Meeting: IESBA
Meeting Location: New York
Meeting Date: September 17-20, 2018

Agenda Item

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IFAC Initiatives Update:
Anti-Corruption and International Tax Policy

Objective of Agenda Item

1. To receive a presentation from Mr. Amir Ghandar, Deputy Director, Public Policy Regulation at IFAC, on the latest developments with respect to IFAC’s initiatives on anti-corruption and international tax policy.

Background

2. At the March 2017 IESBA meeting, Mr. Ghandar briefed the Board on the IFAC initiative on the role of the accounting profession in tackling corruption, including the key tenets of its commissioned study, “The Accountancy Profession – Playing a Positive Role in Tackling Corruption”. Amongst other things, Mr. Ghandar noted that the study’s findings suggested accountants play a positive role in the fight against corruption overall, contrary to how the profession has been portrayed at times by the media. This initiative is particularly relevant to the NOCLAR\(^1\) and inducements\(^2\) provisions of the Code.

3. During that meeting, Mr. Ghandar also presented highlights of some of the key findings from the report “G20 Public Trust in Tax Study” jointly published by IFAC, the Association of Chartered Certified Accountants (ACCA) and Chartered Accountants Australia and New Zealand (CA ANZ). This report detailed the results of a study that surveyed over 7,600 people across the G20 on issues of trust and international taxation. Amongst other matters, the study found that people are highly supportive of governments cooperating on tax policy, and more than twice as likely to see paying taxes as mainly about laws and regulations than morals and fairness. However, the study showed that people’s views on who is paying enough tax diverge across G20 countries, with more people overall tending to believe high income earners, and local and multinational companies are paying a reasonable amount of tax in their country than believe lower income earners are paying enough.

4. Mr. Ghandar will provide an update of these two IFAC initiatives, including:

   • Highlights from the B20-IFAC Anti-Corruption Compact 2018 event held in Buenos Aires, Argentina. This event followed a meeting of the B20’s Integrity and Compliance Task Force of which IFAC has been appointed as a Network Partner in 2018.

   • The recently signed International Bar Association (IBA) and IFAC anti-corruption mandate

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\(^1\) Part 2 - Professional Accountants in Business, Section 260, Responding to Non-compliance with Laws and Regulations and Part 3 - Professional Accountants in Public Practice, Section 360, Responding to Non-compliance with Laws and Regulations

• Relevant aspects of a draft B20 policy paper on the topic of anti-corruption
• Sneak peek of the 2018 edition of the G20 Public Trust in Tax Study

Material Presented

Pre-session Reading

We’re Part of the Solution: The Global Accountancy Profession Making a Dent in Corruption

International Accountancy and Law Professions Further Anti-Corruption Mandate Ahead of Global Economic Leaders’ Meeting

B20-IFAC Anti-Corruption Compact

2016 G20 Public Trust in Tax Study (Optional)

Action Requested

5. The Board is asked for any comments on or reactions to the matters raised in the presentation.