

IESBA Meeting Highlights and Decisions

March 2025

This summary of decisions of the International Ethics Standards Board for Accountants (IESBA) has been prepared for information purposes only. Except for documents approved for public exposure and issuance of final pronouncements, decisions reported on technical matters are tentative, reflect only the current status of discussions on projects, and may change after further deliberation by the IESBA.

The IESBA met in New York, USA on March 10-12, 2025. The video recording of the meeting is available on the IESBA [YouTube](#) channel.

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Collective Investment Vehicles (CIVs) and Pension Funds

The IESBA considered and approved a Consultation Paper (CP) on CIVs and Pension Funds. The CP will seek further views and insights from stakeholders regarding the application of the Code in addressing auditor independence considerations with respect to certain third parties that perform functions or services for these types of investment vehicles and which are not covered by the Code's definition of a related entity. The CP is expected to be issued by the end of March 2025 with a public comment period of 90 days.

The IESBA will consider an analysis of respondents' comments on the CP and the Project Team's preliminary report and recommendations for the way forward at the September 2025 IESBA meeting.

Adoption & Implementation

Adoption & Implementation Working Group Update

The IESBA considered an update from the Adoption & Implementation Working Group (A&I WG) on its activities since the December 2024 meeting, including the joint launch of the IESBA Sustainability and Experts Standards with the International Auditing and Assurance Standards Board's (IAASB) ISSA 5000,¹ the IESBA global webinar series on the new standards, and prioritization of jurisdictions on which focus A&I efforts. The A&I WG also highlighted additional planned implementation materials including FAQs, a summary of prohibitions in the *International Ethics Standards for Sustainability Assurance (including International Independence Standards)* (IESSA) with respect to public interest entities (PIEs), and materials for investors and those charged with governance.

The IESBA will receive a further update from the A&I WG at its June 2025 meeting.

IESSA Implementation Monitoring Mechanism

The IESBA considered a comprehensive plan for monitoring the implementation of the IESSA, including:

¹ International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance Engagements*

- The establishment of a technical group of experts to provide insights and advice to the IESBA on any implementation issues or challenges relating to the implementation of the IESSA; and
- The launch of a digital platform for stakeholders' direct submissions of feedback on potential issues or challenges related to the implementation of the IESSA.

The IESBA approved the Terms of Reference (ToR) for the IESSA Implementation Monitoring Advisory Group (IIMAG) and commissioned the A&I WG to select the IIMAG's members based on the general criteria set out in the ToR.

The IESBA will receive an update on the monitoring mechanism and the composition of the IIMAG at its June 2025 meeting.

Engagement with the International Accreditation Forum (IAF)

The IESBA considered an update on recent engagement between IESBA staff and representatives from the IAF, TIC Council, the United Kingdom Accreditation Service and Accredia. The update covered the objectives and outcomes of this engagement, including:

- Consideration of the IAF's mapping of the current ethics requirements in the accreditation framework for sustainability assurance engagements (SAEs) to the IESSA;
- An outline of next steps to advance the use of a common global framework of high standards of ethical conduct to underpin trust in SAEs; and
- Initial reflections on the nature, scope and timeline of potential IESBA implementation support for Independent Assurance Service Providers.

Firm Culture & Governance (FCG)

The IESBA considered an update from the project team on the upcoming global roundtables, stakeholder outreach to date, and proposed approach to developing non-authoritative materials (NAMs).

The IESBA also shared reflections on the illustrative examples of aspects of a principles-based FCG framework as set out in the FCG Working Group's Final Report. This included preliminary consideration of whether a principles-based framework consistent with how the Code is drafted or a "framework of principles" would be more appropriate as an output. The IESBA acknowledged that the roundtable feedback and other inputs from stakeholder outreach would be helpful to inform the approach.

The IESBA will consider an analysis of the feedback from the global roundtables, the project team's responses, and a preliminary "strawman" draft of the FCG framework at its June 2025 meeting.

Emerging Issues and Outreach Committee (EIOC)

The IESBA considered an update from the EIOC on its activities since the June 2024 meeting.

IESBA staff provided an outline of the proposed Staff Alert concerning private equity investments in accounting firms. The IESBA supported the initiative to highlight relevant ethics and independence considerations for professional accountants in public practice who are considering accepting such investments in their accounting firms. The Staff Alert is expected to be issued in Q2 2025.

Technology

The IESBA considered a brief update from the Technology Working Group (TWG), which included the TWG's activities since the June 2024 meeting. The IESBA reaffirmed its support for the TWG's work in bringing technology issues to the forefront, including the application of the Code.

The IESBA will receive a further update from the TWG in due course.

IESBA Communications

The IESBA considered an update from the communications team on the team's strategic plan for 2025, which focuses on proactive, consistent, and clear communication. The strategy includes active listening, targeted messaging for different stakeholder groups, and tools for evaluating success. The objectives are to amplify the IESBA's voice, promote ethics as a foundational element of the public interest, and accelerate the adoption of the Code. Key initiatives for 2025 include enhancing media and social outreach, benchmarking the IESBA's communication platforms, increasing video content, developing communicational guidebooks and new formats, and expanding the Board's international reach.

The IESBA also considered communications updates on recent initiatives such as the Global Ethics Sustainability Standards and the Firm Culture and Governance projects.

IAASB-IESBA Coordination

The IESBA received an update on its coordination with the IAASB, focusing on structured engagement and alignment on key projects. The Boards continued their coordination and collaboration through quarterly liaison meetings. As part of this coordination, the IESBA considered an update from IAASB staff on the key proposed revisions to ISA 240 (Revised)² from an ethical perspective.

Next Meeting

The next IESBA meeting is scheduled for June 9-12, 2025 in New York, USA

² International Standard on Auditing (ISA) 240, *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*