

MONITORING GROUP CONSULTATION

STRENGTHENING THE GOVERNANCE AND OVERSIGHT OF THE INTERNATIONAL AUDIT-RELATED STANDARD-SETTING BOARDS IN THE PUBLIC INTEREST

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RESPONSE FROM THE BENIN INSTITUTE OF CHARTERED ACCOUNTANTS (OECCA-BENIN)

	Questions	Response
Question 1	Do you agree with the key areas of concern identified with the current standard setting model? Are there additional concerns that the Monitoring Group should consider?	YES <u>Additional concern</u> The Monitoring Group must also take into account, the insight of the professional accountants and auditors who are first of all, the main users of the standards. So they must actively take part in the standards setting process. The Monitoring Group has to make sure that the public interest is taken into account in the new or revised standards, before their adoption by IFAC and their publication.
Question 2	Do you agree with the overarching and supporting principles as articulated? Are there additional principles which the Monitoring Group should consider and why?	YES No additional concern
Question 3	Do you have other suggestions for inclusion in a framework for assessing whether a standard has been developed to represent the public interest? If so what are they?	YES Qualified independent resources persons must be added to the professionals of accountancy and audit to strengthen the standard setting process in order to mitigate lacks undermining members' independence as described in the paper and determine remuneration for the technical advisors.
Question 4	Do you support establishing a single independent board, to develop and adopt auditing and assurance standards and ethical standards for auditors, or do you support the retention of separate boards for auditing and assurance and ethics? Please explain your reasoning.	NO The Benin Institute of Chartered Accountants can't support a single Board excluding the Professionals of Accountancy and Audit. OECCA-BENIN supports the retention of separate boards for auditing and assurance and ethics because, if the lacks are clearly indentified within each board, concrete solutions could be adopted to solve the issues of independence, funding, etc. The main concern is to establish better synergies to appreciate and assess each of their tasks.

Question 5	Do you agree that responsibility for the development and adoption of educational standards and the IFAC compliance program should remain a responsibility of IFAC? If not why not?	YES
Question 6	Should IFAC retain responsibility for the development and adoption of ethical standards for professional accountants in business? Please explain your reasoning.	<p>YES</p> <ul style="list-style-type: none"> - OECCA-BENIN supports a separate board supported by IFAC because in so doing, IFAC can request the PIOB oversight when need be. - An assessment can be conducted to address gaps and lacks and mitigate risks on public interest.
Question 7	Do you believe the Monitoring Group should consider any further options for reform in relation to the organization of the standard setting boards? If so please set these out in your response along with your rationale.	<p>YES</p> <ul style="list-style-type: none"> - Requesting IFAC to take into account requirement of formulated criticisms to enhance public interest during the standards setting process by including remunerated external high-qualified resources persons. - An assessment of the standards setting boards could help address gaps and lacks and mitigate risks on public interest. - These boards could be provided with high-qualified competencies.
Question 8	Do you agree that the focus of the board should be more strategic in nature? And do you agree that the members of the board should be remunerated?	<p>YES</p> <p>OECCA-BENIN supports Board members being remunerated for better outcomes.</p>
Question 9	Do you agree that the board should adopt standards on the basis of a majority?	YES
Question 10	Do you agree with changing the composition of the board to no fewer than twelve (or a larger number of) members; allowing both full time (one quarter?) and part-time (three quarters?) members? Or do you propose an alternative model? Are there other stakeholder groups that should also be included in the board membership, and are there any other factors that the Monitoring Group should take account of to ensure that the board has appropriate diversity and is representative of stakeholders?	<p>YES</p> <p>OECCA-BENIN supports a board of 12 members</p>
Question 11	What skills or attributes should the Monitoring Group require of board members?	The board should be as multi-disciplinary as possible and composed of : practitioners, professional accountants, academy, lawyers, etc.

Question 12	Do you agree to retain the concept of a CAG with the current role and focus, or should its remit and membership be changed, and if so, how?	YES OECCA-BENIN supports the current CAG and its role and focus.
Question 13	Do you agree that task forces used to undertake detailed development work should adhere to the public interest framework?	YES
Question 14	Do you agree with the changes proposed to the nomination process?	YES
Question 15	Do you agree with the role and responsibilities of the PIOB as set out in this consultation? Should the PIOB be able to veto the adoption of a standard, or challenge the technical judgements made by the board in developing or revising standards? Are there further responsibilities that should be assigned to the PIOB to ensure that standards are set in the public interest?	YES OECCA-BENIN supports the PIOB to challenge the technical judgements made by the board in developing or revising standards to protect public interest. <u>Further responsibilities</u> The PIOB could assess drafting standards and give its opinion to better ensure public interest.
Question 16	Do you agree with the option to remove IFAC representation from the PIOB?	NO
Question 17	Do you have suggestions regarding the composition of the PIOB to ensure that it is representative of non-practitioner stakeholders, and what skills and attributes should members of the PIOB be required to have?	NO
Question 18	Do you believe that PIOB members should continue to be appointed through individual MG members or should PIOB members be identified through an open call for nominations from within MG member organizations, or do you have other suggestions regarding the nomination/appointment process?	OECCA-BENIN supports an open call for nomination.
Question 19	Should PIOB oversight focus only on the independent standard setting board for auditing and assurance standards and ethical standards for auditors, or should it continue to oversee the work of other standard-setting boards (eg issuing educational standards and ethical standards for professional accountants in business) where they set standards in the public interest?	OECCA-BENIN supports the PIOB to continue to oversee the work of other standard-setting boards where they set standards in the public interest

Question 20	Do you agree that the Monitoring Group should retain its current oversight role for the whole standard-setting and oversight process including monitoring the implementation and effectiveness of reforms, appointing PIOB members and monitoring its work, promoting high-quality standards and supporting public accountability?	YES
Question 21	Do you agree with the option to support the work of the standard setting board with an expanded professional technical staff? Are there specific skills that a new standard setting board should look to acquire?	YES
Question 22	Do you agree that permanent staff should be directly employed by the board?	YES
Question 23	Are there other areas in which the board could make process improvements – if so what are they?	N/A
Question 24	Do you agree with the Monitoring Group that appropriate checks and balances can be put in place to mitigate any risk to the independence of the board as a result of it being funded in part by audit firms or the accountancy profession (eg independent approval of the budget by the PIOB, providing the funds to a separate foundation or the PIOB which would distribute the funds)?	YES
Question 25	Do you support the application of a "contractual" levy on the profession to fund the board and the PIOB? Over what period should that levy be set? Should the Monitoring Group consider any additional funding mechanisms, beyond those opt for in the paper, and if so what are they?	YES <u>Levy period : 3 years</u> <u>Additional funding mechanisms</u> The World Bank could be requested for this specific grant.
OPEN QUESTIONS: Question 26	In your view, are there any matters that the Monitoring Group should consider in implementation of the reforms? Please describe.	OECCA-BENIN is supporting the accurate contribution of the professional accountants and auditors in the standards setting process.
Question 27	Do you have any further comments or suggestions to make that the Monitoring Group should consider?	L'importance de la participation des professionnels dans l'élaboration des énormes en tant mécanisme de mise en œuvre desdites normes.