

## **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 and fulfill the membership requirements.

IFAC [Statements of Membership Obligations](#) (SMOs) require IFAC Members and Associates to support the adoption<sup>1</sup> and implementation<sup>2</sup> of international standards and other pronouncements issued by independent standard-setting boards (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, 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

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<sup>1</sup> *Adoption* is concerned with the decision that international standards are appropriate for use in specific national financial reporting environments and with the actions necessary to 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.

<sup>2</sup> *Implementation* may include a process to build awareness of the adopted standards, provide relevant education and training, develop, or disseminate implementation guidance and any other activities that promote proper understanding and use of the standards in practice.

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 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**

<b>IFAC Member:</b>	Eswatini Institute of Accountants (ESIA)
<b>Approved by Governing Body:</b>	ESIA Council
<b>Original Publish Date:</b>	August 2011
<b>Last Updated:</b>	May 2024

### **Attestation of SMO Compliance**

The **Eswatini Institute of Accountants (ESIA)** 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 **ESIA** 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 **ESIA** 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 **ESIA**, 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:**

<b>ACCA</b>	Association Certified Chartered Accountants
<b>CEO</b>	Chief Executive Officer
<b>CPD</b>	Continuing Professional Development
<b>ECSAFA</b>	East Central and Southern African Federation of Accountants
<b>IAS</b>	International Accounting Standards
<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>IAESB</b>	International Accounting Education Standards Board
<b>IASB</b>	International Accounting Standards Board
<b>IES</b>	International Education Standards
<b>IFRS</b>	International Financial Reporting Standards
<b>IPSAS</b>	International Public Sector Accounting Standards
<b>IPSASB</b>	International Public Sector Accounting Standards Board
<b>ISA</b>	International Standards on Auditing
<b>ESIA</b>	Eswatini Institute of Accountants
<b>SMO</b>	Statement of Members Obligations
<b>CFTC</b>	Commonwealth Fund For Technical Cooperation.
<b>ZICA</b>	Zambia Institute of Accountants

***General Background***

In November 2011, the World Bank undertook the Reports on the observance of Standards and Codes – Accounting and Auditing (ROSC) at the request of the Government of the Kingdom of Eswatini. The review was conducted during the period January to June 2012. They visited and interviewed a number of stakeholders in the country.

The findings and recommendations of this review are intended to strengthen the auditing and accounting profession in the country. Improved practices in this profession will lead to issuance of quality financial information that will lead to investor confidence. In May 2012 ESIA embarked on an organizational strategy as a recommendation of the World Bank review. The ROSC report and a strategy for ESIA have been finalized and are to be launched by the Hon. Prime Minister November 29<sup>th</sup>, 2012. The ROSC report and the strategy was launched by the Prime Minister in November 29<sup>th</sup>, 2012. An action Plan is attached.

There is a new strategy development underway. The target is to launch the new strategy in August 2024.

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

**Action Plan Objective:** Develop SIA’s Quality Assurance Review System in Line with SMO 1 Requirements

#	Start Date	Action	Completion Date	Responsibility	Resource
<p><i>Background:</i> A Quality assurance (QA) review system was put in place in cooperation with Zambia Institute of Accountants after the lapse of the agreement with ACCA. ZICA was engaged to conduct audit quality reviews in Eswatini since year 2021. ZICA has conducted two rounds of audit practice reviews since May 2021 for ESIA. The contract has been renewed in April 2024 with ZICA for two years. Based on the audit quality control requirements, ZICA conduct the audit monitoring reviews through its Practice Review Unit on the registered audit practitioners in Eswatini.</p> <p>ZICA conduct the following:</p> <p><b>Firm Review</b> Firm reviews are conducted on each firm on the nine (9) elements of International Standards on Quality Management (ISQM 1) which are:</p> <ul style="list-style-type: none"> <li>➤ Firm’s Risk Assessment Process;</li> <li>➤ Governance and Leadership;</li> <li>➤ Relevant Ethical Requirement;</li> <li>➤ Acceptance and Continuance of Client Relationships and Specific Engagement;</li> <li>➤ Resources;</li> <li>➤ Information and Communication; and</li> <li>➤ Monitoring and Remediation Process</li> <li>➤ Evaluating the System of Quality Control</li> </ul> <p><b>Engagement Review</b> Engagement reviews are systematically conducted on each partner of the firm with the explicit purpose of ensuring adherence to international auditing standards governing the conduct of the entire audit process. This process encompass a thorough examination of working papers associated with each identified audit file, with due diligence to ascertain the following:</p> <ul style="list-style-type: none"> <li>➤ The audit program for each audit area is on file;</li> <li>➤ All the key assertions have been addressed;</li> <li>➤ Audit evidence gathered is recorded and documented and, where possible, attached or filed;</li> <li>➤ Conclusions drawn are clearly recorded; and</li> <li>➤ The wording of the audit report is appropriate in all material respects.</li> </ul>					

#	Start Date	Action	Completion Date	Responsibility	Resource
<p>The contract has been renewed in year April 2024 with ZICA. ZICA has conducted two rounds of audit practice reviews since May 2021 for ESIA</p> <p>ESIA is a member of the Technical task team on AML.</p> <p>ESIA members are involved in providing tax services</p> <p>ESIA visits schools and colleges to create awareness about the profession.</p>					
<i>Implement ZICA QA System</i>					
1.	MAY 2021	ESIA signed agreement with ZICA in year 2021 so they can start to monitor all members that are in public practice to ensure that they comply with SMOs. The agreement has been renewed in April 2024. QA review system is carried out by ZICA.	December 2021	ESIA Council	All fees relating to the audit were borne by members in the public practice
2.	September 2008	<p>Conducted CPD workshops with Pro Beta, SAICA and ACCA for all ESIA Members on the following dates</p> <ul style="list-style-type: none"> <li>• Audit Practice Review - 07 June 2021</li> <li>• IFRS Update - 22 February 2022</li> <li>• Ethics - 06 April 2022</li> <li>• ISQM 1 - 28 August 2022</li> <li>• ISSA 315 and 330 - 24 November - SAICA</li> <li>• Ethics - 23 March 2023</li> <li>• IFRS update - 30 November 2023</li> <li>• Ethics Skills in our Time - 02 April 2024</li> </ul>	Ongoing	ESIA CEO and Council	ZICA, Pro Beta, SAICA
3.	July 2009	Agree a program of visits by ZICA to Member Firms. Process and provide a copy of the Pre-visit Questionnaire.	Ongoing	ESIA CEO , and Council	ESIA Staff ZICA
4.	August 2024	There are consistent reviews conducted by ESIA through ZICA. The contract has been renewed in April 2024 with ZICA. ZICA has conducted 2 audit practice reviews since May 2021.	Ongoing	ESIA Council	ZICA

		The commencement of ZICA first round of audit practice reviews in Eswatini started in 2021 where a total of 11 audit firms were reviewed and completed by December 2021			
5.	Ongoing	Performance of follow-up audit practice reviews are conducted in Eswatini.  Members are informed of identified deficiencies and asked to submit an action plan	Ongoing	ESIA Council	ZICA
<i>Maintaining Ongoing Processes</i>					
6.	June 2011	Engagement with ACCA and PAFA on developing QA Capabilities  Consider future review of the QA system and possibly transfer of the responsibilities to ESIA after building necessary capacities.	To be determined	ESIA CEO	Ongoing
<i>Review of ESIA's Compliance Information</i>					
7.	Annually	There is a need to review the SMO 1 information and review ESIA's responses and update sections relevant to SMO 1 as necessary.	Annually	ESIA CEO	ECSAFA Monitoring Team

**Main Requirements of SMO 1**

Requirements	Y	N	Partially	Comments
<p><b>Scope of the system</b></p> <p>1. At a minimum, mandatory QA reviews are required for all audits of financial statements.</p>	Y			

<p><b>Quality Control Standards and Other Quality Control Guidance</b></p> <p>2. Firms are required to implement a system of quality control in accordance with the quality control standards.</p>	Y			
<p>3. Most up to date versions of ISQM and other relevant ISAs are adopted as the quality management standards.</p>	Y			
<p>4. Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.</p>	Y			
<p><b>Review cycle</b></p> <p>5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.</p>	Y			
<p>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).</p>	Y			
<p><b>QA Review Team</b></p> <p>7. Independence of the QA Team is assessed and documented.</p>	Y			



8. QA Team possesses appropriate levels of expertise.	Y			
<b>Reporting</b>	Y			
9. Documentation of evidence supporting the quality control review report is required.				
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	Y			
<b>Corrective and disciplinary actions</b>	Y			
11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.				
12. QA review system is linked to the Investigation and Discipline system.	Y			
<b>Consideration of Public Oversight</b>	Y			
13. The body responsible for QA reviews cooperates with its oversight body and shares information on the functioning of the QA review system, as needed.				
<b>Regular review of implementation and effectiveness</b>	Y			
14. Regular reviews of implementation and effectiveness of the system are performed.				

**Action Plan Subject:** SMO 2–International Education Standards for Professional Accountants and Other Pronouncements

**Action Plan Objective:** Ensure that All IES Requirements are Incorporated into SIA's Education Requirements

#	Start Date	Action	Completion Date	Responsibility	Resource
<i>Background:</i>					
Candidates for ESIA membership as Registered Accountants and Chartered Accountants must fulfill particular academic and practical work experience requirements and pass final examinations.					
Candidates for the designation of Registered Accountant must either hold a bachelor's degree in commerce from the University of Swaziland (UNESWA), (iii) hold a bachelor's degree in commerce or accounting which included two years of accounting courses from a ESIA-approved university, or (iv) be a member in good standing of the. All Registered Accountants must have three years of proven accounting work experience.					
Candidates for ESIA's Chartered Accountant designation must hold a degree in accounting from a ESIA-approved university and complete an accountancy education program delivered by the South African Institute of Chartered Accountants (SAICA). Candidates must also complete three years of practical experience and pass final examinations conducted by either SAICA or the Association of Chartered Certified Accountants (ACCA).					
Candidates without a university degree may also become Chartered Accountants if they have five years of work experience and pass final examinations conducted by SAICA or the ACCA.					
All qualified members complete a minimum of 120 hours of continuing professional education (CPD) over a three-year rolling period. Compliance with CPD requirements is monitored.					
<i>Ensure Curriculum Reflects the Latest Developments of the International Accounting Education Standards Board (IAESB)</i>					
8.	June 2024	Promote the latest pronouncements to accountancy education providers (ESIA-approved universities) so that curricula always reflect the most recent IES requirements.  ESIA leadership plans to visit University officials to promote the need for the inclusion of international education standards requirements in the current local curriculum.	Ongoing	ESIA Council	ESIA Staff
9.	APRIL 2024	ESIA members who want to go into public practice are required to sit and pass a "conversion examination" on Swaziland Company Law and Tax. The Examination is scheduled for the 17 <sup>th</sup> April 2024	Ongoing	ESIA Council	ESIA staff Examiners Moderators

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10.	Ongoing	<p>Conducted CPD workshops with Pro Beta, SAICA and ACCA for all ESIA Members on the following dates</p> <ul style="list-style-type: none"> <li>• Audit Practice Review - 07 June 2021</li> <li>• IFRS Update - 22 February 2022</li> <li>• Ethics - 06 April 2022</li> <li>• ISQM 1 - 28 August 2022</li> <li>• ISSA 315 and 330 - 24 November - SAICA</li> <li>• Ethics - 23 March 2023</li> <li>• IFRS update - 30 November 2023</li> <li>• Ethics Skills in our Time - 02 April 2024</li> </ul>		ESIA CEO and Council	ACCA, SAICA, ZICA, Pro Beta, ESIA Staff
11.	October 2015	ESIA as of year 2020, is conducting computer-based examinations for SAICA, ACCA and CIPS	Ongoing since October 2015		SAICA, ACCA, CIPS and ESIA staff
<i>Maintaining Ongoing Processes</i>					
12.	Ongoing	Continue to use best endeavors to ensure ESIA education requirements continue to incorporate all IES requirements. This includes review of the existing requirements and preparation of the Action Plan for the future activities where necessary.	Ongoing	ESIA Council	ESIA Staff
<i>Review of ESIA's Compliance Information</i>					
13.	Annually	There is a need to review ESIA's responses to SMO 2 as necessary and update information.	Annually	ESIA Council	ESIA Staff

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

**Action Plan Objective:** Adopt and Implement IAASB Pronouncements.

#	Start Date	Action	Completion Date	Responsibility	Resource
In accordance with the Accountants Act 1985, the ESIA has responsibility for adopting and promulgating the auditing standards to be used for listed and non-listed entities. ESIA adopts IAASB pronouncements as drafted, without amendments – including the clarified International Standards on Auditing (ISAs). Auditing standards are automatically adopted when issued.					
<i>Advance the Process for Ongoing Adoption and Implementation of ISAs</i>					
14.	March 2009	Comment on exposure drafts.	Ongoing	ESIA Council	Technical Committee
15.	April 2009	Post all new auditing standards on the ESIA website, publish in the local press and ESIA social network pages  Link to IFAC website on ESIA website.	Ongoing	ESIA Council	ESIA staff
16.	June 2011	There are plans to reconstitute and establish a Technical Committee  In the interim, ESIA’s Council meets to review new and amended standards.	Quarterly	ESIA Council	Technical Committee
17.	June 2011	Ensure training materials for members reflect the most recent ISA developments – including clarified ISAs.	Ongoing	ESIA Council	ESIA Staff Technical Committee
18.	June 2011	ESIA annually provide training to members to ensure effective implementation of the latest IAASB pronouncements (e.g.: clarified ISAs). This is done annually.	Ongoing	ESIA Council	ESIA Staff Technical Committee
19.	May 2021	Monitor compliance with Auditing standards via the Audit Quality Review System.  ESIA reviewed the reports produced by ZICA	February 2022	ESIA Council	ZICA ESIA Staff
<i>Maintaining Ongoing Processes</i>					
20.	Ongoing	Continue to support ongoing adoption and implementation of IAASB pronouncements. This includes review of the implementation of the Action Plan to date and updating the Action Plan for future activities as necessary.	Ongoing	ESIA CEO	Technical Committee & ESIA Council
<i>Review of SIA’s Compliance Information</i>					
21.	Annually	Carry out periodic review of ESIA’s responses to SMO 3 as necessary and update the information.	Annually	ESIA CEO	Technical Committee & ESIA Council

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

**Action Plan Objective:** Adopt and implement IESBA Code of Ethics

#	Start Date	Action	Completion Date	Responsibility	Resource
<i>Background:</i>					
Ethical requirements are set in the Accountants Act of 1985 and by ESIA itself with regards to its members. ESIA has established convergence with the International Ethics standard Board for Accountants (IESBA) Code of Ethics as an objective and has incorporated the requirements of the IESBA Code of Ethics (version issued in June 2004) in its ethical standards, with small modifications to take into account local circumstances.					
In December 2011, the ESIA adopted the revised IESBA Code of Ethics issued July 2009 which became effective January 1, 2011 without modifications. ESIA adopted 2018 IESBA Code of Ethics.					
<i>Implementing the IESBA Code of Ethics and Supporting Adherence to Code</i>					
22.	June 2011	Schedule a lecture on Code of Ethics at the AGM on the revised IESBA Code of Ethics effective January 1, 2011. An ethics lecture is held annually. This year it was held on the 2 <sup>nd</sup> April 2024.	Annually	ESIA Council	Chairman SIA staff
23.	June 2011	ESIA will promote the inclusion of Ethics in the universities and colleges Syllabus – notably changes that have occurred stemming from the issue of the revised IESBA Code of Ethics effective January 1, 2011.  This will be discussed during the ESIA universities-schools visits in year 2024	2024	ESIA Council	Executive Director
24.	2019	Present to members a revised Code of Ethics.  Members are directed to the IFAC website to access the Code as well	2019 Completed	ESIA	ESIA Staff
25.	On going	On the 2 <sup>nd</sup> of April 2024 ESIA conducted an ethics workshop for members and non-members. Facilitator was an ethics expert from KPMG South Africa and year 2022 - 2023 is was conducted by Pro Beta.  In year 2023 ESIA established its Ethics committee	Annually	ESIA	ESIA Staff
<i>Maintaining Ongoing Processes</i>					

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26.	Ongoing	Continue to use best endeavors to support ongoing adoption and implementation of the IESBA Code of Ethics. This includes review of the implementation of the Action Plan to date and updating the Action Plan for future activities as necessary.	Ongoing	ESIA CEO	Technical Committee & Council
<i>Review of SIA's Compliance Information</i>					
27.	Annually	Carry out periodic review of ESIA's responses to SMO 4 as necessary and update the information	Annually	ESIA CEO	Technical Committee & Council

**Action Plan Subject:** SMO 5—International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB  
**Action Plan Objective:** Continue to Use Best Endeavors for the Adoption and Implementation of IPSASs

#	Start Date	Action	Completion Date	Responsibility	Resource
<i>Background:</i>					
The Government has responsibility for establishing public sector accounting standards in Swaziland. The public sector accounting standards are cash-basis. The government is working on introducing IPSASs. It has passed a new Public Finance Management Act 2017 that states the Accountant General is responsible for adopting accounting standards in accordance with IPSAS as issued by the IPSASB. No timetable has been adopted for adopting IPSAS.					
ESIA is keen to get government moving in that direction; ESIA has Accountant General and Auditor General participate in its Council.					
It is a gradual process; SIA has offered technical assistance; have specialist within SIA on standards; and promotes IPSAS and is considering IPSAS in CPD.					
<i>Encourage Adoption of IPSASs</i>					
28.	August 2009	Meet with the Accountant General and Auditor General, to encourage and promote the need for government to adopt IPSASs as an objective.  ESIA will meet with the Auditor General and Accountant General once in three months as they are part of the ESIA Council.	Ongoing	Chairman	Chairman Executive Director
<i>Maintaining Ongoing Processes</i>					
29.	Ongoing	Continue to identify opportunities to assist relevant authorities in implementation of IPSASs. This includes review of the existing activities and preparation of the Action Plan for future activities where necessary.	Ongoing	ESIA CEO	Technical Committee & Council
<i>Review of ESIA's Compliance Information</i>					
30.	Annually	There is a need to review the SMO 5 information.  Carry out periodic review of SIA's responses and update sections relevant to SMO 5 as necessary.	Annually	ESIA CEO	Technical Committee & Council

**Action Plan Subject:** SMO 6—Investigation and Discipline  
**Action Plan Objective:** Improve Investigation and Disciplinary system in line with SMO 6

#	Start Date	Action	Completion Date	Responsibility	Resource
<p><i>Background:</i>            ESIA has implemented mechanisms for investigating and disciplining (I&amp;D) its members for misconduct and failure to meet the rules though some requirements of SMO 6, <i>Investigation &amp; Discipline</i> are still to be incorporated in the I&amp;D mechanism of ESIA. Following the adoption of the amendments of the Accountant Act (n.18 of 2011) the disciplinary rules were strengthened to meet the requirements of SMO6 and ESIA's I&amp;D is aligned with SMO6 requirements. The following paragraph provides an overview of the disciplinary powers of the Council.</p> <p><b><i>Disciplinary Committee</i></b></p> <p>(1) For the purpose of conducting an inquiry into any charge, complaint or allegation of unprofessional conduct against a member, there is hereby established a Disciplinary Committee which shall be appointed by the Minister consisting of:</p> <p style="margin-left: 40px;">(a) A Chairperson, who shall be a person of high repute who has –</p> <p style="margin-left: 80px;">(i) Served as Judge of the High court or Industrial Court; or</p> <p style="margin-left: 80px;">(ii) Served as a law officer or practiced as a lawyer, in Swaziland for at least ten years; and</p> <p style="margin-left: 40px;">(b) Two members appointed by the Council one of whom shall be a Chartered Accountant in public practice and one whom shall be a Chartered Accountant not in public practice.</p> <p><b><i>Functions of the Committee</i></b></p> <p>The Committee shall inquire into any complaint against a member referred to it by the Council whether the complaint relates to –</p> <p style="margin-left: 40px;">(a) an allegation of unprofessional conduct;</p> <p style="margin-left: 40px;">(b) an alleged inability by that member to perform his or her functions because of any mental or physical disability; or,</p> <p style="margin-left: 40px;">(c) a breach of this Act;</p> <p style="margin-left: 40px;">and make recommendations to the Council regarding it findings.</p> <p><i>Lodging of Complaint</i></p>					



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<p>A person who wishes to lodge a complaint or make an allegation of unprofessional conduct against a member shall submit the complaint or allegation in writing to the Registrar.</p> <p><b><i>Powers of the Disciplinary Committee</i></b></p> <p>1. If after due inquiry the Disciplinary Committee determines that :</p> <ul style="list-style-type: none"> <li>(a) a member whose conduct is the subject of its enquiry has been guilty of professional misconduct;</li> <li>(b) it would be contrary to the public interest to allow the member to continue to practice as such because of any mental or physical disability; or,</li> <li>(c) the member is not guilty of professional misconduct and is not suffering from any mental or physical disability which would affect that member's ability to practice,</li> </ul> <p>the Disciplinary Committee shall recommend to the Council that the member be –</p> <ul style="list-style-type: none"> <li>(i) cautioned or reprimanded;</li> <li>(ii) suspended for a specified period from practicing or performing acts specially pertaining to that member's profession;</li> <li>(iii) fined, up to a maximum as determined by the Council from time to time;</li> <li>(iv) removed from the register; or,</li> <li>(v) declared innocent of the allegations.</li> </ul> <p>2. If the subject matter of an allegation of professional misconduct also constitutes or is likely to constitute grounds for criminal proceedings, the Disciplinary Committee may in consultation with the Council, postpone its consideration of or decision of the matter until such criminal proceedings have been finalized.</p> <p>3. No civil or criminal proceedings against a member shall be construed as precluding any disciplinary proceedings under this Act.</p> <p>4. The Disciplinary Committee shall inform the Registrar and the Council within fourteen days of any recommendation made under this section.</p> <p><b><i>Appeal to the Court against decision by Council</i></b></p> <p>1. Any person aggrieved by a decision of the Council under this Part may apply to the High Court for relief in accordance with the High Court Rules.</p>					

#	Start Date	Action	Completion Date	Responsibility	Resource
2.		<p>Notwithstanding the provisions of subsection(1), the High Court shall not set aside the proceedings of the Council by reason only of an irregularity which did not embarrass or prejudice the applicant in answering the charge, or in the conduct of his defense.</p> <p>Any person appealing against the decision of the Council shall do so by lodging a notice of appeal with the Registrar setting out the grounds of appeal within fourteen days after the decision of the Council shall have been communicated to him or her, and shall lodge an application with the High Court within fourteen days after having served the said notice of appeal on the Registrar.</p> <p>In September 2015, 3 cases were brought forth to ESIA's Disciplinary Committee based on irregularities found in QA reviews. The member firms which were due to appear before the DC closed and hence there was no need to refer their cases to DC</p> <p>There have been no cases taken to the DC in 2019.</p> <p>ESIA has established the Ethics Committee in March 2023. The Committee was established to provide leadership and guidance on ethics related matters to ESIA and its members so that they are able to comply with their responsibility to act in the public interest, with integrity, objectivity, professional competence and due care, professional behavior and confidentiality. The Committee has the following functions and responsibilities</p> <ul style="list-style-type: none"> <li>➤ Maintenance of the Code of Professional Conduct for Chartered Accountants -The Code</li> <li>➤ To monitor and address emerging ethical issues that are relevant to the public interest responsibility of ESIA and its members.</li> <li>➤ Monitoring and Consideration: Existing, emerging and potential ethical issues both general and specific, may proactively be identified by committee members. Alternatively, they may be referred to the Committee by any member or Committee of ESIA, or ESIA's Council (which may also approve the referral of ethical matters originating from regulatory or legislative authorities, members of the public, or any other source). In addition, the Committee monitors and considers ethical issues arising from the disciplinary processes and proceedings of ESIA, as well as (to the extent that information is available and ESIA members are involved) other professional and regulatory bodies.</li> <li>➤ Addressing: Ethical issues are addressed, where necessary, by means of the Committee making recommendations to ESIA Council (or other committees of ESIA) in respect of appropriate courses of action.</li> </ul>			
<i>Further Developments Investigation and Disciplinary Programs</i>					
33.	Completed	Disciplinary Committee and Ethics Committee to ensure compliance with SMO 6 – notably SMO 6.13, 6.19, 6.23 & 6.25.	Completed	Disciplinary committee	Disciplinary Committee and Council
<i>Lobby for Revision to Accountants' Act</i>					
34.	Completed	Lobby Government to pass the Accountants (Amendment) Bill which seeks to strengthen the Disciplinary Powers of the Council. The Disciplinary Committee, under the new amendments, will be chaired by a High Court Judge who shall be appointed by the Chief Justice.	Completed	ESIA Council	Chairman Executive Director Cabinet Members of Parliament

<i>Maintaining Ongoing Processes</i>					
35.	Ongoing	ESIA will organize regular trainings to keep their members up to date with the requirements of the international standards.	Ongoing	Disciplinary committee	Disciplinary Committee and Council
36.	Ongoing	Continue to ensure that ESIA's investigation and disciplinary mechanism continues to address all SMO 6 requirements. This includes review of the existing mechanism and updating the Action Plan for future activities where necessary.	Ongoing	ESIA CEO	Disciplinary Committee and Council
<i>Review of SIA's Compliance Information</i>					
37.	Annually	There is a need to review ESIA's responses and update sections relevant to SMO 6 as necessary.	Annually	ESIA CEO	Disciplinary Committee and Council

**Main Requirements of SMO 6**

Requirements	Y	N	Partially	Comments
<b>Scope of the system</b>	Y			
1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.				
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	Y			

<b>Initiation of Proceedings</b>				
3. Both a “complaints-based” and an “information-based” approach are adopted.	Y			
4. Link with the results of QA reviews has been established.	Y			
<b>Investigative process</b>	Y			
5. A committee or similar body exists for performing investigations.				
6. Members of a committee are independent of the subject of the investigation and other related parties.	Y			
<b>Disciplinary process</b>	Y			
7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.				
8. Members of the committee/entity include professional accountants as well as non-accountants.	Y			
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	Y			
<b>Sanctions</b>	Y			

10. The disciplinary system allows imposing an extensive range of penalties. It is particularly important to include (a) loss of professional designation; (b) restriction and removal of practicing rights; and (c) exclusion from membership.	Y			
<b>Rights of representation and appeal</b> 11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	Y			
<b>Administrative Processes</b> 12. Timeframe targets for disposal of all cases are set.	Y			
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	Y			
14. Records of investigations and disciplinary processes are established.	Y			
<b>Public Interest Considerations</b> 15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	Y			
16. A process for the independent review of complaints on which there was no follow-up is established.	Y			

17. The results of the investigative and disciplinary proceedings are made available to the public.	Y			
<b>Liaison with Outside Bodies</b> 18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	Y			
<b>Regular review of implementation and effectiveness</b> 19. Regular review of implementation and effectiveness of the system are performed, and corrective actions are implemented.	Y			

**Action Plan Subject:** SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB  
**Action Plan Objective:** Continue to Use Best Endeavors to Maintain and Continuously Improve an Ongoing Program for Adoption and Implementation of IFRS

#	Start Date	Action	Completion Date	Responsibility	Resource
<i>Background:</i> The Accountants Act of 1985 makes the ESIA responsible for adopting and promulgating the accounting standards to be used in the preparation of the financial statements of listed and non-listed entities. Convergence with International Accounting Standard Board (IASB) pronouncements has been established as an objective - adoption as drafted, without amendments. ESIA has approved the adoption of International Financial Reporting Standards for small and medium entities (IFRS for SMEs). Although the law in Swaziland does not state the body responsible for standards-setting and monitoring compliance with standards, ESIA has assumed these roles in terms of its IFAC membership obligations. The ESIA approved compliance with IFRS for SMEs with effect from 2010.					
<i>Advance the Process for Ongoing Adoption and Implementation of IASs</i>					
38.	Ongoing	Comment on exposure drafts. Exposure drafts recently commented on included.	Ongoing	ESIA Council	Technical Committee
39.	Ongoing	Post all new standards on the web site and publish in the local press. Link to IASB website on SIA website.	Ongoing	CEO	ESIA Staff
40.	Ongoing	Technical Committee/Council to meet regularly to review new and amended standards.  There are plans to reconstitute the Technical Committee; in the interim, the SIA Council meets quarterly to review new and amended standards.	In progress	ESIA COUNCIL	Technical Committee
41.	Ongoing	Provide training to members to ensure effective implementation of the latest IASB pronouncements  ESIA is planning to organize IFRS and IFRS for SMEs Workshop for their members. The last workshop was held in November 2023.  IFRS workshops are held annually to update members on new developments.	Ongoing	ESIA COUNCIL	ESIA Staff

<b>#</b>	<b>Start Date</b>	<b>Action</b>	<b>Completion Date</b>	<b>Responsibility</b>	<b>Resource</b>
<i>Reinforce Capacity for Interpreting Financial Reporting standards</i>					
42.	Ongoing	Annual IFRS updates are conducted with Pro Beta	Ongoing	Council	ESIA Staff Technical Committee CFTC
<i>Maintaining Ongoing Processes</i>					
43.	Ongoing	Continue to support ongoing adoption and implementation of IASB pronouncements.	Ongoing	ESIA CEO	Technical Committee & ESIA Council
<i>Review of ESIA's Compliance Information</i>					
44.	Annually	There is a need to review and carry out periodic review of ESIA's responses to SMO 7 as necessary and update information.	Annually	ESIA CEO	Technical Committee & ESIA Council