

BY E-MAIL ONLY

**Mr. Jonathan Bravo**

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Date: July 24, 2018

Subject: Public Comment on IOSCO Consultation Report on Good Practices for Audit Committees in Supporting Audit Quality

Dear Mr. Bravo,

The Board of the International Forum of Independent Audit Regulators (IFIAR) has read the IOSCO *Consultation Report on Good Practices for Audit Committees in Supporting Audit Quality* with great interest.<sup>1</sup> The Board, considering that the improvement of audit quality is one of IFIAR's key objectives, fully supports IOSCO's outreach to audit committees of issuers of listed securities in supporting audit quality. As IFIAR is committed to serve the public interest and enhance investor protection by improving audit quality globally, the Board of IFIAR particularly supports – and recommends emphasizing – the importance of the work of audit committees in serving the needs of investors.

In April 2017, IFIAR issued its report [Audit Committees and Audit Quality: Trends and Areas for Further Consideration](#). The purpose of the report is to describe the state of play with respect to existing audit committee requirements around the world. Like the IOSCO consultation report, it underlines the important role of audit committees in oversight of audit quality and financial reporting. The Board of IFIAR considers that the trends and developments mentioned in the report – such as the reference to Audit Quality Indicators (AQI's) which audit committees can use in their discussion with auditors on audit quality – are relevant and may be useful in the further development of the IOSCO report.

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<sup>1</sup> Current IFIAR Board Members are Abu Dhabi, Australia, Canada, France, Germany, Japan, Korea, the Netherlands, Norway, Singapore, Switzerland, South Africa, Turkey, the United Kingdom and the United States.

IFIAR's external dialogue with audit committees is organized by the Investors and Other Stakeholders Working Group (IOSWG). In 2018-19, this working group will again focus on audit committees and audit quality, and audit committee interactions with IFIAR Members locally. Both the Board of IFIAR and the IOSWG look forward to the completion of IOSCO's report on good practices for audit committees.

Please note the above comments summarize the views expressed by many, but not necessarily all, of the members of IFIAR's Board, not of the members of IFIAR. Accordingly, the comments are not intended to include, or reflect, all of the views that might separately be provided by individual Members on behalf of their respective organization. Where we did not comment on certain specific matters this should not be interpreted as either approval or disapproval by IFIAR.

Yours faithfully,



Brian Hunt  
IFIAR Chair

Cc: Frank Schneider (IFIAR Vice Chair),  
Gerben Everts (IOSWG Chair),  
Carl Renner (Executive Director)