

Meeting: IESBA
Meeting Location: New York
Meeting Date: June 19–21, 2017

Agenda Item

3

Structure of the Code Phase 2

Objectives of Agenda Item

1. To consider highlights of comments¹ received on the January 2017 Exposure Draft, [Improving the Structure of the Code of Ethics for Professional Accountants—Phase 2](#) (Structure ED-2) and provide input on the Structure Task Force's (TF's) preliminary proposals.

Task Force

2. Members:
 - Don Thomson, Chair, former IESBA Member
 - Brian Caswell, IESBA Member
 - Liesbet Haustermans, IESBA Member
 - Peter Hughes, former IESBA Member
 - Stefano Marchese, IESBA Member

Overview of Respective Responsibilities

3. The Structure TF has overall responsibility for the Structure of the Code project, including oversight of restructuring being performed by other TFs. The Structure TF will liaise with the Safeguards, Part C, NOCLAR and Long Association TFs and their respective staff to coordinate the analysis of the feedback received on, and any related revisions to, the relevant material in Structure ED-2.

Coordination with the Safeguards, Part C, NOCLAR and Long Association TFs

4. As part of its ongoing coordination efforts, the Structure TF continues to provide input to the agenda materials relating to the other projects involved in restructuring.
5. Some respondents commented on, and provided suggestions about, certain matters raised in response to Safeguard's project's [Phase 2 exposure draft](#) and to Chapters 1-3 of Structure ED-2 (see Agenda Items 3-A and 3-B). Those comments and suggestions have been referred to, and will be addressed by, the other TFs during their forthcoming TF meetings.
6. The Structure and Safeguards TFs plan to present, in conjunction with the other projects involved in restructuring, their joint recommendations to the IESBA during its September 2017 meeting.

¹ A list of respondents who commented on Structure ED-2 as of June 7, 2017 is included in the Appendix to this paper.

Activities Since Issuance of Structure ED-2

7. The Structure TF met once by teleconference and plans to meet on June 18, 2017 to prepare for the IESBA discussion.

Materials Presented for Reference

Supplement 1 to Agenda Item 3	Compilation of General Comments As of June 6, 2017
Supplement 2 to Agenda Item 3	Compilation of Specific Responses to Questions As of June 6, 2017
Provided as a link only	Compilation of Proposed Restructured Code Published January 2017

Timing and Forward Timeline

8. The January 2017 IESBA Update, [Toward a Restructured International Code of Ethics](#) sets out the IESBA's plan for finalizing its work on the Structure of the Code project.

Action Requested

9. The IESBA will be asked to consider the TF's presentation and provide input on the TF's preliminary proposals during the meeting.

List of Respondents to Structure ED-2

Received as of June 6, 2017

#	Abbrev.	Respondent (36)	Region
Regulators and Oversight Authorities (2)			
1.	IRBA	Independent Regulatory Board for Auditors (South Africa)	MEA
2.	UKFRC	United Kingdom Financial Reporting Council	EU
National Standard Setters (2)			
3.	APESB	Accounting Professional & Ethical Standards Board Limited-Australia	AP
4.	NZAuASB	New Zealand Auditing and Assurance Standards Board	AP
Firms (9)²			
5.	BDO*	BDO International Limited	GLOBAL
6.	CHI	Crowe Horwath International	GLOBAL
7.	DTT*	Deloitte Touche Tohmatsu Limited	GLOBAL
8.	EYG*	Ernst & Young Global	GLOBAL
9.	GTI*	Grant Thornton International Ltd	GLOBAL
10.	KPMG*	KPMG IFRG Limited (Network)	GLOBAL
11.	MNP	MNP LLP	NA
12.	PWC*	PricewaterhouseCoopers International Limited	GLOBAL
13.	RSM	RSM International Limited	EU
IFAC Member Bodies (20)³			
14.	AAA	Auditing Standards Committee of the American Accounting Association	NA
15.	ACCA	Association of Chartered Certified Accountants	GLOBAL
16.	AE	Accountancy Europe	EH
17.	AICPA	American Institute of Certified Public Accountants	NA
18.	CAANZ	Chartered Accountants Australia and New Zealand	AP
19.	CPAC	Chartered Professional Accountants of Canada (CPA Canada) Public Trust Committee	NA
20.	FAR	FAR (Institute for the Accountancy Profession in Sweden)	EU
21.	FSR	Danske Revisorer (Institute for the Accountancy Profession in Sweden)	EU
22.	HICPA	Hong Kong Institute of Certified Public Accountants	AP

² Forum of Firms members are indicated with a *. The Forum of Firms is an association of international networks of accounting firms that perform [transnational audits](#). Members of the Forum have committed to adhere to and promote the consistent application of high-quality audit practices worldwide, and use the ISAs as the basis for their audit methodologies.

³ Certain IFAC Member Bodies hold the dual role of ethics standard setter in their jurisdictions.

Structure of the Code Phases 1 and 2 (Cover Note)
IESBA Meeting (June 2017)

23.	ICAEW	Institute of Chartered Accountants in England and Wales	EU
24.	ICAP	Institute of Chartered Accountants of Pakistan	AP
25.	ICAS	Institute of Chartered Accountants of Scotland	EU
26.	IDW	Institut der Wirtschaftsprüfer e.V.	EU
27.	ISCA	Institute of Singapore Chartered Accountants, including the ISCA Ethics Committee	AP
28.	JICPA	Japan Institute of Certified Public Accountants	AP
29.	KICPA	Korean Institute of Certified Public Accountants	AP
30.	MIA	Malaysian Institute of Accountants	AP
31.	MICPA	Malaysian Institute of Certified Public Accountants	AP
32.	SAICA	South African Institute of Chartered Accountants	MEA
33.	WPK	Wirtschaftsprüferkammer (German Public Accountants MB)	EU
Other Professional Organizations (3)			
34.	AAT	Association of Accounting Technicians	EU
35.	ICAEW (SW TAC)	Institute of Chartered Accountants in England and Wales South West Technical Advisory Committee	EU
36.	SMPC ⁴	IFAC Small and Medium Practices Committee	GLOBAL

⁴ Constituents of the SMPC are small and medium-sized practices (SMPs) who provide accounting tax, assurance and business advisory services principally, but not exclusively to clients who are small and medium-sized entities (SMEs). Members of the SMPC are drawn from IFAC member bodies representing the following 22 countries: Australia, Belgium, Brazil, Canada, China, France, Germany, Hong Kong, India, Italy, Kenya, Malawi, Malta, Nigeria, South Africa, Spain, Sweden, Turkey, Tunisia, Uganda, United Kingdom, and United States.