



**INTERNATIONAL FEDERATION  
OF ACCOUNTANTS**

545 Fifth Avenue, 14th Floor  
New York, New York 10017  
Internet: <http://www.ifac.org>

Tel: +1 (212) 286-9344  
Fax: +1 (212) 856-9420

**Agenda Item**

**8**

**Committee** IFAC Ethics Committee

**Meeting Location:** AICPA, New York, USA

**Meeting Date:** February 14-15, 2005

**Forum**

**Objectives of Agenda Item**

1. To discuss the proposed content and format of the Forum
2. To discuss proposed invitees

**Background**

The Ethics Committee objectives include:

- To promote good ethical practices to IFAC member bodies and to the public at large; and
- To foster international debate on ethical issues faced by professional accountants.

For the past four years Ethics Committee resources have been focused primarily on two major projects: establishing a conceptual framework for addressing independence and re-writing the complete Code of Ethics to adopt such a framework approach. Given these projects are substantially complete and the Committee has commenced a project to consider which parts of the independence requirements should be revisited, the timing is right for a Forum. It was noted during the self-review process that more should be done in promoting good ethical practices and fostering international debate on ethical issues faced by professional accountants.

**Forum Objectives**

It is proposed that Forum, which would provide for a two-way exchange of ideas and information between Committee members and participants, would have the following objectives:

- Raise awareness of ethics issues and the Code in particular – the Code is now an international standard rather than a model standard;
- Raise awareness of the conceptual framework contained in the Code;
- Obtain feedback on experiences with implementation and enforcement of a principles based approach;
- Obtain input on Committee's views on which parts of the independence section need to be revisited;
- Obtain input on other projects in process; and
- Obtain input on other projects that should be included in Committee's work plan.

**Proposed Outline of Forum**

<b>Timing</b>	<b>Topic</b>	<b>Format</b>
9:00 – 9:45	Welcome opening remarks Plenary speaker – importance of business ethics	Presentation
9:45- 10:15	Application of framework approach Benefits <ul style="list-style-type: none"> <li>• application to various and changing circumstances</li> <li>• requires active consideration</li> <li>• benefits demonstrated in that other standards are moving to this approach</li> </ul> Challenges <ul style="list-style-type: none"> <li>• New way of thinking</li> <li>• Education</li> </ul>	Presentation
10:15-10:30	Break	
10:30-11:15	Breakout sessions to obtain input on experience with/views on framework approach: <ul style="list-style-type: none"> <li>• Enforcement</li> <li>• Education</li> <li>• Clarity</li> </ul>	Each breakout group will be chaired by an Ethics Committee member while another member will record the discussions.
11:15-12:00	Reporting back to group	Breakout chair reports back to group
12:00-12:30	Independence Presentation of Committee’s view on which parts of the independence requirements need to be revisited and changes proposed	Presentation
12:30-1:15	Lunch	
1:15-2:15	Breakout session to obtain input on proposals	
2:15-3:30	Reporting back to group	Breakout chair reports back to group
3:30-3:45	Break	
3:45-4:15	Presentation on two other active projects <ul style="list-style-type: none"> <li>• Members in Government</li> <li>• Ethical guidance for professional accountants in business when encountering fraud or illegal acts</li> </ul>	Presentation
4:15-4:45	Two different breakout sessions – one on each of the active projects	Participants would choose one of the breakout sessions
4:45-5:15	Reporting back to group	Breakout chair reports back to group
5:15- 5:45	Discussion on other topics the Committee should be considering	Based on input received in advance
5:45-6:00	Concluding remarks	

### **Potential Participants**

It is proposed that attendance is by invitation only which will allow us to anticipate and plan for the appropriate number of participants.

Invitations would be extended to the following parties:

- Member body representatives with responsibility for:
  - Establishing the member Code of Ethics
  - Enforcement
  - Education
- Securities regulators
- Representatives on other IFAC bodies such as: IAASB, Developing Nations Task Force, SME/SMP Task Force
- User groups
- Academics

In addition to specific invitations, notice of the forum could be posted on the IFAC website with an invitation to interested participants to request further information.

### **Action Requested**

1. Committee members are asked to consider the proposed forum outline and proposed participants.
2. The Planning Committee will consider the feedback from the full Committee and at the next Committee meeting in Rome present a detailed forum plan for discussion and approval.