

The International Education Standards

IES 1, *Entry Requirements to Professional Accounting Education Programs (Revised)*

IES 2, *Initial Professional Development – Technical Competence (Revised)*

IES 3, *Initial Professional Development – Professional Skills (Revised)*

IES 4, *Initial Professional Development – Professional values, Ethics, and Attitudes (Revised)*

IES 5, *Initial Professional Development – Practical Experience (Revised)*

IES 6, *Initial Professional Development – Assessment of Professional Competence (Revised)*

IES 7, *Continuing Professional Development (Redrafted)*

IES 8, *Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)*

Introduction

The International Accounting Education Standards Board™ (IAESB™) has completed its revision project to redraft and revise its eight International Education Standards™ (IESs™).

The revised IESs address important elements of competence-based professional development which support the learning and development of a professional accountant. They cover the career stages of Initial Professional Development (IPD) and Continuing Professional Development (CPD) of a professional accountant.

- For IPD, the revised IESs set requirements for aspiring professional accountants on: entry to a professional accounting education program; content of professional education; practical experience; and assessment. IPD continues until aspiring professional accountants can demonstrate the professional competence required for their chosen roles in the accountancy profession.
- For CPD, the revised IESs set requirements to develop and maintain their professional competence for all professional accountants, including engagement partners responsible for audits of financial statements.

IESs Relating to IPD

The revised IESs have benefited from a wide-ranging consultation undertaken with rigorous due process, including oversight by the Public Interest Oversight Board (PIOB). The revised IESs not only protect the public interest by setting entry requirements for professional accounting education programs, but also elevate the standard required of professional accounting education programs by delineating 18 competence areas and 82 learning outcomes required of the aspiring professional accountant. These standards go beyond knowledge of principles, standards, concepts, facts, and procedures; they require the integration and application of (a) technical competence, (b) professional skills, and (c) professional values, ethics, and attitudes.

The revision project has ensured that professional accounting education programs will complement cutting-edge advances in accounting education that are being incorporated into top-tier accounting programs in Universities across the USA, Europe, and Australia. More importantly, the revised IESs set clear requirements for IFAC member bodies and other PAOs on entry to professional accounting education programs (i.e., IES 1), content of professional accounting education (i.e., IESs 2, 3, & 4), practical experience (i.e., IES 5), and assessment (i.e., IES 6). These IESs lay the foundation for further learning and development in which professional accountants are required through CPD and one of the specializations of accountancy, auditing, to develop and maintain their professional competence.

IESs Relating to CPD

The revision project has also been extended to include the redrafting of IES 7 on CPD to improve its clarity. IES 7 continues to require that all professional accountants undertake CPD, regardless of sector or size of the organization in which they work. CPD plays an important part in enabling professional accountants to develop and maintain a level of professional competence that is relevant to their role. All professional accountants have an obligation of due care to their clients, employers and other relevant stakeholders – and are expected to demonstrate their ability to competently discharge this responsibility.

CPD provides continuing development of the technical competence, professional skills, and professional values, ethics, attitudes which have been achieved during IPD, refined appropriately for the professional activities and responsibilities of the professional accountant. CPD is a continuation of Initial Professional Development and is consistent with the learning outcomes approach.

IES 7 requires measuring the attainment of CPD which can be achieved by three alternative approaches: output-based (professional competence demonstrated by way of outcomes); input-based (professional competence established by the amount of learning activity); and a combination approach (professional competence achieved by combining elements of input- and output-based approaches). This type of requirement provides the member body with flexibility in measuring CPD activity.

Finally, IES 8 prescribes the professional competence that professional accountants are required to develop and maintain when performing the role of an Engagement Partner responsible for audits of financial statements. IES 8 is primarily aimed at IFAC member bodies, but recognizes the shared responsibilities of engagement partners, public accounting firms, and regulators as part of the system of quality control for engagement teams performing audits of financial statements. This standard will also be of interest to employers, regulators, government authorities, educational organizations, and any other stakeholders who support the learning and development of professional accountants.

The IAESB recognizes that continuing professional development develops and maintains competence of professional accountants performing the role as an engagement partner. Accordingly, the IAESB has specified learning outcomes that engagement partners must achieve to demonstrate competence in areas relating to technical competence, professional skills, and professional values, ethics, and attitudes. As the career of an engagement partner progresses, practical experience also becomes increasingly important in maintaining and further developing the necessary depth and breadth of professional competence.

What Has Been Achieved

The revision project has improved consistency and clarity of the principles-based IESs by:

- Articulating the nature of professional competence in terms of technical competence, professional skills, and professional values, ethics, and attitudes;
- Delineating the competence areas required to perform a role as a professional accountant; and
- Setting the essential learning outcomes required to meet the public's expectations of the professional competence to be demonstrated by a professional accountant and audit engagement partner.

The IAESB expects that the revision and redrafting of the suite of eight IESs will clarify the obligations of IFAC member bodies and other interested stakeholders involved with the education, development, and assessment of professional accountancy education. The suite of revised IESs is also expected also contribute to other desirable outcomes, including:

- Reduction in international differences in the requirements to qualify and work as a professional accountant;
- Facilitation of the global mobility of professional accountants; and
- Provision of international benchmarks against which IFAC member bodies can measure themselves.

Effective Dates of Revised IESs

The following summarizes the effective dates for each of the IESs

International Education Standard	Effective Date
IES 7, <i>Continuing Professional Development (Redrafted)</i>	January 1, 2014
IES 1, <i>Entry Requirements to Professional Accounting Education Programs (Revised)</i>	July 1, 2014
IES 2, <i>Initial Professional Development – Technical Competence (Revised)</i>	July 1, 2015
IES 3, <i>Initial Professional Development – Professional Skills (Revised)</i>	July 1, 2015
IES 4, <i>Initial Professional Development – Professional values, Ethics, and Attitudes (Revised)</i>	July 1, 2015
IES 5, <i>Initial Professional Development – Practical Experience (Revised)</i>	July 1, 2015
IES 6, <i>Initial Professional Development – Assessment of Professional Competence (Revised)</i>	July 1, 2015
IES 8, <i>Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)</i>	July 1, 2016

Copies of these pronouncements may be downloaded free of charge from the IAESB website, www.iaesb.org.