

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 ¹	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

¹ 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.

KEY FINDINGS ON ADOPTION TRENDS



International Public Sector Accounting Standards adoption, which has had lower levels of full adoption, has increased since the 2019 Report. This was primarily driven by progress in adoption among Latin American countries, with Ecuador (*also a new IFAC member organization as of 2020*), Guatemala, and Uruguay representing three of the five jurisdictions moving to full adoption. Consistent access to Spanish translations of the International Public Sector Accounting Standards has enabled these countries to adopt the application of IPSAS directly into law.

Relatively steady adoption rates are more impressive given the last three years have seen several significant revisions to the standards, including: the new auditor's report; the revised and restructured *International Code of Ethics for Professional Accountants*; and revised education standards addressing information and communications technologies and further emphasis on professional skepticism skills and behaviors.

When new standards or revisions are issued, oftentimes they must be reviewed and compared for applicability by local standard setters, translated, and/or passed into local law. This process for adoption, referred to as convergence, requires time and coordination and is the most common explanation for shifts in adoption status reflected above. For example, when examining the shifts in International Standards on Auditing adoption, it is mainly related to jurisdictions translating and converging with the 2018 handbook (see [IFAC's Methodology](#) for more details).

Both quality assurance and investigation & discipline systems fully meeting international benchmarks also increased. These mechanisms serve as cornerstones to instill public confidence and trust that standards are being applied and enforced, which makes investing in the proper establishment and operations for these systems important. Adoption in both areas advanced as a result of new partnerships to operationalize the mechanisms and/or new bylaws, regulations, and legislation were passed that permitted the implementation of components that previously needed improvements. Examples of such components include enforcement committees' composition, making final rulings publicly available, and linking the results of quality assurance inspections to the enforcement process when necessary.

IFAC member organizations continue to provide vital technical support to the local standard-setting process through outreach, advocacy and awareness raising, translations, developing comparisons between the international standards and existing local regulations, and proposing amendments to regulators.

SUCCESS STORIES FROM OUR MEMBER ORGANIZATIONS



The Ministry of Finance of Bolivia delegated accounting and auditing standard-setting responsibility to IFAC's member in **Bolivia**, the Colegio de Auditores o Contadores Públicos de Bolivia, with final authority and approval remaining with the Ministry of Finance. While international accounting and auditing standards were adopted in 2008, changes to the standards since then were not adopted. This did not deter the Colegio, which knew that keeping pace with global standards is essential for businesses and economic growth. Therefore, it continued to adopt ISA and IFRS as changes and new standards were issued even though these were legally only viewed as guidelines. Finally in 2021, the Ministry of Finance approved the international standards, as issued locally by the Colegio, aligning Bolivia with international best practices. Although it took more than 13 years of steadfast advocacy, education, and outreach with multiple stakeholder groups, the Colegio has established Bolivia as a success story and example in persistence for other jurisdictions.



Three years ago, the three PAOs in Indonesia—the Institute of Indonesia Chartered Accountants, the Indonesian Institute of Certified Public Accountants, and the Indonesian Institute of Management Accountants—joined forces to establish a single adoption process for the *International Code of Ethics for Professional Accountants*. Key in their journey to a unified Code of Ethics was strong connections and working relationships, including cooperation between leadership and staff, and collectively working with the Ministry of Finance's Pusat Pembinaan Profesi Keuangan (Finance Profession Supervisory Center). In 2021, the PAOs began to update the Code adopted in Indonesia to align with the International Ethics Standard Board for Accountants' latest revisions on the role and mindset expected of professional accountants, issued in October 2020 and effective December 2021. These revisions on role and mindset are especially important in times of rapid economic, societal, and technological changes.



The East African Community Monetary Union member states are required to adopt accrual-basis IPSAS for central and local government, regulatory bodies, and non-trading state-owned entities. In Rwanda, Uganda, and Tanzania, where national legislation empowers the national PAOs with the authority to adopt and approve public sector accounting standards, the governments have fully implemented or are transitioning toward accrual IPSAS. The PAOs are actively supporting the implementation of public financial management (PFM) roadmaps and providing training to build professional competency among professional accountants and finance personnel working in the public sector.


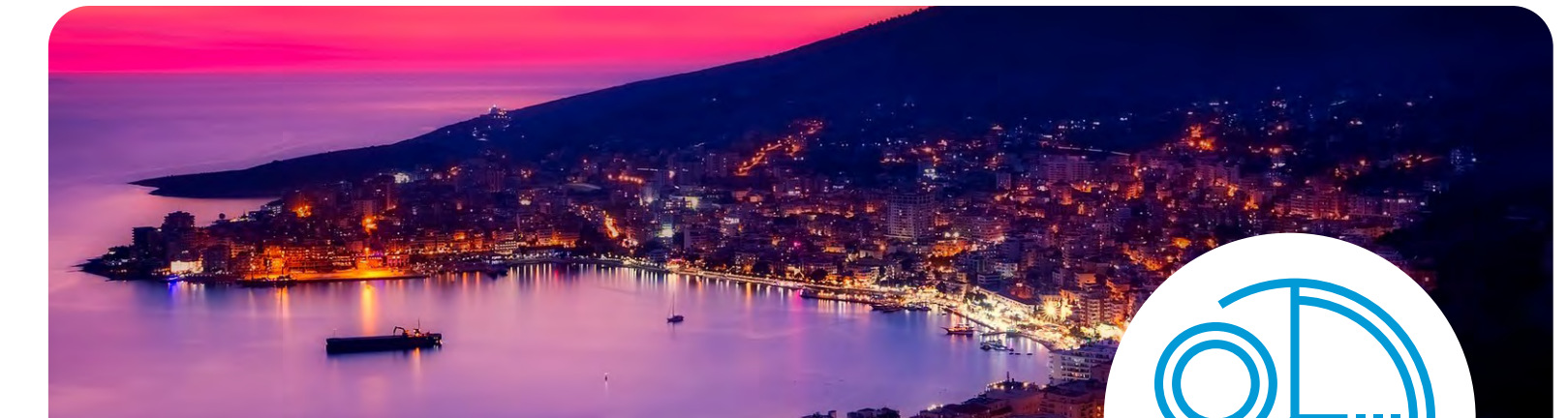
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The Institute of Chartered Accountants of Zimbabwe (ICAZ) cites public sector support as a high priority, including support for IPSAS adoption. The Zimbabwe government has begun adopting and implementing IPSAS, which is expected to be completed in 2026. To complement the government's efforts, in 2019 ICAZ introduced its IPSAS Certification Program to ensure that all government accountants have the competencies to interpret and apply IPSAS when preparing government and local authority financial statements.



In 2017, IFAC recommended that the **Saudi Organization for Chartered and Professional Accountants (SOCPA)** analyze and compare current national educational requirements against the International Education Standards (IES) to identify any potential gaps in professional accountants' initial and continuing education. Identifying and eliminating these gaps is crucial as the skills set forth in the IESs are the foundation for strong, competent, and relevant professionals. Over the last four years, SOCPA worked with local universities to update accountancy curricula to meet the current IESs. It also revised and updated its own CPD regulations. By **working with key stakeholders** in their jurisdiction, SOCPA was instrumental in progressing IES adoption in Saudi Arabia.



The Institute of Statutory Auditors of Albania (IEKA) has championed education reforms over the years because reliable, credible, and high-quality financial information is crucial for the country to achieve its strategic development goals: improving the business climate, increasing access to finance, and strengthening the financial sector. In 2020, an upgraded university and professional curriculum aligned with the IES and developed as part of the World Bank Corporate Financial Reporting Enhancement Project launched for statutory auditors in Albania.



Find more PAO success stories related to adoption as well as a variety of tools & resources to support implementation on [**IFAC's Knowledge Gateway**](#).

SUCCESS STORIES FROM OUR MEMBER ORGANIZATIONS



Robust and transparent investigation and discipline (I&D) mechanisms contribute to public trust in the accountancy profession. IFAC members are required to have an I&D system following the global benchmark for investigation & disciplinary procedures—IFAC’s Statement of Membership Obligation 6. In Montenegro, the **Institute of Certified Accountants of Montenegro** (ICAM) has been improving its I&D procedures since 2011 to better align with requirements, and has progressed from an execution phase to a review and improve phase. Its I&D Rulebook was updated again in 2018 to resolve potential conflicts of interest on investigation committees. ICAM also established important links between results of quality assurance reviews, its Education Committee (which monitors members’ compliance with CPD), and I&D procedures to ensure that if these departments identify any matters of non-compliance or misconduct, they are forwarded to the investigation committee for review.



In Pakistan, the three IFAC members (Institute of Chartered Accountants of Pakistan/ICAP; Institute of Cost and Management Accountants of Pakistan/ICMAP; and Pakistan Institute of Public Finance Accountants/PIPFA) have made progress to strengthen their respective I&D systems, all while balancing expectations from the government, their membership, and the public. Between 2015 and 2017, **ICAP embarked on a journey to reform its I&D system** and bring it in line with the global benchmark, IFAC’s member requirement on I&D systems. Meanwhile, in 2017 following discussions with IFAC, both ICMAP and PIPFA utilized the **IFAC I&D self-assessment** as a tool to evaluate their respective I&D systems. This resulted in the multiple initiatives: developing a roadmap and a commitment to resolve the gaps over a two-year period; bringing ethical requirements in line with the latest International Code of Ethics; formalizing a procedure to conduct periodic reviews of I&D systems; and upgrading internal processes to ease reporting of misconduct and reporting investigation outcomes to benefit members and the public. The PAOs have successfully demonstrated that their I&D progress has advanced from an execution phase to that of an ongoing, sustained commitment to best practices.



GLOBAL IMPACT MAP

For regularly updated information on the legal & regulatory framework, status of adoption of international standards, and IFAC members’ role and activities in the adoption and implementation process please visit **IFAC’s Global Impact Map**. IFAC has created a **tutorial on how to use the Global Impact Map** to find the information that meets your needs.

IFAC'S METHODOLOGY



Over more than a decade, IFAC has developed a methodology for assessing adoption in collaboration with the international independent standard-setting boards. The broad categorizations permit for consistency across the multiple global standards and best practices while also recognizing important thresholds for each standard. IFAC considers a jurisdiction as fully “Adopted” when the jurisdiction has adopted for application the latest version of a standard-setting board’s entire handbook in effect as of the time of the assessment. Learn more about IFAC’s **[methodology for assessing adoption on the IFAC website](#)**.

Small changes in adoption status reflect a natural adoption process, which often requires a convergence process or an official legal change that takes place after the effective date for new or revised standards. Small changes are also a result of assessments being snapshots in time. For example, a jurisdiction might be considered “Partially Adopted” at the time of assessment because a new law adopting the newest version of the standards will not be effective for several months. As part of IFAC’s ongoing dialogue with member organizations and other key stakeholders, adoption statuses and analysis are regularly updated to reflect any new information received.