Dear Member

The announcement by the Independent Regulatory Board for Auditors (IRBA) in 2016 to begin a process to implement Mandatory Audit Firm Rotation (MAFR) in South Africa sparked significant debate amongst audit firms, audited entities, various regulators and other stakeholders, as well as drawing the attention of a number of international stakeholders from jurisdictions where MAFR has been adopted and still applies, or where it was originally adopted and later withdrawn, or where it has been considered but not implemented.

In October 2016 the IRBA released a Consultation Paper to commence its public consultation process around the implementation of MAFR. Interested and Affected Parties (I&APs) were requested to submit their written comments to the IRBA by 20 January 2017.

SAICA has today submitted its comment letter to the IRBA, on the back of the various initiatives that it had undertaken in 2016 to raise awareness and facilitate discussion and engagement among its diverse member constituents and stakeholders. In particular the SAICA submission represents the reaffirmation of the insights that we derived from the MAFR Indaba that was held in Johannesburg in November 2016 with our members and a number of the affected stakeholders, as well as the IRBA.

We are also aware that other international professional accountancy organisations have submitted comment letters to the IRBA, including the American Institute of Certified Professional Accountants (AICPA) and the International Federation of Accountants (IFAC).

SAICA encourages its members from all constituencies to stay close to these developments and to be responsive to further engagements with SAICA, the IRBA and other stakeholders, including efforts to conduct additional research and participating in additional engagement sessions that could be hosted.

Regards