

The Independence Requirements of the Part-Time IESBA Chair

Independence Requirements

Prior to appointment, the IESBA Chair must consent to the general principle and specific rules, indicated below, that establish an appropriate degree of independence from the accounting profession, current, former and potential employers, and other related professional arrangements.

General Principle

The IESBA Chair shall not be a member or an employee of an audit practice firm. Former members or employees of such firms cannot be considered for this position until three years have elapsed since ceasing membership in or employment by an audit practice firm. The Chair shall not hold any position giving rise to incentives or conflicts of interest which might call into question his/her independence of judgment in setting ethical and independence standards.

Specific Rules

The specific rules, which are intended to reinforce or clarify the general principle, are:

1. On completion of his/her term as Chair, there would be a cooling off period of two years, during which time the candidate would refrain from interaction with the IESBA, unless the such interaction were at the specific request of the new Chair;
2. The appointee will sign a public declaration (renewed annually), which, in addition to affirming the general principle and rule 1 above, would assert that:
 - The Chair will act in the public interest and with integrity in discharging the responsibilities of his/her role within IFAC; and
 - The Chair will serve the IESBA to the best of their abilities while not submitting to improper influence from any source, whether firm, organizational, national, regional or other;
3. The IESBA Chair would not, from the date of announcement of his/her appointment to the date of completion of his/her term, enter any negotiation in respect of employment subsequent to his/her term as Chair which, in the opinion of either the IFAC Board or the PIOB, would impair or be perceived to impair the independence of the Chair.