



International Federation of Accountants

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Agenda Item

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Meeting: International Ethics Standards Board for Accountants

Meeting Location: JW Marriott, San Francisco, USA

Meeting Date: February 23/25, 2009

Responding to Emerging and Urgent Issues

Objective

To obtain initial views on a possible structure for the issue of non-authoritative guidance documents, whether in response to an emerging issue or otherwise in the public interest, and on the question of whether any provision for amendments to standards on a rapid response basis is appropriate.

Matters for Consideration

There is at present no established mechanism by which the PIACs can revise or amend their authoritative pronouncements other than through the application of full due process. The IESBA has a process whereby it can issue an interpretation to the Code (see for example, Interpretations 2003-01, 02 and 2005-01) but these are interpretations and cannot revise or amend the authoritative pronouncements. Recent events with the IASB and the IAASB have provided examples such a mechanism would have been useful.

There is also no common process or structure for the issue of non-authoritative guidance that may be helpful in addressing practice issues or in response to an emerging issues, in lieu of development or revision of a pronouncement, but that does not carry obligations on the professional accountant.

IFAC staff, therefore, believes that both these elements are relevant to the way forward in respect of a rapid response mechanism and, accordingly, has begun development of two draft Discussion Papers (Agenda Papers 3-1 and 3-2). The papers are draft and have not yet been discussed with PIAC CAGs or the PIOB. PIAC chairs have been asked to provide

Material Presented

Agenda Paper 3	This Agenda Paper
Agenda Paper 3-A	Structure for Non-Authoritative Documents
Agenda Paper 3-B	Framework for Authoritative Responses to Emerging and Urgent Issues