

June 30, 2025

International Ethics Standards Board for Accountants  
529 Fifth Avenue, 6th Floor  
New York, NY 10017

Dear Members of the International Ethics Standards Board for Accountants:

**Re: Collective Investment Vehicles and Pension Funds – Auditor  
Independence Consultation Paper**

I am submitting this letter on behalf of the Global Accounting Alliance (GAA). The GAA was formed in November 2005 and serves as a forum for 10 leading professional accountancy bodies, representing 1,400,000 members in over 180 countries around the globe. This letter covers the key matters that the GAA wants to raise with IESBA in relation to the above consultation. More detailed responses from the GAA member bodies have also been submitted and we would kindly refer you to those for points of greater detail.

Investment schemes covered by the consultation paper vary across the globe and are already highly regulated. For this reason, we believe the development of specific guidance, beyond the extant related entity definition, is best done at the jurisdictional level so that it can take into account local market conditions. Expanding the Code into areas that are already regulated or legislated at national levels has implications such as adaptability and effectiveness and could result in decreased convergence, fragmented implementation and potentially unintended consequences. We are also not aware of evidence of deficiencies or systemic failures of the audits of such schemes in the respective jurisdictions of the GAA member bodies. Without evidence of such issues, we don't believe that an IESBA project to consider whether changes are required to the Code is warranted.

It is important for the Code to remain principles-based and we believe the conceptual framework, along with the fundamental principles and broad concepts in the Code's related entity guidance, provide an appropriate global baseline to guide professional accountants in their evaluation of the unique situations they encounter should their jurisdiction not provide specific requirements or guidance.

We are very supportive of having one Code, with principles that are universally applicable across the accountancy profession and would regret the necessity of a different approach having to be applied due to the expanding scale and complexity of the Code.

Finally, as noted in my April 3, 2025 letter to Ms. Gabriela Figueiredo Dias and Mr. Lee White, we believe there is an urgent need for a significant period of stability where no changes are made

to the Code, including in relation to this IESBA initiative on CIVs and Pension Funds. This period of stability will allow for the various actors in jurisdictions across the globe the necessary time to undertake the work to allow the recent set of changes to the Code to be implemented and for IESBA to undertake post implementation reviews in several key areas.

If you have any questions or would like to further discuss any issues, please do not hesitate to contact me.

Yours sincerely,

A handwritten signature in cursive script, reading "Jim Knafo".

**Jim Knafo CPA CA CGMA**

Chief Executive Officer

Global Accounting Alliance