

**Joint Declaration of the Chinese Institute of Certified Public Accountants and the Hong Kong Institute of Certified Public Accountants on the Converged CICPA Code of Ethics for Professional Accountants and HKICPA Code of Ethics for Professional Accountants**

**Annex II**

**Mechanism for ongoing maintenance of convergence**

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The Chinese Institute of Certified Public Accountants (CICPA) and the Hong Kong Institute of Certified Public Accountants (HKICPA) are committed to upholding the high quality international ethical standards and acknowledge that convergence is an ongoing process. Both sides expressed their intention to converge with the IESBA Code on an ongoing basis and to undertake continuous monitoring of convergence. Both sides also expressed their intention to maintain close communication and cooperation in respect of their work on convergence with IESBA Code. This Annex sets out the mechanism for ongoing maintenance of convergence as referred to in paragraph 2 of the Joint Declaration.

**PART I – Due process to be followed by the HKICPA**

The HKICPA will take the following steps in keeping the CICPA fully informed of the issuance of new or revised HKICPA Code:

1. Upon issuance of a new Invitation to Comment on an IESBA Exposure Draft of a proposed/revised IESBA Code, the HKICPA will provide the CICPA with a copy of the Invitation to Comment.
2. Upon issuance of a submission on an IESBA Exposure Draft of a proposed/revised IESBA Code, the HKICPA will provide the CICPA with a copy of the HKICPA's submission.
3. Upon raising any technical issue with the IESBA, the HKICPA will provide the CICPA with a copy of the technical issue.
4. Upon adoption of a new or revised IESBA Code as a new or revised HKICPA Code by the HKICPA, the HKICPA will provide the CICPA with a copy of the new

or revised HKICPA Code. The new or revised HKICPA Code will for all intents and purposes be identical to the equivalent IESBA Code.

5. In developing a new or revised HKICPA Code, the HKICPA will keep track of a mapping of the new or revised HKICPA Code and the corresponding IESBA Code, including the identified differences between the new or revised HKICPA Code and the corresponding IESBA Code. The HKICPA will provide the CICPA with a copy of the mapping and impact assessment.

## **PART II – Due process to be followed by the CICPA**

The CICPA will take the following steps in keeping the HKICPA fully informed of the issuance of new or revised CICPA Code or authoritative materials relating to the CICPA Code:

1. Upon issuance of a new Exposure Draft of a proposed/revised CICPA Code or authoritative materials relating to the CICPA Code, the CICPA will provide the HKICPA with a copy of the Exposure Draft.
2. Upon issuance of a submission on an IESBA Exposure Draft of a proposed/revised IESBA Code, the CICPA will provide the HKICPA with a copy of the CICPA's submission.
3. Upon raising any technical issue with the IESBA, the CICPA will provide the HKICPA with a copy of the technical issue.
4. Upon issuance of a new or revised CICPA Code or authoritative materials relating to the CICPA Code, the CICPA will provide the HKICPA with a copy of the new or revised CICPA Code or authoritative materials relating to the CICPA Code. In developing a new or revised CICPA Code or authoritative materials relating to the CICPA Code, the CICPA will take into account the requirements of IESBA Code.

5. In developing a new or revised CICPA Code, the CICPA will keep track of a mapping of the new or revised CICPA Code and the corresponding IESBA Code, including the identified differences between the new or revised CICPA Code and the corresponding IESBA Code. The CICPA will provide the HKICPA with a copy of the mapping and impact assessment.

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