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Madrid, 27 March 2023

Monitoring Group Welcomes Important Step in Implementing its Recommendations with the Establishment of the International Foundation for Ethics and Audit

The Monitoring Group (MG) is responsible for the overall governance of the international audit and ethics standard-setting system, including conducting periodic effectiveness reviews. In July 2020, the MG issued its recommendations [*Strengthening the International Audit and Ethics Standard-Setting System*](#) (MG Recommendations).

In December 2022, the MG [*reported*](#) on the progress made to implement the MG Recommendations and today, the MG is pleased to recognize the [*announcement*](#) of the establishment of the International Foundation for Ethics and Audit (IFEA or Foundation). One of the MG Recommendations is that “the standard-setting Boards should be housed in a separate legal entity outside of and independent from” the accounting profession. The creation of the Foundation marks a significant milestone in implementing the MG Recommendations in order to create a more independent and inclusive standard-setting structure that is responsive to the public interest in the development of timely, high-quality audit, assurance, ethics, and independence standards. The International Auditing and Assurance Standards Board (IAASB) and the International Ethics Standards Board for Accountants (IESBA) (collectively the Standard-Setting Boards) will now be housed in a separate, independent legal entity as outlined in the MG Recommendations.

Jean-Paul Servais, Co-Chair of the MG stated: *“We are very pleased with the establishment of the IFEA as it marks a critical step in the creation of a more independent standard-setting structure as envisaged in the MG Recommendations. This achievement has been possible because of the hard work and dedication from the Standard-Setting Boards’ Chairs and their teams, the Public Interest Oversight Board (PIOB), the International Federation of Accountants (IFAC), and the MG members. Thank you all for your continued efforts to implement the MG Recommendations.”*

Paul Munter, Co-Chair of the MG stated: *“We are very grateful for the ongoing collaboration with all stakeholders and the collective efforts made towards the full implementation of the MG Recommendations. Significant progress has been made to date and the MG remains fully committed to implementing the remainder of the MG Recommendations within the established timeframe.”*

Who we are

The Monitoring Group (MG) is a group of international financial institutions and regulatory bodies committed to advancing the public interest in areas related to international audit-related standard-setting and audit quality. This publication is part of its ongoing global effort to promote high-quality international auditing and ethical standards. Further information can be obtained from the IOSCO website at

https://www.iosco.org/about/?subsection=monitoring_group

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