



International Forum of Independent Audit Regulators opens headquarters in Tokyo; first Board meeting held

April 3-6, 2017 (Tokyo, Japan) – Forty-seven Members of the International Forum of Independent Audit Regulators (IFIAR) were hosted by the Financial Services Agency of Japan / Certified Public Accountants & Auditing Oversight Board (JFSA/CPAAOB) in Tokyo, Japan at their annual plenary meeting to advance audit quality globally.

Janine van Diggelen, Chair, IFIAR and Nobuchika Mori, Commissioner, JFSA co-hosted a reception to celebrate the opening of IFIAR's new permanent Secretariat office in Japan.

"In April 2016, IFIAR Members approved setting up a permanent Secretariat in Tokyo. Just one year later we are delighted to hold the opening ceremony and are grateful for the invaluable support of the JFSA throughout the process," said van Diggelen.

Mori added: *"JFSA is delighted IFIAR has established its new Secretariat in Japan. We will cooperate with IFIAR in achieving its goal – to improve audit quality globally – through our contributions as an integrated financial regulator."*

The establishment of IFIAR's permanent Secretariat and the successful implementation of governance changes that will see IFIAR being led by a Board going forward mark an important milestone for the international organization that celebrated its 10th anniversary in 2016. Effective governance, combined with a dedicated Secretariat headed by Executive Director Carl Renner, enhances IFIAR's ability to deal effectively and efficiently with global audit quality matters.

IFIAR Strategy and Information Sharing

During the annual plenary meeting, IFIAR discussed the outline of a new strategic plan with the aim of proactively influencing audit quality matters globally and intensifying collaboration among its Members and with its stakeholders. IFIAR's Multilateral Memorandum of Understanding (MMOU) was signed by 22 Members from the following jurisdictions: Australia, Brazil, Canada, Cayman Islands, Chinese Taipei, Czech Republic, Dubai International Financial Centre, France, Gibraltar, Japan, Korea, Liechtenstein, Lithuania, Luxembourg, Malaysia, The Netherlands, New Zealand, Slovak Republic, Switzerland, Turkey, United Kingdom and the United States. The MMOU facilitates more effective information exchange and improves cooperation among Members, and contributes to more efficient and effective regulation of audit firms.

Advisory Group advises on matters important to investors and stakeholders

The Advisory Group to IFIAR's Investors and Other Stakeholders Working Group was established last year and consists of investor and audit committee representatives, as well as other key stakeholders that share IFIAR's objective of enhancing audit quality globally and the promotion of investor protection. During the meeting, [members of the Advisory Group](#) advised IFIAR on matters important to investors and other stakeholders. An important topic included the central role of audit committees in the oversight of audit quality and financial reporting. IFIAR has published a thought paper on the role of audit committees and audit quality, which can be found [here](#).

Global CEOs on Audit Quality

IFIAR continues its audit quality dialogue with the global leadership of the six largest global audit networks (BDO, Deloitte, EY, Grant Thornton, KPMG and PwC), primarily through IFIAR's Global Audit Quality Working Group (GAQWG). During the meeting, IFIAR engaged with each of the six global CEOs to discuss a number of strategic issues including recent measures taken by the networks to further enhance audit quality and drive consistency of audit execution, what role culture plays, their views on how new technologies and data analytics tools can make a difference in audits, and their impact on talent. The CEOs also shared their vision on multidisciplinary service offerings, on developments in corporate governance around the globe, and on their networks' recent experiences in the context of mandatory firm rotation and tendering.

In 2015, IFIAR proposed and the six largest audit networks agreed on an initiative to reduce the percentage of deficient audits reported by the GAQWG Members in IFIAR's annual Inspection Findings Survey. The target is at a minimum 25 per cent fewer listed PIE audits with at least one finding as reported by members of this working group by 2019. IFIAR plans to release an interim update on this initiative in the next IFIAR Inspection Findings Survey report.

Meetings with Standard Setters

IFIAR also met with representatives of the international standard setting bodies IAASB and IESBA, and the PIOB to discuss how international standards can improve audit quality globally.

Inaugural Board meeting

Regulators from Abu Dhabi, Australia, Canada, France, Germany, Japan, Korea, the Netherlands, Norway, Singapore, South Africa, Switzerland, Turkey, the United Kingdom and United States were elected to serve on IFIAR's first Board. Brian Hunt, CEO, Canadian Public Accountability Board, and Frank Schneider, CEO, Swiss Federal Audit Oversight Authority, were elected as IFIAR Chair and Vice Chair. The inaugural Board meeting took place immediately after the plenary meeting.



About IFIAR

Established in 2006, the International Forum of Independent Audit Regulators (IFIAR) comprises independent audit regulators from 52 jurisdictions representing Africa, North America, South America, Asia, Oceania, and Europe. The following organizations are observers of IFIAR meetings: Basel Committee on Banking Supervision (BCBS), European Commission, Financial Stability Board (FSB), International Association of Insurance Supervisors (IAIS), International Organization of Securities Commissions (IOSCO), Public Interest Oversight Board (PIOB) and the World Bank. Dedicated to serving the public interest and enhancing investor protection, IFIAR provides a platform for dialogue and information-sharing regarding audit quality matters and regulatory practices around the world, and promotes collaboration and consistency in regulatory activity. For more information about IFIAR, please visit www.ifiar.org.