

March 31, 2022

## Submitted electronically

Edward J. Waitzer  
Chair, Independent Review Committee on Standard Setting in Canada  
c/o 277 Wellington Street West  
Toronto ON M5V 3H2

Dear Mr. Waitzer:

## Response to Request for Comment – Independent Review Committee on Standard Setting in Canada

The Canadian Public Accountability Board (CPAB) is pleased to respond to the Independent Review Committee on Standard Setting in Canada's (IRCSS) request for comment.

CPAB is Canada's independent audit regulator responsible for overseeing firms that audit Canadian reporting issuers. Our mandate is to promote high quality, independent auditing that contributes to public confidence in the integrity of financial reporting.

CPAB is primarily focused on the work of the Auditing and Assurance Board (AASB) and the Auditing and Assurance Standards Oversight Council (AASOC), of which CPAB is a non-voting member. As a result, the comments and recommendations included in this response are focused on those two bodies. Please note that the views expressed are preliminary and we expect that our perspectives will be shaped by the responses to this consultation.

## General comments

### **We support changes to the current structure of Canada's standard-setting boards and oversight councils to increase their independence**

We believe the best way to improve the focus on the public interest is to ensure the Canadian standard setting boards are independent from the profession. To achieve this, a new legal entity separate from CPA Canada could be established, with board and oversight council funding mechanisms also changed. Board and oversight council composition also needs to be more diverse.

## **We support representation of Canada’s diverse populations across all levels of the standard setting model**

Increased representation from Canada’s diverse populations will improve the Canadian standard-setting boards ability to serve the public interest. We believe that diverse representation would be achieved when Canada’s standard setting model is inclusive of Indigenous peoples as well as reflective of the variety of experience, backgrounds, and geographies that exist across Canada. To achieve this CPAB encourages the boards and oversight councils to identify and remove existing or perceived barriers to diverse representation in their nominating and consultation processes.

## **We support the development of a Canadian Public Interest Framework (PIF)**

CPAB believes that the development of a Canadian PIF that covers the full cycle of a standard’s development, including oversight activities, is a critical component to reshaping how the Canadian standard-setting process serves the public interest. To achieve this, CPAB recommends the IRCSS review and leverage components of the PIF outlined in the July 2020 Monitoring Group report: Strengthening the international audit and ethics standard-setting system.

## **We support the establishment of a Canadian Sustainability Standards Board (CSSB)**

A sustainability standards board is needed in Canada to adapt upcoming international baseline standards to the Canadian context. The International Sustainability Standards Board (ISSB) has committed to carrying out a thorough public consultation in 2022. As such, the CSSB should be formed as soon as possible with a mandate to obtain feedback from Canadian stakeholders.

## **Answers to specific questions**

In addition to our comments above, our responses to the specific questions posed in the IRCSS consultation paper are included in the Appendix to the letter.

If you have any questions about our response or wish to discuss any of our observations in more detail, please contact me ([carol.paradine@cpab-ccrc.ca](mailto:carol.paradine@cpab-ccrc.ca)).

Yours truly,



Carol A. Paradine, FCPA, FCA  
Chief Executive Officer

## Appendix – Responses to specific questions

Question	
1	<p>The Committee welcomes comments on this approach to its mandate.</p> <p><i>It is CPAB’s view that the three concepts framing the Committee’s approach to its mandate are appropriate. As a committee observer, CPAB has been provided ample opportunity to provide input on the mandate and approach. CPAB has no further comments on the Committee’s approach to its mandate.</i></p>
2	<p>Do you think the development of a common public interest framework would be helpful to Canada’s standard-setting boards and oversight councils? Are there critical elements to such a framework?</p> <p><i>CPAB supports the development of a common PIF that addresses the full standards development cycle. CPAB recommends the IRCSS use the PIF outlined in the July 2020 Monitoring Group report: Strengthening the international audit and ethics standard-setting system as a starting point. The Monitoring Group’s PIF was developed with the view that the public interest should be observed throughout the full cycle of a standard’s development which includes the relevant oversight activities. We feel this approach would be appropriate for a Canadian standard-setting PIF and would ensure the public interest is considered and served at all levels.</i></p> <p><i>The Monitoring Group PIF also discussed the criticality of a well-informed oversight body, with clarity of its role. The current roles of the Accounting Standards Oversight Council (AcSOC) and AASOC are to serve the public interest by overseeing and providing input into the activities of the standard-setting boards however that role constrains the oversight councils’ ability to comment on the direction of standard-setting activities in Canada which CPAB feels is important to ensure Canada’s standard-setting process serves the public interest. This begs the question as to whether a different model is needed. CPAB’s recommendations for alternative models will be explored throughout our response.</i></p> <p><i>Regardless of the standard-setting board and oversight council structure, in order for the standard-setting boards and oversight councils to deliver on their mandates, a clear definition of the public interest is needed and would be a critical element of a PIF. The goal of the PIF should be ensuring that standards are responsive to the public interest. Defining the public interest will allow the standard-setting boards and oversight councils to assess, for each project, whether an action, decision, or policy is in the public interest.</i></p> <p><i>Defining the public interest will require the standard-setting boards and oversight councils to identify the public they are trying to serve. It is CPAB’s view that audit firms and practitioners should not dominate this group. We agree with The Monitoring Group’s PIF which recognizes the</i></p>

	<p><i>importance of all stakeholders but “focuses primarily on the interests of users, and more specifically the longer-term interests of creditors and investors and the protection of those interests”. Focusing more on the interests of users and less on the interests of audit practitioners and audit firms, through not only consultation activities but also board appointments, is critically important to fostering confidence in the standard-setting process in Canada and its ability to serve the public interest.</i></p>
<p><b>3</b></p>	<p>Do you have comments on how best to ensure that standard-setting processes reflect and respond to Canada’s diverse populations, including the unique rights of and responsibilities to Indigenous Peoples?</p> <p><i>CPAB believes that the appropriate place to define how standing setting processes should reflect and respond to Canada’s diverse populations is within the PIF. In addition to the points reflected in our response to question 2, the PIF should address board and oversight council composition as well as stakeholder engagement throughout the standard-setting process.</i></p> <p><i>Past approaches to standard-setting processes, including oversight council and board recruitment activities and consultation activities, that created barriers to the recruitment of Indigenous peoples should be identified through consultation with Indigenous Peoples, and action plans to remove those barriers should be prepared and enacted promptly.</i></p>
<p><b>4</b></p>	<p>Do you agree that a Canadian sustainability standards board should be established? Are there any special factors, beyond those outlined above, that should be considered in addressing this threshold issue?</p> <p><i>CPAB is supportive of the establishment of a CSSB. The IFRS Foundation stated the ISSB will develop standards that result in a high-quality, comprehensive global baseline of sustainability disclosures focused on the needs of investors and the financial markets. This baseline approach means that, as discussed in paragraph 55 of the consultation paper, standards developed by the ISSB will require more adaptation before they are implemented in Canada. Appropriate adaptations to international sustainability standards will be needed to successfully meet the growing demand for sustainability information. We believe that the CSSB’s mandate should allow for the board to develop guidance on emerging issues when matters important to Canadian stakeholders are not addressed by the ISSB.</i></p> <p><i>As the ISSB plans to carry out its first public consultation in 2022, the CSSB should be formed as soon as possible to be in a position to develop a mechanism to solicit Canadian perspectives on proposed international sustainability standards.</i></p>

<p>5</p>	<p>Are there any special matters the Committee should consider in developing recommendations with respect to the sustainability assurance standard-setting process and oversight thereof?</p> <p><i>It is important that the AASB dedicate resources to monitoring developments and influencing international sustainability assurance standards. The number of resources dedicated in Canada to sustainability assurance standards should depend on the amount of adaptation needed. Paragraph 105 of the consultation paper states, “the overarching goal for the AcSB and the AASB when adopting international standards for use in Canada is to do so without modification”. In the context of sustainability assurance standards, it is CPAB’s view that the AASB should consider whether its overarching goal of adopting international standards without modification is appropriate from a sustainability assurance context and should closely monitor developments from the IAASB to identify whether modification would be needed in Canada.</i></p> <p><i>There should also be close collaboration between the CSSB and the AASB to ensure proposed sustainability standards can be implemented and attested to in Canada.</i></p>
<p>6</p>	<p>Do you have concerns about independence in the current standard-setting model that should be addressed and suggestions for how best to do so?</p> <p><i>The Canadian auditing and assurance standard setting process lacks independence because of the disproportionately high level of practitioner representation on the AASB. Board members that have previously or currently worked for a professional services firm or an auditor general represent all but one of the current board members. Therefore, the composition of those writing the rules is dominated by individuals that must apply the standard in their day-to-day work.</i></p> <p><i>To address concerns about independence in the current standard-setting model, Canadian standard setting boards could hire additional paid staff and assign the majority of standard setting activities to paid staff who are independent of the profession. This approach would allow board members to act in an oversight role, rather than performing standard setting work which would further enhance the independence of the standard setting process. However, this model would enhance independence only if the paid staff had a broad range of backgrounds and the majority of the volunteer board (more than 50 per cent) was independent from the profession.</i></p>
<p>7</p>	<p>Would the creation of a separate legal entity outside the control of CPA Canada enhance the independence of the Canadian model? Please consider this in the context of independence in fact as well as in appearance and indicate any specific concerns the Committee should be mindful of.</p> <p><i>A separate legal entity would enhance independence of the Canadian standard setting model as it reduces the risk that the perspectives of professional services firms or CPA Canada would influence board composition, tone and direction. However, the creation of a separate legal entity alone is not sufficient to address the lack of independence that currently exists. Changes to the composition of</i></p>

	<p><i>the standard setting boards and oversight committees, as outlined in our responses to other questions in this letter, are critical to enhancing independence.</i></p> <p><i>Changes to the budget setting process and control over resource utilization are also necessary. It is CPAB's view that budget decisions should be made by either an independent budget committee or the oversight councils based on each standard-setting board's proposed activities over a multi-year period. The members of the independent budget committee should be independent of the profession to minimize the risk that the perspectives of the firms or CPA Canada impact the activities undertaken and resources allocated by the boards.</i></p>
<p><b>8</b></p>	<p>Should the present funding model for Canadian oversight and standard-setting activities be modified to enhance safeguards to independence, real or perceived? Please provide the rationale for your view. Do you have suggestions on how funding sources could be diversified? Do you have any specific suggestions regarding the funding model for an eventual Canadian sustainability standards board?</p> <p><i>The present funding model for Canadian oversight and standard-setting activities needs to be changed to ensure independence. All funds allocated to support standard setting and associated oversight activities should flow directly into the new legal entity proposed in question 7. The allocation of those funds to specific standard setting activities should be under the direct control of an independent budgetary committee, the oversight councils, and the boards. The allocation of funds should not occur on a single year basis but rather on a multi-year basis to promote additional continuity in standard setting activities and allow the boards to invest in the resources needed to address emerging issues in a timely manner.</i></p> <p><i>From a funding source perspective, the Committee should consider a funding model whereby funds flow directly into the new legal entity by way of a levy. For example, the new legal entity could be allocated a fixed per cent of member dues received by CPA Canada. Using a percentage-based approach would introduce a natural mechanism for incorporating inflation or changes in the level of member dues received. An independent budget committee would then be responsible for allocating the proceeds to the Canadian standard-setting boards on a multi-year basis. In the event that the percentage of member dues received by the new legal entity is no longer sufficient to support Canadian standard setting activities, a clearly defined process should be in place for the legal entity, and associated boards, to apply for an increase in the funds received.</i></p> <p><i>Lastly, CPAB recommends that the IRCSS consider opportunities to diversify funding through other sources over the long term to increase independence of Canada's standard-setting process.</i></p>

<p>9</p>	<p>With regard to the oversight councils and standard-setting boards, are you satisfied with the current structure and safeguards in place to ensure independence?</p> <p><i>As discussed in our response to question 6, it is CPAB’s view that the current level of audit practitioner representation, particularly on the AASB, is unacceptably high. This results in a board that is not independent from the profession. Limiting audit practitioners would also increase opportunities for increased representation from Canada’s diverse communities.</i></p> <p><i>Additional information on CPAB’s recommendations regarding independence can be found in question 6.</i></p>
<p>10</p>	<p>Do you have comments on how best to include Indigenous Peoples and governments or Indigenous individuals in the current standard-setting process?</p> <p><i>Indigenous Peoples and governments should be included at each level of the current standard setting process, including representation on both the oversight councils and standard-setting boards. From a recruitment perspective, CPAB recommends the oversight councils and standard-setting boards undertake an assessment of their current recruitment processes to identify and respond to barriers or bias that limit Indigenous Peoples ability to access board, oversight council and volunteer committee positions. Additionally, as stated in the First Nations Financial Management Board response to the OSC on NI 51-107, “Indigenous Peoples are critical actors in the fight against climate change and the mitigating of its detrimental impacts”. Recognition and consideration of Indigenous Peoples rights and their knowledge are seen as critical components to sustainable development and ESG programs. As such, the CSSB would directly benefit from their perspectives and knowledge being represented on the board.</i></p> <p><i>The existing barriers in current standard setting consultation activities must also be addressed to enable further inclusion of Indigenous Peoples and governments. In addition to consulting with Indigenous Peoples and governments to determine the best approach to facilitate increased involvement in consultation activities, the standard-setting boards should consider increased availability of plain language resources to enhance understanding and readability of consultation documents and targeted outreach meetings that are inclusive of Indigenous perspectives.</i></p>
<p>11</p>	<p>With regard to a Canadian sustainability standard setting board, do you have any views on the structure, composition and specific competencies needed? Please include any comments on how best to include Indigenous Peoples and governments or Indigenous individuals in the current standard-setting process?</p> <p><i>The range of stakeholders that will be served by the CSSB will be broader than the range of stakeholders currently served by Canada’s standard-setting boards. To effectively serve the public interest, the CSSB’s composition will need to match the breadth of stakeholders it serves, and its</i></p>

	<p><i>members will need to have a range of experience outside auditing and accounting, extending beyond the skills currently represented on Canada’s current standard-setting boards. Board composition should include representation from Indigenous Peoples, investors, practitioners, academics, scientists and climate policy experts.</i></p> <p><i>For additional information on CPAB’s recommendations on how best to include Indigenous Peoples and governments or Indigenous Individuals in the current standard-setting process, refer to our response to question 10.</i></p>
<p><b>12</b></p>	<p>Do you have suggestions on how to improve the timeliness and responsiveness of Canadian standard setting?</p> <p><i>The timeliness and responsiveness of Canadian standard setting is currently restricted by a number of factors, including:</i></p> <ul style="list-style-type: none"> <li>• <i>The structure and mandate of both the oversight councils and the standard setting boards.</i></li> <li>• <i>The timeliness of international standard setting processes.</i></li> <li>• <i>Canadian standards are often written by volunteers that meet only on a periodic basis.</i></li> </ul> <p><i>It is CPAB’s view that those responsible for the oversight of Canada’s standard setting process are unduly constrained as their mandates are explicitly limited to ensuring the public interest is being served and the standard setting boards are adhering to their due process. In addition to those responsibilities, it is CPAB’s view that the oversight councils, whether consolidated into one entity or not, should be organized in a manner that more closely aligns with corporate governance best practices including a diverse and independent board with, responsibility for strategic oversight of the activities of the standard setting boards as well as accountability for the activities of the standard setting boards under its oversight.</i></p> <p><i>Paragraph 105 of the consultation paper states that the overarching goal for the AcSB and the AASB when adopting international standards for use in Canada is to do so without modification (other than in rare circumstances where issues particular to Canada warrant changes). If this is their overarching goal, then the boards should be structured and operating in a way that allows them to maximize their influence on international standard setting issues. Additionally, the boards should be more proactive in taking on projects that would address emerging issues relevant to Canadian stakeholders beyond the scope of the IASB and IAASB’s current projects. This has been done elsewhere in the world by other regulators. For example, the Financial Reporting Council (FRC) made changes to ISA (UK) 240 in response to public discussions on the role of audit in identifying fraud.</i></p> <p><i>Lastly, CPAB recommends the standard-setting boards and oversight councils undertake a review of their current project management approaches and collaboration tools to identify opportunities to improve the timeliness and responsiveness of existing standard-setting processes. In particular,</i></p>

	<p><i>timeliness of the standard-setting process would be improved if the boards were able to identify new ways to consult with stakeholders outside of the traditionally long comment periods.</i></p>
<p><b>13</b></p>	<p>Do you have suggestions on how the Canadian standard-setting boards could further influence the relevance and timeliness of international standards adopted for use in Canada?</p> <p><i>Given that the development of international standards adopted for use in Canada is primarily driven by the timeliness of the international standard setting bodies, the extent to which Canada’s standard setting boards can influence the activities of those international standard setting bodies has a direct impact on Canadian stakeholders. Canada currently has two representatives on the International Auditing and Assurance Standards Board (IAASB), one representative on the International Accounting Standards Board (IASB) and one representative on the International Public Sector Accounting Standards Board (IPSASB). While the full complement of ISSB members has not yet been announced, the board has stated that it will include three members from the Americas. It is our hope that there would be at least one Canadian representative on the ISSB.</i></p> <p><i>While CPAB views Canada’s current representation on international boards as positive, the nomination process for these positions lacks clarity and transparency. CPAB recommends that a framework outlining a fair and inclusive approach to nominating Canadian representatives for international standard-setting board positions be developed. This framework should clearly outline the role of the oversight councils and Canadian standard setting boards and work in tandem with the PIF developed. In addition to increasing transparency about the process, this framework could increase international representation of Canada’s diverse populations by creating a process that could allow potential future candidates to understand the skills needs to represent Canada internationally and develop those skills ahead of future nomination periods.</i></p> <p><i>CPAB is also interested in further understanding the extent to which the efforts of Canada’s standard setting bodies have directly impacted the work being done internationally. CPAB recommends that the Canadian standard-setting boards perform an analysis of the effort spent by Canadian standard-setting staff and board members on key international projects and influencing activities compared to the extent to which Canada’s views were reflected in those projects. Such an analysis would allow the Canadian standard setting boards to identify whether the effort being undertaken is leading to tangible results for Canadian stakeholders. Based on the assessment performed the boards should identify best practices to be followed for future international influencing activities. Additionally, such information could be helpful for the CSSB to consider as it begins its work.</i></p>

<p><b>14</b></p>	<p>Do you have any suggestions to improve stakeholder engagement (users in particular) in the development and ongoing monitoring of the effectiveness of standards? Should different considerations apply with respect to sustainability standards?</p> <p><i>Canadian standard setting boards need to improve their consultation processes to ensure they obtain the views of all relevant stakeholders including the views of Indigenous Peoples and governments, and investors.</i></p> <p><i>The AASB should benchmark its protocols for obtaining stakeholder input to the approaches taken by other standard setters around the world to identify areas for improvement and best practices.</i></p> <p><i>There are a number of barriers that currently exist in the standard-setting process that limit the number and diversity of responses received by Canadian standard-setting boards. CPAB recommends the standard setting boards consider:</i></p> <ul style="list-style-type: none"> <li>• <i>Providing more plain language resources that clearly outline the key matters under consultation.</i></li> <li>• <i>Providing stakeholders with the ability to respond to consultation papers via outreach meetings instead of a written response in situations where developing a written response may place an undue burden on the stakeholder.</i></li> <li>• <i>Increased education on the consultation process.</i></li> </ul> <p><i>The launch of the Connect.FRASCanada.ca platform was a positive step in incorporating more technology-based tools in the consultation process. CPAB encourages the standard setting boards to continue to find ways to use technology to improve the stakeholder consultation experience and allow the boards to conduct their processes in a more agile manner.</i></p> <p><i>To increase user representation the standard-setting boards should also have an increased focus on improving external outreach skills and relationship building between staff and stakeholders to better understand user views and how they can be further involved.</i></p>
<p><b>15</b></p>	<p>Given the special considerations relating to sustainability reporting standards, do you have any suggestions on how best to foster (and balance) timeliness with robust stakeholder involvement in sustainability standard setting?</p> <p><i>As corporate sustainability reporting and the demand for sustainability standards grows rapidly, the CSSB should not be constrained but should be informed by the experiences and learnings from existing Canadian standard setting models in determining how it will perform its work.</i></p> <p><i>In the case of sustainability standards, as demand continues to grow and developments arise internationally, a timely response to international developments from the CSSB will be important to Canadian stakeholders. The CSSB, as well as other Canadian standard-setting boards, should</i></p>

	<p><i>consider a potential monitoring or risks sensing group to monitor and detect potential novel topics that are relevant to Canadian stakeholders.</i></p> <p><i>Lastly, given the broad range of stakeholders who will be interested in the work of the CSSB the board should provide clearly communicated timelines and roadmaps for its projects so stakeholders can clearly understand the direction of the board as well as provide sufficient plain language documents to assist in the consultation process.</i></p>
<p><b>16</b></p>	<p>Do you have any concerns related to the transparency and accountability frameworks that currently apply with respect to the oversight and standard-setting process? Are there additional considerations that should apply with respect to sustainability standard setting?</p> <p><i>In addition to the existing transparency and accountability elements as outlined in paragraph 121 of the consultation paper, the oversight councils should consider:</i></p> <ul style="list-style-type: none"> <li>• <i>Requiring the standard setting boards, including the proposed CSSB, to livestream meetings to stakeholders which would increase transparency of the activities undertaken and public accountability of the boards, and</i></li> <li>• <i>Disclosing how public interest considerations were incorporated into the approval of the final standard for all board projects.</i></li> </ul>
<p><b>17</b></p>	<p>The Committee welcomes views on whether consolidation of boards and/or councils is an option that should be considered. If so, please explain why and how.</p> <p><i>Whether consolidation of boards and/or councils should be considered would be dependent on the other changes to the standard-setting process made as a result of this consultation.</i></p> <p><i>In response to question 6, CPAB recommended that the committee consider an approach where most standard setting work is performed by independent staff, with the board acting in an oversight role. If this recommendation is implemented, it is CPAB’s view that having board members act primarily in an oversight role might reduce the required involvement of the oversight committees. In that case, the IRCSS could consider whether all four standard setting boards, including the proposed CSSB, could be efficiently served by a single oversight council.</i></p> <p><i>Another factor that would impact potential consolidation of oversight councils is the amount of work undertaken by each standard setting board. All of Canada’s standard setting boards currently undertake a large volume of work each year and the oversight councils spend a lot of time overseeing those activities. In the case of the AcSB and the AASB the committee has stated that Canada’s overarching goal is to adopt international standards without modification. With that goal in mind, CPAB recommends those boards undertake an assessment of the work they perform and the net impact on international standard setting activities. Moving forward, an approach to agenda setting and resource allocation that focuses on the projects most important to Canadian</i></p>

	<p><i>stakeholders and projects in which Canadian influence is most likely to be relevant to the outcome of the project would allow the AcSB and AASB to use the resources available more efficiently. This could also impact the viability of consolidation of the oversight councils.</i></p> <p><i>Examples of successful consolidation internationally include Australia, where financial reporting for both public sector and corporate entities are covered by the Australian Accounting Standards Board and the United Kingdom where the FRC is the authorized to issue accounting and auditing standards.</i></p> <p><i>In addition to efficiency of the standard setting process, as it relates to consolidation of the standard setting boards, it is important to consider the different skills and experience board members require based on the topics and standards being addressed. For example, as we comment in our response to question 11, the skills and experience needed by potential members of the CSSB would differ significantly in some cases than the skills and experience of AASB board members.</i></p>
<p><b>18</b></p>	<p>What are your views on how best to assess effectiveness of standard setting, including the desirability of periodic reviews by independent parties external to the standard-setting system?</p> <p><i>Periodic reviews by an independent party or organization would be most effective if they were timed to coincide with the standard setting board’s strategic planning cycles. In order to promote accountability in the Canadian standard setting model, the findings or recommendations from these reviews as well as how the standard-setting boards will address the findings, should be communicated publicly with stakeholders.</i></p>
<p><b>19</b></p>	<p>Are there matters related to ethics and independence standards that you would like to highlight for the Committee’s consideration?</p> <p><i>CPAB understands that the Committee’s Terms of Reference do not extend to ethics and independence standards, which for CPAs are the statutory responsibility of the provincial bodies; however, we do appreciate the opportunity to provide our comments on this important topic.</i></p> <p><i>CPAB is concerned that Canada’s structure for ethics and independence standard setting is currently out of step with our international peers which directly impacts and reduces Canada’s ability to monitor and respond to emerging issues. The Canadian Chartered Professional Accountants Code of Professional Conduct was last updated in June 2016. Since then, the following five updates were made by the International Ethics Standards Board for Accountants (IESBA):</i></p> <ul style="list-style-type: none"> <li><i>• Non-compliance with laws and regulations.</i></li> <li><i>• Long association of personnel with an audit client.</i></li> <li><i>• Role and mindset expected of professional accountants.</i></li> <li><i>• Revisions to the non-assurance service provisions of the Code.</i></li> <li><i>• Revisions to the fee related provisions of the Code.</i></li> </ul>

	<p><i>Given the interconnectivity of these standards with assurance standards it is critically important that Canadian independence and ethics standards remain relevant and up to date.</i></p> <p><i>CPAB recommends that the IRCSS and other relevant bodies explore an approach whereby independence and ethics standards are developed and approved based on IESBA at a national level for Canada and then modified by provinces to reflect specific provincial laws or regulations that would preclude them from adopting the full standards. A similar approach is taken in other jurisdictions such as Australia and New Zealand who have their own ethics board. In addition, a periodic (i.e., yearly) review should be conducted to ensure that relevant changes other from independence and ethics standards setters, such as in the United States and Europe, are considered for adoption to ensure Canada is not falling behind other standard setters beyond IESBA.</i></p>
<p><b>20</b></p>	<p>Are there any other matters the Committee should consider as part of its review?</p> <p><i>CPAB has not identified additional matters that the Committee should consider as part of its review.</i></p>