

# Global Adoption and Implementation of the International Education Standards

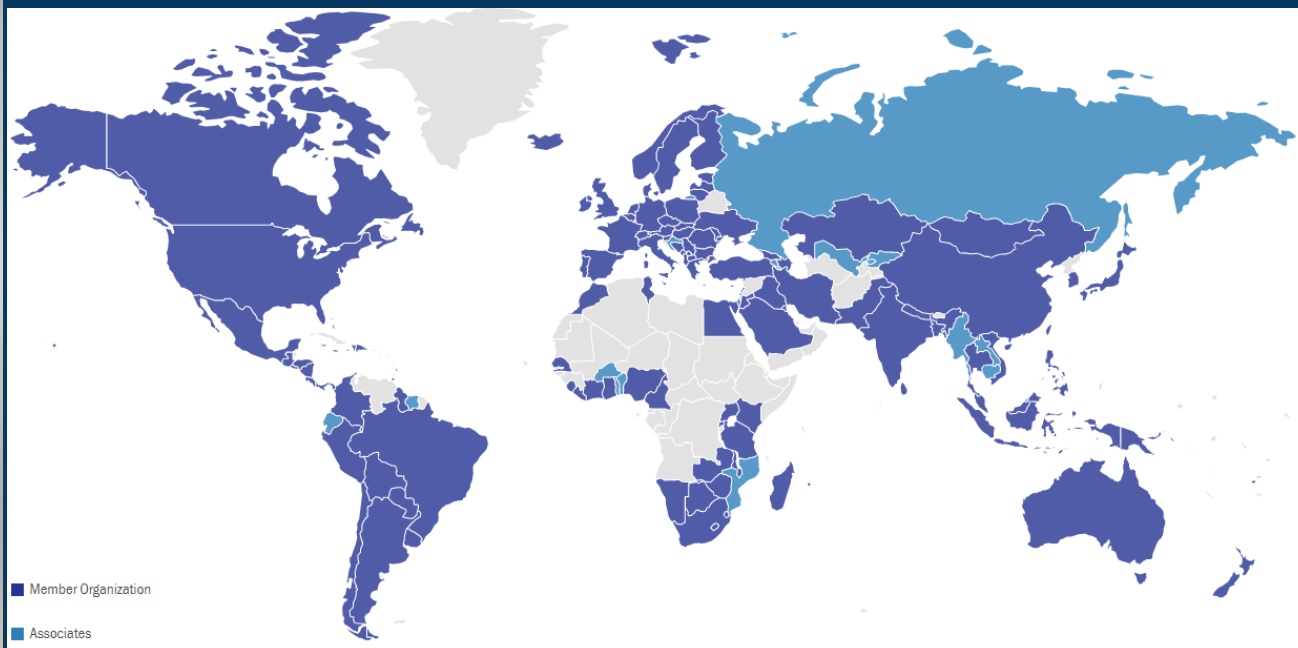
*Perspectives from IFAC's  
Member Compliance Program*

Sarah Gagnon,  
Senior Manager, IFAC



November 3, 2022

# IFAC



- Established 1977
- 180+ members organizations
- 130+ jurisdictions
- > 3 million professional accountants in public & private sectors
- Public interest focus
- Comparative advantages:

*Global Convener • Knowledge Gateway • Influential Voice*

# Global Vision & Mission

**Professional accountants are essential to strengthening organizations and advancing economies**

**IFAC, with its member organizations, serves the public interest by enhancing the relevance, reputation, and value of the global accountancy profession.**

**The IFAC Purpose recognizes and acknowledges that to be successful IFAC must work with and leverage the work of its member organizations.**

**Speaking out and engaging as the voice for the global profession**

**Leading and developing a future-ready profession**

**Contributing to and promoting the development, adoption, and implementation of high-quality international standards**

# IFAC's Roles in the International Standards' Adoption Ecosystem



# PAOs' Role



# IFAC's Member Compliance Program

- Requirements are codified in the Statements of Membership Obligations (SMOs)
- A clear framework for strong, capable PAOs
- When PAOs are fulfilling the requirements of the SMOs, they are committed to serving the public interest, adoption of international standards & supporting best practices
- When progress stalls, this feeds into IFAC's capacity building & global engagement workstream

Participation in Member Compliance Program is mandatory

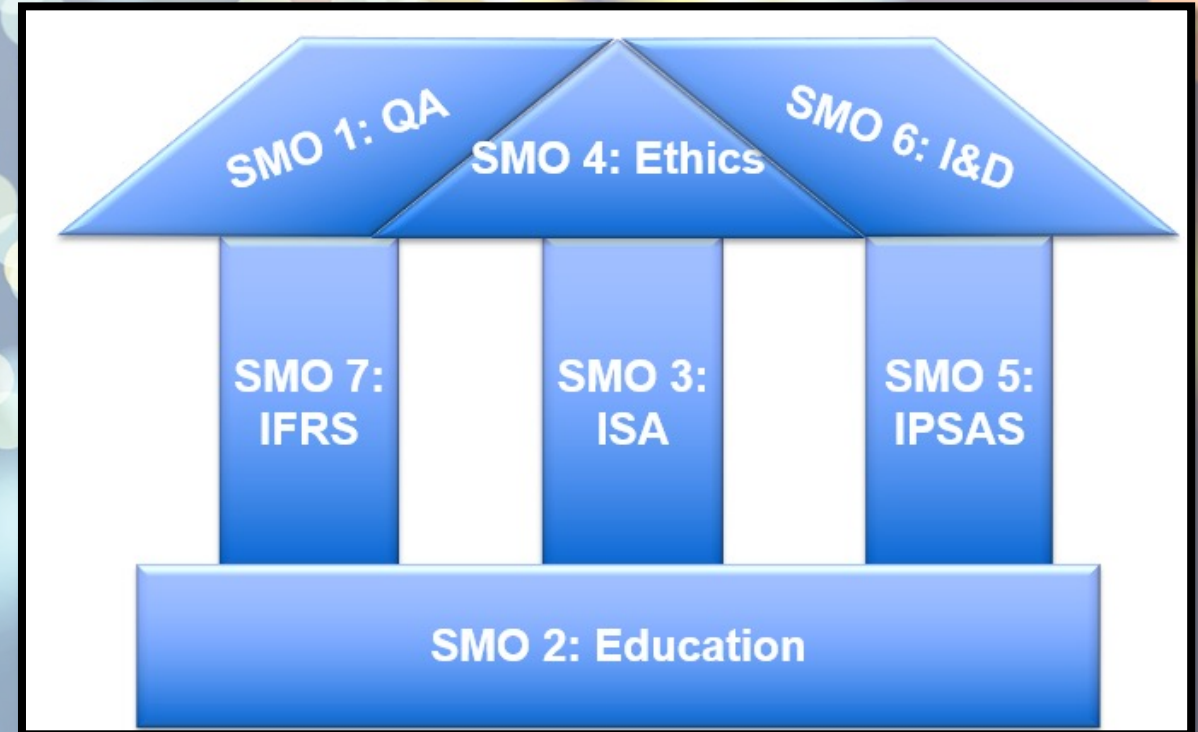
Constant interaction between IFAC members and IFAC staff

Action Plans regularly developed and submitted by IFAC members detail plans for adoption and implementation support to fulfill the SMOs

IFAC staff repeatedly assess / rate IFAC members' progress with SMOs

Powers IFAC's ability to report on adoption of standards, share best practices, challenges & success stories on the Gateway, facilitate knowledge-exchanges among members

# What are the SMOs



# IFAC Reporting on the Global Status of Standards' Adoption

## INTERNATIONAL STANDARDS: 2017 GLOBAL STATUS REPORT



## INTERNATIONAL STANDARDS: 2019 GLOBAL STATUS REPORT



## INTERNATIONAL STANDARDS: 2022 GLOBAL ADOPTION STATUS SNAPSHOT



Since IFAC issued the [International Standards: 2019 Global Status Report](#), IFAC member organizations have continued to progress the adoption of international standards, which ultimately supports greater economic growth and financial market stability. This is especially important and noteworthy given that the last few years were exceptionally difficult as the world responded to and recovered from the COVID pandemic.

As was true in the 2019 report, over 90% of IFAC member jurisdictions continue to use international standards on accounting, audit, education, and ethics, as well as inspection and enforcement benchmarks.

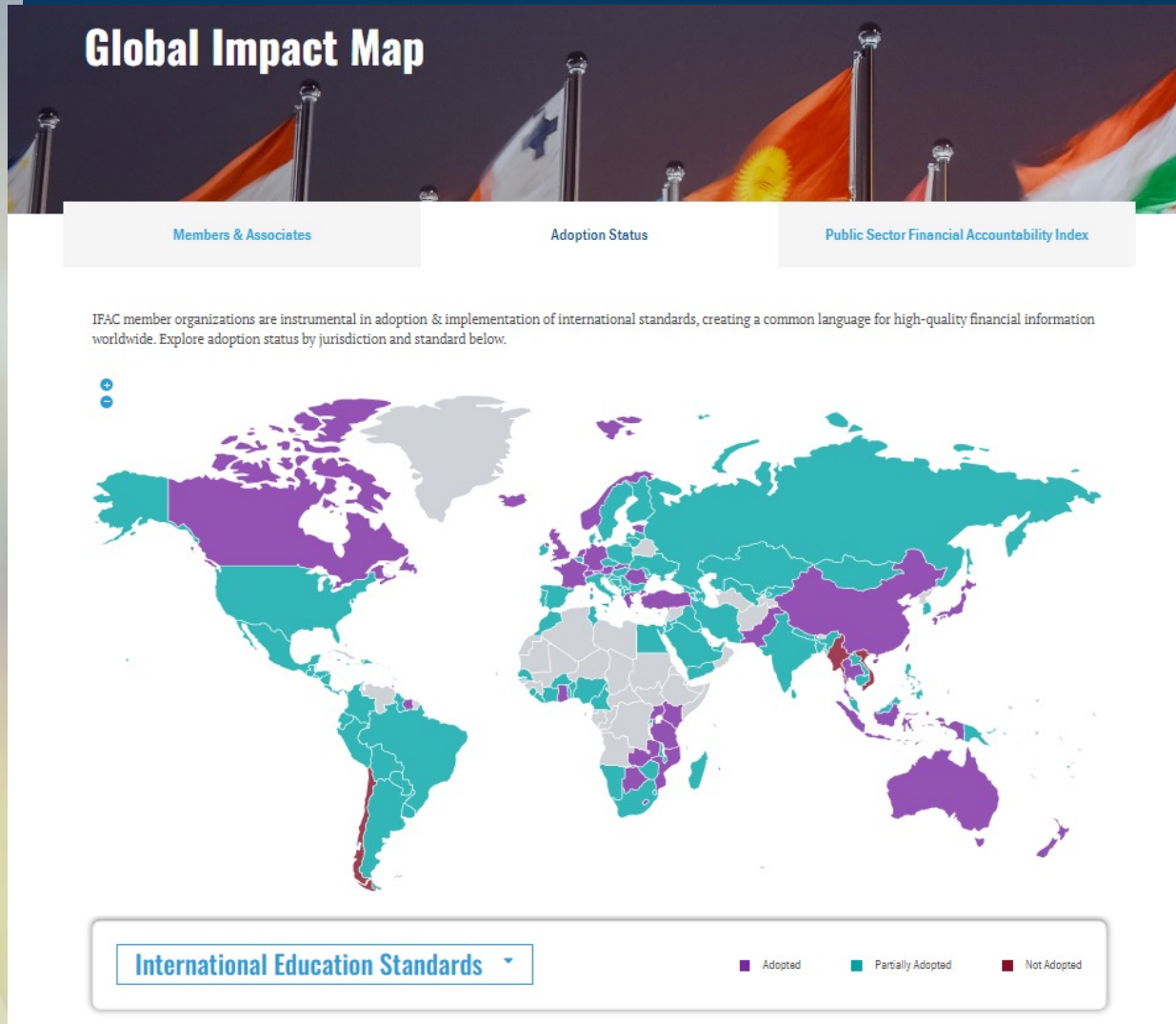
International Standards: Global Adoption Status			
as of 12/31/2021	Adopted	Partially Adopted	Not Adopted
Quality Assurance	55%	38%	7%
International Education Standards	21%	77%	2%
Audit & Assurance Standards	62%	36%	2%
Code of Ethics	50%	46%	4%
Public Sector Standards	14%	47%	39%
Investigation & Discipline	30%	67%	3%
IFRS	53%	42%	5%

International Standards: Global Adoption Status Shifts & Trends						
as of 12/31/2021 <sup>1</sup>	Adopted (% change from 2019)	Adopted (# jurisdiction change from 2019)	Partially Adopted (% change from 2019)	Partially Adopted (# change from 2019)	Not Adopted (% change from 2019)	Not Adopted (# change from 2019)
Quality Assurance	+15.4%	65 to 75	+4.1%	49 to 51	-37.5%	16 to 10
International Education Standards	+7.7%	26 to 28	+2.9%	102 to 105	+50.0%	2 to 3
Audit & Assurance Standards	-6.7%	90 to 84	+28.9%	38 to 49	+50.0%	2 to 3
Code of Ethics	+7.9%	63 to 68	+1.6%	61 to 62	0%	6 to 6
Public Sector Standards	+35.7%	14 to 19	-4.5%	67 to 64	+8.2%	49 to 53
Investigation & Discipline	+41.4%	29 to 41	-8.1%	99 to 91	+100.0%	2 to 4
IFRS	-12.2%	82 to 72	+54.1%	37 to 57	-36.4%	11 to 7

<sup>1</sup>The updated dataset in its entirety tells a positive story. IFAC welcomed seven new members in five new jurisdictions between 2019 and 2021; these new members and jurisdictions are included in the updated 2021 dataset. Therefore, the datasets are not comparing the exact same total numbers. Further, given the increase in total jurisdictions under review, in some instances percentages and adoption numbers change at different rates. See [IFAC's Methodology](#) for further details.



# IFAC's Commitment to Transparency: Global Impact Map






IFAC created a tutorial on how to navigate the Global Impact Map to find the information from the Member Compliance Program that meets users' needs.

The background of the slide is a blue-tinted photograph of a woman in a business setting, pointing at a sticky note on a wall. The wall is covered with various sticky notes, some of which have handwritten text and numbers like '#6'. A white play button icon is overlaid on the right side of the image. The title text is positioned on the left side of the image.

**A Timeline of IFAC'S  
Adoption & Implementation  
Focus**

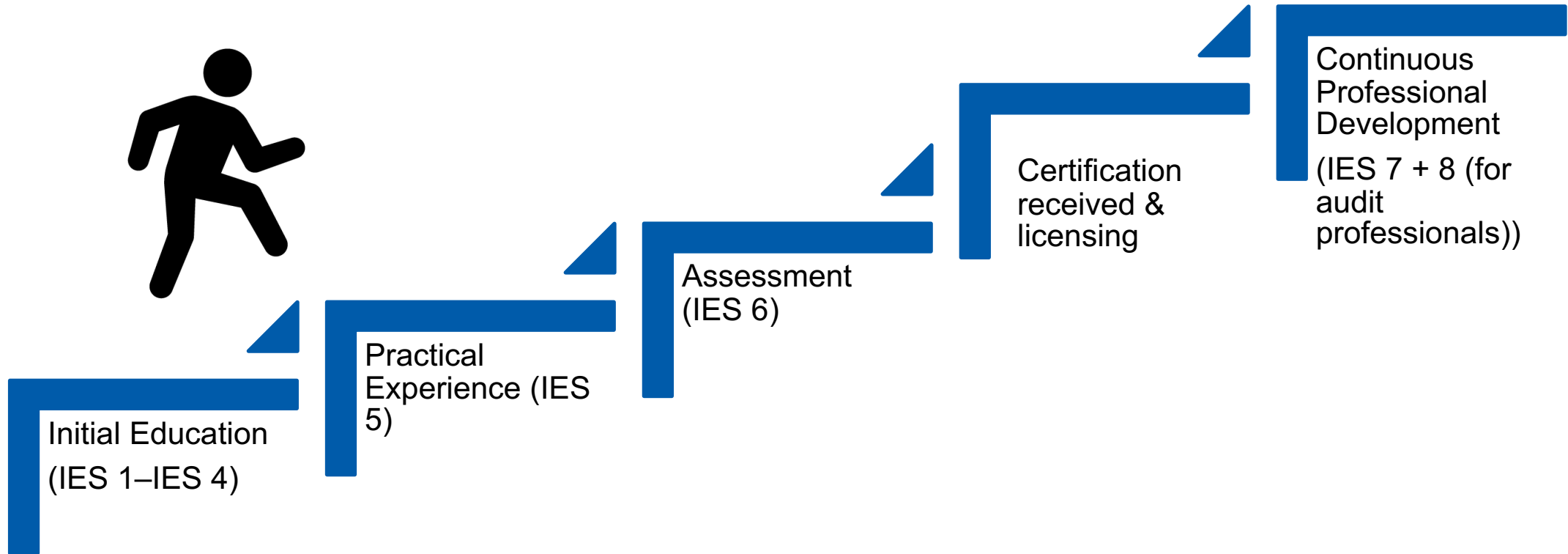
# Jurisdiction Adoption Status

## *International Education Standards (IES)*

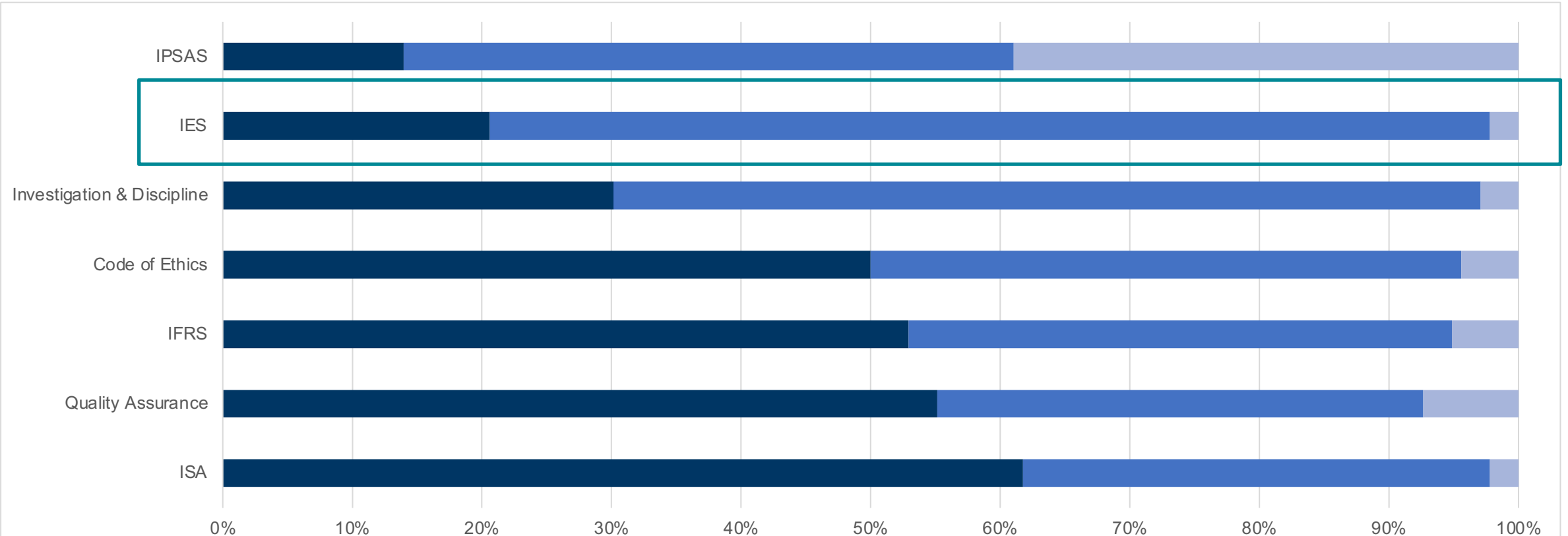
 <b>Adopted</b>	The requirements of <b>the IES in their entirety</b> in effect as of the time of the assessment have been adopted for <b>all</b> aspiring professional accountants and professional accountants.
 <b>Partially Adopted</b>	The requirements from an earlier version of IES have been adopted.  <i>or</i>  The requirements of the IES in their entirety in effect as of the time of the assessment have been adopted for a segment of the profession.  <i>or</i>  Not all the requirements of IES in effect as of the time of the assessment have been adopted for professional accountants.
 <b>Not Adopted</b>	The requirements of the IES have not been adopted.

*All 7 standards' adoption methodologies are available online:  
<https://www.ifac.org/about-ifac/membership/members/methodology-assessing-adoption>*

# Professional Accountant Education Journey



# Adoption Snapshot: Global Data (as of 12/31/2021)



	ISA	Quality Assurance	IFRS	Code of Ethics	Investigation & Discipline	IES	IPSAS
■ Adopted	62%	55%	53%	50%	30%	21%	14%
■ Partially Adopted	36%	38%	42%	46%	67%	77%	47%
■ Not Adopted	2%	7%	5%	4%	3%	2%	39%

■ Adopted ■ Partially Adopted ■ Not Adopted

# Trends in Global Uptake

As of 12/31/2021	Adopted (2019 % 2021%)	Adopted (# jurisdiction change from 2019)	Adopted (% change from 2019)	Partially Adopted (2019 % 2021%)	Partially Adopted (# change from 2019)	Partially Adopted (% change from 2019)	Not Adopted (2019 % 2021%)	Not Adopted (# change from 2019)	Not Adopted (% change from 2019)
IES	19% to 21%	26 to 28	+7.7%	80% to 77%	102 to 105	+2.9%	2% to 2%	2 to 3	+50.0%

- Continued use & reference to the IES (Adopted + Partial Adopted)
- IES are almost exclusively adopted through a *convergence approach*. This approach requires time and coordination among the ecosystem of stakeholders because standards must be reviewed and compared for applicability by local standard setters & implementing organizations (e.g., universities, employers, training institutes), translated, and then perhaps officially recognized.
- Progress from Partial Adopted to Adopted most common with a diagnostic (clear understanding of requirements) and institutional capacity strengthening.

# Global reasons for partial adoption

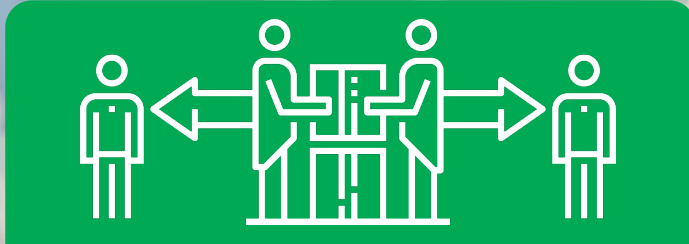
- Many stakeholders, shared responsibilities
- Jurisdictions with multiple PAOs
- Legislative process
- Limited mandate of PAO (e.g., inability to adopt mandatory CPD, final assessments, or practical experience)
- Limited influence of PAO over university curriculum
- Lack of information about alignment (diagnostic not yet performed)
- Adoption of earlier version of IES (challenges moving to learning outcome/competency-based approaches)
- Limited resources and economies of scale in smaller jurisdictions
- Maturity of markets and PAOs' institutional capacity

# IFAC Member Organizations Are Essential to Competent Usage of International Standards



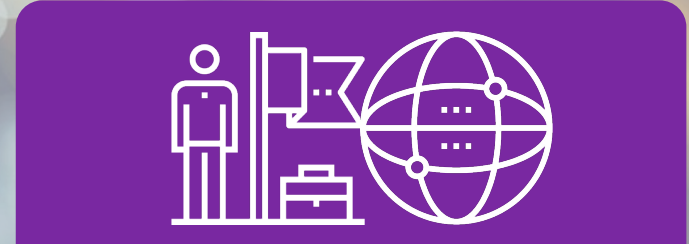
## POSITIVE TREND IN STANDARD USAGE

When IFAC members are involved in the standard-setting process, there is a positive trend in the international standards' and systems' usage.



## SHARED RESPONSIBILITY AND COLLABORATION

Standard-setting includes multiple stakeholders that must work in sync to adopt and keep standards up-to-date.



## ADVOCATORS AND ADVISORS

IFAC members are strong advocates for international standards' adoption and provide advice on relevant issues.



# Adoption & Implementation Support (I)

IFAC & IAESB supplementary materials



Search [A]

## IFAC STATEMENTS OF MEMBERSHIP OBLIGATIONS

### SMO 2 – INTERNATIONAL EDUCATION STANDARDS

#### Scope

1. This SMO is issued by IFAC and sets out requirements for IFAC member organizations with respect to International Education Standards for Professional Accountants and Aspiring Professional Accountants. To understand and address the requirements, it is necessary to consider the entire text of the SMO. The International Education Standards, in particular, require significant consideration for the local context and a focus on developing competencies for professionals to successfully serve the local market.

### Additional Resources

- [IES Self-assessment checklist](#)
- [IFAC Accountancy Education E-Tool](#)
- [Guiding Principles for Implementing a Learning Outcomes Approach](#)
- [Illustrative Competency Framework for Accounting Technicians](#)
- [Illustrative Example for Designing Learning Outcomes for Curricula that Meet Public Sector Accountancy Needs](#)
- [Implementation Guidance: Illustrative Learning Outcomes for the Public Sector Accountancy Curricula](#)
- [Information and Communications Technologies Non-Authoritative Learning Outcomes](#)
- [Illustrative Example: A Mentored Workplace-Based Learning Experience Program for Aspiring Professional Accountants](#)
- [Illustrative Example: Designing a Higher Education Program to Contribute to a Professional Accounting Qualification](#)
- [Illustrative Example: Addressing Governance Structure in Implementing a Learning Outcomes-Based Curriculum](#)
- [Illustrative Example: Setting and Marking Examinations in a Professional Accounting Education Program](#)
- [IES 7 Implementation Assistance: CPD Frameworks; Extent of Relevant CPD; Examples of CPD Measurement Approaches](#)

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### Self-Assessment Against Main Requirements of International Education Standards (IESs)

The approach for establishing requirements for and provision of accountancy education varies between jurisdictions, with multiple stakeholders involved in the process. These stakeholders may include Universities, Ministries of Education, National Education Accreditation Bodies, Government, Regulators, Professional Accountancy Organizations, among others.

Although not all IFAC member organizations are directly involved in all stages of educating accountancy professionals, as member organizations of IFAC, they must **fulfill or demonstrate plans to fulfill IFAC Statement of Membership Obligation 2**, which requires PAOs to adopt or support the adoption and implementation of **International Education Standards (IESs)** and be the main driving force behind the ongoing, sustainable adoption of IESs in their jurisdictions.

Where the IFAC member body has no authority or shared authority for establishing and/or provision of education for a category of professional accountant<sup>1</sup>, the IFAC member body should identify those IES that are appropriate to the professional accountant roles performed by their members and assume the appropriate set of actions to incorporate the requirements of IESs.

For other IESs, IFAC member organization should encourage those responsible to implement the requirements of the IESs into relevant laws, regulations, or other legal instruments.

This checklist is intended to assist PAOs, in:

- ✓ **facilitating a high-level assessment** of the educational requirements for professional accountants in their jurisdictions against the IESs, with a view to further develop roadmaps for IES adoption, thus bringing the quality of professional education in their jurisdiction to an internationally recognized benchmark;
- ✓ **raising awareness about IESs and their requirements** among stakeholders as a set of high quality, internationally accepted standards that establish accountancy education principles for life-long learning of professional accountants, and assisting the stakeholders in understanding how the IES requirements should be incorporated; and
- ✓ **assisting private- and public-sector stakeholders** to collaborate on roadmaps to implement IESs.

# Adoption & Implementation Support (II)

IFAC Global Knowledge Gateway – sharing success stories among IFAC’s PAOs

Global events & conversations/videos with education experts

SUPPORTING INTERNATIONAL STANDARDS

## Professional Skepticism and Inquiring Mind—Connecting the Standards

SUSAN FLIS, GREG OWENS, HELEN PARTRIDGE | APRIL 4, 2022

PREPARING FUTURE-READY PROFESSIONALS

## The Future of Accountancy Education Is Calling—Here’s How SAIPA Answered

DARLENE NZORIBARA, IFAC, SHAHED DANIELS, SAIPA, RASHIED SMALL, SAIPA | MAY 3, 2021

DEVELOPING THE ACCOUNTANCY PROFESSION

## Is the Romanian Accountancy Profession Ready for the Future? Yes!

Adriana Florina Popa, Robert Aurelian Sovu | March 23, 2020 | ↵

DEVELOPING THE ACCOUNTANCY PROFESSION

## Embracing Opportunities: Strengthening Auditors’ Education in Albania

PROF. DR. HYSEN ÇELJA, CA, CPA | JULY 23, 2020

DEVELOPING THE ACCOUNTANCY PROFESSION

## CAFR’s Experience with Online Examinations: An Important Part of Accountancy Education’s Future

ADRIANA SPIRIDON | MAY 27, 2022

DEVELOPING THE ACCOUNTANCY PROFESSION

## ICAP’s Pursuit for Excellence – Redesigning the Basics for Its Education Scheme

FARUQ KH REHMAN, FCA | OCTOBER 6, 2022

<p>IFAC #EdExchange</p> <p>Technology in Education and Assessments</p> <p>November 1, 2021 1:00 - 4:00 pm EDT</p> <p>IFAC EdExchange - Technology in Education</p> <p>We talk to Shaun Robertson, Director, Education and Qualifications, ICAEW on the evolution of technology and education.</p>	<p>IFAC #EdExchange</p> <p>Technology in Education and Assessments</p> <p>November 1, 2021 1:00 - 4:00 pm EDT</p> <p>IFAC EdExchange - Technology in Education</p> <p>We talk to Anna Coudrette, Senior Manager, Global Audit and Assurance Learning, Deloitte on the evolution of technology and education.</p>	<p>IFAC #EdExchange</p> <p>Technology in Education and Assessments</p> <p>November 1, 2021 1:00 - 4:00 pm EDT</p> <p>IFAC EdExchange - Technology in Education</p> <p>We talk to Raquel Buscaino and Lucas Erb, US NEXT Team, Deloitte on the evolution of technology and education.</p>
<p>IFAC #EdExchange</p> <p>Integrity and Anti-corruption</p> <p>March 23, 2020 1:00 - 4:00 pm EDT</p> <p>IFAC EdExchange - Integrity and Anti-corruption</p> <p>We talk to Angela Foyle, Financial Services Partner and Head of Financial Crime, BDO LLP, about economic crime, integrity and anti-corruption efforts.</p>	<p>IFAC #EdExchange</p> <p>Integrity and Anti-corruption</p> <p>March 23, 2020 1:00 - 4:00 pm EDT</p> <p>IFAC EdExchange - Integrity and Anti-corruption</p> <p>We talk to Gamma Aioffi, Head, Corporate Governance, Compliance and Collective Action, Basel Institute on Governance, about what collective actions are underway to combat corruption.</p>	<p>2021 IFAC EdExchange Summit: Leading Sustainability</p> <p>October 12-14, 2021</p> <p>2021 EdExchange Summit: Leading Sustainability</p> <p>Interested in more? Check out the videos from our 2021 EdExchange Summit: Leading Sustainability, which was dedicated to sustainability and helping professional accountants do different things with the skills and competencies they already have in their toolbox.</p>

## SAVE THE DATE

### 2022 IFAC EdExchange

### The Future of Technology in Accounting Summit

IFAC October 17-19, 2022  
8 am EDT

In recent years, technological evolution has changed the way we work and learn—and the pace of change is not slowing. Join us to discuss technology’s impact on the future of our profession and how accessible technology is for professional accountants.

# Recent Collaboration with the IPAE

- November 2021 - IFAC presented to the IPAE with an IES Adoption Regional Dashboard.
- Anecdotal overview of IES Adoption.
- Focused on developing & emerging regions.
- Based on data collected through the IFAC Member Compliance Program.
- Emphasis on identifying the underlying reasons / root causes of partial adoption within each region and considering solutions.
- Began with Middle East/North Africa region. Outreach to other regions forthcoming.
- July 2022 - Meeting of IFAC PAO Development & Advisory Group (PAODAG), discussed the changing landscape of accountancy education, and the implications for PAO resilience. Joined by the chair of IFAC's IPAE, and IFAC's director for accountancy education.
- Aimed at producing key messages for PAOs to evaluate & consider how their educational programming can respond to emerging trends and expectations.



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***Appendix: Statements of Membership  
Obligation (SMO) Fulfillment among  
IFAC Member Organizations***

# SMO Fulfilment Status



(6) PAO maintains well-established ongoing processes to fulfill its relevant obligations. In fulfilling this SMO, PAO considers, plans, executes, reviews and improves as part of an ongoing commitment to continuous improvement.

or

Given the nature of its mandate, membership composition, and the legal and regulatory environment, PAO is not involved in activities related to this area.

(5) PAO has recently fulfilled its relevant obligation and is reviewing the implemented plan to identify and apply improvements.

(4) PAO demonstrates it is executing the plan.

(3) PAO has a defined plan to fulfill the requirements of this SMO.

(2) PAO is considering how to fulfill the requirements of this SMO.

(1) PAO is not active in this SMO area & has authority / obligation to be.

# SMO Fulfillment Snapshot: Global Data ( as of 12/31/2021)

