

BACKGROUND NOTE ON ACTION PLANS

SMO Action Plans are developed by IFAC Members and Associates to demonstrate fulfillment of IFAC Statements of Membership Obligations (SMOs). SMOs require IFAC Members and Associates to support the adoption¹ and implementation² of international standards and other pronouncements issued by independent standard-setting boards under the auspices of IFAC as well as by the International Accounting Standards Board (IASB); and to establish a Quality Assurance (QA) review and Investigation and Disciplinary (I&D) systems.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where improvements are needed. Based on the results of the assessment, Members and Associates develop an SMO Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs and (b) where some requirements are not yet addressed, to present plans towards their fulfillment.

SMO Action Plans are designed to be ever-green documents that provide a comprehensive description of the accountancy profession and its legislative and regulatory environment in the jurisdiction as well as the actions undertaken by IFAC Members or Associates to support adoption and implementation of international standards and best practices.

Regular updates of the SMO Action Plans are required as part of the IFAC Member Compliance Program.

Use of Information

Please refer to the Disclaimer published on the Compliance Program website.

ACTION PLAN

IFAC Member:	Instituut van de Bedrijfsrevisoren / Institut des Réviseurs d'Entreprises (IBR-IRE)
Approved by Governing Body:	Board of IBR-IRE
Last Update:	January 2017
Next Update:	January 2019

¹ *Adoption* is concerned with the decision that international standards are appropriate for use in specific national financial reporting environments and with the actions necessary to effect those decisions, including incorporation into national requirements or requiring the use of international standards through law. Adoption may include a process to review draft international standards, translation, public exposure of proposed standards, approval, incorporation into national requirements as necessary, and promulgation of final standards, and, where applicable, a convergence process to eliminate or minimize differences between international and national standards.

² *Implementation* may include a process to build awareness of the adopted standards, provide relevant education and training, develop or disseminate implementation guidance and any other activities that promote proper understanding and use of the standards in practice.

GLOSSARY

ASC	Advisory and Supervisory Committee
CPD	Continuous Professional Development
CSOEC	Conseil Supérieur de l'Ordre des Experts-Comptables
EC	European Commission
ED	Exposure Draft
EU	European Union
FEE	Federation of European Accountants
GAAS	Generally Accepted Auditing Standards
HCEP	High Council for the Economic Professions
IAASB	International Auditing and Assurance Standards Board
IASB	International Accounting Standards Board
IAESB	International Accounting Education Standards Board
IESBA	International Ethics Standards Board for Accountants
IES	International Education Standard
IFRS	International Financial Reporting Standard
IPSAS	International Public Sector Accounting Standard
ISQC 1	International Standard on Quality Control 1
I&D	Investigation and Discipline
ISA	International Standard on Auditing
NASC	National Accounting Standards Commission
PIE	Public Interest Entity
QA	Quality Assurance
SMO	Statement of Membership Obligation

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective: Further Improvements of the Quality Assurance System

Background:

According to the law of July 22, 1953, IBR-IRE has responsibility for establishing a Quality Assurance (QA) review system with regard to all audits of financial statements. The QA review system which was established by IBR-IRE uses a cycle approach and is based on peer reviews. The institute reports annually on its quality assurance activities to the High Council for the Economic Professions (HCEP) which is the oversight body for auditors. IBR-IRE's QA review system is expected to be reviewed in the light of the implementation of the European audit reform and more specifically in accordance with Directive 2014/56/EU and Regulation N° 537/2014.

The Chamber of Disciplinary Transfer and Indictment (CDTI) is one of the bodies of the Belgian system of public oversight of statutory auditors, set up by law in 2007 as part of the transposition of the Statutory Audit Directive in Belgian law, responsible for individual aspects of the statutory auditors. The CDTI is ultimately responsible for quality assurance, investigation systems (**quality assurance system** and complaints). Its members are external to the profession of which they have knowledge. The CDTI may adopt measures requiring the statutory auditors to improve the quality of its work. When appropriate, it may decide a new control shortly.

Its competences are a.o.:

- The approval of the annual list of quality assurance reviews to be performed, as proposed by the IBR-IRE;
- The evaluation of the conclusions of the quality assurance reviews.

IBR-IRE has responsibility for drafting the quality control standards and the High Council for the Economic Professions (HCEP) is responsible for approving them.

The Quality control reviews take place at least every six years and every three years for audits of public interest entities.

The International Standard on Quality Control (ISQC) 1 has been adopted as quality control standard in Belgium and IBR-IRE has developed specific activities, such as a training program and implementation guidance, to assist audit firms with the implementation of these standards.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adopting New Quality Assurance Standards</i>					
1.	18/05/2006	Transpose the European Union (EU) Directive of 17 May 2006 into Belgian law through the revised law of 22 July 1953 creating IBR-IRE and organizing public supervision over the profession and through a royal decree of 26 April 2007 organizing inspections and quality assurance and regulating disciplinary procedure for chartered accountants (covering for instance the requirements of the QA system, its funding, its reviewers and its approvers).	26/04/2007 Completed	Minister of Economy	IBR-IRE Board, HCEP, Minister of Economy
2.	16/10/2007	Draft QA standards, approved by the Board of IBR-IRE adapted to make them compliant with the Audit Directive, the revised Law of July 22, 1953 (into force since August 31, 2007), the Royal Decree of April 26, 2007 and with SMO 1.	11/04/ 2008 Completed	President of Board	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
3.	11/04/2008	Transmit the Draft QA Standards to HCEP, which is one of the oversight bodies for the accountancy profession.	11/04/2008 Completed	IBR-IRE Secretary General	Director Quality Assurance and Surveillance, 3 staff members
4.	11/04/2008	HCEP to approve the draft QA standards.	02/07/2008 Completed	IBR-IRE Secretary General	HCEP staff
5.	02/07/2008	Minister of Economy to approve the Final QA Standards.	15/09/2008 Completed	IBR-IRE Secretary General	Minister of Economy
6.	01/03/2008	Update guidance to perform QA reviews in accordance with the new QA Standards.	31/08/2008 Completed	IBR-IRE Board	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members

#	Start Date	Actions	Completion Date	Responsibility	Resource
7.	June 2008	Organize training session for reviewers on the new QA Standards.	18/09/2008 Completed	Commission on Quality Assurance	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
8.	June 2009	At the request of the Minister of Economy, make a proposal to transpose the Recommendation of the European Commission (EC) of 6 May 2008 into Belgian law through a revised Quality Assurance Standard 2009.	02/10/2009 Completed	IBR-IRE President	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
9.	01/09/2009	Update guidance to perform quality assurance reviews in accordance with the Recommendation of the EC and the future implementation of the International Standards on Auditing (ISAs).	December 2011	IBR-IRE President	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
10.	02/10/2009	Draft QA standards 2009, approved by the Board of IBR-IRE adapted to make them compliant with the Recommendation of the EC.	02/10/2009 Completed	IBR-IRE President	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
11.	06/10/2009	Transmit the Draft QA Standards 2009 to HCEP, which is one of the oversight bodies for the accountancy profession.	06/10/2009 Completed	IBR-IRE Secretary General	Director Quality Assurance and Surveillance, 3 staff members
12.	06/10/2009	HCEP to approve the draft QA standards 2009.	06/01/2010 Rejected by the HCEP	IBR-IRE Secretary General	HCEP staff
13.	18/01/2010	HCEP did not approve the draft QA standards 2009 motivated by the fact that certain provisions did actually not have any legal basis yet in the Law of 22 July 1953 or the royal decree of 26 April 2007 organizing inspections and quality assurance and regulating disciplinary procedure towards for chartered accountants.	18/02/2010 Completed	HCEP President	HCEP staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
14.	05/02/2010	Draft QA standards 2010, excluding the provisions for which a legal basis is required, approved by the Board of IBR-IRE and launch a public consultation (19 April 2010 – 18 May 2010).	04/06/2010 Completed	IBR-IRE President	Director Quality Assurance
15.	10/05/2010	Transmit the Draft QA Standards 2010 to HCEP.	07/06/2010 Completed	IBR-IRE Secretary General	Director Quality Assurance and Surveillance, 3 staff members
16.	10/05/2010	HCEP to approve the draft QA standards 2010. Withdrawn after public consultation procedure by the Board of IBR-IRE of 3 September 2010.	06/09/2010 meeting with HCEP Completed	IBR-IRE Secretary General	HCEP Staff
17.	June 2010	Organize training session for profession on the organization of QA.	14/06/2010 Completed	President of Commission on Quality Assurance	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
18.	20/05/2011	The HCEP did not approve the draft QA standards 2010. The issuance of a new QA standard was temporarily abolished. The draft QA standards have been partially replaced by an advice. The Board of IBR-IRE issued an advice relating to the interpretation of the QA standards (11 April 2008) entered into force on 15 September 2008.	20/05/2011 Completed	IBR-IRE Board	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
19.	December 2011	Organize training sessions for the profession on the use of the new guidance to perform quality assurance reviews.	March 2012 Completed	IBR-IRE President of Commission on Quality Assurance	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
20.	December 2012, 2013 and 2014	Organize training sessions for the profession on the use of the new guidance to perform quality assurance reviews.	May 2013, 2014 and 2015 Completed	IBR-IRE President of Commission on Quality Assurance	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption and Implementation of ISQC1</i>					
21.	Early 2008	As the above mentioned QA standards refer to guidance for testing the internal quality assurance system (such a guidance is based on <i>International Standard on Quality Control</i> , IQSC 1), further encourage the oversight bodies to adopt an additional quality control standard which would incorporate the requirements of the ISQC 1. Reference is made to the action plan under SMO 3 as ISQC 1 has been implemented in Belgian law in 2014.	A Work Program was transmitted on 31/8/2008 to HCEP.	IBR-IRE Board	Auditing Standards Commission, 2 staff members
22.	2012	1) IBR-IRE issued a handbook " ISQC 1" in line with the standard, as well as with the "Guide to quality control for SMEs" issued by IFAC and "Practice note 26" issued by APB (UK). This handbook has been reviewed for update in 2015.	Completed	IBR-IRE Board	Commission SMP/SMP (12 Registered Auditors and 1 staff member)
		2) IBR-IRE asked a representative group of registered auditors to participate in a study which aims at providing a view on the current standards complying with provisions set out in ISQC 1.	Completed		
23.	2013	IBR-IRE has proposed the adoption of ISQC 1 to the public oversight bodies (HCEP and Ministry of Economy).	Completed	IBR-IRE Board	Commission SMP/SMP (12 Registered Auditors and 1 staff member) Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member)
24.	2014	Approval of the draft standard on the adoption of ISQC 1 by the HCEP and the Ministry of Economy.	Completed	HCEP President Ministry of Economy	HCEP Staff Ministry of Economy

#	Start Date	Actions	Completion Date	Responsibility	Resource
25.	2014	Deliver education program, which includes training on ISQC 1.	Ongoing. A workshop is planned in 2016.	IBR-IRE Board	Education Commission, 2 members of staff , Director Quality Assurance and Surveillance, 3 staff members
<i>Maintaining Ongoing Processes</i>					
26.	15/09/2008	Evaluate the compliance of the QA System with the Recommendation of the EC on External quality assurance for statutory auditors and audit firms auditing Public Interest Entities (PIEs).	31/3/2009 Completed	IBR-IRE Board	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
27.	15/09/2008	Review the QA System to ensure that it is compliant with and incorporates all SMO 1 requirements.	Ongoing but we can confirm that that Quality controls test the good test implementation and effectiveness of the QA review system on a regular basis.	IBR-IRE Board	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
28.	2002	Undertake annual update of the guidance to perform QA reviews.	Ongoing	IBR-IRE Board	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
29.	2002	Organize annual training session for reviewers performing QA reviews.	Ongoing	Commission on Quality Assurance	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 2 staff members

#	Start Date	Actions	Completion Date	Responsibility	Resource
30.	2002	Deliver Continuing education program, which includes training on the quality control standards.	Ongoing	IBR-IRE Commission on Quality Assurance	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
31.	Ongoing	Update the Action Plan for future activities as necessary.	Ongoing	IBR-IRE Secretary General	Secretary General, Director Quality Assurance and Surveillance
32.	2012	Organize training sessions, feedback/evaluation of reviewers performing QA reviews.	Ongoing	CCQ	Commission on Quality Assurance (12 members), Director Quality Assurance and Surveillance, 3 staff members
<i>Review of IBR-IRE's Compliance Information</i>					
33.	2009	Annually review responses to the IFAC compliance self-assessment questionnaires and update sections relevant to SMO 1. Once updated, inform IFAC compliance staff in order for them to republish updated information.	Due course (depending on developments)	IBR-IRE Secretary General	Director Quality Assurance and Surveillance and 2 members of staff in charge of quality assurance

Appendix I—Main Requirements of SMO 1 (2016)

Requirements	Y	N	Partially	Comments
Scope of the System				
1. At a minimum, mandatory QA reviews are required for all audits of financial statements.	X			
Quality Control Standards and Other Quality Control Guidance				
2. Firms are required to implement a system of quality control in accordance with the quality control standards.	X			
3. Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.	X			
4. Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	X			
Review Cycle				
5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.	X			
6. For cycle-based approach, quality control reviews are required to take place at least every six years (and every three years for audits of public interest entities).	X			
QA Review Team				
7. Independence of the QA Team is assessed and documented.	X			

Requirements	Y	N	Partially	Comments
8. QA Team possesses appropriate levels of expertise.	X			
Reporting				
9. Documentation of evidence supporting the quality control review report is required.	X			
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	X			
Corrective and Disciplinary Actions				
11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.	X			
12. QA review system is linked to the investigation and discipline system.	X			
Consideration of Public Oversight				
13. The body responsible for QA reviews cooperates with its oversight body and shares information on the functioning of the QA review system, as needed.	X			
Regular Review of Implementation and Effectiveness				
14. Regular reviews of implementation and effectiveness of the system are performed.			X	

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements Issued by the IAESB
Action Plan Objective: Continue to Use Best Endeavors to Satisfy the Requirements of International Education Standards

Background:					
<p>IBR-IRE sets the Education requirements for candidates for membership as well as members, in accordance with the law of July 22, 1953 and the Royal Decree of April 30, 2007. Candidates for IBR-IRE membership are required to hold a Master's degree (not necessarily in accounting), complete entrance examinations, have three years of practical experience and complete a final assessment.</p> <p>In addition, IBR-IRE issued a new requirement on Continuous Professional Development (CPD) which is in line with the International Education Standard (IES) 7 and entered into force on January 1, 2008. Compliance with CPD requirements is monitored through the QA review system.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Further Development of the Continuous Professional Development System</i>					
34.	Since 1991	IBR-IRE organizes each year +/- 85 conferences and information sessions in French and Dutch (notably on ISAs & International Financial Reporting Standards, IFRS, on ethics, on audit & assurance engagement, on legal issues) as part of the requirement of CPD (Registered Auditors are required to follow 120 hours of CPD training over a three-year period).	Ongoing	IBR-IRE Board	Education Commission (10 members) + 3 members of IBR-IRE staff
35.	Ongoing	Audit firms may also organize seminars for the CPD of their members but the education programs must previously be approved by the Education Commission of IBR-IRE through a written procedure.	Ongoing	Education Commission, 10 members	3 members of IBR-IRE staff
36.	March 2009	A further analysis of IES 8 is carried out by the Education Commission - A proposal will be made to amend the IBR-IRE standard relating to CPD. No amendments were proposed.	Completed	IBR-IRE Board	Education Commission, 1 member of staff
37.	February 2011	Analysis of the Exposure Draft of IES 7 was carried out by the Education Commission and further on discussed on the Common Board IBR-IRE/IAB-IEC. The Common Board decided that there was no need to formulate comments on the exposure draft of IES 7 related to a Program of Lifelong Learning and Continuous Development of Professional Competence.	04/03/2011 Completed	IBR-IRE Board	Education Commission, 1 member of staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
38.	July 2012	<p>Analysis of the Exposure Draft of IES 7 relating to Continuing Professional Development (CPD) of Final Pronouncement.</p> <p>An analysis was carried out by the Education Commission which concluded that the Belgian requirements largely respond to the requirements set out in the Exposure Draft IES 7 relating to continuing Development of Professional competence.</p> <p>IBR-IRE Board decided that there was no need to issue comments on the exposure draft of IES 7 related to a Program of Lifelong Learning and Continuous Development of Professional Competence.</p>	Completed	IBR-IRE Board	Education Commission, 1 member of staff
39.	June 2011	<p>Analysis of the Exposure Draft of IES 4 relating to Professional Values, Ethics and Attitudes was carried out by the same Education Commission of the IBR-IRE and comments were sent to IFAC by the Education Commission.</p>	13/07/2011 Completed	IBR-IRE Board	Education Commission, 1 member of staff
40.	August 2012	<p>Analysis of the Exposure Draft of IES 8 relating to Professional Development for Engagement Partners Responsible for Audits of Financial Statements.</p> <p>The analysis was carried out by the Education Commission of IBR-IRE. No comments were issued.</p>	Completed	IBR-IRE Board	Education Commission, 1 member of staff
<i>Maintaining Ongoing Processes</i>					
41.	June 2004	<p>Monitor and incorporate new and amended pronouncements issued by the International Accounting Education Standards Board (IAESB) into IBR-IRE's education standards.</p> <p><i>IBR-IRE has reviewed the International Education Standards (IES) issued by the International Accounting Education Standards Board (IAESB) in 2015 but didn't have to take specific action to incorporate the new requirements considering that the existing requirements are even more stringent.</i></p>	Ongoing	IBR-IRE Board	Education Commission, 2 members of staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
42.	2003	Participate in the work of the Federation of European Accountants' (FEE) Education subgroup (formerly called FEE Qualification & Market Access Working Party) and now called FEE Professional Ethics and Competences Working Party.	Ongoing	IBR-IRE Board	1 member of IBR-IRE and 1 member of staff
43.	Ongoing	Update the Action Plan for future activities as necessary.	Ongoing	IBR-IRE Secretary General	Secretary General, Education Commission, 4 staff members
<i>Review of IBR-IRE's Compliance Information</i>					
44.	2009	Periodically review responses to the IFAC compliance self-assessment questionnaires and update sections relevant to SMO 2 as necessary. Once updated, inform IFAC compliance staff in order for them to republish updated information.	Due course (depending on developments)	IBR-IRE Secretary General	Delegate General for European Affairs and member of staff in charge of education

Action Plan Subject: SMO 3—International Standards and Other Pronouncements Issued by the IAASB
Action Plan Objective: Further Develop the Ongoing Convergence Process with IAASB Pronouncements

Background:					
<p>IBR-IRE is responsible for drafting the auditing standards in Belgium whereas HCEP and the Minister of Economy are responsible for approving them. IBR-IRE is particularly active at the European Union level, and has taken a leading role in the translation of ISAs into French and Dutch, following IFAC Translation Policy and working in coordination with the Compagnie Nationale des Commissaires aux Comptes (CNCC, France), Royal NIVRA (The Netherlands) and the EC. In addition, the Institute regularly meets with the European Group of Auditors' Oversight Bodies to prepare comments on International Auditing and Assurance Standards Board (IAASB) exposure drafts and new standards.</p> <p>The Institute incorporates the IAASB pronouncements in the national standards by eliminating the differences between both sets of standards. Belgian Generally Accepted Auditing Standards (GAAS) incorporates the content of the ISAs before October 2003. The new audit risk model standards do not form part of the standards. HCEP and the Minister of Economy approved the adoption of the Clarified ISAs in 2010. IBR-IRE supports the implementation of the auditing standards (<i>Continuing Professional Development courses, development of implementation guidance, development of a Pack "Petites entités-Kleine entiteiten" (small entities) in collaboration with CNCC, etc.</i>).</p> <p>IBR-IRE is finalizing the translations of the new and revised ISAs into French and Dutch with the objective to adopt them by the end of 2016. ISRE 2410 (Revised) will be included in the national standard adopting these IAASB pronouncements.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Establishing the Ongoing Convergence to IAASB Pronouncements</i>					
45.	June 2008	Complete translation of Clarified ISAs into Dutch and French (in cooperation with Royal NIVRA, CNCC and the Chambre Fiduciaire, Switzerland) which would be used as a basis for a possible adoption of ISAs by the HCEP and the EC. The translation respects the IFAC Translations Policy.	May 2009 Completed	IBR-IRE Board	Auditing Standard Setting Commission (16 members), 2 translators (one quasi full time), cooperation with CNCC, NIVRA (currently NBA) and Chambre Fiduciaire
46.	26/05/09	Organize a study day on the adoption of Clarified ISAs to raise the profession's awareness of the need for high quality standards.	26/05/09 Completed	President of the Standard Setting Committee	5 renowned speakers at the Belgian and European level, 3 organizing staff persons IBR-IRE
47.	June 2009	Undertake a public consultation on the adoption of Clarified ISAs.	July 2009 Completed	IBR-IRE Board	Standard Setting Commission of IRE (17 auditors and IRE staff)

#	Start Date	Actions	Completion Date	Responsibility	Resource
48.	September 2009	Propose the adoption of the Clarified ISAs (and International Standard on Review Engagement, ISRE 2400 and ISRE 2410) to our public oversight bodies (HCEP and Ministry of Economy).	September 2009 Completed	IBR-IRE Board	Standard Setting Commission of IRE (17 auditors and IRE staff)
49.	September 2009	Approval of the draft standard on the adoption of the ISAs by the HCEP.	December 2009 Completed	HCEP President	HCEP Staff
50.	December 2009	Approval of the draft standard on the adoption of the ISAs by the Ministry of Economy.	April 2010 Completed	Ministry of Economy	Ministry of Economy
51.	15/11/10	Organize a forum on ISA implementation.	15/11/10 Completed	IBR-IRE Board	IBR-IRE Staff
52.	January 2011	Develop an ISA manual for Small and Medium Enterprises (SMEs) including templates and checklists to improve the transition to the future implementation of the ISAs.	January 2012 Completed	IBR-IRE Board	IBR-IRE Staff
53.	September 2011	Develop an ISQC 1 manual for Small and Medium Practices (SMP) including templates and checklists to facilitate the future implementation of this standard.	March 2012 Completed	IBR-IRE Board	IBR-IRE Staff
54.	June 2012	Launch a public consultation on the adoption of a complementary Belgian standard (on top of ISAs within Belgian GAAS) relating to the second part of the Auditor's report, the Auditor's verification of compliance with formalities (annual and consolidated accounts), and the consistency check between the financial statements and the Director's Report.	15/10/2012 Completed	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member)
55.	June 2012	Launch a public consultation on the adoption of International Standards on Assurance Engagements (ISAEs) and ISRSs.	15/10/2012 Completed	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member)
56.	June 2012	Review of the translation of ISAs into French by the EC.	Completed	European Commission	European Commission

#	Start Date	Actions	Completion Date	Responsibility	Resource
57.	March-July 2013	After a second public consultation on the adoption of a complementary Belgian standard (on top of ISAs within Belgian GAAS) relating to the second part of the Auditor's report, the Auditor's verification of compliance with formalities (annual and consolidated accounts), and the consistency check between the financial statements and the Director's Report, this standard has been approved by the HCEP and the Ministry of Economy.	Completed	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member)
58.	March 2013	Non-approval by the public oversight bodies of the draft standard on the adoption of ISAEs and ISRS. The public oversight bodies urge IBR-IRE to develop more guidance on the application of these standards.	Completed	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member)
59.	August 2013	IBR-IRE develops guidance on the application of ISAEs and ISRS by categorizing the legal and contractual engagements. A new draft standard on the adoption of ISAEs and ISRS will be proposed to the public oversight bodies in 2014 at the earliest.	Ongoing	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member)
60.	April 2013	IBR-IRE developed the Pack PE-KE (Petites Entités-Kleine Entiteiten), based on the Pack PE from CNCC. This is a tool developed in order to allow the Belgian registered auditors to structure the different phases in an audit of a small entity in the context of the ISAs applicable in Belgium with the objective of facilitating the execution of the requirements.	Completed	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member)
61.	January 2014	An update of the Pack PE-KE is foreseen in cooperation with CNCC (Pack PE version ISA).	Completed	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member) Commission SMP/SMP (12 Registered Auditors and 1 staff member)

#	Start Date	Actions	Completion Date	Responsibility	Resource
62.	Early 2016	An update of the Pack PE-KE is foreseen.	Ongoing	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member) Commission SMP/SMP (12 Registered Auditors and 1 staff member)
63.	January 2016	Ongoing translation of the New and Revised ISAs into Dutch and French (in cooperation with NBA and CNCC), which will be used as a basis for the adoption of the New and Revised ISAs into Belgian law, as well as for the possible adoption by the European Commission (EC). The translations respect the IFAC Translations Policy.	April 2016	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member) Commission SMP/SMP (12 Registered Auditors and 1 staff member) Cooperation with NBA and CNCC
<i>Supporting Implementation of IAASB Pronouncements</i>					
64.	2004	Update the continuing education program to increase training of auditors about auditing standards (including Clarified ISAs and other IAASB pronouncements). The introductory session of the education program addresses the ISA Guide of the IFAC SMP Committee, to be used by Small and Medium practices.	Ongoing	IBR-IRE Board	Education Commission, 3 staff members
65.	2014	Workshops for Small and Medium practices are included in the education program.	Ongoing	IBR-IRE Board	Education Commission, 3 staff members
<i>Maintaining Ongoing Processes</i>					
66.	May 2003	Continuously monitor new and amended standards from the IAASB, including newly published ISAs. Provide comments to exposure drafts of the IAASB, including through representation of IBR-IRE into the FEE Auditing Working Party.	Ongoing	IBR-IRE Board	Member of IBR-IRE Board

#	Start Date	Actions	Completion Date	Responsibility	Resource
67.	2003	Continue to translate new and amended IAASB pronouncements issued by the IAASB.	Ongoing	IBR-IRE Board	Standard Setting Commission of IBR-IRE (12 members among whom 11 registered auditors, and 1 staff member), cooperation with CNCC/CICA and NBA
68.	Ongoing	Update the Action Plan of IBR-IRE for future activities.	Ongoing	IBR-IRE Secretary General	Secretary General
<i>Review of IBR-IRE's Compliance Information</i>					
69.	Ongoing	Periodically review responses to the IFAC compliance self-assessment questionnaires and update sections relevant to SMO 3. Once updated, inform IFAC compliance staff in order for them to republish updated information.	Due course (depending on developments)	IBR-IRE Secretary General	Secretary General

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: Promoting Adoption by the Government of Ethical Requirements Consistent with the IESBA Code of Ethics and Organizing Relevant Training

Background:					
<p>The ethical requirements for auditors are set in different laws and decrees (Law of July 22, 1953, Royal Decree of January 10, 1994, Company Code and Royal Decree of April 4, 2003). These legal requirements are in line with a version of the International Ethics Standards Board for Accountants (IESBA) Code of Ethics issued prior to 2005.</p> <p>IBR-IRE aims at promoting the revised requirements of the IESBA Code of Ethics to the Government. <i>In any event, the Government is expecting to review the ethical requirements in the context of the adoption of Directive 2014/56/EU and Regulation No 537/2014 by the end of 2016.</i></p> <p>The professional accountancy body regularly communicates the legal requirements to its members and develops training in order to support the implementation of the standards.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Promoting Ethical Requirements to the Government</i>					
70.	13/12/2006	<p>Set up an ethics working party and meetings in view of evaluating and suggesting amendments to the Government to update the Royal Decree of January 10, 1994, in line with the July 2009 Code of Ethics, issued by the IESBA (“revised Code of Ethics”).</p> <p>The new Belgian Ethics Code aims to replace the Royal Decree of 10 January 1994.</p>	10/12/2007 Completed	IBR-IRE Honorary President	IBR-IRE President, 3 IBR-IRE Honorary-Presidents; 1 IBR-IRE Board member, 5 external members, Secretary General; Senior Manager International Relations and 1 member of staff in charge of education.
71.	17/09/2008	<p>The ethics working party to suggest amendments to update the provisions of the existing Royal Decree in line with the revised IESBA Code of Ethics and submit it for approval to the IBR-IRE Board.</p> <p>The revised requirements will aim to incorporate the important amendments to the revised Code of Ethics (“Independence” and “Drafting Conventions”).</p>	Completed	IBR-IRE executive committee	Senior Manager International Relations

#	Start Date	Actions	Completion Date	Responsibility	Resource
72.	15/09/2011	Launch for public consultation of the draft Ethics Code in line with the 2009 version of the IESBA Code of Ethics.	15/12/2011	IBR-IRE Board	IBR-IRE President, Vice-President, Secretary General and Senior Manager International Relations
73.	16/02/2012	Comments of registered auditors and stakeholders are published on the IBR-IRE website.	Completed	IBR-IRE Board	Delegate General for European Affairs
74.	01/06/2012	Following the comments received during the public consultation, a new version of the draft Ethics Code in line with the revised IESBA Code of Ethics was approved by the IBR-IRE Board.	Completed	IBR-IRE Board	Delegate General for European Affairs
75.	02/07/2012	President sent the new version of the draft Ethics Code to the High Council for the Economic Professions (HCEP) and to the Minister of Economy and is awaiting for their views.	Ongoing	IBR-IRE Board	Delegate General for European Affairs
76.	10/07/2012	IBR-IRE members were informed of the activities of the IBR-IRE Board through a newsletter which included the new version of the Ethics Code, as approved by the IBR-IRE Board on June 1, 2012.	Completed	IBR-IRE Board	Secretary General
77.	04/12/2013	IBR-IRE President received a letter from the Minister of Economy with a draft Royal Decree on ethics and a request for comments from IBR-IRE Board.	04/12/2013	IBR-IRE Board	Delegate General for European and international affairs
78.	24/01/2014	IBR-IRE Board issued comments on the draft Royal Decree on ethics.		IBR-IRE Board	Delegate General for European and international affairs
79.	16/04/2014	Following the European Audit reform and in particular the adoption of Directive 2014/56/EU and Regulation No 537/2014, the Government decided to implement the ethical requirements and address it together with the implementation of the reform as a whole by the end of 2016. IBR-IRE will provide its input upon request of the government.	Ongoing	IBR-IRE Board	Delegate general for European and international affairs.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Supporting Implementation of the New Ethical Requirements</i>					
80.	03/06/2008	Organize seminar on ethics which will address the revised Code of Ethics requirements. IBR-IRE will review the Ethics Education Toolkit issued by the IAESB.	03/06/2008 Completed	IBR-IRE Board	Education Commission, 3 staff members, Senior Manager International Relations
81.	21/12/2016	Organize a seminar on the applicable ethical requirements for the registered auditors.	Ongoing	IBR-IRE Board	Delegate general for European and international Affairs
82.	2009	Delivering CPD courses on the revised Code of Ethics requirements.	Ongoing A seminar is planned in 2016	IBR-IRE Board	Education Commission, 3 staff members
<i>Maintaining Ongoing Processes</i>					
83.	2009	Provide comments to exposure drafts of the IESBA through representation of IBR-IRE into the FEE Ethics Working Party.	Ongoing	IBR-IRE Board	IBR-IRE registered auditor and Delegate General for European and international Affairs
84.	01/01/2009	Provide financial, administrative and scientific support to the appointed IESBA member, member of staff of IBR-IRE, Sandrine Van Bellinghen who keeps the IBR-IRE Board members informed of the new and amended IESBA standards in an ongoing manner showing the importance for the ethical standards of IBR-IRE to remain compliant with the revised Code of Ethics.	31/12/2011	IBR-IRE Board	Delegate General for European Affairs and technical advisor
85.	Ongoing	Update the Action Plan of IBR-IRE for future activities including promotion of the aforementioned ethical provisions in line with the revised Code of Ethics, taking into consideration the new requirements set by the European audit reform.	Ongoing	IBR-IRE Secretary General	Delegate General for European and international Affairs

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of IBR-IRE's Compliance Information</i>					
86.	2009	Periodically review responses to the IFAC compliance self-assessment questionnaires and update sections relevant to SMO 4. Once updated, inform IFAC compliance staff in order for them to republish updated information.	Due course (depending on developments)	Secretary General	IBR-IRE Secretary General

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Promote the Use of IPSAS and Raise Awareness about the Work of the International Public Sector Accounting Standards Board

Background:					
<p>The Belgian government accounting landscape is diversified, with accounting practices ranging from accrual accounting to modified accrual/modified cash. At the federal level, the Belgian Government has not yet established convergence with the International Public Sector Accounting Standards (IPSASs) as an objective. For the Flemish local authorities, the legislator imposed in June 2010 an accounting reform based on IPSASs. This regulation is effective as from 2014. IBR-IRE, which is involved in public sector accounting, is planning to further promote IPSASs.</p> <p>IBR-IRE is now also closely following the developments at the level of the European Commission in respect of the EPSAS (European Public Sector Accounting Standards) project and the envisaged requirements in terms of harmonized accrual accounting by all tiers of government in Europe. IRE-IBR encourages alignment of EPSAS to IPSASs.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Promoting IPSASs</i>					
87.	2008	Promote the use of IPSASs in governmental accounting reforms and raise awareness about IPSAS.	Ongoing	IBR-IRE	IBR-IRE Secretary General and selected Belgian registered auditors
88.	2012	IPSAS training is given from 2012 onwards as part of the auditors' permanent education program. Same is done for SEC 2010. The audience mostly consists of Belgian registered auditors.	Ongoing	IBR-IRE	Belgian registered auditors and selected Belgian public finance experts
89.	End 2013	An IPSAS/EPSAS working group has been created within the IRE/IBR to coordinate all IRE/IBR activities in the IPSAS/EPSAS space, including promotion of IPSAS/EPSAS in Belgium. The group is composed of registered auditors with a specific knowledge in local and/or international public sector accounting.	Ongoing	IBR-IRE	Belgian registered auditors
90.	2013 and Onwards	Regular publication of articles in the IRE-IBR bi-monthly magazine promoting the use of IPSAS/EPSAS by public sector entities.	Ongoing	IBR-IRE	Selected Belgian registered auditors and public finance experts

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
91.	2014 and 2016	The IRE/IBR organised study days in September 2014 and in March 2016 on independent audit of governments and reporting by local governments. Transparent government accounting and reporting based on IPSAS was promoted at these events.	Ongoing	IBR-IRE	IBR-IRE and selected Belgian registered auditors
<i>Review of IBR-IRE's Compliance Information</i>					
92.	Ongoing	Periodically review responses to the IFAC compliance self-assessment questionnaires and update sections relevant to SMO 5. Once updated, inform IFAC compliance staff in order for them to republish updated information.	Due course (depending on developments)	IBR-IRE Secretary General	IPSAS/EPAS working group

Action Plan Subject: SMO 6–Investigation and Discipline
Action Plan Objective: Continuously Develop Investigation and Disciplinary Mechanisms

Background:

The Law of July 22, 1953 governs the Investigation & Discipline (I&D) mechanisms of the audit profession in Belgium.

The CDTI is a fully independent intermediate organism situated in between the IRE and the disciplinary commission. It has been created by statutory law in 2006 in order to decide whether a case is worthwhile to be pursued any further. Its intervention is situated at the end of an investigation process and its definitive decision means that there are sufficient reasons and evidence for pursuing an auditor. If not, the case is definitively dismissed. Its main mission is to decide to forward a case to the disciplinary commission which will have decide about the appropriate sanctions.

The CDTI independency constitutes a guarantee for an impartial decision about pursuing auditors or not.

Proceedings can be initiated by complaint or by investigation, or are the outcome of a periodic quality control of which the result is considered to be insufficient. Complaints are forwarded to IRE's disciplinary commission which hears and judges the cases.

In general terms, the CDTI is a public entity with ultimate responsibility over the quality assurance system and complaints. Its competences are amongst others:

- The indictment of disciplinary cases;
- The access to individual files at any time;
- The possible assignment of an expert by the CRME-KVI, who may be one of its members, to either attend the investigations conducted by the IBR-IRE; or conduct investigations itself;
- To require the IBR-IRE to start an investigation;
- To require the IBR-IRE to perform additional investigations;
- To regulate the procedures with regards to complaints; and
- To require the IBR-IRE to impose an injunction against an auditor to put an end to a situation under dispute.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Allowing the Disciplinary Commission to Impose Fines</i>					
93.	2006	Imposing fines as part of the sanctions available would have as a consequence that the I&D proceedings become of a criminal nature and that the requirement for the registered auditors to cooperate with the investigation would no longer be provided for. Therefore, the legislator has not authorised the disciplinary authorities to impose fines, in compliance with art. 6 of the European Convention for the Protection of Human Rights and Fundamental Freedoms.	Ongoing	IBR-IRE Secretary general	Local Management
<i>Maintaining Ongoing Processes</i>					
94.	1997	The Institute to continue keeping the auditors informed of the existing investigation and discipline mechanisms via its annual report and website.	Ongoing	IBR-IRE Board	Director Quality Assurance and Surveillance and 4 members of staff in charge of surveillance
95.	2007	Evaluate the I&D mechanisms to ensure they continue to incorporate SMO 6 requirements and are properly implemented.	Ongoing	IBR-IRE Board	Director Quality Assurance and Surveillance and 4 members of staff in charge of surveillance
96.	2009	Update of the Action Plan by IBR-IRE for future activities.	Ongoing	IBR-IRE Secretary general	IBR-IRE Secretary General, Director Quality Assurance and Surveillance and 4 members of staff in charge of surveillance
<i>Review of IBR-IRE's Compliance Information</i>					
97.	Ongoing	Perform periodic review of responses to the IFAC compliance self-assessment questionnaires and update sections relevant to SMO 6 as necessary. Once updated, inform IFAC compliance staff in order for them to republish updated information.	Due course (depending on developments)	IBR-IRE Secretary General	Director Quality Assurance and Surveillance and 4 members of staff in charge of surveillance

Appendix II—Main Requirements of SMO 6 (2016)

Requirements	Y	N	Partially	Comments
Scope of the System				
1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	X			
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	X			
Initiation of Proceedings				
3. Both a “complaints-based” and an “information-based” approach are adopted.	X			
4. Link with the results of QA reviews has been established.	X			
Investigative Process				
5. A committee or similar body exists for performing investigations.	X			
6. Members of a committee are independent of the subject of the investigation and other related parties.	X			
Disciplinary Process				
7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.	X			
8. Members of the committee/entity include professional accountants as well as non-accountants.	X			

Requirements	Y	N	Partially	Comments
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	X			
Sanctions 10. The disciplinary system allows imposing an extensive range of penalties. It is particularly important to include (a) loss of professional designation; (b) restriction and removal of practicing rights; and (c) exclusion from membership.	X			
Rights of Representation and Appeal 11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	X			
Administrative Processes 12. Timeframe targets for disposal of all cases are set.		X		
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.		X		
14. Records of investigations and disciplinary processes are established.	X			
Public Interest Considerations 15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	X			
16. A process for the independent review of complaints on which there was no follow-up is established.		X		

Requirements	Y	N	Partially	Comments
17. The results of the investigative and disciplinary proceedings are made available to the public.	X			
Liaison with Outside Bodies 18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.			X	
Regular Review of Implementation and Effectiveness 19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.			X	

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective: Assist the National Accounting Standards Commission with the Adoption and Implementation of IFRSs in Belgium

Background:					
As endorsed by EU regulation and transposed in Belgium by the Royal Decree of December 4, 2003, IFRS are adopted for the preparation of financial statements of listed entities. In accordance with the EU regulation, non-listed entities have the choice between using IFRS and the Belgian GAAP for the preparation of their consolidated financial statements. The National Accounting Standards Commission (NASC), which is accountable to the Ministry of Finance, is responsible for setting the accounting standards and communicating them to the public.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Promoting the Implementation of IFRS</i>					
98.	2005-April 2012	Promote ongoing adoption of IFRS to NASC via IBR-IRE's relationships with the President of the IFRS subgroup of NASC.	Ongoing	IBR-IRE Board	1 IBR-IRE former Board member (President of sub-commission IFRS since 2006); Contact Committee consists of 5 auditors, 1 staff member
99.	2005-April 2012	The IFRS subgroup to provide comments to the IASB's Exposure Drafts (ED), with input from IRE's internal Contact Committee with NASC.	Ongoing	IBR-IRE Board	1 IBR-IRE former Board member (President of sub-commission IFRS since 2006); Contact Committee consists of 5 auditors, 1 staff member
100.	May 2013-now	Appointment of IBR-IRE Honorary President as a member of NASC.	Ongoing	IBR-IRE Honorary President	IBR-IRE Honorary President
<i>Supporting Implementation of the Standards</i>					
101.	January 2016	Organize CPD relating to IFRS. Each year, the most recent IFRSs as approved by the IASB are addressed within the CPD-program. The audience mostly consists of Belgian registered auditors.	Ongoing 6 seminars on IAS-IFRS are planned in 2016	IBR-IRE Board	Education Commission, 3 staff members (over the last five years – 47 seminars relating to IFRS were organized)

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
102.	Ongoing	Update the Action plan by IBR-IRE for future activities as necessary.	Ongoing	IBR-IRE Secretary General	IBR-IRE Secretary General
<i>Review of IBR-IRE's Compliance Information</i>					
103.	Ongoing	Provide responses to the IFAC compliance self-assessment questionnaires on an ongoing manner and update sections relevant to SMO 7. Once updated, inform IFAC compliance staff in order for them to republish updated information.	Due course (depending on developments)	IBR-IRE Secretary General	IBR-IRE Secretary General