



## Key Revisions to the Statements of Membership Obligations (SMOs) 2026

### Introduction

In February 2026, the IFAC Board approved revisions to the SMOs following a [global consultation](#) conducted in 2025. The review was undertaken to ensure that the SMO framework remains aligned with developments in international standards and continues to provide clear benchmarks for IFAC member organizations.

The SMOs remain the foundation of the IFAC Member Compliance Program, guiding how member organizations support the adoption and implementation of international standards and maintain strong professional systems in the public interest.

The revisions introduce targeted updates rather than structural changes to the SMO framework. Key updates reflect developments in international standards, including quality management and sustainability reporting, while also improving clarity and usability of the SMOs. These revisions do not introduce new reporting obligations for member organizations in the short term.

### Implications for IFAC Members

The revised SMOs introduce targeted updates rather than new obligations. For member organizations:

- Existing SMO Action Plans remain valid.
- Updates will be incorporated during the next Action Plan reporting cycle.
- No immediate changes to SMO fulfillment ratings are expected.

IFAC management will issue guidance later this year describing the transitional assessment methodologies that will be applied to the adoption status of recently issued sustainability reporting and assurance standards, and the related revisions to the International Ethics Standards Board for Accountants (IESBA) Code of Ethics and International Education Standards (IES).

Member organizations should review the revised SMOs and continue supporting the adoption and implementation of international standards in their jurisdictions. The table below summarizes the revisions and their practical implications for IFAC member organizations.



SMO	Area	What Changed	Practical Implications for IFAC Member Organizations
SMO 1	Quality Assurance	<ul style="list-style-type: none"> <li>Updated to reflect principles and concepts from the International Auditing and Assurance Standards Board (IAASB) suite of <a href="#">Quality Management standards</a>.</li> </ul>	<ul style="list-style-type: none"> <li>Professional Accountancy Organizations (PAOs) should ensure their quality assurance review systems reflect the new quality management framework, including evaluating firms' systems of quality management rather than focusing solely on engagement-level controls.</li> <li>A revised version of the <a href="#">SMO 1 Self-Assessment Checklist</a> will be published later in 2026.</li> </ul>
SMO 2	Education	<ul style="list-style-type: none"> <li>Recognizes that adoption of the International Education Standards (IES) should include an evaluation of flexible entry requirements and pathways to provide broad access to professional accounting education programs.</li> </ul>	<ul style="list-style-type: none"> <li>PAOs should review whether their qualification frameworks allow appropriate flexibility while maintaining the rigor and integrity of the profession.</li> <li>IFAC's recent <a href="#">Opening Doors publication</a> provides six principles that PAOs can apply when making this assessment.</li> <li>Although not called out in the text of the SMO, the <a href="#">recent issuance</a> by IFAC of revisions to the IES for sustainability reporting are within the scope of the SMO. IFAC will issue further guidance later this year on how it will be assessed within the Compliance Program.</li> </ul>
SMO 3	Auditing Standards	<ul style="list-style-type: none"> <li>Editorial updates to improve clarity and consistency.</li> </ul>	<ul style="list-style-type: none"> <li>PAOs should continue supporting adoption and implementation of IAASB standards and consider providing guidance, training, and awareness activities to assist practitioners.</li> <li>Although not called out in the text of the SMO, the recent issuance by IAASB of International Standard on Sustainability Assurance 5000 (<a href="#">ISSA 5000</a>) is within the scope of the SMO. IFAC will issue further guidance later this year on how this will be assessed within the Compliance Program.</li> </ul>
SMO 4	Ethics	<ul style="list-style-type: none"> <li>Editorial updates to improve clarity and consistency.</li> </ul>	<ul style="list-style-type: none"> <li>PAOs should continue supporting adoption and implementation of the International Ethics Standards Board for Accountants (IESBA) Code of Ethics and consider providing guidance, training, and awareness activities to assist practitioners.</li> <li>Although not called out in the text of the SMO, the recent issuance by IESBA of its <a href="#">International Ethics Standards for Sustainability Assurance (including International Independence Standards) (IESSA)</a>, and other revisions to the Code relating to sustainability assurance and reporting are within the scope of the SMO. IFAC will issue further guidance later this year on how these will be assessed within the Compliance Program.</li> </ul>
SMO 5	Public Sector Standards	<ul style="list-style-type: none"> <li>Explicitly references the Sustainability Reporting Standards (<a href="#">IPSAS SRS</a>) issued by the International Public Sector Accounting Standards Board (IPSASB).</li> </ul>	<ul style="list-style-type: none"> <li>PAOs should monitor developments in public sector sustainability reporting in their jurisdiction, plan appropriate advocacy activities, and support the adoption and implementation of the IPSAS SRS where relevant. IFAC will issue further guidance later this year on how this will be assessed within the Compliance Program.</li> </ul>
SMO 6	Investigation & Discipline	<ul style="list-style-type: none"> <li>Editorial updates to improve clarity and consistency.</li> </ul>	<ul style="list-style-type: none"> <li>PAOs should continue to ensure systems remain robust, transparent, and effective.</li> </ul>
SMO 7	Corporate Reporting	<ul style="list-style-type: none"> <li>Recognizes the expanded corporate reporting landscape that now encompasses the sustainability disclosure standards issued by the International Sustainability Standards Board (ISSB) alongside International Financial Reporting Standards (IFRS) Accounting Standards issued by the International Accounting Standards Board (IASB).</li> </ul>	<ul style="list-style-type: none"> <li>PAOs should monitor adoption of ISSB sustainability disclosure standards (<a href="#">currently IFRS S1 and IFRS S2</a>), plan appropriate advocacy activities, and support adoption and implementation in their jurisdictions. IFAC will issue further guidance later this year on how this will be assessed within the Compliance Program.</li> </ul>