

BACKGROUND NOTE ON ACTION PLANS

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

1. The legal and regulatory environment for the profession;
2. The status of adoption of international standards and best practices in the jurisdiction; and
3. The actions undertaken by IFAC Members and Associates to support adoption and implementation of international standards and best practices.

IFAC [Statements of Membership Obligations](#) (SMOs) require IFAC Members and Associates to support the adoption¹ and implementation² of international standards and other pronouncements issued by independent standard-setting boards (IAASB, IESBA, IPSASB), and the IES, 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 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.

Use of Information

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

The regular updates of the SMO Action Plans are required as part of the [IFAC Member Compliance Program](#). The SMO Action Plans are also essential to IFAC's [reporting on the global status of international standards](#). The SMO Action Plans are a key source of information that IFAC utilizes as part of its process and methodology for [assessing the status of adoption of international standards in each member jurisdiction](#) in collaboration with the international independent standard-setting boards. IFAC also assesses the adoption, implementation support, and other best practices (also known as SMO Fulfillment) for [each IFAC member organization](#) utilizing information contained in the SMO Action Plans along with a plethora of third-party

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.

sources. This information is summarized in Dashboard Reports (DBRs) which are updated by IFAC alongside each SMO Action Plan submission. Therefore, it is important that the SMO Action Plan contains the most up-to-date, relevant information and actions related to the SMOs.

ACTION PLAN

IFAC Applicant: Ordre National des Experts Comptables Algeriens

Approved by Governing Body: Conseil National de la Comptabilite

Original Publish Date:01/10/2023

Last Update: 07/15/2024

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			
I&D / SMO 6			
IFRS / SMO 7			

Attestation of SMO Compliance

The **ONEC-ALGERIA** 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 **ONEC-ALGERIA** 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 **ONEC-ALGERIA** 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 **ONEC-ALGERIA**, 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

MoF	Minister of finance
MoHE	Minister of Higher Education
CNC	National Accountancy Council
ONEC	Ordre National des Experts-comptable
CNCC	Chambre Nationale des Commissaires aux comptes
ONCA	Organisation National des Comptables Agrées
NAA	Algerians Audits Standards
D&A	Disciplinary and arbitrage
IAASB	International Assurance and Auditing Standards Board
I&D	Investigation and Discipline
IES	International Education Standards
IESBA	International Ethics Standards for Accountants
IFRS	International Financial Reporting Standards
IPSAS	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: Development of a mandatory QA review system in accordance with ISQM1

Background:

The overall framework for quality control in Algeria is based on the objectives defined by Law 10/01 of 29/06/2010 relating to the professions of Chartered Accountants, Auditors and Certified Accountants, as well as Executive Decree No. 11-24 of 27 January 2011 fixing the composition, organization and operating rules of the National Accounting Council.

To this end, joint committees have been set up at the National Accounting Council (CNC), including the "Quality Control" joint committee, whose missions were defined by Article 22 of Executive Decree No. 11-24 mentioned above. The committee is responsible for:

Developing work methods for service quality;
Providing opinions and proposing regulatory texts on quality;
Ensuring the quality of audits entrusted to accounting professionals;
Establishing standards for the organization and management of firms;
Establishing procedures for ensuring quality control of firm services;
Monitoring compliance with independence and ethical rules;
Establishing a list of controllers chosen from professionals to ensure quality control missions;
Organizing seminars on technical quality of work, ethics, and professional conduct in terms of advice and rapport with clients.
Since its installation, this committee has worked on popularizing work standards for firms, and has published various working guides, including:

The Quality Control Guide

The Self-Control Guide for Audit Firms and Accounting Professionals

Typical Work File of the Chartered Accountant, the Certified Accountant "Presentation Mission/or Financial Statement Preparation"

Typical Work File of the Auditor

Currently, this committee is working on a training program for quality controllers, who will be selected from professionals and will be responsible for reviewing the quality of work at the professional level.

To align with international practices, it has been decided to adopt quality management standards called Suits:

Algerian Quality Management Standard 1

Algerian Quality Management Standard 2

Algerian Audit Standard 220

These standards were largely inspired by the international standards: ISQM1, ISQM2, and ISA 220 revised. The Quality Control Committee validated these standards in December 2022. These standards are currently being translated into Arabic (the country's official language). Once the translation is validated, these three standards will be signed by the Minister of Finance and published to enter into effect incrementally.

Even though these standards have not yet come into force, awareness-raising sessions have already been undertaken by the Order of Chartered Accountants. An entire panel was dedicated to these standards on the first day of the Algerian Chartered Accountants' Congress, where a communication was made in this regard to give a general overview of these standards and to raise awareness among professionals about their implementation.

In addition to this, many professionals were able to attend the workshop series organized by PAFA and SAICA on the implementation of quality standards since April 2022.

Self-Assessment against the Main Requirements of SMO 1

Requirements	Y	N	Partially	Comments
Scope of the system 1. At a minimum, mandatory QA reviews are required for all audits of financial statements.	X			With the entry into force of quality standards, this will be mandatory.
Quality Control Standards and Other Quality Control Guidance 2. Firms are required to implement a system of quality control in accordance with the quality control standards.	X			With the entry into force of quality standards, this will be mandatory.
3. Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.	X			The Algerian quality standards NAQM1, NAQM2, and NAA220 were largely inspired by international standards. (available in French and the Arabic version and English translation will be provided when available)
4. Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	X			

Requirements	Y	N	Partially	Comments
Review cycle 5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.			X	This point is still under discussion at the Quality Control Committee. (A plan will be provided when the committee has decided on the way forward)
6. For cycle-based approach, quality control reviews are required to take place at least every six years (and every three years for audits of public interest entities).			X	This point is still under discussion at the Quality Control Committee. (A plan will be provided when the committee has decided on the way forward)
QA Review Team 7. Independence of the QA Team is assessed and documented.			X	Conditions are being processed by the Quality Control Committee. (A plan will be provided when the committee has decided on the way forward)
8. QA Team possesses appropriate levels of expertise.			X	Conditions are being processed by the Quality Control Committee.
Reporting 9. Documentation of evidence supporting the quality control review report is required.			X	Conditions are being processed by the Quality Control Committee.
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.			X	Conditions are being processed by the Quality Control Committee.
Corrective and disciplinary actions 11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.			X	Conditions are being processed by the Quality Control Committee.
12. The QA review system is linked to the Investigation and Discipline system.		X		As the QA review system is developed, it will be aligned to the existing Investigation and Disciplinary system in place.

Requirements	Y	N	Partially	Comments
Consideration of Public Oversight 13. The body responsible for QA reviews cooperates with its oversight body and shares information on the functioning of the QA review system, as needed.		X		To be developed over time, as the QA system is rolled out of the broader ,membership
Regular review of implementation and effectiveness 14. Regular reviews of implementation and effectiveness of the system are performed.			X	Conditions are being processed by the Quality Control Committee.

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>					
1		Adoption of both ISQM1 and revised ISA 220 by the standards commission			
2		Submission of the two standards ISQM1 and ISA 220 revised for approval by the Ministry of Finance before official publication and entry into force.			
3	January 2024	Raise awareness of quality culture among ONECA and CNCC members <ul style="list-style-type: none"> o Webcast o Conferences o Articles (press & social media) Share feedbacks from similar experience	Ongoing		
4		Launch a survey within public accounting firms to assess: <ul style="list-style-type: none"> o Level of knowledge of quality standards o The level of the quality control system within their firm 			
5		Evaluate survey results to identify gaps in relation to the two standards ISQM1 and ISA 220R			

6		Adapt communications approach and identify training needs			
7		Communicate and train to ensure a successful onboarding of members of the profession in the project			
8		Improve understanding of the new quality standards by : o Online communication (webcast) o Organizing training sessions and workshops			
9		Developing the resources needed to manage the QA system (procedures, tools and manual)			
10		Prepare the training material for quality controllers			
<i>Support Implementation of Quality and Assurance review system (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
1		Prepare quality control program and manuals			
2		Train the quality reviewers			
3		Encourage audit firms to perform a self-assessment evaluation and communicate results to the body			
4		Launch the first quality controls			

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements Issued by the IAESB
Action Plan Objective: Using best endeavors to promote alignment with 2019 revised IES – starting with implementing a mandatory CPD Program for members.

Background:

The process of accounting education in Algeria begins in secondary school and lasts for 2 years. After this preparatory stage, the Ministry of Higher Education and Scientific Research takes over, in accordance with the provisions of Executive Decree No. 08-265 of August 19, 2008, through its universities and specialized schools. Accounting studies last for 5 years and end with a 6-month practical internship, culminating in a Master's degree.

To obtain the certified public accountant (CPA) diploma, candidates must complete a 2-year internship with a certified public accountant, during which they prepare 8 internship reports on topics related to the profession (IAS/IFRS standards, local and international audit standards "ISA," internal control, business valuation, etc.). Candidates must pass a national exam called the "Final Exam in Accounting Expertise," which is jointly organized by the Ministry of Higher Education and Scientific Research and the Ministry of Finance (Executive Decree 74-11 of February 16, 2011) and consists of a written and an oral exam. During the oral exam, the candidate must defend their 8 reports before a practicing certified public accountant and a university professor.

Before practicing as an independent professional, the accountant must accumulate at least 3 years of experience in accounting and auditing.

After acquiring 3 years of experience, the trainee can choose to practice as a statutory auditor, a professional accountant, or both at the same time. In both cases, they must submit an application to join the desired professional accounting organization (CNCC or ONCA)."

Law 10-01 of June 29, 2010, established the Algerian CPA diploma, which will be awarded by the specialized education institute under the authority of the Minister of Finance.

On March 26, 2023, the National Order of Certified Public Accountants (ONEC) signed an agreement with the University of Algiers to create a professional master's degree in accounting expertise, in order to strengthen the accounting profession in quality and quantity. Similar agreements will be signed with other universities in other regions of the country.

As part of continuing professional development, the ONEC organizes ongoing training on the concerns and updates of professionals. The latest training, held on March 16-18, 2023, had the theme "Introduction to Public Sector Accounting Standards."

- In 2019, Algerian universities adopted the International Education Standards (IES) for professional accountants in pilot classes, which will be implemented in all universities starting in September 2023..

The current context in Algeria regarding the adoption status of the IES requirements:

<p>Are there any initial professional development requirements for all accounting professionals that align with the 2019 IES?</p>	<p>Yes</p> <p>IPD includes</p> <ul style="list-style-type: none"> • professional accounting and Audit education • practical experience, and • assessment. <p>Professional Accounting and Audit Education - Education and training that builds on general education, and develops</p> <p>(a) technical competence</p> <p>(b) professional skills, and</p> <p>(c) professional values, ethics, and attitudes.</p> <p>Accounting and audit studies last for 5 years and end with a 6-month practical internship, culminating in a Master's degree.</p> <p>In addition all prospective Professional Accountants and auditors will need to serve a term of two years under the guidance of a qualified Audit Principal at an Audit Firm.</p> <p>After completing the professional internship with a professional who is a member of the professional accounting organization (PAO) "ONEC," the trainee must accumulate at least 3 years of experience in accounting and auditing to be eligible for accreditation in bookkeeping and auditing by the Minister of Finance.</p> <p>Practical Experience - workplace and other activities that are relevant to developing professional competence.</p> <p>The Accountant must accumulate at least 3 years of experience in accounting and auditing in addition to the 2-year practical internship.</p>
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	<p>Assessment - Evaluation of professional competence developed through learning and development.</p> <p>Algerian universities adopted the International Education Standards (IES) for professional accountants in pilot classes, which will be implemented in all universities starting in September 2023</p>
Which entities are responsible for the adoption and implementation of these requirements?	<ul style="list-style-type: none"> - The Ministry of Higher Education and Scientific Research, - The Minister of Finance, - The ONEC.
Are there any requirements for continuous professional development for all accountants that align with the 2019 IES?	<ul style="list-style-type: none"> - No formal CPD policy in place however it is a recommendation by ONEC that all members attend all training that is provided in alignment with the requirements of IFAC as well as the Algerian 10.1 Law. The ONEC has offered training across all education components and has done this in partnership with the Ministry of Finance and other stakeholders. - On the other hand, the Training Commission of the National Accounting Council (Ministry of Finance), composed of accounting and auditing professionals, has included in its 2023/2024 action plan the preparation of a draft law making continuing professional education mandatory for accounting professionals and their colleagues, following the requirements of IES 7 (from 90 to 120 hours every 3 years).
Which entities are responsible for the adoption and implementation of these requirements?	<p>Minister of Finance ONEC</p>

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resources
<i>Adoption/Supporting Adoption of IES (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
1.	September 2023	Establishment of a commission responsible for carrying out a qualitative analysis of the requirements of the 2019 IES.	Ongoing	ONEC	Ministry of Higher Education and Scientific Research Minister of Finance ONEC
2.	Jan 2024	Preparation of a training program for trainers in IES standards.	Ongoing	ONEC	Ministry of Higher Education and Scientific Research CNC training commission
3.	Sep 2024	Organization of training sessions for trainers to strengthen the capacity of accounting teachers (professionals and academics) in order to increase their training skills in accordance with the requirements of the IES.	Ongoing	ONEC	Ministry of Higher Education and Scientific Research ONEC
4.	Ongoing	Updating training programs according to the requirements of the IES.	Ongoing	ONEC	Ministry of Higher Education and Scientific Research CNC training commission
5.	Ongoing	Consultation with the Ministry of Finance and the Ministry of Higher Education and Scientific Research for the validation of the new training policy.	Ongoing	ONEC	ONEC

Support Implementation of Educational Standards (See SMO Action Plan Update Explanatory Note for examples of possible actions)

6.	Jan 2024	Consultation with the Ministry of Finance and the Ministry of Higher Education and Scientific Research for the implementation of updated programs from the next academic year, especially for the professional master's degree.	Ongoing	ONEC	Ministry of Higher Education and Scientific Research CNC training commission
7.	Ongoing	Adoption of the IES requirements from the start of the specialized education institute provided by Law 10-01.	Ongoing	ONEC	CNC training commission
8.	Oct 2023	Voting a resolution during the ONEC's General Assembly making the contained training mandatory for accounting professionals who are members of ONEC.	Ongoing	ONEC	ONEC
9.	Jun 2024	Requesting the National Accounting Council and/or the training commission to prepare a decree making continuing education mandatory according to the requirements of IES 7 (90 to 120 hours every 3 years).	Ongoing	ONEC	Ministry of Higher Education and Scientific Research CNC training commission
10.	Jun 2024	Requesting the National Accounting Council and/or the training commission to prepare a decree making continuing education mandatory for collaborators, especially mission managers, according to the requirements of IES 8.	Ongoing	ONEC	Ministry of Higher Education and Scientific Research CNC training commission

11.	Jan 2024	Launching short-term training for accounting professionals who also work as trainers.	Ongoing	ONEC	ONEC
12.	Jan 2024	Every year, the training coordinators of the three PAOs (ONEC, CNCC, and ONCA) collaborate and organize meetings to finalize the annual training program, consolidating their training efforts.	Ongoing	ONEC	ONEC CNCC ONCA
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					

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

Action Plan Objective: Using best endeavors to promote adoption of ISA as issued by IAASB

Background:

1-Duties of the auditor:

Before the promulgation of the Algerian auditing standards in 2016, the due diligence of the auditor was governed by the provisions of the decision of the Minister of the Economy No. 103/SPM/94 of February 2, 1994 relating to the professional due diligence of the auditors. accounts. This decision was drawn up on the proposal of the Council of the National Order of Chartered Accountants, Statutory Auditors and Chartered Accountants.

The decision includes 6 recommendations which include the minimum due diligence to be carried out by the auditor and which are summarized as follows:

- 1-Recommendation No. 1: Minimum due diligence in terms of accepting a mandate and taking office.
- 2-Recommendation No. 2: Minimum due diligence in the work file.
- 3-Recommendation No. 3: Minimum diligence in terms of reporting on the corporate accounts.
- 4-Recommendation No. 4: Minimum diligence in the disclosure of criminal facts.
- 5-Recommendation No. 5: Minimum due diligence relating to the approach of the statutory auditor.
- 6-Recommendation No. 6: Minimum due diligence in auditing accounts.

2-Advent of Algerian auditing standards (NAA):Following the adoption of the new accounting framework inspired by the IAS/IFRS international standards, the public authorities deemed it necessary to complete the reforms initiated by the adoption of the ISA international auditing standards which auditors must respect in the exercise of their assignments.

Thus, a working group was set up in 2011 within the National Accounting Council (Institution responsible for accounting standardization in Algeria and attached to the Ministry of Finance). The working group is mainly made up of professionals.

The working group was tasked with developing Algerian auditing standards based on international auditing standards (ISA). The work of the working group continued until 2016. The Algerian auditing standards developed are strongly inspired by the international standard version 2009.

The work was completed with the development of 37 auditing standards (see appendix 1) called Algerian auditing standards (NAA) followed by the number of the standard and its title. The working group kept the same numbers as the ISA standards and almost the same titles.

3-Publication of standards: Although the development of the standards has been entrusted to accounting professionals (Chartered Accountants / Auditors), the public authorities (Ministry of Finance) have retained the authority to publish them.

Thus, after the drafting of Algerian auditing standards, they were initially validated by the Commission for the Standardization of Accounting Practices and Professional Diligence, a structure responsible for standardization within the National Accounting Council, before their publication and making them available to professionals for application.

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption/Supporting Adoption of ISA (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	04/02/2016	PUBLICATIONS OF THE FIRST FOUR (04) ALGERIAN AUDIT STANDARDS: decision N° 002 - NAA 210 Agreement on the terms of the audit engagement - NAA 505 External Confirmations - NAA 560 Events after closing - NAA 580 Written Statements	04/02/2016	Minister of Finance	Relevant ISAs: -ISA 210 Agreement on the terms of audit engagements - ISA 505 External Confirmations - ISA 560 Subsequent Events - ISA 580 Written Representations
	11/10/2016	PUBLICATIONS OF FOUR (04) ALGERIAN AUDIT STANDARDS: decision N° 150 - NAA 300 Planning an Audit of Financial Statements - NAA 500 Evidence - NAA 510 Initial audit engagements opening balances - NAA 700 Basis of audit opinion and report on financial statements	11/10/2016	Minister of Finance	Relevant ISAs: - ISA 300 Planning an Audit of Financial Statements - ISA 500 Evidence - ISA 510 Initial Audit Engagements – Opening Balances - ISA 700 Basis of audit opinion and report on financial statements

	15/03/2017	<p>PUBLICATIONS OF FOUR (04) ALGERIAN AUDIT STANDARDS: decision N° 23</p> <ul style="list-style-type: none"> - NAA 520 Analytical Procedures - NAA 570 Business Continuity - NAA 610 Using the Work of Internal Auditors - NAA 620 Using the Work of an Auditor's Expert 			<p>Relevant ISAs:</p> <ul style="list-style-type: none"> - ISA 520 Analytical Procedures - ISA 570 Business Continuity - ISA 610 Using the Work of Internal Auditors - ISA 620 Use of the work of an auditor's expert
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Support Implementation of Auditing Standards (See SMO Action Plan Update Explanatory Note for examples of possible actions)

	Jan 2024	Providing relevant training sessions on NAA to ONECCA members on quarterly basis.	Recurrent	Board Of ONECCA	CPD Commission Members of ONECCA
	Jan 2024	Developing and providing tools to ONECCA members to ease the use of the NAA (templates, guides, articles,etc.).	Recurrent	Board Of ONECCA	CPD Commission Members of ONECCA
		Initiate a discussion with the National Accounting Council to propose updating the existing Algerian audit standards with the latest version of ISA.			
		For the projects of NAA standards requiring translation, ONEC will advocate for their updating prior to publication.			
		Take into consideration the ISA standards not included in the current draft of the NAA project.			

		Establish a permanent mechanism for the adoption, updating, and revision of NAA standards.			
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
	Continuous process Recurrent	Regular communication to ONECCA members of exposure drafts issued by IAASB to get their comments.			
	Continuous process Recurrent	Suggest to ONECCA TO CREATE AN INTERNAL COMMITTEE TO FOLLOW ISA UPDATES			

Action Plan Subject:

SMO 4–IESBA Code of Ethics for Professional Accountants

Action Plan Objective:

- (A) Use best endeavors to converge, comply and promote adoption of the IESBA Code of Ethics.
- (B) Build awareness to ensure high quality implementation of the requirements of IESBA Code of Ethics

Background:

- Before the IESBA Code of Ethics adoption by Algeria, and under the oversight of the Ministry of Finance, ONEC is responsible for establishing ethical requirements for its members, who are Chartered Accountants.
- ONEC focused its efforts on promoting adoption through its meetings with key officials in Government.
- The ONEC reports that it encourages universities to update the accounting syllabus with the revised ethics requirements to introduce the standards to aspiring professional accountants. As part of these efforts, the institute states it is working to raise awareness amongst professors about the IESBA Code of Ethics.

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>					
	JULY 2023	Adoption by the General Assembly Code of Ethics that comply with IESBA requirements and validation by the Ministry of Finance			
<i>Support Implementation of IESBA Code of Ethics (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
		Training sessions of ONECCA members and Aspirants on the Code of Ethics.			
		Communication to each members the Code of Ethics and the French and Arabic version of the IFAC Code of Ethics			
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
1	Continuou s Process	Regular communication to ONECCA members of exposure drafts issued by IESBA in order to get their comments.	Continuou s process	Board of ONECCA Algeria	Members of ONECCA Algeria

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Continue to support the Ministry of Finance for adoption of accrual-basis IPSAS

Background:

Suggested Content:

Algeria has adopted IPSAS as the basis for its public sector accounting framework. The government of Algeria began implementing IPSAS in 2016, with the aim of improving the quality of financial reporting by public sector entities in the country.

In June 2023, the Algerian Ministry of Finance will issue a decree making the adoption of IPSAS mandatory for all public sector entities in the country, including central government ministries, public enterprises and local administrations. The decree set a timeline for IPSAS adoption, with a target date of 2026 for full implementation.

To support the implementation of IPSAS in Algeria, the government has undertaken a number of initiatives, including the development of training programs for public sector accountants, the establishment of an IPSAS implementation committee, and the creation of an IPSAS-based chart of accounts. These trainings were provided by a Chartered Accountant, member of ONEC and consultant to the World Bank, who had carried out similar missions in Africa, including Congo Kinshasa.

Overall, the adoption of IPSAS in Algeria is intended to improve financial transparency, accountability, and governance in the public sector, and to bring Algeria's public sector accounting practices in line with international best practices.

ONEC has no formal responsibility for the implementation of IPSAS; because, the government is responsible for adopting public sector accounting standards.

However, it can play an important role in the conceptualization of Algerian public accounting standards.

In 2023, ONEC established a Public Sector Committee to focus more on accounting and auditing issues in the public sector, including providing relevant continuing education for members working in the public sector. ONEC, through its public sector committee, has been working on the first phase of the move from cash to accrual accounting, including identifying priority areas for training such as IPSAS update, asset management and pension management, and the organization of various events including a Seminar on the implementation of IPSAS. ONEC will continue to work with the Ministry of Finance on the content of future seminars and organize training and technical assistance to improve financial reporting in the public sector.

In 2018, the Algerian government adopted the Organic Law on Finance Laws on Public Financial Management to improve public financial management in Algeria and to ensure greater accountability. The law specifically identifies accrual accounting in addition to cash accounting as the accounting standard to be used by the government. The law contains, among other things, provisions aimed at improving the governance of

public institutions, defines reporting and transparency requirements for periodic reports, describes the roles and responsibilities of key persons in charge of finance, including the Minister responsible for finance as part of the strengthening of public finance departments, creates an internal audit function and office and provides for expanded powers for the Auditor General, who is the auditor of the Algerian government's financial statements. As soon as the texts relating to the State accounting system are adopted, ONEC will submit a proposal to the Algerian government on the means by which it could provide assistance in the areas of governance of public institutions, financial accountability, reform, training and certification of public finance officials and institutional strengthening of finance departments. ONEC will continue to be in discussion with the Algerian government regarding the various areas described in the proposal.

ONEC will continue to work with the government on the implementation and use of IPSAS.

ONEC is also working closely with the Ministry of Finance and PAFA to organize the 4th Conference on Public Finance which will take place in February 2024. A verbal agreement with the Ministry has been obtained.

Action Steps:

#	Start Date	Action	Completion Date	Responsibility	Resource
<i>Adoption/support for adoption of IPSAS</i>					
1	April 2023	Inventory of texts governing public accounting.	April 2023	Ministry of finances	<ul style="list-style-type: none"> - Organic law about finance laws (evidence 1). - Action plan de government about adoption IPSAS (evidence 2).
2	April 2023	Inventory of IPSAS standards adopted by the public accounting system project draft (with Algerian standard reference): - IPSAS algerian framework	April 2023	Ministry of finances	<ul style="list-style-type: none"> - Training program of Ministry of Finance (evidence 3).

		<ul style="list-style-type: none"> - IPSAS 1 – Presentation of Financial Statements (NCEEP1) - IPSAS 2 – Cash flow Statements (NCEEP2) - IPSAS 9 – Revenue from non-exchange transactions (NCEEP3) - NCEEP4 – Charges - NCEEP5 – Cash components - NCEEP6 – Cash financial debts and other liabilities - NCEEP7 – Participations and related accounts - IPSAS 24 – Presentation of budgetary information in the financial statements (NCEEP8) - IPSAS 17 – Fixed assets (NCEEP9) - IPSAS 31 – Intangible assets (NCEEP10) - IPSAS 19 – Provisions, contingent liabilities and contingent assets (NCEEP11) - IPSAS 9 – Proceeds from exchange transactions (NCEEP12) - IPSAS 12 – Inventories (NCEEP13) - IPSAS 13 – Leases (NCEEP14) - IPSAS 21 - Impairment of non-cash-generating assets (NCEEP15) - IPSAS 3 - Net balance for the year, accounting methods, changes in accounting estimates and errors (NCEEP16) - NCEEP 17 - Current asset claim 			
3	June 2023	Adoption of IPSAS decree	Ongoing	Ministry of Finance	ONEC Public Sector Committee

<i>Support the implementation of International Public Sector Accounting Standards</i>					
4	October 2023	Sending to the Ministry of Finance a request for technical assistance for the implementation of accounting in IPSAS	Ongoing	Council of ONEC	ONEC Public Sector Committee
<i>Contribute to setting international standards</i>					
5	Sept 2023	Sending to the Ministry of Finance a request for technical assistance in order to setting the IPSAS	Ongoing	Council of ONEC	ONEC Public Sector Committee
<i>Support members or associate members in understanding and implementing accounting standards in the jurisdiction.</i>					
6	June 2023	Launch of training programs on the organic law relating to finance laws, IPSAS standards, results-based management for the benefit of the corporation of chartered accountants	Ongoing	Council of ONEC	ONEC Public Sector Committee

Action Plan Subject: SMO 6—Investigation and Discipline
Action Plan Objective: Develop an operational I&D system for members.

Background:

The legal basis for the Discipline and Arbitration system for accounting professionals is Executive Decree 13-10 of January 13, 2013, which establishes the degree of disciplinary offenses committed by accounting professionals.

- The body involved in the D&A system for accounting professionals is the dedicated joint commission, established at the level of the National Council of Accounting (CNC), governed by internal regulations dating back to 2013

- The Disciplinary and Arbitration Committee is responsible for:

- Developing the working methods related to discipline, arbitration, and conciliation.

- reviewing the files related to disciplinary cases involving any violation or breach of professional technical or ethical rules committed by professionals during the course of their duties.

- preparing draft opinions on provisions regarding arbitration and discipline.

- fulfilling an essential role in providing advice, prevention, conciliation, and arbitration services during conflicts between professionals and clients.

- performing the tasks of prevention and mediation between professionals.

- The committee is composed of twelve members, distributed as follows:

- One president,

- One rapporteur,

- Six regular assessors, including two chartered accountants, two statutory auditors, and two certified accountants,

- Four substitute assessors appointed under the same conditions as the regular assessors.

The secretariat of the committee is provided by a representative from the General Secretariat of the National Accounting Council.

Replacement is automatic for a committee member who is the subject, author, or witness, or has an interest in the case. In such a case, they may participate in the committee's proceedings.

The commission meets as many times as necessary depending on the number of disciplinary and arbitration cases submitted to it.

The notices are sent by the secretariat of the commission to the members of the commission, at least eight (08) days before the date of the meeting, by registered letter or by email,

The meetings are held at the headquarters of the National Accounting Council.

The quorum required for holding meetings is set at ten (10) members, representing the majority of the members of the commission. If the quorum is not reached, a second meeting is called within eight (08) following days , while respecting the required quorum.

To enable the commission's meetings to run smoothly, the president organizes and moderates the debates and interventions of the members.

The agenda of the meetings is proposed by the president of the commission.

The members of the commission may request the inclusion of other points on the agenda. The agenda is adopted at the opening of the session.

The members of the commission are required to respect the rules of confidentiality of the deliberations.

They must under no circumstances disseminate the commission's opinions until they are published.

The commission, in coordination with the general secretariat of the national accounting council, may set up specialized working groups, which will be responsible for carrying out specific and preparatory work for the decisions of the commission or call on any person who , because of his particular skills, can contribute to clarifying his work according to the needs and requirements related to the subject examined during the meeting, without deliberative voice.

The persons contacted are bound to secrecy of the debates in the same way as the members of the commission.

THE DISCIPLINARY PROCEDURE

Are liable before the disciplinary and arbitration commission

- All natural and legal persons registered on the roll of the order, chamber or ('organization ;
- Chartered accountants, trainee accountants, auditors, trainee auditors, chartered accountants, trainee accountants.

Before a sanction is proposed by the disciplinary and arbitration committee, it must follow the following procedure:

- Receipt of a non-anonymous request;
- Study of the admissibility of the request;
- Summons with acknowledgment of receipt of the person concerned;
- The Commission assesses the seriousness of the fault committed and decides on the appropriate sanction after investigation if it deems it useful.

As part of the investigation of a complaint, the president of the commission appoints an instructor, either a chartered accountant, an auditor, or a chartered accountant, depending on whether the person concerned is himself an expert . -accountant, trainee chartered accountant, or auditor or trainee auditor or chartered accountant or trainee accountant.

The instructor is responsible for collecting explanations from the person concerned, hearing, if necessary, the complainants and possible witnesses who appear useful to him and carrying out any necessary questions.

The depositions are signed by the instructor and the declarants.

Once the investigation is completed, the instructor draws up a report within the deadlines previously set for him, which he submits to the president to be submitted to the commission,

The decisions of the disciplinary and arbitration commission may be the subject of an appeal before the Council of State on the part of the interested party, within one (01) month following notification of the decision. .

When they have become final, decisions suspending or striking off the roll are published without reason in at least two national newspapers in the national language and in French .

The person thus struck can no longer remain registered on any roll, and cannot exercise their profession either on a freelance basis or as an employee.

, 'Disciplinary penalties except warning and reprimand, are entered in the file of the person concerned.

Self-Assessment against the Main Requirements of SMO 6

1. Requirements	Y	N	Partially	Comments
<p>2. Scope of the system 1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.</p>	X			A permanent joint commission for discipline and arbitration has been established at the level of the CNC since 2019, in accordance with Executive Decree 13-010 of January 13, 2013, which establishes the degree of disciplinary offenses committed by accounting professionals.
<p>2. Information about the types of misconduct which may bring about investigative actions is publicly available.</p>	X			The Executive Decree 13-010 of January 13, 2013 has been published."
<p>3. Initiation of Proceedings 3. Both a "complaints-based" and an "information-based" approach are adopted.</p>	X			Complaint files are addressed to the secretariat of the Discipline and Arbitration commission at the level of the CNC."
<p>4. Link with the results of QA reviews has been established.</p>		X		Not applicable.
<p>4. Investigative process 5. A committee or similar body exists for performing investigations.</p>		X		Not applicable.
<p>6. Members of a committee are independent of the subject of the investigation and other related parties.</p>		X		Not applicable.
<p>5. Disciplinary process 7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.</p>		X		It is the commission itself that makes and deliberates on final decisions."
<p>8. Members of the committee/entity include professional accountants as well as non-accountants.</p>		X		The commission is composed of professionals and executives from the CNC."
<p>9. The tribunal exhibits independence of the subject of the investigation and other related parties.</p>		X		

1. Requirements	Y	N	Partially	Comments
<p>6. Sanctions</p> <p>10. The disciplinary system allows imposing an extensive range of penalties. It is particularly important to include (a) loss of professional designation; (b) restriction and removal of practicing rights; and (c) exclusion from membership.</p>	X			"The law has classified professional faults into 4 degrees: 1st degree: Warning 2nd degree: Reprimand 3rd degree: Temporary suspension for a maximum period of 6 months 4th degree: Removal from the register of professionals."
<p>7. Rights of representation and appeal</p> <p>11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.</p>	X			"One or more independent arbitrators are appointed."
<p>8. Administrative Processes</p> <p>12. Timeframe targets for disposal of all cases are set.</p>			X	According to the internal regulations, the deadlines are set at the discretion of the D&A committee.
<p>13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.</p>		X		Not applicable.
<p>14. Records of investigations and disciplinary processes are established.</p>	X			A file is created upon receipt of the anonymous request.
<p>9. Public Interest Considerations</p> <p>15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.</p>		X		
<p>16. A process for the independent review of complaints on which there was no follow-up is established.</p>		X		Not applicable.
<p>17. The results of the investigative and disciplinary proceedings are made available to the public.</p>	X			Final sanctions are published in at least two newspapers.
<p>10. Liaison with Outside Bodies</p>		X		This aspect is not provided for in the law

1. Requirements	Y	N	Partially	Comments
18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.				
11. Regular review of implementation and effectiveness 19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.		X		Not applicable.

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Establishing/Supporting the Establishment of I&D (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
1	Oct 2023	Develop and implement a new I&D procedure in line with all SMO6 requirements,	Ongoing	ONEC	ONEC & MoF
2	Oct 2023	Organize a workshop to promote the importance of compliance with ethical requirements and ensure that members are aware about the existing I&D mechanisms.	Ongoing	ONEC	ONEC & CNCC
3	Oct 2023	Make a periodic review of the I&D mechanisms to ensure they are properly implemented and function appropriately.	Ongoing	ONEC	ONEC & CNCC
<i>Support Implementation of I&D (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					
1	Jan 2024	ONEC will review the Law ,its bylaws in order to establish a truly independent I&D Commission which will conduct investigations upon the Board's request, or addressed directly by Members or authorities and which will submit proposal of sanction if need be, for consideration and implementation by the Board of ONEC ALgeria			
2	Jan 2024	Adoption by the General Assembly of the revised Bylaws to comply with international requirements related to SMO 6			

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

Background:

The accounting framework in force in Algeria since 2010 is the SCF (Système comptable financier). This system replaced the legacy system (PCN) which was no longer able to meet with the economic model adopted by the country progressively from 1988. Indeed, at that time Algeria had moved from a socialist model to a market economy model. The Accounting standards provided by the SCF or Algerian GAAP were designed to meet the IFRS in force in 2004. Its objective was to provide the Algerian economy with an accounting regulation that incorporated the latest international benchmark combined with standards modelled on IFRS.

To facilitate this development, the Algerian regulator promulgated a series of additional decrees by which :

- The framework and the accounting principles have been clearly defined
- The model of financial statements as defined by IAS 1 has been issued
- A chart of accounts including rules and notices has been issued

Today, the rapid evolution in the global economy, the rate of establishment of multinationals and the evolution of IFRS standards have led the Algerian authorities to go further in the evolution of standards. In particular, on certain aspects such as revenue recognition and leases.

Indeed, the reform of the local standards aims to :

- Meet some new aspects in the Algerian economy, especially those related to the introduction of long-term leases as part of the incentives set up by the Algerian government to encourage foreign and private investment.
- Provide an international accounting environment for the multinational companies operating in Algeria. (Currently, those companies restate their local accounts to comply with group standards).

The Ministry of Finance Algeria has created a committee, in 2020 to align the standards to IFRS ,which has started its work in 2021 delay due to COVID-19 pandemic, the aim of this committee is to align Algerian accountancy standards SCF to the latest issued version of IFRS “2022”,because of the economic landscape of the jurisdiction ,the priority has been the alignment of IFRS 15 and IFRS 16 to 2022 version ,in the meantime work is kept on using best endeavors to promote adoption of IFRS as issued by IASB

Action Steps:

#	Start Date	Actions	Completion Date	Responsibility	Resource
1.	Jan 1998	The new accounting standards “the Law 07-11 of 25 November 2007”	Nov 2007	Parliament (Assembly of lawmakers) Ministry of finance	ONEC Board
2.	Jan 1998	Executive decree n° 08-156 of 26 May 2008 describing the application modalities of the provisions of law n° 07-11	May 2008		ONEC Board
3.	Jan 1998	ministry of finance order of 26 July 2008 fixing the accounting rules and standards, the contents and the presentation of the financial statements as well as the nomenclature and rules of operation of the accounts.	July 2008		ONEC Board
4.	Jan 2010	Executive Decree No. 11-24 of 27 January 2011 establishing the national accounting standards committee with other committees	January 2011		ONEC Board
5.	Jan 2017	Setting up a new committee in charge of the reform of the current standards and respond to the latest developments in IFRS. As well to address the main issues encountered in the field related to the SCF enforcement. The committee has reached a relevant milestone in its works to update the current standards. In particular, the introduction of IFRS 15 and IFRS 16 norms.	January 2024		ONEC Board
6.	Jan 2017	Communication and exchange with the professionals about the necessity to implement appropriate reforms to the standards with a focus on the latest IFRS amendments	Continuous process		ONEC Board
7.		The approach is actually changing to work towards the full adoption to full IFRS with view of closing between GAAP and to suggest adopting a full IFRS to certain types of Companies rather than update the Norms thus consuming time and efforts. Strengthening the roles of committees in			

#	Start Date	Actions	Completion Date	Responsibility	Resource
		interpreting the standards and issuing the guidance toward the stakeholders.			
<i>Contributing to International Standard-Setting (See SMO Action Plan Update Explanatory Note for examples of possible actions)</i>					