



## **International Federation of Accountants**

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### **International Federation of Accountants Ethics Committee**

#### **Draft Strategic Plan**

The purpose of this strategic plan is to guide the direction and priorities of the Ethics Committee for the period ending December 31, 2007.

#### **Introduction**

The mission of the International Federation of Accountants (IFAC), as set out in its constitution, is “to serve the public interest, strengthen the accountancy profession worldwide and contribute to the development of international economies by establishing and promoting adherence to high-quality professional standards, furthering international convergence of such standards, and speaking out on public interest issues where the profession’s expertise is most relevant”. In pursuing this mission, the IFAC Board has established the IFAC Ethics Committee (the Committee) to function as an independent standard-setting body under the auspices of IFAC.

The Committee develops and issues, in the public interest and under its own authority, high quality ethical standards and other pronouncements for professional accountants for use around the world. The IFAC Board has determined that designation of the Committee as the responsible body, under its own authority and within its stated terms of reference, best serves the public interest in achieving this aspect of its mission.

#### **Values**

The values indicated below reflect the guiding principles that IFAC as an organization through its Council, Board, committees, other volunteers and staff should seek and be seen to personify:

- Integrity
- Expertise
- Transparency

IFAC also seeks to reinforce professional accountants’ adherence to these values, which are reflect in the IFAC Code of Ethics for Professional Accountants.

#### **Strategic Objectives**

The Committee has developed the following strategic objectives:

- To establish high quality ethical standards and other pronouncements for professional accountants that will protect the public interest and strengthen public confidence in the accounting profession.
- To promote and facilitate the convergence of international and national ethical standards.
- To promote good ethical practices to IFAC member bodies and to the public at large.
- To foster international debate on ethical issues faced by professional accountants.

The Committee also assists in furthering IFAC's strategic objective of speaking out on public interest issues relating to ethics.

In addition to these strategic objectives, the Committee is working to change its operating procedures in accordance with the IFAC reforms approved in November 2003, to ensure transparency in its standard setting activities. The Committee has established open meetings with materials available to public and a Consultative Advisory Group (CAG) has been formed. The Ethics Committee will assist the CAG as it strengthens its role and develops its operating procedures in accordance with the IFAC reforms.

*Establish high quality ethical standards and other pronouncements for professional accountants that will protect the public interest and strengthen confidence in the accounting profession*

Actions and projects

- Finalize and issue the *Code of Ethics for Professional Accountants* that adopts a conceptual framework and is aligned to the Assurance Framework issued by the International Auditing and Assurance Standards Board
- Revise definition of network firm
- Review and revise as necessary independence requirements for professional accountants in public practice that perform assurance engagements
- Develop guidance for professional accountants in government
- Develop guidance for professional accountants in business when encountering fraud or illegal acts
- Issue interpretations to the Code as required
- Liaise with other IFAC boards, committee and task forces
- Obtain from the Consultative Advisory Group technical input on all projects
- Produce articles and press releases to enhance awareness of the Code of Ethics and the Committee's activities

*Promote and facilitate the convergence of international and national ethical standards*

Actions and projects

- Strengthen relationships with member bodies and work with them to seek opportunities to align work programs
- Strengthen relationship with international regulators
- Develop and obtain input on a convergence strategy
- Develop position on describing what parts of the Code a national standard setter would need to incorporate to have equivalent standards

*Promote good ethical practices to IFAC member bodies and to the public at large*

Actions and projects

- Promote the Committee's role and activities through attendance and presentations at appropriate conferences, meetings and other events
- Produce articles and press releases to enhance awareness of the Code of Ethics and the Committee's activities

*Foster international debate on ethical issues faced by professional accountants*

Actions and projects

- Hold a public forum to promote the conceptual framework and solicit input on independence requirements for professional accountants that perform assurance engagements
- Attend and make presentations at appropriate conferences, meetings and other events
- Identify and act on opportunities to speak out on issues relating to professional ethics of professional accountants