

POLICY ON CONTINUED PROFESSIONAL DEVELOPMENT

**THIS DOCUMENT MUST BE READ IN CONJUNCTION WITH THE
ICAN CONSTITUTION AND BY-LAWS**

“Wilful failure to develop and maintain professional competence represents a violation of the code of ethics that may result in disciplinary action and diminish the professional accountant’s ability to act in the public interest.”

Effective Date – 01 January 2020

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1. BACKGROUND

In 2004, in compliance with the IFAC Statement of Membership Obligations 1 the ICAN Council proposed constitutional changes which introduced a mandatory monitored CPD requirement into the ICAN constitution.

The CPD requirements are aligned with those of IFAC and meet international benchmarks.

ICAN, as a member of IFAC, is also required to comply with International Education Standards (IES). A purpose of the IES is to ensure that individual professional accountants of IFAC member bodies develop and maintain their professional competencies necessary to:

- provide high quality service to clients, employers and other stakeholders; and
- strengthen public trust in the accountancy profession.

As the scope and nature of occupations of individual professional accountants vary widely so will their required competencies. For this reason, ICAN does not prescribe specific learning activities or the content of CPD programmes. Members are deemed professional and able to select their own learning activities relevant to their needs.

CPD activities can vary widely and can lead to the maintenance or enhancement of professional knowledge, professional skills, professional values, ethics and attitudes. In addition to education, practical experience and training, CPD can also include learning and development which derives from activities such as coaching and mentoring, research, reading and networking.

Typically, CPD can be measured in terms of an output- or input-based model. An output-based model requires an individual to demonstrate, in the form of outcomes, that they have developed and maintained professional competence. An input-based model measures or records time spent on CPD activities as an indicator of the maintenance and development of professional competencies. ICAN has elected to adopt an input-based model which requires members to achieve a minimum number of credits for their CPD activities per annum.

Recognising the diversity of activities that could constitute CPD and without wishing to restrict the choice of activity ICAN has elected to determine classes of activities and to allocate a credit ratio for every hour spent on a specific CPD activity. This structure also allows ICAN and a member to distinguish between verifiable and non-verifiable CPD activities.

ICAN would like to encourage and foster a personal culture of lifelong learning in each of its members as each member is a brand ambassador for the profession and professional competence is a keystone on which the profession is based.

In compliance with the requirements of IFAC membership, ICAN adopted and implemented a CPD policy as early as 2004. The ICAN Council took the matter of CPD seriously and included CPD requirements directly into the ICAN constitution and pursued annual CPD declarations diligently since 2005.

A CPD policy which requires ICAN members to undertake and record relevant learning activities is a means by which ICAN can safeguard the accounting profession and protect the public interest by ensuring that there is a framework within which members commit to on-going learning and development throughout their careers. Having a robust CPD policy ultimately assists in protecting ICAN and its related designation's brand.

As a member of IFAC, ICAN is required, in terms of Statement of Members Obligations 2 and International Education Standard 7 (CPD) to monitor whether ICAN members fulfil their obligations towards lifelong learning. Monitoring of whether learning and developing is taking place is articulated through the formalisation of a Continuing Professional Development (CPD) Policy.

The IAESB issued the IES 7 standard on 29 January 2019 which clarifies the principles and requirements on how professional accountancy organisations measure, monitor and enforce their continuing professional development systems.

The revised IES 7 standard places greater emphasis on learning and development needed for professional accountants' roles and responsibilities rather than focusing on a minimum number of hours. The revised IES 7 standard becomes effective 1 January 2020.

With the review of IES 7 as well as developments in technology supported learning it is appropriate that ICAN review its CPD policy to ensure relevance and compliance.

IMPACT OF CHANGES TO IES 7 ON ICAN CPD POLICY:

Additional clarity and examples have been provided in revised IES 7 but the principles and requirements remain substantially unchanged.

Two new requirements have been added to IES 7:

1. Paragraph 15: IFAC member bodies must specify the nature and extent of verifiable evidence for CPD.
2. Paragraph 16: IFAC member bodies must measure, monitor, and enforce CPD to be performed on a specific and regular basis.

The existing ICAN CPD policy complies with both these requirements.

As before, member bodies can choose to apply either the output-based measurement approach, the input-based measurement approach or both. ICAN continues to follow an input-based measurement approach.

2. PURPOSE

Continual Professional Development (CPD) comprises learning activities that enhance individual knowledge, skills and personal growth. CPD supports growth and currency in behavioural, business and workplace capabilities as well as technical competence.

3. SCOPE

This policy applies to all members of ICAN.

4. OBJECTIVES

To ensure that members:

- maintain and develop their professional competence relevant to their current and future roles;
- take responsibility for undertaking relevant CPD activities to remain competent in their current and future roles; and

- take responsibility for recording CPD activities to demonstrate that they have undertaken relevant and appropriate learning activities for their circumstances.

5. DEFINITIONS

Continued Professional Development (CPD)	is the assurance of life-long learning and development that professional accountants undertake to develop and maintain professional competence necessary to perform their role as professional accountants.
Credits	CPD will be measured in terms of credits earned according to the nature of the different activities that are considered to develop and maintain professional knowledge and skills.
Cycle	is a rolling three-year period which means that at the end of any year the total credits for the past three years should equal or exceed 120.
IFAC	International Federation of Accountants
Input based measurement model	Professional competence that is demonstrated by completing a specified amount of learning and development activity relevant to performing the role as a professional accountant. Activities are measured in time spent on the activity.
Measurement of CPD	includes evaluating evidence of CPD in terms of the achievement of learning outcomes or completion of a specified amount of learning and development activities (time spent) related to: <ul style="list-style-type: none"> a) Technical competence, b) Professional skills, and c) Professional values, ethics and attitudes.
Non-compliance	means: <ul style="list-style-type: none"> - not achieving the minimum credits required per year; or - not achieving the minimum credits required in a rolling 3-year cycle; or - not providing a remedial action plan for non-compliance with minimum number of annual CPD credits; or - not submitting an annual declaration; or - not logging CPD onto the ICAN system.
Verifiable evidence	is evidence that is objective, capable of being proven and stored in written or electronic form.
PAAB	Public Accountants' and Auditors' Board

6. MEASUREMENT APPROACH

ICAN applies the input-based measurement approach.

ICAN members are required to develop and maintain professional competence that is demonstrated by completing a specified amount of learning and development activity relevant to performing their role as a professional accountant.

CPD is measured in verifiable or non-verifiable learning hours or equivalent learning units.

Examples of verifiable evidence that could be used to demonstrate that the specified amount of learning and development activity has been undertaken:

- Course outlines, teaching materials, meeting agendas and meeting minutes that verify the relevance of the content; and
- Confirmation that a learning and development activity has been completed (including number of hours or equivalent learning units) by a provider, instructor, employer, mentor or tutor.

7. BASIC REQUIREMENTS

- 7.1. That a member achieve a minimum of **30 credits** in any calendar year.
- 7.2. That a member achieve **120 credits** in a rolling 3-year cycle.
- 7.3. At least 50% of annual credits must be obtained from verifiable CPD activities.
- 7.4. Members who are registered with the PAAB should be aware of and meet any specific CPD requirements set by the PAAB. This is a matter between the member and the PAAB.

8. CATEGORIES OF CPD ACTIVITIES AND CREDITS/RESTRICTIONS ALLOCATED THERETO

ICAN reserves the right to request evidence of verifiable activity.

CPD will be measured in terms of credits earned according to the nature of the different activities that are considered to develop and maintain professional knowledge and skills.

In all of the categories the material/course/workshop must be relevant to the skills and knowledge required of a professional accountant to qualify for CPD credits.

	ACTIVITY	HOURS	CREDITS	NATURE	RESTRICTION
1.	Attending external / third party courses	1	1	Verifiable	None
2.	Attending in-house courses	1	1	Verifiable	None
3.	Attending live online/webinar courses	1	1	Verifiable	None
4.	Watching recorded online/webinar courses	1	1	Non-Verifiable	None
5.	Acting as presenter / lecturer	1	1	Verifiable	Only qualifies for credits the first time the material is presented.
6.	Preparation of professional published articles.	1	1	Verifiable	Only qualifies for credits the first time the course material is published.

7.	Preparation for presentations & lecturers.	1	1	Non-Verifiable	Only qualifies for credits the first time the course material is developed.
8.	Attendance of board or audit committee meetings	1	0,25	Verifiable	Maximum of 10 credits per year.
9.	Participation in ICAN Committees & Council and PAAB & PAAB Committees	1	0,50	Verifiable	None
10.	Participation as an appointed ICAN representative.	1	0,25	Verifiable	None
11.	Self study towards a further academic or professional qualification	1	0,20	Verifiable	None
12.	Reading of technical material relating to the accounting profession.	1	1	Non-Verifiable	Maximum of 10 credits per cycle.

9. ROLES AND RESPONSIBILITIES

9.1. ICAN's obligations

9.1.1. ICAN will monitor members' compliance with the CPD policy on an annual basis.

9.1.1.1. ICAN reserves the right to request evidence of verifiable activities.

9.1.1.2. ICAN will have the functionality to extract reports from the database in order to monitor compliance.

9.1.1.3. Verification of CPD will be guided by developments in the profession, the risk profiles of professional activities and other relevant industry developments.

9.1.2. ICAN may publish certain compulsory areas for CPD from time to time (i.e. NOCLAR and Ethics).

9.1.3. ICAN will refer members who are non-compliant with the CPD policy to the Investigation Committee.

9.2. Member's obligations

9.2.1. Undertake relevant Continued Professional development activities on an annual basis.

9.2.2. Follow an input-based measurement approach to continuing professional development.

9.2.3. Keep a record of CPD activities on the ICAN log system.

9.2.4. Submit an annual declaration to ICAN Secretariat on compliance with the CPD policy by the end of February annually.

9.2.5. If necessary, undertake compulsory CPD as directed by ICAN from time to time.

10. MONITORING PROCESS

ICAN shall undertake the monitoring process to ensure –

- (a) that CPD undertaken is relevant and appropriate to the current and future role of the member; and
- (b) that appropriate records and supporting documentation are kept.

In order to assess whether members meet the requirements of this policy, monitoring shall take the form of an annual verification of the CPD of a randomly selected sample of members.

11. RECORDING OF CPD ACTIVITIES – INTERNET LOG

The Institute has established a CPD website linked to the existing Institute website.

The website will allow a member to log onto the system using his/her email address as identification (with a member defined password to provide confidentiality).

The member will then record his/her CPD completed directly into the database using the pre-defined categories.

This system will also allow absentee members an accessible method of recording their CPD.

12. SANCTIONS

The ICAN Policy require 120 CPD credits to be obtained in any rolling three-year period with a minimum of 30 credits per year to be obtained. Recognizing that there may be minor fluctuations from year to year it may still be necessary to take action where insufficient CPD credits are achieved for a single calendar year. Members who do not comply with the requirements of this policy shall be referred to the Investigation Committee (who will then follow the appropriate By-law sanction process).

Non-compliance means:

- not achieving the minimum credits required per year
- not achieving the minimum credits required in a rolling 3-year cycle
- not providing a remedial action plan for non-compliance with minimum number of annual CPD credits.
- not submitting an annual declaration.
- not logging CPD on the ICAN system.

13. EXEMPTIONS

There are no exemptions granted for non-compliance. Council may consider suspending sanctions for non-compliance under extreme circumstances beyond the control of the member.

14. FREQUENTLY ASKED QUESTIONS

14.1. From when does a new member have to comply with the minimum credits requirement?

Members join at different dates during a calendar year while the minimum CPD credit requirement is an annual requirement measured on a calendar year basis. Consequently, as CPD obligations will commence from the start of the year after becoming a member. For example, a member who joins on the 1st of May 2019 will be required to meet the minimum credits requirement for the year ended 31 December 2020.

However new members who join during a calendar year are encouraged to engage in CPD activities and to log these activities irrespective of the fact that the extent of CPD in the period (to calendar yearend) will not be considered for compliance purposes.

14.2. How do I decide what CPD to undertake?

ICAN does not prescribe specific learning activities nor the content of CPD programmes. Members are deemed professional and able to select their own learning activities relevant to their specific roles.

When approaching CPD activities, we expect members to form their own professional judgment as to the best way of assuring that you are making a meaningful contribution to the development of your knowledge, competencies, and skills. A member is responsible to maintain professional competence by undertaking **relevant** continuing professional development activities **in relation to their current and future professional roles**.

Given that ICAN members are active in a spectrum of professional roles their individual needs for CPD will differ. These needs will include technical and non-technical knowledge, skills and values. As such it is up to the member to use their professional judgment to select and complete sufficient CPD activities that are relevant to their role.

A crucial aspect of your role is to be up to date and conversant with current trends, topics, legislation and regulations and ICAN is committed to providing ample opportunities, tools and resources to help you meet your CPD goals and demonstrate the highest level of professionalism and competence.

This will ensure that each ICAN member is professionally competent and is maintaining and developing their knowledge and skills throughout their careers.

14.3. Would members be granted credit for having studied courses before the CPD requirement comes into force?

No. CPD by its very nature refers to continuing learning. Learning in the past does not reduce the need to remain up to date and to commit to lifelong learning going forward – on a year by year basis.

14.4. Would members be granted future credits for having attended courses that exceed the annual requirement of 30 credits? Can credits be carried forward?

To a limited degree, however a minimum of 30 new credits must be earned every year. CPD is by its nature about keeping knowledge, skills and values current and as such a member has to keep refreshing their professional competence for the functions that they perform.

14.5. What is the CPD requirement for retired members? Do we have to do CPD?

Life-long learning and CPD compliance is obligatory on all members of ICAN. It is only in the exceptional case where a member is not professionally active in any manner that is associated with his / her CA(Nam) designation that an exception to the CPD obligation can be considered.

A member who is serving on Boards of Directors, Audit Committees, providing any accountancy or related advisory work (considering all the aspects of professional services that CA's are competent to provide) will not be entitled to an exemption on the basis of age or status as "retired".

14.6. How do I record my CPD attainment?

All members have access to a simple online CPD Log which should be updated on a regular basis. The log is designed for you to quickly record all of your CPD activities with ease and keep track of progress. You can access the website at www.icancpd.net. Use your email address and unique password to access your records.

14.7. What should a member do who is not compliant with the CPD requirements?

Such a member should first ensure that their log is comprehensively completed including all CPD activities.

In the event that the member is not in compliance with either the annual minimum 30 credit requirement or the three year rolling cycle 120 credit requirement (or both) the member should include a statement setting out their intended CPD plan for the subsequent year to catch up any shortfall in the year for which the declaration is submitted and to achieve the 120 credit rolling average by the end of the subsequent year (if applicable). This remedial action plan should be submitted with the CPD annual declaration.

The recurrence and extent of the shortfall / non-compliance and the achievability of the remedial action plan will be considered by Council when sanctions are to be determined.

14.8. What qualifies as Technical Reading?

Technical reading means reading professional literature and journals for application in your current role.

Technical reading is unverifiable but is still a valid CPD activity if the subject matter is relevant to your role and is of a professional nature. Examples of valid technical reading include:

- Accountancy SA articles that are relevant to your current role,
- ICAN Circulars that are relevant to your current role,
- ICAN updates that are relevant to your current role.

Remember to describe or name the specific article/circular in your CPD log.

14.9. What are the CPD requirements for members who want to be re-instated as ICAN members?

A member who applies for re-instatement is required to provide evidence of 20 verifiable hours within 6 months. Where no verifiable CPD evidence can be provided, the applicant is required to submit a remedial action plan which sets out how to get up to date with CPD. The re-instatement of the applicant will be suspended until the remedial action plan is executed and verifiable evidence can be provided. An ethics and IFRS course are compulsory requirements for re-instatement.

14.10. Is it mandatory to register as an ICAN member once all membership requirements have been met?

It is not mandatory to register as an ICAN member once all membership requirements have been met, however, if more than 2 years have lapsed since becoming eligible to register as a member, the member is required to comply with the CPD requirements as stipulated in the fit and proper policy before admission to ICAN membership.

If more than 3 years have lapsed since becoming eligible to register as a member, the member is required to comply with the CPD requirements as stipulated in the fit and proper policy, and the

membership application needs to be approved by the Training and Development Committee before admission to ICAN membership.

Unless you have registered with ICAN and have been accepted as a member and are fully paid up and compliant with your Continuing Professional Development, you are not entitled to call yourself or use the designation Chartered Accountant, Chartered Accountant Namibia, CA (NAM), or any other designation or abbreviation that may cause the public to believe that you are a Chartered Accountant. This limitation on the use of the designations is in terms of the Public Accountants and Auditors Act, 51 of 1951, and the Industrial property Act, 1 of 2012. Contravention of any provisions of the Public Accountants and Auditors Act, 41 of 1951 is a punishable offence in terms of Section 32 of the ICAN By laws.

Eligible members are encouraged to engage in CPD activities until such time that they apply for ICAN membership.

Annual Self Declaration of CPD

Please sign the declaration below and return it to the Secretariat at secretariat@ca-nam.com, or deliver to 342 Sam Nujoma Drive, Klein Windhoek by **28 February 20xx**.

“Wilful failure to develop and maintain professional competence represents a violation of the code of ethics that may result in disciplinary action and diminish the professional accountants ability to act in the public interest.”

The ICAN CPD Policy has the following requirements:

1. A minimum of 30 credits required per year (50% verifiable/50% non-verifiable).
2. 120 relevant CPD credits in a three-year rolling cycle.
3. At least 50% of annual credits must be obtained from verifiable CPD activities.
4. That CPD has been recorded on the ICAN online systems.
5. Required to maintain all supporting documentation for CPD activities performed for monitoring purposes.
6. That the CPD compliance declaration must be completed **before 28 February** annually.

Non-compliance means:

- not achieving the minimum credits required per year;
- not achieving the minimum credits required in a rolling 3-year cycle;
- not achieving the minimum of 50% verifiable credits required per year;
- not providing a remedial action plan for non-compliance with minimum number of annual CPD credits;
- not submitting an annual declaration; and
- not logging CPD onto the ICAN system.

DECLARATION:

For the period 1 January xxxx to 31 December xxxx

As a member of ICAN I understand the ICAN CPD Policy that has been implemented by the ICAN Council.

I declare that:

Required	I have complied	I have not complied
A minimum of 30 credits required per year (50% verifiable / 50% non-verifiable)		
120 relevant CPD credits in a three-year rolling cycle.		
That CPD has been recorded on the ICAN online systems.		
Required to maintain all supporting documentation for CPD activities performed for monitoring purposes.		
I am aware of my responsibility in terms of By-Law 19 and 20 of the constitution to advise the Secretariat of any changes to my contact details and that my details set out below are correct.		

NAME	
CELL NUMBER	
EMAIL	
EMPLOYER	

SIGNATURE	
DATE	