

(NBAA)
THE NATIONAL BOARD OF ACCOUNTANTS AND AUDITORS
TANZANIA



GUIDELINES ON CONTINUING PROFESSIONAL DEVELOPMENT
(REVISED JUNE 2020)

1.0 INTRODUCTION

- 1.1** The National Board of Accountants and Auditors (NBAA) is an independent regulatory body for the accountancy professional established under the Accountants and Auditors (Registration) Act, 286 [R.E. 2002]. NBAA was established in 1972 and started carrying out its activities from 15th January 1973. Since its establishment, NBAA has made a significant contribution to the development of the accountancy profession in Tanzania, particularly on promotion, registration, standards setting, regulatory and examination functions. NBAA is a member of the International Federation of Accountants (IFAC), Pan African Federation of Accountants (PAFA) and African Forum of Independent Accounting and Auditing Regulators (AFIAAR).
- 1.2** NBAA being a member of International Federation of Accountants (IFAC) is required to follow the prescribed professional education standards issued by the International Accounting Education Standards Board (IAESB). As a member of IFAC, NBAA has an obligation to monitor and provide Continuing Professional Development (CPD) opportunities to its members either through face-to-face or online.
- 1.3** The International Education Standard (IES) 7, *Continuing Professional Development*, clarifies the principles and requirements for how professional accountancy organizations measure, monitor, and enforce their continuing professional development systems. It makes it clear that all professional accountants must develop and maintain professional competence to perform their role. It requires professional accountants to record relevant continuing professional development (CPD).
- 1.4** Under the NBAA mandate, all registered members are required to comply with the applicable CPD requirements as enshrined in the Accountants and Auditors (Registration) By-laws 2017. Each member of the NBAA equally has an obligation to keep up to the professional competence expectations by engaging in CPD activities. CPD is required for all registered members to maintain their professional competence and provide quality professional services.

- 1.5** The knowledge and skills required for effective functioning of a professional accountant in various avenues of practice and employment continue to change dynamically and expand rapidly. With the changing market dynamics, complexity of business operations and growing expectations from professional accountants emphatically place continued development of professional competence and learning as critical imperative.
- 1.6** With a view to enabling its members to maintain the optimum level of professional competence and to ensure high quality and standards in the professional services that they render, it is advisable that each member should plan for his/her CPD as set out in the CPD calendar for each year. CPD calendar for both traditional face-to-face and online seminars and workshops may be downloaded from the NBAA website www.nbaa.go.tz

2.0 RATIONALE FOR THE REVIEW

The current guidelines on continuing professional development (CPD) were approved by the NBAA Governing Board during its 173rd meeting held on 29th September 2017 to be effective from 1st October 2017. Since then there has been a number technology developments especially those related to provision of training without necessarily for individuals to travel and gather in one place. The current guidelines recognize only CPD hours obtained through traditional face-to-face seminars and workshops. Members of the accountancy professional had no option instead; they were all obliged to attend only the face-to-face seminars and workshops. In some cases, members failed to comply with the CPD requirement because of the costs and time to attend the events.

To fulfil the needs of members, NBAA appreciates the need to introduce and recognize the online CPD programmes in these guidelines. The online CPD programmes are intended to supplement the traditional face-to-face CPD programmes and give more options to members to comply with the CPD requirements. Through these revised guidelines, NBAA will be organizing both face-to-face and online CPD programmes. Online CPD programmes are part of the structured CPD and there are numerous advantages of introducing online CPD programmes including flexibility, anywhere access, cost-effective, interactive and convenience.

Traditional face-to-face sessions will remain also extremely appropriate and will continue to be organized in the same way as it was in the past. They should be preferred whenever possible, for subjects that are less straightforward and require longer explanation and substantial exchange between the speaker/presenter and participants.

3.0 MEANING OF CONTINUING PROFESSIONAL DEVELOPMENT

Continuing professional development is learning by whatever means necessary, either by face-to-face or online, that helps professional accountants fulfil their present or future roles more effectively, maintain a sufficiently high standard of professional competence, and remain current in an ever-competitive job market. This will usually comprise a combination of formal and informal activities such as courses at educational training institutions, attendance at conferences, participation in committees and self-directed study. Members have a personal responsibility to develop and maintain their

knowledge and skills to ensure competence throughout their careers. This can be achieved through a program of continuing professional development, which provides:

- A means by which professional accountants can take responsibility for their lifelong learning;
- A means by which professional accountants can improve their employability and professional practice;
- A framework to identify and plan for acquiring further skills needed;
- A method to plan career changes;
- A vehicle to ensure that professional standards and the code of ethics are maintained and complied with.

4.0 OBJECTIVES OF CONTINUING PROFESSIONAL DEVELOPMENT

The main objectives of the CPD programme are to enable professional accountants to:

- 4.1** Maintain and further develop professional competence to meet the ever-increasing market demands and technological advancement that required new knowledge and skills.
- 4.2** Meet stakeholder expectations by ensuring that they maintain and further develop the professional competence required to perform any particular engagement that is undertaken in order that clients may receive the advantage of competent professional service, based upon up-to-date developments in practice, legislation and techniques and other requirements of the profession.
- 4.3** Meet their ethical obligations to maintain and further develop their professional competence at the level appropriate to the types of engagements and levels of responsibility that they undertake.
- 4.4** Facilitate the members in keeping them abreast of latest developments, widening their knowledge base and improving their skills to maintain the cutting edge by providing training and expertise in critical areas. It assists members achieve constant upgrading of competence by acquiring adequate skills commensurate with accounting profession responsibilities.

5.0 THE VALUE OF CONTINUING PROFESSIONAL DEVELOPMENT

It is generally accepted that, a person's ability to maintain high levels of professional competence is achieved by continually upgrading his or her skills and knowledge. Continuing professional development (CPD) has many benefits because it;

- Fosters excellence in the professions;
- Provides a mechanism through which professionals are accountable for remaining current in their practice thus improving the professions' credibility with the public;

- Enhances and/or expands the domain of practice;
- Enhances professional image;
- Facilitates practice mobility;
- Facilitates upward movement in the value chain to clients and employers;
- Improves marketability of professionals.

6.0 DESCRIPTION OF FACE-TO-FACE CPD PROGRAMMES

For purpose of these guidelines, face-to-face CPD programmes refer to seminars, workshops or presentation held in a group setting, large or small, where all participants and speakers/presenters gather in the same place at the same time. This type of CPD programmes has been used by NBAA for many years now. Face-to-face CPD programmes provide a platform for the participants to observe and model others, and gain confidence to express their opinions and thoughts. Participants have the opportunity to observe and experience real-life demonstration of the concepts, and thereby learn and gain confidence from the model through imitation and observation. Face-to-face CPD programmes provide opportunities for feedback. As has been the case with NBAA, face-to-face programmes, the speaker/presenter and the participants provide instant and constant feedback to support and guide participant during the seminars or workshops. The speakers/presenters also clarify misconceptions or misinformation instantly and stop the seminars or workshops from getting frustrated as they quickly modify their presentations and build upon it.

Participants of the face-to-face CPD events automatically record their CPD hours in their Membership and Examination Management Systems (MEMS) account. Face-to-face CPD contains the approved topics and other new topics on emerging or contemporary issues of interest to the accountancy profession are added continuously.

7.0 DESCRIPTION OF ONLINE CPD PROGRAMMES

The NBAA online CPD covers formalised, structured activities that participants experience through a web browser or other similar software connected to the internet, and that has a level of engagement with the content or feedback designed into the experience. NBAA Webinars (a portmanteau of web and seminars) helps participants to watch a video – either live or pre-recorded of speakers/presenters explaining topics. These are very similar to attending seminars or conferences. The online CPD programmes are run through webinar software.

The NBAA online CPD programmes are run on an annual cycle, from 1 January to 31 December each year; they are operated like other face-to-face CPD programmes but in a different format. Members can participate in online CPD events and automatically their CPD hours are recorded in their Members and Examination Management Systems (MEMS) account the same way as for face-to-face CPD programmes. Upon making payment to the programme, participants will receive *the webinar login information* to register prior to the event. The webinar login information will include a link that allows participants to connect to the webinar, as well as a call-in number, in case they would

prefer to listen by phone. **Two (2) CPD hours** will be earned by participating in one online CPD event of two hours. To qualify for 2 CPD hours one must attempt and successfully pass three online questions

To participate in the online CPD, all participants must have an online account with the National Board of Accountants and Auditors prior to registering for webinars. For non-members and first-time users, this will mean creating a new account in order to permit them to login to the event. There are also group webinar presentations (for office environments). Group webinar presentations are at the request of the group.

8.0 NEED FOR CONTINUING PROFESSIONAL DEVELOPMENT

The explosion of knowledge and the rapid obsolescence of technology have created need in most countries to modernize their traditional education and training systems to cater with the professional developmental needs of the new information age society. The need for CPD includes;

- (i) Maintaining necessary knowledge, skills and professional ethics expected as a member of the profession and keeping members up to date with developments within the profession.
- (ii) Keeping member's knowledge and skills updated to match the demands of the profession and society.
- (iii) Constantly upgrade and update their knowledge and skills in all areas of professional work.

9.0 APPLICABILITY OF CPD REQUIREMENT

The primary responsibility for competence lies with the member and all members have an obligation to develop and maintain their professional competence, relevant to the nature of their work and professional responsibilities. CPD is compulsory and is applicable to all members whether in public practice or in business. The following members of the Board shall be required to meet the CPD hours requirement:

- (i) Certified Public Accountants in Public Practice, Certified Public Accountants, Temporary Certified Public Accountants in Public Practice and Temporary Certified Public Accountants.
- (ii) Graduate Accountants (GAs)
- (iii) Accounting Technicians (AT)

10.0 EXEMPTION FROM CPD

An application for exemption from CPD requirements by members must be completed in writing. Any application to become exempt from CPD shall be submitted to the Executive Director for approval based on supporting documentation.

The following members are eligible for exemption from mandatory CPD requirements.

- (i) Any professional accountant who has withdrawn from the paid workforce as a retiree in accordance with the laws governing retirement and categorized as retired member under By-law clause 20 of the Accountants and Auditors (Registration) By-laws 2017. Also members who are not gainfully employed, who do not intend at any time thereafter to seek nor accept gainful employment either temporarily or permanently and who have made a written application for transfer to the retired membership category which has been accepted, are exempt from mandatory CPD requirements.
- (ii) Member with long illness for more than six months will be exempted for CPD if he/she provides proof of illness for that period and that he/she can longer practice.
- (iii) Member undergoing studies for one or more than one year in accounting related studies will be exempted for CPD provided that he/she provides proof of studies for that period.
- (iv) Other exemptions, a member may require an exemption for a valid reason other than those set out above. If a member seeks, an exemption he/she should apply as soon as reasonably possible to the Executive Director in writing setting out the reasons that he/she seeks an exemption together with any appropriate documentation. The decision to grant or refuse the exemption shall be a matter solely at the discretion of the Executive Director.

All applications for exemptions must be made in writing and must be approved by the Executive Director. When a member's status changes from any of the above exceptions, such that he or she no longer qualifies for exemption, the member is then required to meet the full CPD requirements of the Board.

11.0 REQUIREMENT OF CPD HOURS

11.1 Under Clause 16 of the Accountants and Auditors (Registration) By-Laws, 2017 each member shall obtain a minimum number of CPD hours during a period of one calendar year as follows:

- (i) Forty hours (40) for Certified Public Accountants in Public Practice, Certified Public Accountants, Temporary Certified Public Accountants in Public Practice and Temporary Certified Public Accountants.
- (ii) Thirty (30) hours for Graduate Accountant.
- (iii) Twenty (20) hours for Accounting Technician

11.2 Clause 16 of the Accountants and Auditors (Registration) By-Laws, 2017 requires that at least seventy-five percent (75%) of the CPD hours attended by a member per annum shall be from the Board's CPD activities. The remaining CPD hours may be obtained from outside the Board's CPD activities. A member who has attended CPD activities other than the CPD activities conducted by the Board shall submit details of such CPD hours to the Board at the end of each

calendar year. For CPD activities outside the Board's CPD activities, it is the responsibility of the member to appraise the quality of CPD activities and justify the hours claimed.

11.3 Through these revised guidelines, NBAA will be running both face-to-face and Online CPD programmes. Members will opt either to obtain all their 75% CPD hours through face-to-face or online CPD programmes, or through a mixture of the two programmes.

12.0 STRUCTURE OF CPD ACTIVITIES

Members are required to complete a minimum number of hours of relevant CPD activities, which will consist of a combination of verifiable (structured) and unverifiable (unstructured) CPD activities.

12.1 Structured CPD Activities

Structured CPD includes all CPD which has learning as the primary objective and which is measurable and verifiable. In order for structured CPD to be accredited, it must be measurable and verifiable.

Structured CPD learning activities include;

- (i) Workshops, Seminars & Conferences organized by the Board.
- (ii) Mentoring of Graduate Accountants (GAs).
- (iii) Serving as an Examiner for the Board's Examinations.

12.2 Unstructured CPD Activities

Unstructured CPD can be defined as any form of informal learning or development of day-to-day working skills achieved through self-study and/or informal training. Unstructured CPD can be measurable but is not verifiable.

Unstructured CPD learning activities include;

- (i) Publication of article in a journal related to accountancy profession.
- (ii) Writing papers or books related to accountancy profession.
- (iii) Attending formal technical meetings and other meetings that contribute to the development of the accountancy profession.

13.0 REPORTING AND RECORD KEEPING

It is the responsibility of every member to maintain a record of his or her CPD activities. Members must retain any documentation that will support the verification of recorded CPD hours obtained from outside the Board's CPD activities. To facilitate record keeping and administration of the CPD programme, all CPD hours obtained from the Board's CPD events (either through face-to-face or online) will be automatically recorded in the Members and Examination Management Systems (MEMS) account of each member participated in the event.

Calculation of CPD hours are guided by the following;

13.1 Structured CPD Activities.

- (i) Eight (8) CPD hours are earned by attending a one-day workshop, seminar or conferences organized by the Board.
- (ii) Two (2) CPD hours are earned by participating in one online CPD event of hour (minimum of 60 minutes constitutes one hour). To qualify for 2 CPD hours one must attempt and successfully pass three online questions.
- (iii) Ten (10) CPD hours are earned by mentoring at least five Graduate Accountants (GAs) at the end of each mentoring year.
- (iv) Five (5) hours will be earned for a member serving as examiner of the Board's examinations for each session.

13.2 Unstructured CPD Activities

Unstructured CPD can be defined as any form of informal learning or development of day-to-day working skills achieved through self-study and/or informal training. Unstructured CPD can be measurable but is not verifiable. The CPD hours for unstructured CPD activities shall be approved by the Executive Director after submission of evidence but will not exceed 10 CPD hours per year.

Should members be registered by NBAA as new members after June of a year their CPD requirement will be to record at least;

- (i) Twenty hours (20) for Certified Public Accountants in Public Practice, Certified Public Accountants, Temporary Certified Public Accountants in Public Practice and Temporary Certified Public Accountants.
- (ii) Fifteen (15) hours for Graduate Accountant.
- (iii) Ten (10) hours for Accounting Technician

14.0 ADMINISTRATION OF CPD HOURS

CPD Structure	Monitoring
Structured learning	NBAA
Unstructured learning	Member Member shall submit self-declaration and evidence of respective learning activities.

15.0 NON-COMPLIANCE WITH CPD REQUIREMENTS

A member who, without cause, fails to attain the required Continuing Professional Development hours;

- (i) Shall pay a penalty fee as prescribed in the Third Schedule of the Accountants and Auditors (Registration) By-Laws, 2017 or

- (ii) Face disciplinary measures that the Board may consider appropriate against him/her.

16.0 FEES FOR CPD ACTIVITIES

16.1 Each member of the Board who wishes to attend any *face-to-face seminar or workshop* organized by the Board shall pay fee as advertised or as indicated in the invitation letter of the respective CPD event. In case a member, for any reason cannot attend the CPD event and has paid the event fee, he/she is required to inform the Board in writing seven days before the event day requesting the fee to be transferred to another event and proposing the way he/she will attend other coming CPD events. Any fee, which is not utilized within ninety days from the date paid, shall be forfeited. In any case, no member shall claim transfer of fee if he/she has not informed the Board in writing seven days before the event day.

16.2 Members wishing to participate in any *online seminar or workshop* shall pay **TZS.30,000.00** as participation fee for one online CPD event of two hours and the same will be indicated in the invitation letter of the respective online CPD event. Upon making payment to the programme, participants will receive the *webinar login information* to register prior to the event. The webinar login information will include a link that allows participants to connect to the webinar, as well as a call-in number, in case they would prefer to listen by phone. **Two (2) CPD hours** will be earned by participating in one online CPD event of two hour (minimum of 60 minutes constitutes one hour).

16.3 Participation fee for online CPD events are not refundable and cannot be transferred to another online CPD event or other CPD events unless that event is cancelled for any reason cancelled by NBAA.

16.4 To run a webinar CPD event, there must be adequate number of participants to cover the cost of the event.

17.0 REMUNERATION TO SPEAKERS/PRESENTERS

Presenters for online CPD will be remunerated or compensated **TZS 400,000.00** for one online CPD event of one hour (minimum of 60 minutes constitutes one hour) including airtime. Speakers/presenters for traditional face-to-face seminars and workshops will continue to be remunerated or compensated in accordance with the existing approved rates.

18.0 AUTHORITY

These revised guidelines have been developed by NBAA under the authority of the By-law 16(6) of the Accountants and Auditors (Registration) By-Laws, 2017 as in force starting March 2017. By-law 16(6) states, *“Every Continuing Professional Development activity shall be conducted as per the guidelines on Continuing Professional Development that shall be issued by the Board from time to time”*.

19.0 EFFECTIVE DATE

These guidelines have been approved by the NBAA Governing Board during its 182 meeting held on 22nd June 2020 to be effective from 1st July 2020.

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