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New Qualification Programme to groom future talent

Institute releases Position Paper for CPA qualifying process reform

(HONG KONG, 4 January 2017) — The Hong Kong Institute of Certified Public Accountants, after completion of a three-month public consultation on the enhanced CPA qualifying process, released today the Position Paper on the new Qualification Programme ("QP"). The Position Paper sets out the final content, structure and design of the new QP, which will be launched in June 2019.

According to Mabel Chan, president of the Institute, it is imperative that the CPA qualifying process not only trains professional accountants to meet current needs but also prepares them for the future. "In pursuance of its Sixth Long Range Plan, the Institute ensures its CPA qualification is in step with the continual changes in business needs and professional markets in Hong Kong as well as international best practices," she says.

The proposed new QP is the result of consultations with major employers, academia, education providers and practitioners, in addition to an extensive review by independent consultants from a top-tier overseas accountancy body and a major international accounting firm, adds Chan.

The new QP will comprise three progressive levels with 14 modules and an integrated final examination. It offers alternative pathways and greater flexibility for students with different educational backgrounds, including sub-degree holders and non-accounting majors, to become CPAs. This could attract more students from other disciplines to join the accountancy profession which is important in developing a sustainable talent pool of accounting professionals.

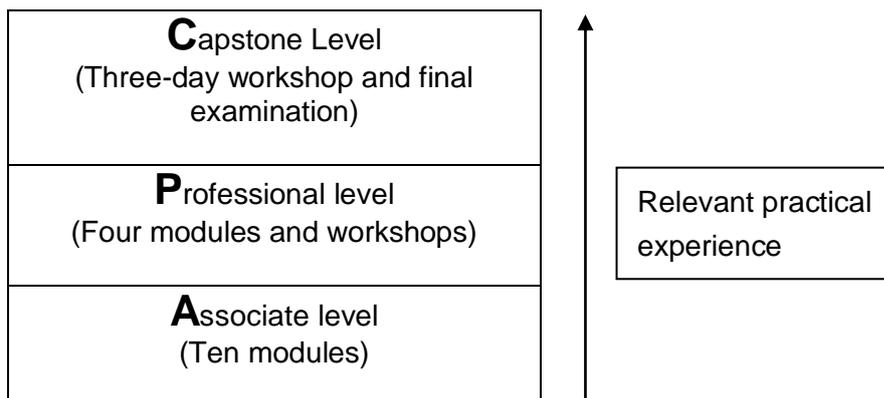
"Despite the change of entry level, the exit level of the new QP remains at the highest standard to ensure graduates have the required professional knowledge and ethical quality. A wider discipline also addresses the fact that nowadays, accountants are performing even more versatile roles, exceeding traditional functions to become experts in areas such as data analytics and performance management to help business growth," says Chan.

To garner input from stakeholders about the new QP, the Institute conducted eight information sessions and a questionnaire survey. "In response to the consultation paper, the Institute received 11 written responses and more than 160 online responses. In general, there is a strong support for the new QP and its proposed changes to the CPA qualifying process. With due consideration of all views received, the Institute came up with the Position Paper for the new QP," says Raphael Ding, chief executive of the Institute.

The new QP will increase emphasis on developing and assessing higher-order enabling

skills such as problem solving, critical and lateral thinking to enhance students' ability to identify complex problems including aspects of ethical dilemma and to develop professional solutions. "This aims to train professional accountants with the necessary skills to deal competently with professional type situations, thereby improving their employability in the market," adds Ding.

Jonathan Ng, the Institute's Executive Director in Qualification and Education, explains the structure of new QP as follows:



"In designing the new QP, the Institute has adopted a holistic approach to setting the standards required for a CPA at the point of qualification," says Ng. "We have devised the CPA competence blueprint, which comprehensively sets out the learning outcomes for both technical and enabling competences (i.e. knowledge, skills and values) with indicated level of proficiency and context for development."

The Position Paper, together with a list of frequently asked questions about the new QP, is available on the Institute's home page: www.hkicpa.org.hk

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About QP

The Hong Kong Institute of Certified Public Accountants (the "Institute" or "HKICPA"), with its statutory role of developing and regulating the accountancy profession in Hong Kong, launched the Qualification Programme (QP) as early as 1999 to groom accounting talents for Hong Kong.

Since its launch, the QP has been popular and is the most direct route to qualify as a Hong Kong CPA (practising). This comprehensive training programme equips students with solid accountancy knowledge and focuses on essential skills for a successful career.

The QP is also recognized by Hong Kong Continuing Education Fund and eligible candidates may apply for a fee reimbursement of up to HK\$10,000.

According to CEPA arrangement, QP graduate can be exempted from four papers, "accounting", "auditing", "financial cost management" and "corporate strategies and risk management" of the PRC CPA Uniform Examination.

Internationally, QP is accorded recognition in major capital markets on five continents,

including the U.S., Canada, England and Wales, Ireland, Scotland, Australia, New Zealand, South Africa, etc.

About the Hong Kong Institute of CPAs

The Hong Kong Institute of CPAs is the only body authorized by law to register and grant practising certificates to Certified Public Accountants in Hong Kong. The Institute has more than 40,000 members and 18,000 registered students. Members of the Institute are entitled to the description *certified public accountant* and to the designation *CPA*.

The Hong Kong Institute of CPAs evolved from the Hong Kong Society of Accountants, which was established on 1 January 1973.

The Institute operates under the Professional Accountants Ordinance and works in the public interest. The Institute has wide-ranging responsibilities, including assuring the quality of entry into the profession through its postgraduate qualification programme and promulgating financial reporting, auditing and ethical standards in Hong Kong. The Institute has responsibility for regulating and promoting efficient accounting practices in Hong Kong to safeguard its leadership as an international financial centre.

The Hong Kong Institute of CPAs is a member of the Global Accounting Alliance - an alliance of the world's leading professional accountancy bodies, which was formed in 2005. The GAA promotes quality services, collaborates on important international issues and works with national regulators, governments and stakeholders.

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