



1 February 2017

To: Members of the Hong Kong Institute of CPAs
All other interested parties

INVITATION TO COMMENT ON IFAC'S INTERNATIONAL ETHICS STANDARDS BOARD FOR ACCOUNTANTS (IESBA) EXPOSURE DRAFTS

Improving the Structure of the Code – Phase 2 Proposed Revisions Pertaining to Safeguards in the Code – Phase 2 Proposed Revisions to Clarify the Applicability of Provisions in Part C of the Extant Code to Professional Accountants in Public Practice

The Ethics Committee of the Hong Kong Institute of Certified Public Accountants is seeking comments on the IESBA Exposure Drafts (EDs) which have been posted on the Institute's website at:

<http://www.hkicpa.org.hk/en/standards-and-regulations/standards/code-of-ethics/exposure-drafts/>

The IESBA launched its Structure of the Code Project (Structure project) three years ago to comprehensively review the structure and drafting of the IESBA Code of Ethics for Professional Accountants (the Code) with an aim to enhance its understandability and usability, thereby facilitating its adoption, effective implementation and consistent application. In December 2016, the IESBA completed the first phase of the Structure project, as well as the first phase of its project to review the clarity, appropriateness and effectiveness of the safeguards in the Code (Safeguards project).

The IESBA now enters the final stage of the project. The three EDs that form this final stage are set out below:

<u>Title</u>	<u>Summary of proposals</u>	<u>Institute's Comment Due Date</u>
1. Improving the Structure of the Code – Phase 2	Restructure select sections of the Code, including response to non-compliance with laws and regulations and long association of audit firm personnel with an audit or assurance client	24 April 2017
2. Proposed Revisions Pertaining to Safeguards in the Code – Phase 2	Revise the safeguards-related provisions in the independence sections of the Code pertaining to non-assurance services provided to audit and other assurance clients	22 March 2017
3. Proposed Revisions to Clarify the Applicability of Provisions in Part C of the Extant Code to Professional Accountants in Public Practice	Clarify the applicability of the PAIB provisions to professional accountants in public practice	22 March 2017



Hong Kong Institute of
Certified Public Accountants
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The Ethics Committee invites all interested parties to comment on the IESBA's proposals. Comments should be supported by specific reasoning and should be submitted in written form.

To support stakeholders' consideration of the EDs, and timely adoption and implementation efforts, the IESBA has made available on its [website](#) the restructured and revised portions of the Code it has agreed to so far, Basis for Conclusions documents, mapping tables, the timeline for the projects and other resources.

Comments may be sent by mail, fax or e-mail to:

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Comments will be acknowledged and may be made available for public review unless otherwise requested by the contributor