

APPENDIX 1:
QUESTIONS FOR RESPONDENTS

The Monitoring Group is seeking responses to the following questions, which are covered in **Sections 1 - 8** of this consultation paper:

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?	Our concerns are that the standards should be actual and up-to-date.
2	Do you agree with the overarching and supporting principles as articulated? Are there additional principles which the Monitoring Group should consider and why?	We agree with the overarching and supporting principles. However, we do not consider they are contradictory to the current standard-setting model. Independence is achieved through complying with the professional ethical requirements.
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?	No comment
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.	We support the retention of separate boards for auditing and assurance and ethics. A single independent board, in our opinion, can play the strategic role but development and adopting of standards will be the responsibility of new committees.
5	Do you agree that responsibility for the development and adoption of educational standards and the IFAC compliance programme should remain a responsibility of IFAC? If not, why not?	Yes, for consistency purposes and coordination of the requirements in the standards and the educational requirements.
6	Should IFAC retain responsibility for the development and adoption of ethical standards for professional accountants in business? Please explain your reasoning.	Yes, it is working with high standards.
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.	There should be innovative options such as software platforms for example.
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?	No, in this case a new additional board for setting standards should be established. Remuneration should be considered within the budget on standard-setting activities. However we assume it will be a higher financial burden on stakeholders.
9	Do you agree that the board should adopt standards on the basis of a majority?	Yes, adopting standards on the basis of a majority allows to approve them well-timed. But we think this could be made in the current model.
10	Do you agree with changing the composition of the board to no fewer than	Not applicable due to response 8

	<p>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>	
11	<p>What skills or attributes should the Monitoring Group require of board members?</p>	<p>Not applicable due to response 8</p>
12	<p>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?</p>	<p>We suggest there should be more consultation on project priorities; technical advice on projects; and advice on other matters of relevance to the activities of the board.</p>
13	<p>Do you agree that task forces used to undertake detailed development work should adhere to the public interest framework?</p>	<p>Yes.</p>
14	<p>Do you agree with the changes proposed to the nomination process?</p>	<p>No. This proposal changes the board technically only which will approve a member board from IFAC to PIOB. We do not find this reasonable as the current procedure is more transparent, and the board members are agreed by PIOB.</p>
15	<p>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?</p>	<p>We agree in general. We do not support the proposal that PIOB should be able to veto the adoption of a standard because this is against the underlying principle of timeliness. PIOB should be able to challenge judgements made by the board in developing or revising standards.</p>
16	<p>Do you agree with the option to remove IFAC representation from the PIOB?</p>	<p>No, decisions are made on the basis of a majority or by voting.</p>
17	<p>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?</p>	<p>Members should be professionals, representative of international organisations as EU, UN, World bank, academics and from the firms etc.</p>
18	<p>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?</p>	<p>PIOB should be appointed through an open call for nominations from within MG member organizations. This will allow to enhance those involved in supervision over public interest.</p>
19	<p>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?</p>	<p>It should continue to oversee the work of other standard-setting boards</p>

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.
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?	It depends on budgets of the standard-setting boards and financial burden on the stakeholders.
22	Do you agree the permanent staff should be directly employed by the board?	See response 21
23	Are there other areas in which the board could make process improvements - if so what are they?	There should be an online platform and more consultations with stakeholders.
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)?	No comment
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?	A contractual levy model is against the independence principle as such model is based on financing from the profession. Beside that there is no legal basis to adopt such a levy in various jurisdictions.
26	In your view, are there any matters that the Monitoring Group should consider in implementation of the reforms? Please describe.	They should check the implementation on the countries and prepare country reports.
27	Do you have any further comments or suggestions to make that the Monitoring Group should consider?	There should be an online consultation platform and sharing information with related bodies on the platform.