasks within the aforementioned functions.</p>

SMO 6 Best Practices	Yes	No	Partially	Comments
				The procurement will be carried out through a service contract under the terms of the public sector contract legislation. The REA Auditores has applied for this public sector contract tender and has been awarded to perform this service.
<p>Disciplinary process A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.</p>				In the activity of auditing accounts, it is the responsibility of the ICAC
Members of the committee/entity include professional accountants as well as non-accountants.	Yes			<p>In the activity of auditing accounts, it is the responsibility of the ICAC</p> <p>The Audit Committee, in accordance with the twelfth additional provision, is composed of different representatives of institutions, such as the General Council of Economists of Spain.</p>
The tribunal exhibits independence of the subject of the investigation and other related parties.	Yes			<p>In the activity of auditing accounts, it is the responsibility of the ICAC</p> <p>If, in accordance with article 58 of the Audit Act, certain cases of incompatibility are foreseen, such as having belonged to the administrative body or maintained an employment or contractual relationship with the audit firm</p>
<p>Sanctions 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.</p>				It is the ICAC that has this sanctioning power in Spain and depending on the severity of the non-compliance, it may result in the removal from the Official Register of Accounts and therefore the impossibility of signing audit reports.

SMO 6 Best Practices	Yes	No	Partially	Comments
<p>Rights of representation and appeal</p> <p>A third appeals body exists which is separate from both the disciplinary committee and investigative committee.</p>	Yes			<p>Resolutions of the Minister of Economy and Competitiveness resolving appeals against acts issued by the Institute of Accounting and Auditing of Accounts, as well as resolutions of a regulatory nature issued by the Institute of Accounting and Auditing of Accounts directly, in sole instance, before the Contentious-Administrative Chamber of the National High Court.</p>
<p>Administrative Processes</p> <p>Timeframe targets for disposal of all cases are set.</p>	Yes			<p>Spanish legal regulations allow for a time limit for the filing of an ordinary appeal against decisions issued by the ICAC</p>
<p>Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.</p>	Yes			<p>It is the power of the ICAC who, depending on the result of the inspection, will communicate its report with the improvement measures to the auditor, so that he can implement them, indicating the deadline for their implementation in the next inspection carried out by the Institute.</p>
<p>Records of investigations and disciplinary processes are established.</p>				<p>Auditors and audit firms are required to keep a register containing at least the information relating to serious or very serious infringements declared by a final administrative decision by the Institute of Accounting and Auditing of Accounts.</p> <p>The ICAC must publish the definitive inspection report. Only the parts of the inspection report relating to the scope of the review carried out, the main details of the audited auditor relating to its size, as well as a summary of the deficiencies revealed as a result of the inspection shall be published. The summary shall distinguish between deficiencies relating to quality control policies and procedures and deficiencies relating to the performance of audit work. In no case will the identification data of the audited entities be published, although the number of works and entities selected for the review of files will be</p>

SMO 6 Best Practices	Yes	No	Partially	Comments
				published, indicating both the sector in which they operate and the type of entity of public interest, as well as the number of works and entities and the sector in which they operate to which the deficiencies refer.
<p>Public Interest Considerations Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.</p>	Yes			REA-CGE training and information sessions
<p>A process for the independent review of complaints on which there was no follow-up is established.</p>		No		<p>The REA Auditores, in accordance with the auditing regulations, communicates to the ICAC all the information that it may know and that entails a breach of the applicable regulations.</p> <p>The ICAC is the competent body to decide whether the complaint is to be archived or to proceed to carry out complementary actions by the Institute</p>
<p>The results of the investigative and disciplinary proceedings are made available to the public.</p>	Yes			Annual REA-CGE training sessions for auditors on the main deficiencies detected in quality controls
<p>Liaison with Outside Bodies There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.</p>		No		The ICAC is responsible for reporting to the regulatory bodies and the Commercial Registry, in accordance with the Law and Regulations, the crimes and serious misconduct of the auditors.
<p>Regular review of implementation and effectiveness Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.</p>	Yes			Yes, by the ICAC

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective:

Background:

REC

- From the point of view of the preparation of financial and non-financial information, the General Council of Economists of Spain constituted the specialized body of Accounting Economists. This commission was created with the purpose of serving as a channel and point of union between the various activities of the Economist and its relationship with financial information in general and accounting in particular. With the adoption by the European Union of IAS and IFRS, their transfer to our legal framework, together with the growing importance that accounting and financial reporting issues have in all economic and business areas, it was advisable to give shape to what was a fact within our organization. That is why, since its inception, this cross-cutting committee and registry has been basically dedicated to the treatment, study, analysis, technical reports, training, issuance of opinions and structure of all aspects related to accounting and financial information that affect or are a priority at all times for our professional activity, in all its areas of activity. At the same time, within the activities of Accounting Economists, there is the accreditation of the Accounting Expert. This accreditation is administratively managed together with the Institute of Chartered Accountants of Spain and aims to bring the figure of the accounting expert in Spain into line with the rest of the countries of the European Union.
- In Spain, following the first and previous sectoral adjustments and the 1990 General Chart of Accounts, as is well known, the European Council in Lisbon (23 and 24 March 2000) stressed the need to speed up the adoption of measures to improve the comparability of the financial statements of publicly listed companies. All this in order to contribute to a better functioning of the internal market. This letter of intent led to the adoption by the European Union of Regulation No 1606/2002 of the European Parliament and of the Council of 19 July 2002¹³. The adoption of this standard was a major step towards achieving accounting harmonisation at European level since, for financial years beginning on or after 1 January 2005, companies whose securities have been admitted to trading on a regulated market in any Member State have been required to prepare their consolidated accounts in accordance with the international accounting standards adopted by the Union itself European. These standards, hereinafter IFRS, are preliminarily prepared by the IASB, a private international body independent of the European Union, in charge of developing accounting standards and interpretations. Once this body makes its proposal for standards, the European Union – after consulting its advisory body EFRAG – adopts regulations by approving them, making them mandatory for all listed companies that prepare consolidated accounts. This entire process of accounting harmonisation began in Spain with the approval of Law 16/2007, of 4 July, on the reform and adaptation of commercial legislation on accounting matters for its international harmonisation based on European Union regulations. This first regulation was followed by the approval of the current General Chart of Accounts, as well as its corresponding adaptation to SMEs, which came to replace the previous PGC in force since 1990. As with auditing, the ICAC is responsible for drawing up accounting standards, however, the General Council of Economists of Spain

participates very actively through representation on the Accounting Advisory Council, now called the Corporate Information Council due to the fact that its functions with respect to sustainability information have been expanded.

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption/Supporting Adoption of IFRSs (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Current	Training sessions on technical guides prepared by the REC] whose purpose is to increase the quality of professional services in these areas	2023	EC-CGE	<i>Own and contracted</i>
	Continuous	Include in the Training Plan for Accountants activities aimed at promoting knowledge of the REC's technical guides]	2023	EC-CGE	EC-CGE
	Current	Include in all accounting conferences papers to explain the REC guidelines and professional best practices	2023	EC-CGE	EC-CGE
<i>Support Implementation of International Financial Reporting Standards (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Ongoing	The General Council of Economists of Spain participates very actively in the different Committees of the Institute of Accounting and Auditing (ICAC), including the Audit Committee; the Corporate Information Council and the ICAC Translation Committee.		CGEE	
		Organization of congresses, seminars and various conferences to inform economists of the new developments that arise in the preparation of financial and non-financial information.		CGEE	

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					