

SA, India CA institutes sign recognition agreement

Following approval from India's Union Cabinet in May, a Pathways to Membership Agreement between the Institute of Chartered Accountants of India (ICAI) and the South African Institute of Chartered Accountants (SAICA) was signed yesterday, 4 June 2018.



This recognition agreement provides for a mutual co-operation framework for the advancement of accounting knowledge, professional and intellectual development, advancing the interests of their respective members, and positively contributing to the development of the accounting profession in South Africa and India.

Mandi Olivier, SAICA's Senior Executive for Professional Development, explains the importance of these agreements:

"They pave the way for recognition of the professional bodies of one country by another. As a professional organisation, it is important that our CA(SA) qualification is recognised in the same light as a local qualification should a SAICA member wish to work in another jurisdiction. This means CAs(SA) are able to use the CA designation in the respective jurisdictions in this case with minimal conversion requirements as long as they retain their SAICA membership."

"As a profession, accountants have a large role to play in ensuring the public interest is served in the world economy, and to ensure our global sustainable development goals are met," said ICAI President, CA Naveen N.D. Gupta. "ICAI, which has 10% of the world's accountants as part of its membership body, is the second largest accounting body in the world, and we see it our duty to help create working global economies through initiatives like this one."

Said SAICA's Acting CEO, Fanisa Lamola: "[The agreement] provides CAs(SA) with better opportunities and credibility when working with or for organisations in India. We believe it will also enhance the existing good relations and cooperation between the two institutes so that, together, we can accelerate the development of the accounting profession. For SAICA, this recognition agreement has further strategic importance as it enables us to fulfil one of our fundamental promises, namely to give our members access to a world-class profession that allows them to work globally. In signing this agreement we are creating avenues that add business value on an international scale."

"There is a widespread presence of Indian companies doing business in South Africa — including the likes of Neotel Tele Communications, Tata Automobile and Cipla Medpro," adds Olivier. "For this reason, the agreement with India makes strategic sense for both countries."

According to the terms of the ICAI agreement, the agreement will:

1. facilitate the recognition of the South African chartered accountancy designation (CA(SA) with India's local accountancy qualification so as to increase CAs(SA) professional avenues within Indian markets;
2. foster strong working relations between the two accounting institutes; and
3. increase the mobility of professionals at either end in order to herald a new dimension for small and medium businesses in both countries.

With the addition of ICAI, SAICA now has various types of agreements with eleven global institutes, namely:

1. The Institute of Chartered Accountants in England and Wales (ICAEW);
2. Chartered Accountants in Australia and New Zealand (CAANZ);
3. The Chartered Professional Accountants of Canada (CPAC);
4. The Hong Kong Institute of Certified Public Accountants (HKICPA);
5. Chartered Accountants Ireland (CAI);
6. The Institute of Chartered Accountants in Scotland (ICAS);
7. The Institute of Chartered Accountants Zimbabwe (ICAZ);
8. The Institute of Chartered Accountants of Namibia (ICAN);
9. The Chartered Institute of Management Accountants (CIMA);
10. The Institute of Certified Public Accountants of Kenya (ICPAK); and
11. The Institute of Chartered Accountants of India (ICAI).

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