



CA
PAKISTAN

EDUCATION SCHEME 2021

Quest for Excellence & Relevance



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MESSAGE FROM THE CHAIRMAN OF EDUCATION & TRAINING COMMITTEE (ETCOM)

Dear esteemed members, students, education and training partners and prospective students

It gives me immense pleasure and satisfaction to introduce Education Scheme 2021.

Education Scheme 2021 is an integral component of the Council's strategy to retain the status of CA Qualification as a top national accounting qualification as well as to compete with the best international accounting qualifications. Under the strategy all aspects of education, examination, training and related delivery models, study tools, etc. are being holistically reviewed on a systematic basis.

After due deliberations, the structure of Education Scheme 2021 was approved by the Council in its 316th meeting held on July 25-26, 2019.

The Institute of Chartered Accountants of Pakistan (the Institute) with the Scheme continues its journey to achieve excellence and relevance in professional competence so that its members and students continue to add value to business and economy, safeguard public interest, ensure ethical practices and good corporate governance.

In continuance of this quest, the Institute conducted an extensive review of existing CA qualification, keeping in view the requirements of International Federation of Accountants (IFAC) education standards, international best practices and suggestions from key stakeholders in academia, practice and industry.

Education Scheme 2021 while retaining focus on the traditional areas of key competencies of CA professionals and students, simultaneously envisage to enhance their skillset in the areas of technology, communication and behavioral competencies to respond to the needs of emerging workplace.

One of the key focus areas of the Scheme is to provide a reasonable chance of success to those who enter CA program, while retaining the desired level of competencies and skills. This will be achieved through rationalization of curriculum, introducing new examination methods and techniques and developing better study tools and education delivery models, etc.

The salient features of Education Scheme 2021 together with detailed flow of qualification and principles are being presented in this document.

The deliberation on detailed curriculum, exemptions and transitional provisions are in progress and will be shared, once approved by the Council.

This communication is for the purposes of information of the stakeholders and not intended for obtaining comments or feedback. The formal exposure of amended byelaws and directives will be made in due course for comments.

Here I would like to acknowledge the contributions by members of ETCOM 2018-19 without which the Scheme may not have become a reality.

My thanks to all those who participated in surveys and discussions and contributed to the development of the Scheme.

My special thanks to the Senior Director Education and Training Omair Jamal, and staff of Education Department including Senior Manager Shumaila Halo and Director Examinations, Irfan Ghaziani for their tireless efforts and extensive research and outreach to make the Scheme possible.

My thanks to the President, Vice Presidents, and my Council colleagues who deliberated in detail and made valuable contribution to the Scheme.

Syed Najmul Hussain, FCA

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IMPORTANT NOTE

This announcement is for the purpose of information to intended recipients and is subject to amendment in Byelaws with approval of the Federal Government in due course.

SALIENT FEATURES

Education Scheme 2021:

- i. Introduces an entry test for students who marginally under perform in their twelve years' education to allow opportunity to those who may have reasonable chance of successfully completing the CA Program.
- ii. Fairly accommodates those who possess other higher educational and professional qualifications.
- iii. Enhances integration of 16 years' degree programs into the qualification process to ensure diversity in the profession.
- iv. Devolves conduct of entry test and pre-requisite competencies assessment to authorized third parties with close oversight of the Institute.
- v. Introduces hands-on courses to enhance the skillset of CA professionals in areas of technology, communication and behavioral competencies to respond to the needs of emerging workplace.
- vi. Defines maximum period to clear a level in terms of "years/months" along with "number of attempts".
- vii. Focuses on development of analytical and reasoning skills and application techniques.
- viii. Retains Multi-Subject Assessments (MSAs) as final level of qualification.

KEY STAGES/LEVELS

The key stages and levels of Education Scheme 2021 are:

- i. Entry route for HSC/A' Level or equivalent with defined eligibility criteria and alternate option
- ii. Assessment scheme for Pre-Requisite Competencies (PRC)
- iii. Entry routes for relevant and non-relevant graduates
- iv. Remodeled Certificate of Accounting and Finance (CAF) level
- v. Remodeled Certified Finance and Accounting Professional (CFAP) level
- vi. Practical Training
- vii. Hands-on courses at different stages of qualification
- viii. Multi-Subject Assessment (MSA)

ENTRY ROUTES AND ELIGIBILITY CRITERIA

The entry routes are as follows:

- HSC/A' Levels or equivalent
- 14-year Graduates
- 16-year Graduates
- 16-year Graduates from Specified Degree Awarding Institutes

HSC/A' Levels or Equivalent

Candidates who have passed Higher Secondary School Certificate or A Levels:

- Having secured above 60% aggregate marks or passed three subjects at A Levels with minimum Grade D will be exempt from Qualifying Assessment Test (QAT).
- Having secured less than 60% but more than 50% aggregate marks in HSC or passed three subjects at A Levels with minimum Grade E will be required to pass QAT.

Candidates who have passed other equivalent qualification to HSC/A' Level recognized by the Council will be registered in CA education program subject to such terms and conditions as may be specified by the Council.

Candidates who have passed QAT or are exempt from QAT will be eligible to appear for assessment of PRC after three months from the date of registration.

After passing PRC, such candidates will be eligible to advance to CAF level.

On passing all papers of CAF level and fulfilling other requirements including completing prescribed hands-on courses, such candidates will be eligible to advance to register for training with any approved training organization of the Institute.

After commencement of training and fulfilling other requirements including completing prescribed hands-on courses, such candidates will be eligible to appear in their CFAP and MSA level examinations.

14-year Graduates

Candidates with bachelor degree comprising minimum 14 years of education in any discipline will be eligible for registration in CA education program, provided that such degree is awarded by a local or foreign degree awarding institution recognized by a competent authority of higher education in Pakistan. Further, provided that such candidates must have secured minimum 45% marks in aggregate or equivalent grades.

Such candidates will be eligible to start their practical training and obtain registration as trainee.

Such candidates will be deemed to be exempt from QAT and will be eligible to appear for the assessment of PRC after three months from the date of registration.

After passing PRC, such candidates will be eligible to appear in CAF level examinations.

Such candidates on passing all papers of CAF level examinations and fulfilling other requirements including completing prescribed hands-on courses will be eligible to appear in their CFAP and MSA level examinations.

16-year Graduates

Candidates with a degree comprising minimum 16 years of education from a local or foreign university recognized by a competent authority of higher education in Pakistan will be eligible for registration in CA education program.

Such candidates will be eligible to start their practical training and obtain registration as trainees.

Such candidates will be deemed to be exempt from QAT and PRC assessment subject to certain conditions.

Such candidates will be eligible to appear for their CAF papers during their graduate program as per prescribed rules.

On passing all papers of CAF level examinations and fulfilling other requirements including completing prescribed hands-on courses, such candidates will be eligible to appear in their CFAP and MSA level examinations.

16-year Graduates from Specified Degree Awarding Institutes

Candidates with a degree comprising minimum 16 years of education from a specified degree awarding institute (SDAI) will be eligible for registration in CA education program as trainee.

Such candidates will be deemed to be exempt from QAT, PRC assessment and CAF examinations subject to certain conditions.

Such candidates will be eligible to appear in CFAP and MSA level examinations and fulfil other requirements including completing prescribed hands-on courses.

QUALIFYING ASSESSMENT TEST (QAT)

- i. The Qualifying Assessment Test (QAT) will be a computer based assessment, testing candidates in English, Mathematics and Analytical Reasoning.
- ii. The candidates will have maximum three attempts to pass QAT.
- iii. The candidates will have maximum twelve months to appear in PRC assessments after passing QAT.
- iv. The conduct of QAT is being devolved to third parties including RAETs, RASS and any other party authorized by the Institute.
- v. The Institute will retain oversight and standard setting role and will provide online tests and independent invigilators to parties conducting examinations.
- vi. The results of QAT will be announced by the Institute.

PRE-REQUISITE COMPETENCIES (PRC)

- i. This pre-first level of CA Program will assess fundamentals of general and professional knowledge and will be referred to as Pre-Requisite Competencies (PRC).
- ii. Students will have the option to self-study. Registration at RAETs and/or RASS for studies of PRC is not mandatory.
- iii. The conduct of assessment of these competencies is being devolved to third parties including RAETs, RASS and any other party authorized by the Institute.
- iv. The Institute will retain an oversight and standard setting role and will provide online tests and independent invigilators to parties conducting examinations.
- v. Assessments will be offered every month.
- vi. Unless a lower number of areas remain, minimum two areas will be attempted for assessment at a time.
- vii. The results will be announced by the Institute.

Assessment Areas of PRC

There will be assessment in five areas as follows:

- i. PRC-01 Business Writing and Comprehension skills
- ii. PRC-02 Quantitative methods
- iii. PRC-03 Principles of Economics
- iv. PRC-04 Introduction to Accounting
- v. PRC-05 Introduction to Business

Time limit for clearing PRC assessments

Persons registered for PRC assessments will be required to clear assessment of a minimum of three areas in maximum twelve months from the date of first attempt of PRC.

Those who have passed three areas in such twelve-month period will have three additional months for clearing assessment of the remaining two areas.

First attempt of assessment shall not be earlier than three months from the date of registration for PRC assessments.

CERTIFICATE IN ACCOUNTING AND FINANCE (CAF)

The examinations / assessments at this stage will primarily focus on competencies in application and analysis of enhanced technical knowledge. CAF stage papers will be bifurcated into two Groups A and B.

Papers of CAF

The papers forming part of each Group are as follows:

- a) Group A
 - i. CAF-01 Financial Accounting and Reporting 1
 - ii. CAF-02 Tax Practices
 - iii. CAF-03 Cost and Management Accounting
 - iv. CAF-04 Mercantile Law
- b) Group B:
 - i. CAF-05 Financial Accounting and Reporting 2
 - ii. CAF-06 Managerial and Financial Analysis
 - iii. CAF-07 Company Law
 - iv. CAF-08 Audit and Assurance

Delivery of courses and examinations of CAF

- i. It is mandatory for registered persons to register with a RAET or RASS.
- ii. Attendance of classes prior to first attempt will be mandatory.
- iii. Minimum attendance requirement will be those as prescribed by the Institute.
- iv. CAF stage examinations will be conducted every six months.
- v. Unless lesser number of papers remain, registered persons will be required to appear in at least three papers of their own selection.
- vi. Examinations for this stage will be conducted by the Institute.

Time limit for clearing CAF examinations

Persons registered for CAF stage will have maximum of four years to pass the requisite examinations. Provided that persons who have not more than two CAF papers remaining to pass, will have one additional year to pass the remaining paper(s).

Eligibility for examinations and Rules of progression

Registered persons will first attempt papers of CAF Group A.

Unless a lower number of papers remain, a registered person will attempt minimum three papers from each Group.

Registered persons will be permitted to appear in CAF Group B on passing at least two papers from CAF Group A.

CERTIFIED FINANCE AND ACCOUNTING PROFESSIONAL (CFAP)

The examinations/ assessment at this stage will focus mostly on innovation and decision making with enhanced application and analytical skills.

Papers of CFAP

The papers forming part of this stage are as follows:

- CFAP-01 Advanced Accounting and Financial Reporting
- CFAP-02 Corporate Laws
- CFAP-03 Strategy and Performance Measurement
- CFAP-04 Business Finance Decisions
- CFAP-05 Tax Planning and Practices
- CFAP-06 Audit, Assurance and Related Services

Delivery of courses and examinations of CFAP

Students will have the option to self-study or take courses at RAETs and/or RASS.

The Council will prescribe minimum number of papers a student need to appear in a single attempt.

CFAP stage exams will be conducted every six months.

The examinations of these papers will be conducted by the Institute.

Number of attempts and time limit for clearing CFAP examinations

Students registered for CFAP stage will have maximum of six attempts to pass each paper.

However, students who have not more than three CFAP papers remaining to pass, will have no limitation for the number of attempts.

The minimum time period available to a student to clear three papers as above will be prescribed by the Council.

An attempt will be counted when a person is issued the admit card and he/she signs the attendance sheet in the examination.

Eligibility for examinations

Students will be eligible to attempt CFAP exams having:

- a) passed or obtained exemptions from all papers of CAF and registered as trainees through 16 years' bachelor degree from SDAIs; and
- b) completed twelve months of training prescribed under the bye-laws on or before the first day of the month in which examination is to be held.

MULTI-SUBJECT ASSESSMENT (MSA)

The examinations/assessments at this stage will focus on integrated topics to ensure that candidates can solve and provide advice on complex business issues and problems.

Papers of MSA

The papers forming part of this stage are:

- i. MSA-1 Financial Reporting and Assurance Professional Competence
- ii. MSA-2 Management Professional Competence

Delivery of courses and examinations of MSA

Students will have the option to self-study or take courses at RAETs and/or RASS.

MSA stage exams will be conducted every six months.

The examinations of these papers will be conducted by the Institute.

Number of attempts and time limits for Clearing MSA examinations

There will be no limitation of attempts or time for students appearing in MSAs.

Eligibility for Examinations

MSA-1: Financial Reporting and Assurance Professional Competence

Students who have passed or obtained exemptions from the following papers of CFAP:

- a) Advanced Accounting and Financial Reporting
- b) Audit, Assurance and Related Services

MSA-2: Management Professional Competence

Students who have passed or obtained exemptions from the following papers of CFAP:

- a) Strategy and Performance Measurement
- b) Business Finance Decisions

PRACTICAL TRAINING REQUIREMENT

- i. Practical Training in an authorized Training Organization (TO) is a mandatory requirement of the CA qualification. Training refers to on-job learning which prepares chartered accountants for required professional skills, ethics, values and attitudes.
- ii. Trainee students would be required to complete an annual online ethics course during the period of the training.
- iii. Period of training will be between 3 to 4 years based on candidate's entry route.
- iv. Assessment of training by designated person in the TO is a mandatory component to evaluate training output and workplace performance.

HANDS-ON COURSES

The Institute is cognizant of the impact of emerging technologies, particularly in the area of information technology on businesses. The importance of communication skills and personal effectiveness is being given its due weightage in the Scheme. These hands-on courses have been included as an integral part of CA Program and form part of progression and qualification under the Scheme.

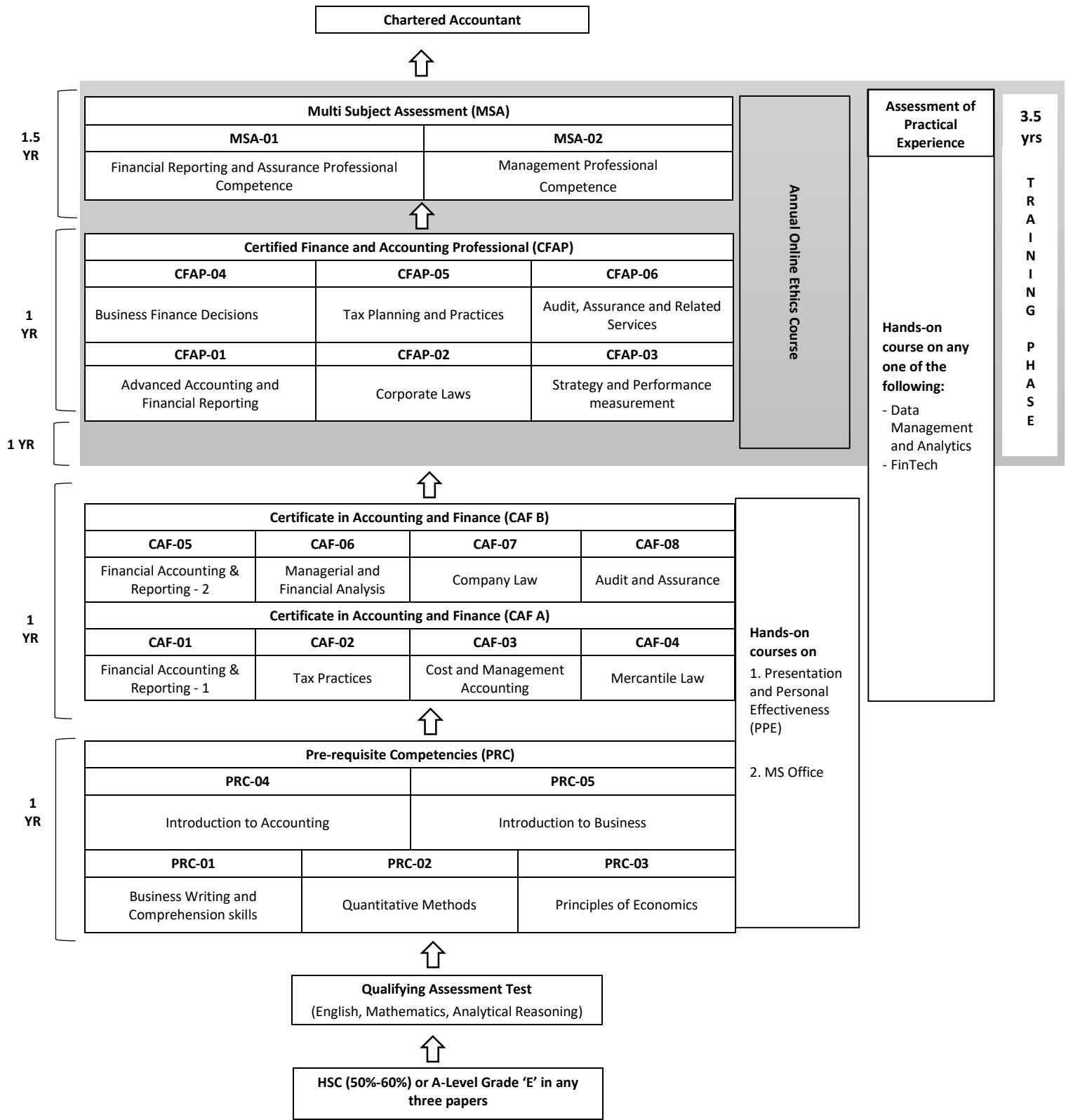
The hands-on courses forming part of CA program are:

- a) PRC to CAF Stage
 - i. Presentation and Personal Effectiveness (PPE); and
 - ii. MS Office
- b) CAF-CFAP Stage
 - i. Data management and analytics; OR
 - ii. FinTech

Testing /proficiency level for these courses is at intermediate level and relevant to profession of accountancy.

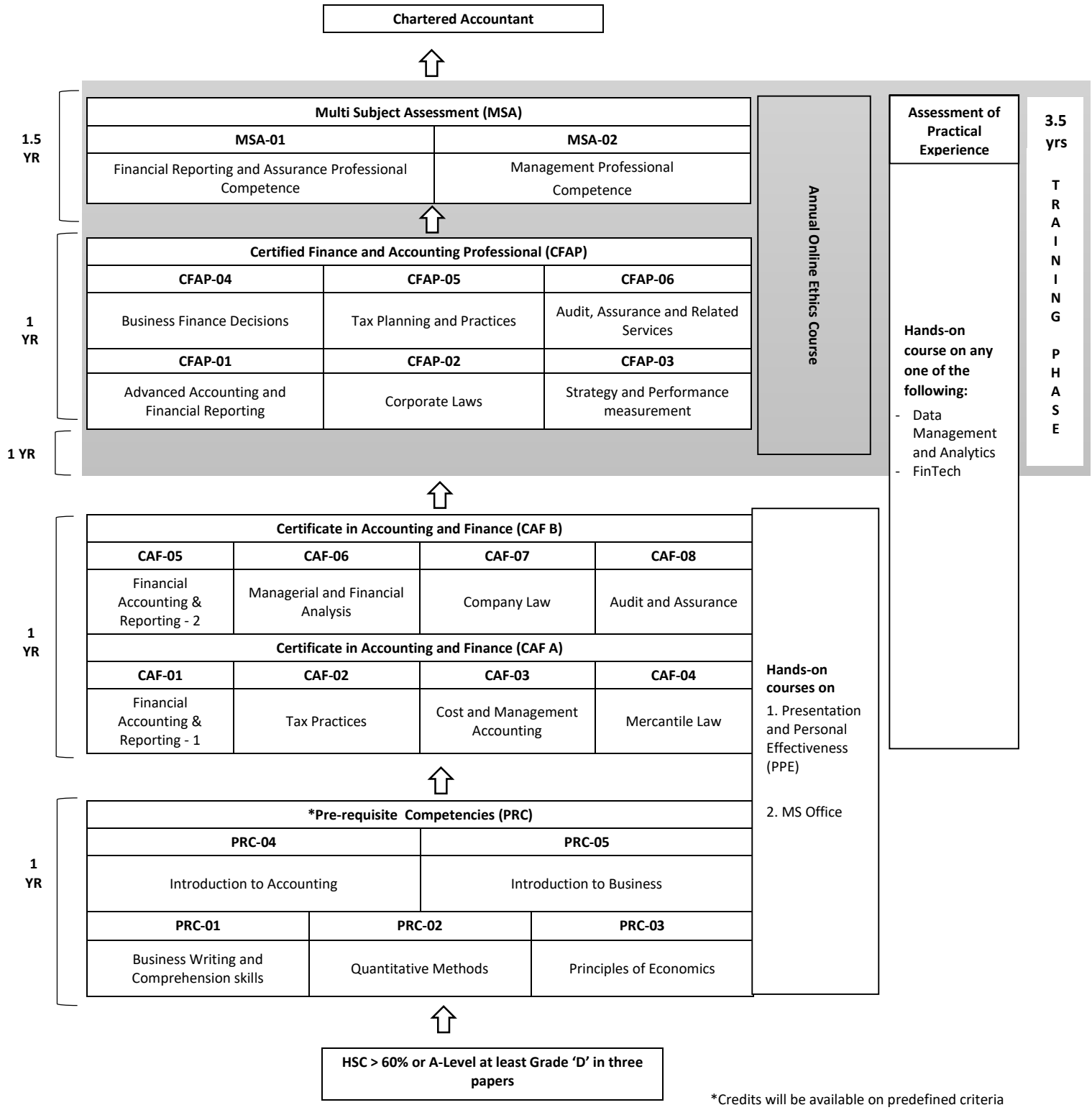
The Institute will authorize third parties to conduct these courses with ICAP oversight.

Entry Route 1 for HSC/A' Levels or Equivalent

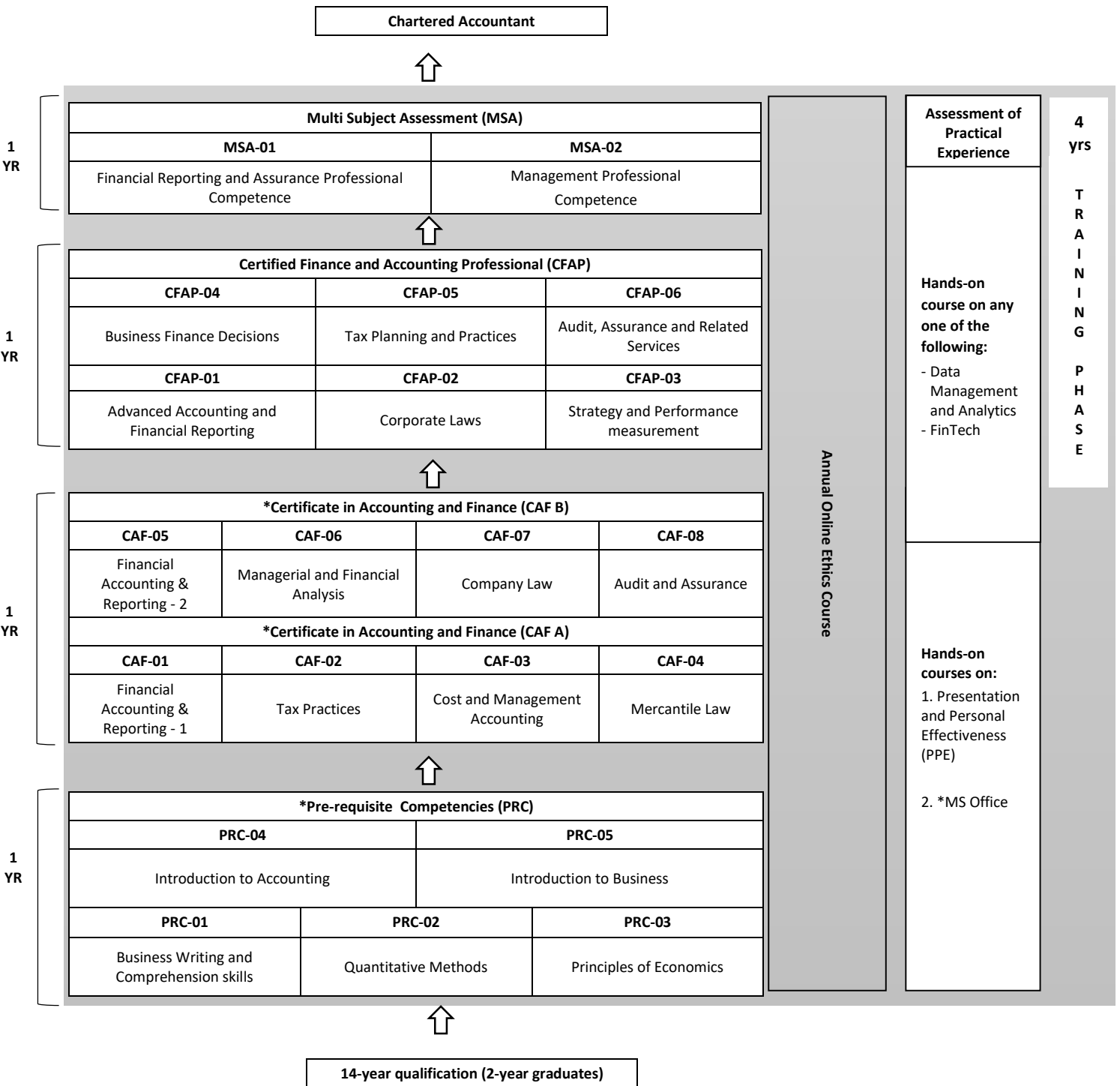


3.5 yrs TRAINING PHASE

Entry Route 2 for HSC/A' Levels or Equivalent



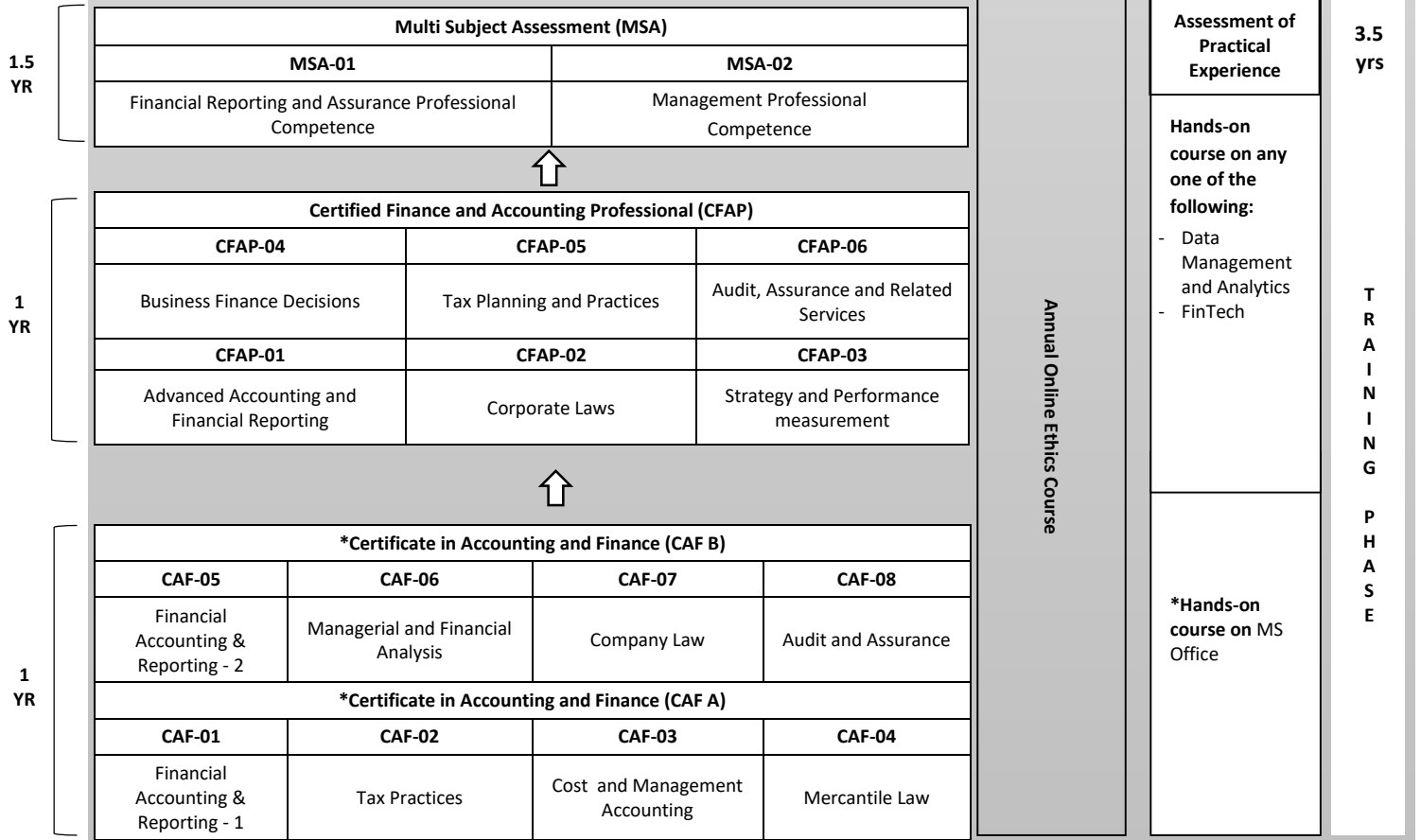
Entry Route for 14-year Graduates



*Credits will be available on predefined criteria

Entry Route for 16-year Graduates

Chartered Accountant



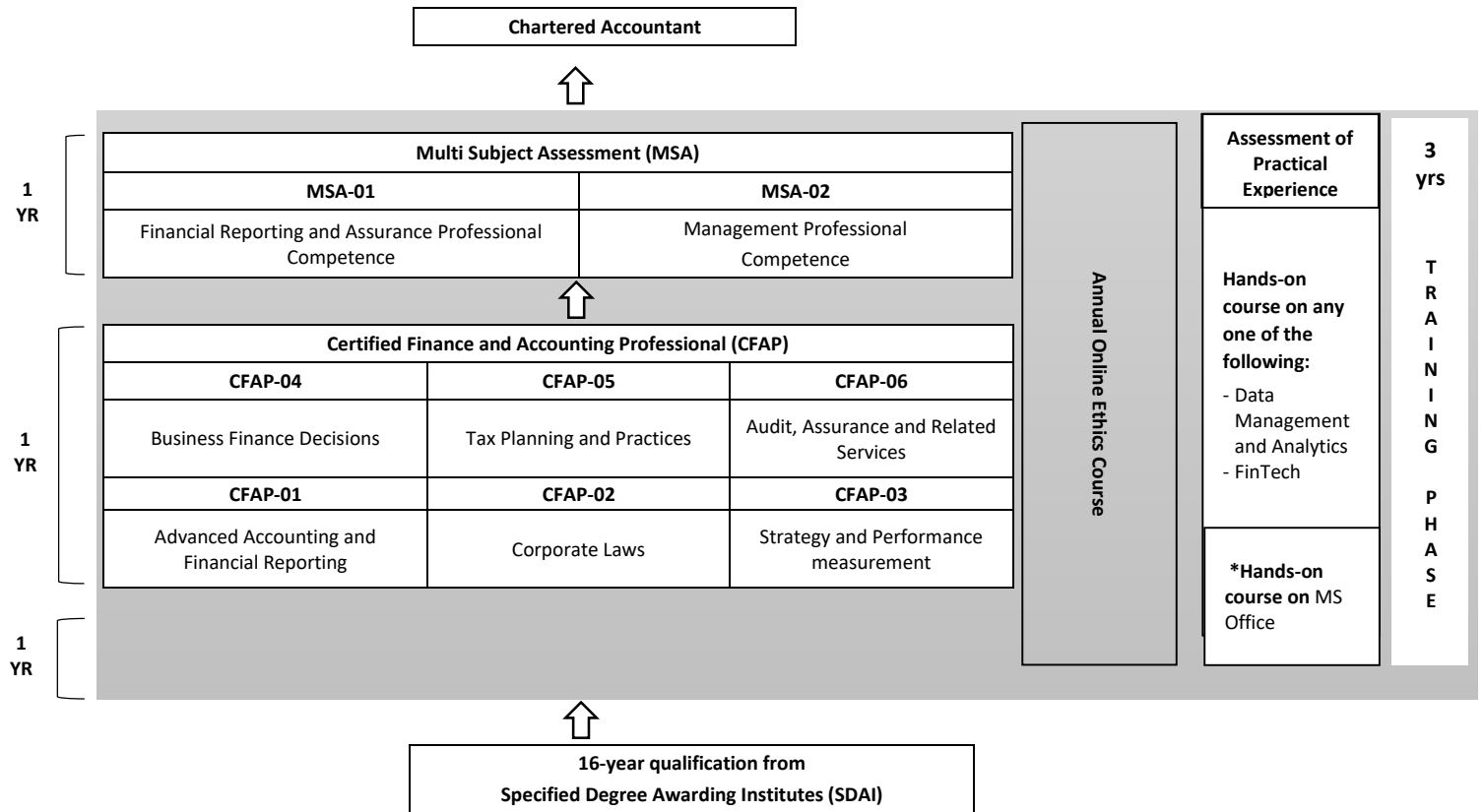
16-year qualification (4-year graduates)



*Credits will be available on predefined criteria

Note: Such Students will be allowed to appear in CAF exams during their degree program

Entry Route for 16-year Graduates from Specified Degree Awarding Institutes



*Credits will be available on predefined criteria.