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[1] 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)

[1] 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: *Italy***

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)*
    - Professional accountancy organizations (PAOs) *(Please indicate whether your members are PAPPs and/or PAIBs)*
    - **Regulators or oversight bodies: *Ministry of Economy and Finance. Please indicate which of the following you regulate or oversee: Individual Auditors, Audit Practices and Audit Firms. Please note that EU legislation and domestic legislation use the terms Statutory Auditors and Audit Firms. Oversight on audit engagements of Public Interest Entities is remitted to CONSOB***

- 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:

- **Ministero dell'economia e delle finanze – Ragioneria generale dello Stato-Ispettorato generale di finanza – Ufficio XIII, Piazza Dalmazia 1, 00198 Roma (RM) Italy**
- **Your name and job title / role: M. Bessone – P-. Costantino – A. Marrone**
- **Your email address: igf.ufficio13.rgs@mef.gov.it**
- **Your jurisdiction: Italy**

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:* ***2018*** *(ii) describe the nature and reasons for the*

modifications: ***:The IESBA Code has been translated and brought into line with the local ethical and independence framework in force. The legal framework on ethics and independence in force is rules-based and consists mainly of the provisions of law included in articles 9-10e of legislative decree no. 39 of 2010 and in Regulation (EU) 537/2014; furthermore, many other peculiarities of the domestic jurisdiction had to be taken into account; for instance, companies should set up an Audit Board, that under given conditions, may also carry out the audit engagement*** *and (iii) provide links to the local Code or the specific announcement of the adoption or issuance of the local Code):* ***https://revisionelegale.rgs.mef.gov.it/area-pubblica/normativa/codice-etico/index.html***

(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. **Yes, it was translated into Italian.**

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? **In the context of the annual continuing professional development program for statutory auditors, auditors are required to attend courses that also deal with the IESBA Code and with ethical and independence issues.** (*Select all that apply and provide links*): **https://revisionelegale.rgs.mef.gov.it/area-pubblica/Revisione-legale/formazioneContinua/Programma-annuale-della-formazione/**

- Technical guidance (e.g., FAQs)
- **Education/training programs (webinars and classes on topics included in the annual program**)
- 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:** ***The MoF may provide technical advice on the application of the Code, if requested by the audit firms***
    - 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 have your organization commonly received? **Italy's MoF usually does not receive inquiries or questions relating to the structure and drafting of the local Code. However, it has received**

unofficial reports that clarifications are often being requested regarding the structure of the Code during professional development and training classes.

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, members of MoF staff that have taken part in the adaptation process of the Code are expected to find the building-blocks approach simple and clear, while other staff may meet greater difficulties when navigating the Code. In general, we find the building approach helpful. However, it should be noted that the structure of the Italian version of the Code is simplified with regard to the original IESBA version as only Part. 1, Part. 3 and Part 4A have been adopted. The reason for partial adoption lies in the scope of the MoF's oversight, that includes only statutory auditors and audit firms, as pointed out above.**
- Somewhat *(Please explain your response)*
- 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 (the MoF staff is able to navigate the Code as having taken part to the adaptation process)
- **Somewhat:** *(Please explain your response)**: Some supporting material such as the Guide is needed to help users comprehend the structure of the Code. However, such a structure is not simple and further personal effort is often needed to fully understand the application of the Code.***
- No *(Please explain your response)*

Emphasizing Compliance with the Fundamental Principles and Applying the Conceptual Framework

To emphasize a professional accountant's responsibility to comply with the fundamental principles and apply conceptual framework:

- An overarching requirement was included in Sections 200, 300, 400 and 900; and
- 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.

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, it is clear.**
- 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)*
- No *(Please explain your response)*

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

- Yes
- **Somewhat** *(Please explain your response)**: It is not fully clear that the Code is scalable and proportionate. Given that the Italian adaptation of the Code is based on the 2018 edition, scalability and proportionality are not expressly stipulated by the Code but are inferred from paragraphs 120.5 A1 and 100.3 A2.***
- 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
- 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)*
- 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:** ***It is not always easy to translate from English into Italian. First, in Italy technical terms should be replaced as the Code applies to auditors only and not to accountants. Secondly, concepts as defined in the law are not always exactly the same. In general, legal glossary may be different in Italy from the Glossary of the Code.***
- No (*Please explain your response, and provide examples with reference to specific provisions in the Code which you consider are not easy to translate)*

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? **Perhaps, additional, non-authoritative, supporting material could be helpful with the purpose of providing a simplified comprehension of its most complex parts)**

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. Please note that a paragraph R400.53 (l) in the Italian version of the Code states: "*For the purpose of determining whether a larger structure to which the statutory auditor or audit firm belongs constitutes a network within the meaning of Article 1, paragraph 1, point l) of Legislative Decree No. 39/2010, the statutory auditor or audit firm shall conclude that a network exists where the larger structure is aimed at cooperation and: (a) is clearly aimed at profit-sharing or cost-sharing; or (b) is under common ownership, control or management ; or (c) shares common quality control policies and procedures, a common business strategy, the use of a common name or brand, or a significant part of professional resources.*" Indeed, the Italian version of the Code has been updated taking into account the peculiarities of the legal framework in force in Italy's domestic jurisdiction, as pointed out above. In this case, it is the definition of network as provided for by EU and domestic legislation to be considered.**
    - 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.