



**The Japanese Institute of  
Certified Public Accountants**

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July 1, 2019  
Mr. Willie Botha  
Technical Director  
International Auditing and Assurance Standards Board  
International Federation of Accountants  
529 5th Avenue, 6th Floor  
New York, NY 10017 USA

Dear Mr. Botha,

Re: JICPA Response to the IAASB's Exposure Drafts for Quality Management at the Firm and Engagement Level, Including Engagement Quality Reviews

The Japanese Institute of Certified Public Accountants (JICPA) is grateful for the opportunity to comment on *the IAASB's Exposure Drafts for Quality Management at the Firm and Engagement Level, Including Engagement Quality Reviews* (the Proposal).

The attached are our comments on "Request for Comments."

We hope that our views will be of assistance to the IAASB.

Sincerely yours,

Sayaka Sumida

Executive Board Member - Auditing Standards  
The Japanese Institute of Certified Public Accountants

## **Overall Questions**

**1) Do you support the approach and rationale for the proposed implementation period of approximately 18 months after the approval of the three standards by the Public Interest Oversight Board? If not, what is an appropriate implementation period?**

(Our Comment)

We support the proposed implementation period of approximately 18 months after the approval of the three standards by the PIOB. However, we believe that it is necessary to clarify that the firm is expected to have designed and implemented the system of quality management by the effective date, but not expected to have monitored the operating effectiveness of the system by the effective date (for example, the firm is not expected to have performed a periodic evaluation based on the new quality management policy).

**2) In order to support implementation of the standards in accordance with the IAASB's proposed effective date, what implementation materials would be most helpful, in particular for SMPs?**

(Our Comment)

We believe that documentation formatting, examples of application, and Q & A that illustrate how the standards can be applied would be most helpful. In order to support implementation of standards in accordance with the effective date, it is essential that the implementation materials for documentation formatting and examples of application are published at the same time as the standards are finalized, even if such materials only cover a part of the entire quality management process.