

April 25, 2017

International Ethics Standards Board for Accountants

International Federation of Accountants

529 Fifth Avenue, 6th Floor

New York, NY 10017

Dear Sir or Madam,

The Korean Institute of Certified Public Accountants (KICPA) is pleased to comment on the Exposure Draft (ED) issued by the International Ethics Standards Board for Accountants (IESBA), regarding “Proposed Revisions to Clarify the Applicability of Provisions in Part C of the Extant Code to Professional Accountants in Public Practice.” KICPA is a strong advocate of IESBA for your relentless efforts to increase the level of ethical standards that professional accountants are expected to perform and to serve the public interest by developing high-quality professional ethical standards.

**<KICPA Comments >**

*Q1. Do respondents agree with:*

*(a) The proposed applicability paragraphs; and*

*(b) The proposed location of those paragraphs in Sections 120 and 300 of the proposed restructured Code.*

*If not, why not?*

(a) We support the proposed applicability paragraphs in that the location of the paragraphs stating that there could be a circumstance where requirements and application material in Part 2 (PAIBs) might be applicable to PAPPs, and in such case they shall comply with relevant requirements, in the important parts of the Code would contribute to PAPPs' compliance with the Code.

In addition, the holistic manner of requiring to consider all the requirements and application material, regardless of where both of them are situated in the Code, taking into account the context of ethical issues arisen, would also be believed to contribute to PAPP's compliance with the Code, thereby leading us to agree with the general direction of the revisions.

However, the extant Code describes that PAPPs may also find Part C relevant to their particular circumstances. In comparison, the proposed revisions describe that there might be a circumstance where Part C is applicable to PAPPs and in such case they shall comply with relevant requirements. We believe that the Board should consider describing relevant cases to prevent unintentional non-compliance. When describing specific examples, the Board could consider adding a provision that such relevant examples are not designed to list all of the requirements of Part C to be applicable to PAPPs, not to undermine the holistic manner.

(b) The proposed location of applicability paragraphs in Sections 120 and 300 of the proposed restructured Code might be based on the consideration that the sections are expected to mostly used by professional accountants in Parts 1 and 2, thereby making it easy for them to find applicability paragraphs.

Considering that applicability paragraphs are one of the important paragraphs, it would be appropriate to situate them in a location where professional accountant can easily find.

We hope our comments would be useful for IESBA's project that aims to improve the

structure of the Code. Please feel free to contact [global@kicpa.or.kr](mailto:global@kicpa.or.kr) for further inquiries.

Thank you.