June 15, 2010

Deputy Director  
International Ethics Standards Board for Accountants  
International Federation of Accountants  
545 Firth Avenue, 14th Floor  
New York, New York 10017 USA

Dear Sir/Madam:

The Institute of Internal Auditors (IIA) welcomes the opportunity to respond to the 2010 – 2012 proposed strategy and work plan of the International Ethics Standards Board for Accountants (IESBA). We commend the IESBA for its continued efforts to develop a robust Code of Ethics that increases protection of the public interest.

The IIA supports the IESBA’s intent to further strengthen the Code during 2010 - 2012 by providing additional ethical guidance for accountants when dealing with Conflicts of Interest and Responding to Fraud and Illegal Acts.

The IESBA proposed strategy also identifies two projects for consideration beyond 2012 which are of interest to The IIA: (1) Independence Requirements for Professional Accountants who are not in Public Practice who Perform Assurance Engagements and (2) Ethical Guidance for Professional Accountants in Public Practice Providing Non-Assurance Services.

As the global voice and recognized authority of the internal audit profession, The IIA maintains the International Professional Practices Framework (IPPF) and represents more than 170,000 members in 165 countries. The IPPF includes The International Standards for the Professional Practice of Internal Auditing (Standards), the Code of Ethics, practice advisories, position papers, practice guides and the definition of internal auditing.

As a result, The IIA has an interest in these projects. In regard to project (1), the Standards address independence requirements for internal auditors. In regard to project (2), internal audit activities sometimes obtain external service providers to support or complement the internal audit activity. (Practice Advisory 1210.A1-1) As these projects become a part of the IESBA work plan, The IIA desires to actively participate in related task forces, ensuring that any guidance developed by the IESBA aligns with the IPPF.

The IIA welcomes the opportunity to discuss these recommendations with you. If I can be of further assistance, please feel free to contact me.

Best regards,

Richard F. Chambers