



IES 8 Standards Development Project Proposal

August 2025

BACKGROUND

1. IES 8 prescribes the professional competence that professional accountants performing the role of an audit engagement partner must develop and maintain. Professional competence is demonstrated through the achievement of learning outcomes, including, but not limited to, those prescribed in IES 8. IES 8 also provides Explanatory Materials to provide guidance on how professional competence interacts with Continuing Professional Development (CPD) and international standards on quality management.
2. Two recent developments are the impetus for the IES 8 Project:
 - **IES 2, 3 and 4 (Revised):** The professional competence requirements for aspiring professional accountants have been updated and will become effective from July 1, 2026 to embed sustainability-related concepts in the learning outcomes. These revisions need to be evaluated in relation to the required of professional competence for audit engagement partners.
 - **Updates to international quality management standards:** Limited conforming amendments were made to IES 8 to remove and update out-of-date references to International Standard on Quality Control 1 (ISQC 1) and International Standard on Auditing 220 (ISA 220). The Panel concluded that further evaluation and analysis of IES 8 would be performed after the issuance of IES 2, 3 and 4 (Revised).

International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (ISQM 1) and ISA 220 (Revised), *Quality Management for an Audit of Financial Statements* (ISA 220 (Revised)) need to be evaluated in the context of professional competence for audit engagement partners. As International Standard on Quality Management 2, *Engagement Quality Reviews* (ISQM 2) does not cover engagement partner competence, the IES 8 Working Group has not included ISQM 2 in the scope of the IES 8 Project.
3. In May 2024, the Panel discussed these developments and agreed to form an IES 8 Working Group. They undertook initial discussions and engaged with the Accountancy Education Directors Forum in September 2024. Based upon these discussions, in October 2024, the Panel determined there was sufficient demand for an IES 8 Project.
4. The Panel was provided with a draft project proposal at their June 2025 meeting and provided feedback which has been reflected in this document. This document provides the IES 8 Working Group's project proposal as of August 2025. Dates provided are indicative and subject to change.

PROJECT OBJECTIVE

5. The objective of the IES 8 Project is to consider through evidence gathering, whether IES 8 remains fit-for-purpose in the context of the updates to IES 2, 3 and 4 and the international quality management standards, or whether revisions and/or non-authoritative guidance may be required.



6. This project aligns with the Panel's public interest remit to provide high quality education standards that support the professional competence of audit engagement partners.

PROJECT SCOPE

7. The IES 8 Revision project scope will include these four areas:

Sustainability-related impacts: The project will consider whether growing demand for sustainability-related reporting and assurance, as well as IES 2, 3, and 4 (Revised) for sustainability may affect the required professional competence expected of engagement partners responsible for audits of financial statements. This may necessitate modifications to the IES 8 learning outcomes and the explanatory material.

International standards on quality management impacts: The project will consider how ISQM 1 and ISA 220 (Revised) may affect the required professional competence expected of engagement partners responsible for audits of financial statements. This will include review of both the learning outcomes and the explanatory material for potential updates.

Fit-for-purpose considerations: The project will consider emerging issues identified by the Panel's Innovation Groups (e.g., related to AI) that could influence the required professional competence of engagement partners responsible for audits of financial statements. The IES 8 Working Group will evaluate the emerging issues relevance to the existing project scope, seeking guidance from the IPAE.

Language modernization and simplification: The project will consider whether language can be simplified and clarified to improve effective adoption. Language modernization is a secondary element of the scope and may not be taken forward if a decision is made to retain the extant IES 8.

8. The IES 8 Project scope excludes the role of an engagement partner responsible for (limited or reasonable) assurance for sustainability-related general-purpose reports. Any outputs from the IES 8 Working Group related to competences for a sustainability-related assurance role will be limited to non-authoritative guidance. As a result of information gathering activities, the IES 8 Working Group may recommend commencing another project focused on the competence of sustainability-related assurance partners. The IES 8 Project may also consider the need for non-authoritative guidance to support the application of IES 8 in a sustainability reporting context.

INFORMATION GATHERING ACTIVITIES

9. A variety of information gathering activities will be undertaken to enable a decision on whether sufficient evidence exists to revise IES 8. The following information activities will be conducted by the IES 8 Working Group, IFAC staff, and Panel members:
 - **Literature review:** a review and analysis of previously published articles and papers identified by the members of the IES 8 Working Group will be undertaken. A separate ChatGPT deep research paper with direction and review by a human will also be performed.



- **Stakeholder outreach:** The IES 8 Working Group will conduct targeted stakeholder engagement through roundtables and interviews. These will involve relevant IFAC Advisory Groups (such as the Accountancy Education Directors Forum, consulted in September 2024 and March 2025), the Forum of Firms, independent standard-setting boards, practitioners, regulators, and other relevant stakeholders. An indicative stakeholder outreach plan has been included in Appendix B.
- **ISQM 1 and ISA 220 (Revised) basis for conclusion analysis:** An analysis of the standards' basis for conclusions will be conducted to identify whether there are embedded competencies that should be considered in the IES 8 Project.

10. The IES 8 Working Group and IFAC staff will use analytical tools and Generative AI to generate and evaluate evidence.

IES 8 WORKING GROUP

11. The working group will be referred to as the IES 8 Working Group (IES 8 WG). The IES 8 WG consists of the following members (see Appendix A for the IES 8 WG skills matrix):

	Name	IPAE capacity	Roles	Category	Country
1.	Manil Jayasinghe Chair of IES 8 Working Group	Member	Independent Director, various public listed companies Governing Board Member, Central Bank of Sri Lanka Chair, Accounting Standards Committee of Sri Lanka and the South Asian Federation of Accountants Former President, Institute of Chartered Accountants Sri Lanka Former Member, IAESB Former Country Managing Partner, Ernst & Young Sri Lanka and Maldives	PAO	Sri Lanka
2.	Anne-Marie Vitale	Chair	Former Partner, PwC Former Chair, IAESB	Firm	United States
3.	Jan Taylor	Member	Senior Director – Academic in Residence, AICPA-CIMA	PAO, Academic	United States
4.	Jennifer Eberman	Member	Director and Assurance and Reporting Lead for Audit & Assurance, Deloitte Former Associate Director – CPA Ontario Former provincial reviewer for CPA Canada CFE	Firm	Canada



	Name	IPAE capacity	Roles	Category	Country
5.	Nadine Kater	Observer	Education and Transformation Director, Independent Regulatory Board for Auditors (IRBA)	Regulator	South Africa
6.	Sipho Khumalo	Technical Assistant for IES 8	Audit Development Programme Professional Manager, Independent Regulatory Board for Auditors (IRBA)	Regulator	South Africa
7.	Adriana Tiron Tudor	Observer	Chair, Professional Accountancy Education Europe Full Professor, Babes-Bolyai University (Romania)	Academic, Practitioner	Romania
8.	Roger Loutfi	Member	Secretary General, Lebanese Association of Certified Public Accountants	PAO, Academic	Lebanon
9.	Simon Sfeir	Technical Assistant	Board Member, Lebanese Association of Certified Public Accountants Partner, Sfeir & Associates	Firm	Lebanon
10.	Sue Flis	Member	Executive Director, EY	Firm	United States
11.	Michelle Cardwell	Staff	Principal, Education, Thought Leadership, and International Standards, IFAC	IFAC Staff	International

12. Additional members may be added to the IES 8 Working Group based upon skills and knowledge needs in consultation with the Panel Chair and the IES 8 WG Chair.
13. The IES 8 WG will meet regularly throughout the project life cycle, via virtual or hybrid means.

PROPOSED MILESTONES AND TIMELINES

14. The proposed milestones and expected completion dates are presented below and are based on the IFAC Board approved process for standards revision projects (see Appendix C).

	Milestone	Involved parties	Status
Project identification			
1	Evidence gathered by IFAC staff, IPAE, and Accountancy Education (AE) Directors	IFAC staff, IPAE, AE Directors	Completed - discussion held with IPAE in May 2024 AED Forum September 2024 and March 2025
2	Evidence-based discussion between IFAC Staff and IPAE to determine if sufficient demand exists to pursue the identified project.	IFAC staff, IPAE	Completed - Panel discussed and agreed the need for a formal project – October 2024
Project proposal			



	Milestone	Involved parties	Status
3	Prepare project proposal	IFAC staff	Completed – April – June 2025
4	Review and advise on project proposal	IPAE	Completed – June 2025
5	Update on identified project(s) and consultation process	AE Directors, IFAC Board	TBC – 2025
Information gathering			
6	Design and develop materials for stakeholder outreach ¹	IFAC staff, Working Group, IPAE	July – August 2025
7	Execute information gathering activities – stakeholder outreach (e.g., roundtables, surveys)	IFAC staff, Working Group, IPAE, AE Directors ²	Sept – Nov 2025
8	Execute information gathering activities – review of existing materials (e.g., literature reviews)	IFAC staff, Working Group	Sept – Nov 2025
9	Evaluate sufficiency and results of information gathering activities to conclude sufficient evidence exists to revise or issue new standards	IFAC staff, Working Group	Nov – Dec 2025
Proposed revised / new IES – if applicable			
10	Draft exposure draft on proposed IES revisions	IFAC staff, Working Group	If applicable – Nov – Dec 2025
11	Evaluate and confirm drafting conventions are followed	IFAC staff, Working Group	If applicable – Feb 2026
12	Identify conforming amendments to IES	IFAC staff, Working Group	If applicable – Dec – Feb 2026
13	Review and advise on exposure draft	IPAE, AE Directors	If applicable – Jan / Feb 2026
Consultation – if applicable			
14	Draft explanatory memorandum highlighting objectives including process timeline and key activities	IFAC staff	If applicable – Dec – Feb 2026
15	Issue exposure draft with a 60-day consultation period	IFAC staff	If applicable – publish March/April 2026. Public consultation period to be agreed, likely 90 days – June/July 2026 close
16	Evaluate responses to public consultation and provide a summary of significant matters and proposed revisions	IFAC staff, Working Group	If applicable – July – October 2026

¹ The IFAC Board Revision Criteria includes reference to the involvement of AE Directors during this phase. However, to maintain independence of the AE Directors as a consultative group, the Panel and Working Group developed these materials independently.

² The AE Directors were engaged as a stakeholder as part of the execution of information gathering activities.



	Milestone	Involved parties	Status
17	Review of, and advice on, revisions and disposal of consultation comments	IPAE	If applicable – July – October 2026 The IES 8 WG will keep the Panel updated via correspondence on progress throughout.
Final revised / new IES – if applicable			
18	Finalize revisions	IFAC staff, Working Group	If applicable – July – October 2026
19	Review and advise on final IES	Working Group, IPAE	If applicable – November 2026
Approval			
20	Content and consultation process endorsed by IPAE members	IPAE	If applicable – November 2026
21	Confirmation of consultation process followed	IFAC Board	If applicable – February 2027
22	Approval of the revised or new standard (after IPAE endorsement and confirmation of consultation process)	IFAC Board	If applicable – February 2027
23	New standard published on e-Tool/e-IS	IFAC staff	If applicable – H2 2027

PROJECT TRANSPARENCY AND DUE PROCESS

15. Relevant project documents, including this project proposal, will be published on a dedicated project page on the IFAC website.
16. The Panel Chair, together with IFAC staff, will share IES 8 Project updates and relevant project documents at IFAC Board meetings as needed. The updates will either be written, or written and oral, depending on the extent of the updates.
17. Updates to the IFAC Board, and if applicable, final request for approval of revisions to IES 8 (and any associated conforming amendments), will include documentation to demonstrate alignment with the due process agreed with the IFAC Board (please note, the agreed process is likely to be updated following presentation of a paper on lessons learned from the SRP and IES 6 Projects to IFAC Board later in 2025. IFAC staff will work to ensure all due process is aligned to any updated framework.



APPENDICES

Appendix A: IES 8 Working Group skills matrix

Appendix B: Indicative Stakeholder Outreach Plan



APPENDIX A: IES 8 WORKING GROUP SKILLS MATRIX

Experience with:												
Name	IPAE capacity	Roles	Category	IES	SS	AEP	EQR	ISQM 1 & 2, ISA 220 (R)	S	Reg	AE	
SS – Standard Setting; AEP – Audit Engagement Partner; EQR - Engagement Quality Reviewer; S – Sustainability; Reg - Regulatory; AE – Accountancy Education												
1.	Manil Jayasinghe Chair of IES 8 Working Group	Member	Independent Director, various public listed companies Governing Board Member, Central Bank of Sri Lanka Chair, Accounting Standards Committee of Sri Lanka and the South Asian Federation of Accountants Former President, Institute of Chartered Accountants Sri Lanka Former Member, IAESB Former Country Managing Partner, Ernst & Young Sri Lanka and Maldives	Retired audit partner	X	X	X	X				X
2.	Anne-Marie Vitale	Chair	Former Partner, PwC Former Chair, IAESB	Retired audit partner	X	X	X	X	X	X		X
3.	Jan Taylor	Member	Senior Director – Academic in Residence, AICPA-CIMA	PAO, Academic	X							X
4.	Jennifer Eberman	Member	Director - Assurance and Reporting Lead for Audit & Assurance, Deloitte	Firm	X	X			X	X		X



	Name	IPAE capacity	Roles	Category	Experience with:							
					IES	SS	AEP	EQR	ISQM 1 & 2, ISA 220 (R)	S	Reg	AE
5.	Nadine Kater	Observer	Education and Transformation Director, Independent Regulatory Board for Auditors (IRBA)	Regulator	X	X				X	X	X
6.	Sipho Khumalo	Technical Assistant for IES 8 Project	Audit Development Programme Professional Manager (IRBA)	Regulator							X	X
7.	Adriana Tiron Tudor	Observer	Chair, Professional Accountancy Education Europe Full Professor, Babes-Bolyai University (Romania) Financial auditor, CAFR member Chartered accountant, CECCAR member Former member of IPSASB	Academic Practitioner								X
8.	Roger Loutfi	Member	Secretary General, Lebanese Association of Certified Public Accountants	PAO, Academic								X
9.	Simon Sfeir	Technical Assistant	Board Member, Lebanese Association of Certified Public Accountants Partner, Sfeir & Associates	Firm								X
10.	Sue Flis	Member	Executive Director, EY	Firm	X	X				X		X
11.	Michelle Cardwell	Staff	Principal, Education, Thought Leadership, and International Standards, IFAC	IFAC Staff	X	X				X		X



APPENDIX B: INDICATIVE STAKEHOLDER OUTREACH PLAN

This plan is indicative and subject to change over time. The IES 8 WG will endeavor to hold outreach engagements with these stakeholders, subject to their availability and willingness to participate. The IES 8 WG requests the Panel to conduct outreach activities – further information will be provided to support the Panel in this effort. Key groups to be consulted are indicated with an asterisk.

Stakeholder	Responsibility	Nature of Engagement	Timing	Status
International stakeholders				
Forum of Firms (FoF)*	Manil Jayasinghe and Anne-Marie Vitale Michelle Cardwell	Online meeting	September 2025	Meeting scheduled
International Forum of Independent Audit Regulators (IFIAR)*	Nadine Kater	Online meeting	TBC	TBC
IFAC Small and Medium-sized Practices Advisory Group*	Simon & Roger Michelle Cardwell	Hybrid meeting	TBC	TBC
International Auditing & Assurance Standards Board (IAASB)*	Anne-Marie Vitale, Jennifer Eberman Michelle Cardwell	Online meeting	TBC	TBC
International Ethics Standards Board for Accountants (IESBA)	Jan Taylor Michelle Cardwell	Online meeting	TBC	TBC
International Organization of Supreme Audit Institutes (INTOSAI)	Bruce Vivian	TBC	TBC	TBC
Global Accounting Alliance (GAA)	Bruce Vivian	TBC	TBC	TBC
IPAE members are requested to conduct targeted outreach to stakeholders in their jurisdiction and/or region. These include (but are not limited to) local stakeholders such as: <ul style="list-style-type: none"> • IFAC Regional Network Partners; • IFAC Member Organization(s); • Audit firms, including those part of international networks; and • Jurisdictional audit regulators and standard setters 				