

## **IESBA Post-Implementation Review (PIR) Survey**

### **Structure of the IESBA Code**

#### **Introduction**

*This survey is only applicable to respondents that have adopted or use or benefit from the 2018 or later edition of the [International Code of Ethics for Professional Accountants \(including International Independence Standards\)](#) (the Code). Part 5 of the Code as contained in the [International Ethics Standards for Sustainability Assurance](#) (IESSA) is outside the scope of this survey and only becomes effective in December 2026.*

1. The International Ethics Standards Board for Accountants (IESBA) is conducting a post-implementation review of the structure and drafting of the Code.
2. This survey seeks to obtain input from a broad range of stakeholders to enable the IESBA to determine:
  - (a) Whether the restructuring of the Code through revising its structure and redrafting its provisions<sup>1</sup> has achieved its intended purpose by identifying:
    - (i) Benefits from the restructuring of the Code; and
    - (ii) Any practical challenges or questions regarding the understandability and usability of the Code, including whether it is being consistently understood and applied; and
  - (b) What actions, if any, are needed by the IESBA to address identified matters.
3. The responses received will be analyzed for purposes of providing feedback to the IESBA and in developing recommendations for any actions.
4. The survey comment period starts on April 1 and ends on July 3.

#### **Survey Responses to be Made Public**

5. Unless confidentiality is specifically requested, respondents' submissions will be considered a matter of public record and will be posted to IESBA's website. Where confidentiality is requested, the IESBA Project Team will include such input in its analysis on an anonymized basis.

#### **Survey Instructions**

6. Respondents to the survey are asked to provide their responses only on the questions applicable to the stakeholder group to which they belong:
  - [Part A](#) — Demographic Information (All Respondents)
  - [Part B](#) — General Information (All Respondents)
  - [Part C](#) — Usability and Clarity of Language and Responsibility (All Respondents)

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<sup>1</sup> The restructured Code was [issued](#) in April 2018.

- [Part D](#) — Clarity of Responsibility (Individual Professional Accountants in Public Practice, Accounting Firms, Regulators or Oversight Bodies, Professional Accountancy Organizations)
7. Respondents may respond to all questions or only selected questions or matters. All responses to this survey, whether complete or partial, will be accepted and considered as input for the IESBA Project Team’s analysis.
  8. Please read the overview of the structure and drafting enhancements which can be accessed [here](#). The drafting guidelines that were adhered to in restructuring the IESBA Code can be accessed [here](#).

**Part A – Demographic Information (All Respondents)**

9. Please indicate if you are responding as an individual or on behalf of your organization?
  - (a) If you are responding as an individual:
    - (i) Please indicate your jurisdiction
    - (ii) Approximate years of professional experience:
      - Less than 5 years
      - 5–10 years
      - 11–20 years
      - More than 20 years
  - (b) If you are responding on behalf of your organization, please indicate the geographical profile which best represents your situation, i.e., from which geographical perspective are you providing your responses?
    - Global
    - Regional (*Please specify*)
    - Multiple jurisdictions (*Please specify*)
    - **Single jurisdiction (*Please specify*)**  
[New Zealand](#)
10. Please indicate the stakeholder group to which you belong, i.e., from which perspective are you providing your responses?
  - **Jurisdictional standard setters (JSS) (*Please indicate the users of your standards as a JSS, e.g., individual Professional Accountants in Public Practice (PAPPs), professional accountants in business (PAIBs) and/or accounting firms*)**

The [New Zealand Auditing and Assurance Standards Board \(NZAuASB\)](#) acting under delegated authority from the External Reporting Board issues auditing, assurance and professional and ethical standards for assurance practitioners in New Zealand. Historically, the NZAuASB standards were intended only for assurance practitioners, performing assurance engagements, that are members of associations of professional accountants in New Zealand. However, with the introduction of mandatory climate

reporting and greenhouse gas disclosures assurance, the NZAuASB standards apply to other assurance practitioners, including non-accountants.

- Professional accountancy organizations (PAOs) *(Please indicate whether your members are PAPPs and/or PAIBs)*
- Regulators or oversight bodies *(Please indicate which of the following you regulate or oversee (select all that apply): PAPPs (including auditors), PAIBs, accounting firms (including audit firms), none of the above)*
- Individual professional accountants in public practice (PAPPs) and accounting firms
- Professional accountants in business (PAIBs)
- Other users or beneficiaries of the Code (Please specify) (e.g., investors or other users of financial statements, those charged with governance, academics)

11. Please provide the following information and other contact information:

- Your organization's name, if any (if you are responding on behalf of an organization<sup>2</sup>)

External Reporting Board

- Your name and job title / role

Anna Herlender, Project Manager

- Your email address

anna.herlender@xrb.govt.nz

- Your jurisdiction

New Zealand

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<sup>2</sup> If you respond on behalf of a global organization, the jurisdiction (or name of the country) in which you work. If you are responding on behalf of a global organization, please indicate "Global" as your jurisdiction.

## Part B – General Information (All Respondents)

The revised structure and redrafted provisions of the IESBA Code from the Structure Project were integrated into the 2018 Revised and Restructured IESBA Code (Restructured Code).

Other revisions which were concurrently developed were integrated into the 2018 Restructured Code. Subsequent new or revised standards which were incorporated into later editions of the Code have all been structured and drafted consistently with the enhancements made in the Structure Project.

Accordingly, the following questions seek to understand the adoption status of the Restructured Code (2018 edition and onwards) in respondents' jurisdictions, relevant educational materials and guidance that have been issued or used by respondents, and the inquiries or questions related to the structure and drafting of the Restructured Code that have been commonly received or experienced by respondents.

*Note:*

*In this survey, adoption (full or with modifications) refers to the formal acceptance and incorporation of the IESBA standards into your jurisdiction's national laws, regulations or professional requirements.*

*Convergence is where a jurisdiction aligns its national ethics (including independence) standards or provisions with the IESBA standards through a process that seeks to eliminate or minimize differences between the IESBA and national standards or provisions. This includes a process where an IESBA standard is used as a basis to develop the local standard or provisions.*

### Adoption status (Only for respondents that are JSS, PAOs, Regulators or Oversight Bodies, Individual PAPPs or Accounting Firms)

12. Has your jurisdiction adopted the Restructured Code (2018 edition and onwards)? *(Please choose the most representative answer)*
- (a) Yes, through full adoption with no modifications of the Code *(Please (i) specify the latest edition of the IESBA Code that has been adopted, e.g., 2018, 2024, etc., and (ii) provide the links to the local Code or the specific announcement of the adoption or issuance of the local Code)*
  - (b) Yes, through adoption with modifications *(Please (i) specify the latest edition of the IESBA Code that has been adopted, e.g., 2018, 2024, etc.; (ii) describe the nature and reasons for the modifications; and (iii) provide links to the local Code or the specific announcement of the adoption or issuance of the local Code)*

The External Reporting Board adopted the Code of Ethics as Professional and Ethical Standard 1, *International Code of Ethics for Assurance Positioners) including International Independence Standards) (New Zealand) (PES 1)*. PES 1 is aligned to the 2024 IESBA Code (i.e., PES 1 is based on the restructured IESBA Code from 2018 and includes subsequent revisions to the Code). Effective dates are aligned with the IESBA effective dates.

PES 1 has a narrower scope than the IESBA Code and is intended to be applied by assurance practitioners performing assurance engagements (a separate New Zealand body regulates ethical standards for professional accountants in business). PES 1 remains at least as demanding as the IESBA Code. Modifications are made to the IESBA Code to make it relevant for the New Zealand context. These modifications do not result

in a standard that conflicts with, or results in lesser requirements than, the IESBA Code. The main modifications are:

- sections that do not relate to assurance engagements are not included in PES 1 (section 280, *Tax Planning Activities*, section 380 *Tax Planning Services*, and section 321 *Second Opinions*)
- references to professional accountants are replaced with references to assurance practitioners, because PES 1 only applies to assurance practitioners
- specifying which entities are public interest entities as appropriate for the New Zealand context.

Some of the modifications that are stricter in PES 1 than the IESBA Code relate to:

- in section 310, additional requirements for the assurance practitioner:
  - to disclose, in writing, the nature of the conflict of interest and the related safeguard applied to eliminate or reduce the threat to an acceptable level, to all clients and potential clients affected by the conflict.
  - to obtain the client’s consent, in writing, to perform the assurance services when safeguards are applied.
  - to disengage from the assurance engagement if adequate disclosure to the client of a conflict of interest is restricted due to confidentiality.
- in section 360, the requirements of the IESBA Code that apply to audits of financial statements have been broadened in PES 1 to apply to audit and review engagements.
- in sections 400 and 900, a requirement to evaluate in aggregate multiple threats to independence, which individually may not be significant, and apply safeguards to eliminate or reduce them to an acceptable level in aggregate.
- in section 600, an additional requirement to document the factors considered and conclusions reached in determining that the tax advisory and tax planning services will not create a self-review threat.

A detailed list of New Zealand specific amendments is included in a conformity statement at the end of [PES 1](#), as a comparison to the IESBA Code.

- (c) No, the IESBA Code was used as a basis to develop the local Code (or equivalent provisions) which is converged with the IESBA Code (*Please (i) specify the latest edition of the IESBA Code that has been used to develop the local Code (or equivalent provisions), e.g., 2018, 2024, etc.; (ii) provide links to the local Code (or equivalent provisions) or the specific announcement of the converged version of the IESBA Code; and (iii) describe the significant differences related to structure and drafting between the local provisions and the Code’s provisions*)
- (d) There are provisions in relevant law or regulation or a different ethical framework that are at least as stringent as the Code’s provisions (*Please (i) specify the edition of the IESBA Code against which the relevant law, regulation or local ethical framework is benchmarked, e.g.,*

2018, 2024, etc., and (ii) describe the significant differences related to structure and drafting between the local Code or provisions and the IESBA Code)

- (e) Not adopted (*Please specify reasons. If there is a plan to adopt the IESBA Code, please provide details*)

If you have answered (a), (b) or (c), was the local Code translated? If yes, please indicate the language in which the local Code was translated.

### Guidance and Educational Materials

*For JSS, PAOs, Regulators or Oversight Bodies, and Accounting Firms only*

13. What guidance or educational materials has your organization issued, or what programs has your organization developed, to support understanding of how to use the local Code or provisions? (*Select all that apply and provide links*)

- **Technical guidance (e.g., FAQs)**

The NZAuASB has issued guidance to support assurance practitioners in relation to specific provisions to the Code, for example:

- [XRB Staff FAQ Auditor Rotation](#)
- [XRB Staff Guidance Non-Assurance Services Prohibitions](#)

- **Education/training programs (e.g., webinars, CPD programs)**

When the restructured Code was issued, the NZAuASB hosted a webinar and included additional educational materials, including the IESBA's materials, on the website to promote the changes to the Code:

- [Restructured Code of Ethics » XRB](#)

Additionally, the NZAuASB prepares webinars and discussion forums to explain new provisions that are proposed for the Code of Ethics, for example:

- [Ethics Edified » XRB](#) (webinar to promote various changes to the Code)
- [Strengthening Auditor Independence » XRB](#) (webinar to promote non-assurance services changes to the Code)

- Articles, publications or newsletters (e.g., updates about standards, case studies or illustrative examples)
- Other (*Please specify*)
- None

*For individual PAPPs and PAIBs only*

14. What guidance or educational materials have you received or accessed with respect to how to use the local Code or provisions? (*Select all that apply*)

- Technical guidance (e.g., FAQs)
- Education/training programs (e.g., webinars, CPD programs)

- Articles, publications or newsletters (e.g., updates about standards, case studies or illustrative examples)
- Other (*Please specify*)
- None

### Other Support

*For JSS, PAOs, Regulators or Oversight Bodies, and Accounting Firms only*

15. Does your organization offer guidance to individual professional accountants, accounting firms, or other users on the application of the local Code or provisions if they seek such assistance? (*Select all that apply*)
- Ethics hotline or equivalent (e.g., for technical queries, application questions on how to use the local Code or provisions)
  - Discussion forum (e.g., for sharing knowledge)
  - **Other (*Please specify*)**  
[The NZAuASB does not provide advice. However, we respond to enquiries by referring assurance practitioners to the relevant paragraphs in the Code.](#)
  - None

*For individual PAPPs and PAIBs*

16. Do you have access to guidance on the application of the local Code or provisions in your jurisdiction if you seek such assistance? (*Select all that apply*)
- Ethics hotline or equivalent (e.g., for technical queries, application questions on how to use the local Code or provisions)
  - Discussion forum (e.g., for sharing knowledge)
  - Other (*Please specify*)
  - None

### Inquiries and Questions

*For JSS, PAOs, Regulators or Oversight Bodies or Accounting Firms*

17. Which inquiries or questions relating to the structure and drafting of the local Code or provisions has your organization commonly received? (*Please provide details, including from which stakeholder groups the inquiries or questions arose*)
- [The enquiries we receive usually relate to specific provisions, for example public interest entities, rather than the structure or drafting style of the Code.](#)

*For individual PAPPs and PAIBs*

18. Which specific structure or drafting matters pertaining to the local Code or provisions have you inquired or raised questions about? (*Please provide details*)

## Part C – Usability and Clarity of Language and Responsibility (All Respondents)

**The overview below provides brief background to the questions that follow regarding specific aspects of the restructuring or redrafting of the IESBA Code.**

### *Building Blocks Approach*

The Restructured Code has four Parts which are focused on all professional accountants (Part 1), professional accountants in business (Part 2), professional accountants in public practice (Part 3), independence for audit and review engagements (Part 4A), and independence for other assurance engagements (Part 4B).

A building blocks approach was applied whereby Part 1 applies to all professional accountants but is not repeated in subsequent Parts. Rather, the provisions in subsequent Parts are incremental in nature and build off Part 1.

Each Part includes various Sections to address specific topics. Each Section of the Restructured Code is structured, where appropriate, as follows:

- Introduction – sets out the subject matter addressed within the section and introduces the requirements and application material in the context of the conceptual framework.
- Requirements – establish general and specific obligations with respect to the subject matter addressed.
- Application material – provides context, explanations, suggestions for actions or matters to consider, illustrations and other guidance to assist in complying with the requirements.

To guide users in navigating the provisions in the Code, a “Guide to the Code” was added.

19. Is the building-blocks approach of the IESBA Code simple and clear, and does it help in navigating the Code?

- Yes
- **Somewhat (*Please explain your response*)**

#### The building-blocks helps navigation

The building blocks approach is simple and clear. We heard that the building-block approach is especially helpful in educating and training on the Code. As the IESBA Code cannot cover all circumstances it is good to have the fundamental principles and conceptual framework at the front of the Code and specific circumstances in the following blocks.

#### Navigation can still be difficult

We continue to hear that the IESBA Code is difficult to understand and navigate. Assurance practitioners consult the Code when an ethical issue arises. At such times, they need to find the relevant requirements quickly and confidently.

IESBA should use technology to improve usability. A digital Code should help users search, filter and navigate according to their circumstances, while still keeping the fundamental principles and conceptual framework visible.

Parts 4A and 4B are seen as repetitive

Parts 4A and 4B distort the building blocks approach because they are repetitive. This adds length to the IESBA Code. Users applying both Parts 4A and 4B want to understand the differences between “audit and review”, and “other assurance engagements” requirements.

IESBA should combine Parts 4A and 4B, then use clear headings to identify where requirements differ, similar to the distinction between PIE and non-PIE requirements. A digital tool would be especially useful to filter based on circumstances.

Although Part 5 is not subject to this survey, we note that its addition exacerbates concerns about the Code’s length, repetition, and the difficulty in navigating between audit and review, other assurance, and sustainability provisions.

- No (*Please explain your response*)

20. Is the “Guide to the IESBA Code” helpful in explaining how the Code is structured and should be applied?

- Yes
- **Somewhat (*Please explain your response*)**

Helpful information included in the guide could be overlooked

The guide is helpful in explaining how to read and navigate the IESBA Code and we consider that it is essential reading for first time users of the Code. However, we have heard that this guide is often overlooked.

We recommend that the IESBA continue to highlight and raise awareness about the guide, particularly given the broader range of first-time users engaging with the IESBA Code for sustainability related engagements

The nature of the guide might not be suitable for legislation drafting

In New Zealand, the PES 1 is issued as secondary legislation. Because the guide is explanatory in nature, it has been removed from the most recent version of PES 1. We are considering whether and how to issue the guide separately and to further raise awareness.

- No (*Please explain your response*)

<p><i>Emphasizing Compliance with the Fundamental Principles and Applying the Conceptual Framework</i></p> <p>To emphasize a professional accountant’s responsibility to comply with the fundamental principles and apply conceptual framework:</p> <ul style="list-style-type: none"><li>• An overarching requirement was included in Sections 200, 300, 400 and 900; and</li><li>• Reference to the requirement to apply conceptual framework is included in the introductory sections of the remaining Sections within Parts 2, 3 and 4 of the Restructured Code.</li></ul>
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21. Is it clear within each Section that a professional accountant (or firm as appropriate) has the responsibility to comply with the fundamental principles and apply the conceptual framework?

- Yes  
Overarching requirements in sections 200, 300, 400 and 900 and references to the conceptual framework in the introductory sections make it clear that a professional accountant (or a firm) has the responsibility to comply with the fundamental principles and apply the conceptual framework.
- Somewhat (*Please explain your response*)
- No (*Please explain your response*)

*Distinction Between Requirements and Application Material*

To give more prominence to obligations set out in the Code (including specific prohibitions) and separate them from guidance or explanatory material, requirements are clearly distinguished from application material:

Requirements are designated with the letter “R” and, in most cases, include the word “shall”. The word “shall” in the Code imposes an obligation on a professional accountant or firm to comply with the specific provision in which “shall” has been used. In some situations, the Code provides a specific exception to a requirement. In such situation, the provision is also designated with the letter “R” and is linked to the requirement to which they pertain by using the phrase “as an exception to.”

Application material is designated with the letter “A.” Such provisions will follow the requirement that they are explaining.

Requirements will not reference application material to avoid blurring the distinction between requirements and application material.

*Scalability*

The Restructured Code was organized to illustrate the Code’s scalability by giving greater prominence to the overarching requirement to comply with the fundamental principles and apply the conceptual framework, followed by specific requirements.

Requirements that apply to firms when providing professional services to public interest entities (PIEs) are located after requirements that apply to other entities.

22. Does the IESBA Code’s approach to delineating requirements (“R” paragraphs) from application material (“A” paragraphs) make it clear what a professional accountant’s or firm’s obligations are?

- Yes
- **Somewhat (*Please explain your response*)**

The use of R and A is a clear approach to delineate the requirements from the application material. This is very helpful for educators when teaching the Code to first time users.

However, including requirements and application material in the same document makes the IESBA Code long. IESBA should shorten the Code by focussing it on requirements and essential application material only. Practical examples should sit in linked non-authoritative material, using technology tools. This would help assurance practitioners access detail only when needed and allow IESBA to update examples for emerging situations more quickly.

- No (*Please explain your response*)

23. Is it sufficiently clear that the Code is scalable and proportionate?

- **Somewhat (*Please explain your response*)**

Building blocks approach supports scalability

We acknowledge that the building-blocks approach supports scalability, notably for professional accountants in business who apply only Part 1 and Part 2. Professional accountants in public practice who do not perform assurance services, apply Part 1 and Part 3 and in specific circumstances are required to apply Part 2 (as required by paragraph R300.5).

However, the Code is less scalable for assurance practitioners and firms. Those who perform audits, sustainability assurance and other assurance engagements must apply multiple parts of the Code and understand fine distinctions between similar requirements. This requires in-depth, technical knowledge and reduces scalability for those users.

Use of heading for PIE and non-PIE clients is helpful

We note that the use of headings for PIE and non-PIE clients demonstrates useful scalability of the independence provisions for different types of entities.

Length and complexity affect scalability

The Code's length is intimidating and creates a barrier for both existing and new assurance practitioners.

Understanding the Code requires significant technical resource and time. Assurance practitioners often rely on a small number of experts within their firms who understand the nuances.

We recommend that IESBA prioritise scalability and proportionality so that the Code can be used with more confidence by less experienced users or practitioners from small practices.

Adding new matters to the IESBA Code should be limited

The Code cannot keep expanding. IESBA should use the opportunity to streamline and simplify the Code, rather than continue to add further layers. IESBA should focus on ensuring consistent understanding of the fundamental principles, supported by practical case studies outside the Code. Real life case studies (as opposed to obvious "black and white" examples) would be appreciated and would have real impact on consistent application.

IESBA should also consider whether requirements can be repackaged, for example through a less complex entities approach, to improve proportionality and scalability.

Challenges for standard-setters

The Code's length also creates practical challenges for jurisdictional standard setters. It is difficult to maintain, format and publish a document of this length. Adding Part 5 makes the document increasingly difficult to manage, unstable and prone to technical issues.

In New Zealand, PES 1 is issued as secondary legislation, and has to meet understandability,

formatting and accessibility expectations.

IESBA should make the Code easier to publish in digital formats and easier to maintain.

- No (*Please explain your response*)
24. If your organization has responsibility to enforce compliance with the provisions of the Restructured Code, has the delineation of requirements and application material helped with enforceability?
- Yes
  - Somewhat (*Please explain your response*)
  - No (*Please explain your response*)
  - **N/A as do not enforce the provisions of the Restructured Code**

*Clarity of Language and Readability*

The Restructured Code was redrafted to increase the clarity of language to improve its readability and understandability, including use of simpler and shorter sentences, simplifying complex grammatical structures, and avoiding legalistic and archaic terms.

Further, to minimize the risk of ambiguity and confusion through inconsistent use of terms, the IESBA agreed that:

- When the word “may” is used in the Code, it denotes permission to take a particular action in certain circumstances, including as an exception to a requirement. It is not used to denote possibility.
- When the word “might” is used in the Code, it denotes the possibility of a matter arising, an event occurring or a course of action being taken.

25. Is the language used in the Code clear, readable and understandable?
- Yes
  - **Somewhat (*Please explain your response and provide examples with reference to specific provisions in the Code which you consider may not be clearly drafted*)**

[The language used in the IESBA Code is highly technical](#)

We acknowledge the improved use of simpler, shorter sentences and use of active language compared to previous versions of the IESBA Code.

IESBA should explain the fundamental principles, conceptual framework and key requirements in plain language. This would help practitioners apply the Code appropriately in new circumstances. The technical language creates a barrier for readability and understandability. We have heard views that the language of the Code is suited more for bigger organisations than smaller practitioners.

IESBA should also explain the rationale for key requirements in plain language to promote understandability. For example, the requirements relating to group audits or NOCLAR is complex, even to those familiar with the Code. Readers should not need to read IESBA’s relevant Board papers to understand why provisions operate as they do.

[Different interpretations of the word “might”](#)

IESBA should make the meaning of “might” clear at the point where users encounter it. Relying on the Guide or glossary is not enough, because assurance practitioners often go straight to the relevant section.

Based on our outreach, the word “might” causes confusion. For example, the phrase that something “might create a self-review threat” is sometimes incorrectly interpreted that there is a low possibility of this happening, therefore can be ignored.

We acknowledge that the Guide to the Code explains the meaning of the word “might” when used in the IESBA Code. However, this explanation is easily missed within the lengthy Code.

- No (*Please explain your response, and provide examples with reference to specific provisions in the Code which you consider are not clearly drafted*)

26. Is the language used in the Code easy to translate?

- Yes
- Somewhat (*Please explain your response and provide examples with reference to specific provisions in the Code which you consider may not be easy to translate*)
- No (*Please explain your response, and provide examples with reference to specific provisions in the Code which you consider are not easy to translate*)

We do not comment because we do not translate the Code.

### Other Comments

27. Are there any other comments relating to the structure and drafting of the IESBA Code that the IESBA should consider as part of this PIR?

In our view, usability is now the central public-interest issue for the Code. If assurance practitioners cannot easily identify, understand and apply the relevant provisions, the Code risks inconsistent application. IESBA should therefore treat simplification, digital navigation and practical implementation support as priorities for the next phase of work.

#### Understandability of independence provisions

The IESBA Code is clear that assurance practitioners and firms need to be independent. The Code also clearly identifies whether the requirements apply to the assurance practitioner, the firm or a network firm.

#### Technical terms and complexity of independence provisions

The independence requirements are difficult to apply without expert knowledge of the Code. For example, the requirements relating to financial interests apply to audit team members or assurance team members. Only after analysing the definitions of “audit team” and “assurance team”, does it become clear that other individuals who might influence the outcome of the engagement also need to be independent. There are also subtle differences in the definitions, for example, the definition of “audit team” includes individuals from network firms, while the definition of “assurance team” does not.

Another area of significant complexity is the independence provisions relating to group engagements. These provisions are among the more complex areas of the IESBA Code and are difficult to interpret and apply consistently in practice, even for experienced users of the Code.

We acknowledge that the independence provisions and definitions are carefully designed for relevant circumstances, and that independence matters are complex and not easy to capture in specific requirements. This complexity reduces understandability and increases the risk of unintentional breaches.

#### Volume of independence provisions

The specific sections are helpful to find provisions relevant to specific situations. For example, if an assurance practitioner considers investing in shares, they would refer to the financial interest section in the Code.

However, without thorough reading and understanding of all independence provisions in the Code, it is very hard to assess full compliance with the Code. Due to the length of the Code and complexity of specific provisions, most firms rely on technical experts with in-depth knowledge of the Code.

### **Part D – Clarity of Responsibility (For individual PAPPs, Accounting Firms, Regulators or Oversight Bodies, or PAOs)**

The independence sections in the Restructured Code are included in the *International Independence Standards (IIS)* to emphasize its international application and enforceability.

The IIS comprise Part 4A – *Independence for Audit and Review Engagements* (i.e., Sections 400 to 899) and Part 4B – *Independence for Assurance Engagements Other than Audit and Review Engagements* (i.e., Sections 900 to 999).

In the IIS in Parts 4A and 4B, specific provisions relating to audits of entities that are not public interest entities (PIEs) and those relating to audits of PIEs are presented under separate headings titled:

- “All Audit Clients” to introduce provisions that apply in all circumstances and for all audits;
- “Audit Clients that are not Public Interest Entities” to introduce provisions that apply to audits of clients that are not PIEs; and
- “Audit Clients that are Public Interest Entities” to introduce provisions that apply to audits of PIEs only.

28. Is an individual PAPP’s responsibility in relation to independence clear?

- Yes
- Somewhat (*Please explain your response*)
- No (*Please explain your response*)

29. Is a firm’s responsibility in relation to independence clear?

- Yes
- Somewhat (*Please explain your response*)

- No (*Please explain your response*)
30. Is a network firm's responsibility in relation to independence clear, and is that responsibility clearly distinguished from a firm's responsibility?
- Yes
  - Somewhat (*Please explain your response*)
  - No (*Please explain your response*)

### **End of Survey**

Thank you for your valuable input. Your input will inform the IESBA's Post-Implementation Review and help the IESBA develop global ethics and independence standards that are user-friendly, understandable, capable of consistent application, and readily enforceable.