



INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF UGANDA

APRIL 2026

CONSULTATION

Amendments to the Definition of Public Interest Entity (PIE)

Proposed Minor Amendments to the Revised Definition of PIE contained in the IFRS for SMEs Accounting Standard Implementation Guidelines (Revised 2024)

Comments to be received by 30 May 2026

1.0 Introduction

In April 2022, the International Ethics Standards Board for Accountants (the Board), also known as IESBA, published revisions to the definitions of ‘listed entity’ and ‘public interest entity (PIE)’ in the International Code of Ethics for Professional Accountants (the Code).

In defining PIE, the Board recognized the essential role local bodies, such as ICPAU (responsible for the adoption of the Code), played in delineating the specific entities that should be scoped in as PIEs in their respective jurisdictions. This role extends to refining the Board’s broader list of common PIE categories by setting size criteria, adding new types of entities, or exempting particular entities as part of the adoption and implementation process. The Board noted that while many jurisdictions adopt the IESBA definition, in the past, some have made varying types of refinement to the PIE definition in their local codes or have defined their PIEs using terms defined in local laws or regulations.

In refining the Board’s definition and determining which entities should be categorized as PIEs in Uganda, ICPAU issued a revised definition within its IFRS for SMEs Accounting Standard Implementation Guidelines (Revised, 2024), designating certain entities as PIEs. Clarifying whether an entity is or is not a public interest entity is crucial because the definition of a PIE has far-reaching consequences, including the following:

- the entities will be required to make additional IFRS disclosures,
- the entities will be precluded from using the IFRS for SMEs framework,
- there are associated independence requirements when considering conducting an audit of such entities,
- there are strict limits on the ability of auditors to provide additional services,

- there are longer audit reports requiring disclosure of key audit matters, and
- the fact that such entities will be required to have within their finance and internal audit sections, heads with CPA membership as required under s.34(2) of the Accountants Act, Cap 294.

The guidelines took effect for periods beginning on or after December 15, 2024.

ICPAU is mandated to regulate the standard and conduct of accountancy in Uganda and thus has the authority to guide on the local PIE definition in Uganda. The Institute’s due process underpins its standard-setting, consultation, and development of relevant guidelines. ICPAU followed its formal due process procedures in revising the definition of PIEs as contained in the *IFRS For SMEs Accounting Standard Implementation Guidelines Revised 2024*.

Although the catalyst for this update was to clarify the scope of public interest entity (“PIE”) for purposes of the Code of Professional Conduct and Ethics for Public Accountants and any reference to the same within any other laws or regulations that govern the accountancy profession, such as the Accountants Act, Cap. 294, over time, the ICPAU received concerns from its members, some relating to their dissatisfaction with the criteria adopted in defining PIEs. These members believed that the definition scoped in several entities that practically should not have been included.

Similar concerns were expressed to the Professional Standards Committee (the Committee) regarding the revised issued definition of PIEs that took effect for periods beginning on or after December 15, 2024. In response, the Council, at its 258th sitting in December 2025, deferred the implementation of the revised definition of PIE and sustained the guidance as was contained in the [IFRS for SMEs Implementation Guidelines of 2009](#).

The Committee agreed to take this opportunity to re-expose the revised definition and seek feedback from stakeholders on the proposed minor amendments resulting from members’ recent experience with some requirements.

2.0 Invitation to Comment

The Institute invites comments on the proposals in this Consultation, particularly on the questions set out below. Comments are most helpful if they:

- (a) respond to the questions as stated;
- (b) contain a clear rationale;
- (c) identify any wording in the proposals that is not clear or would be difficult to translate; and

(d) include any alternative the Institute should consider, if applicable.

Questions for Respondents

S/N	PROPOSAL	OUR RECOMMENDATION	COMMENT(S)
1.	Proposal to use the concepts Public Interest Entity/ Publicly Accountable Entity interchangeably	<p>The concepts Public Interest Entity/ Publicly Accountable Entity have been used interchangeably in the previous guidance. ICPAU notes that while they may serve different purposes from the users' perspective, they serve the same purpose from a regulatory or standard setter's perspective. When viewed from a "principle" based angle, in substance, Public Interest and Public Accountability address a similar concern (i.e., entities with a public-interest element). ICPAU believes that a consistent understanding of the concepts has to be reached for the guidance to work well in practice.</p> <p>In light of the above, should the concepts Public Interest Entity/ Publicly Accountable Entity be used interchangeably?</p> <p><i>Why or why not? If you disagree, please explain what you would suggest instead and why.</i></p>	
2.	Proposal to include within the guidance a definition of what constitutes a PIE	<p>A Public Interest Entity (PIE) is an entity that, due to the nature of its business, size, or public relevance, is subject to enhanced regulatory oversight and/or public scrutiny. This includes listed entities, financial institutions, and other entities whose operations have a significant impact on the public as determined by objective criteria set forth by ICPAU.</p> <p><i>Do you agree with the proposed definition? Why or why not? If you disagree, please explain what you would suggest instead and why.</i></p>	
3.	Proposal to exclude from the list of PIEs SACCOs with voluntary and/or institutional capital below the UGX 3 billion threshold	<p>A SACCO referred to in this definition meets at least two of the following criteria: (i) Voluntary savings of three billion (3,000,000,000) Uganda shillings and above; or (ii) Institutional capital of three billion (3,000,000,000) Uganda shillings and above (iii) Membership of 500 people and above</p> <p><i>Do you agree with this proposal? Why or why not? If you disagree, please explain what you would suggest instead and why.</i></p>	

4.	Proposal to exclude from the list of PIEs Retirement Benefits Schemes with voluntary and/or institutional capital below the UGX 3 billion threshold	<p>A Retirement Benefits Scheme referred to in this definition meets either of the following criteria:</p> <p>(i) voluntary contributions of three billion (3,000,000,000) Uganda shillings and above; or</p> <p>(ii) Institutional capital of three billion (3,000,000,000) Uganda shillings and above.</p> <p><i>Do you agree with this proposal? Why or why not? If you disagree, please explain what you would suggest instead and why.</i></p>	
5.	Proposal to include within the list of PIEs collective investment schemes	<p>A Collective Investment Scheme.</p> <p><i>Do you agree with this proposal? Why or why not? If you disagree, please explain what you would suggest instead and why.</i></p>	
6.	Proposal to include within the list of PIEs payment system operators	<p>A Payment System Operator.</p> <p><i>Do you agree with this proposal? Why or why not? If you disagree, please explain what you would suggest instead and why.</i></p>	
7.	Proposal to include within the list of PIEs capital market infrastructure providers	<p>A Capital Market Infrastructure Provider.</p> <p><i>Do you agree with this proposal? Why or why not? If you disagree, please explain what you would suggest instead and why.</i></p>	
8.	Proposal to include within the list of PIEs large companies	<p>A large company means an entity limited by guarantee or shares other than an entity already covered under (a), (b), (d), (e), or (f) below, AND which is:</p> <ul style="list-style-type: none"> • A Private Company that is a holding company; or • An Entity engaged by any tier of government in public works with an annual contract sum of two billion (2,000,000,000) Uganda shillings and above, payable from public funds; or • Any Entity to which all of the following conditions are applicable for two consecutive financial years: <ul style="list-style-type: none"> ○ Turnover of One hundred billion (100,000,000,000) Uganda shillings or more ○ Total Assets of Two hundred billion (200,000,000,000) Uganda shillings or more, or ○ Total liabilities of Sixty billion (60,000,000,000) Uganda shillings or more. <p><i>Do you agree with this proposal? Why or why not? If you disagree, please explain what you would suggest instead and why.</i></p>	

3.0 (Draft) Recommended clarifications and enhancements to the revised definition in the updated ICPAU Guidelines for the Implementation of the IFRS for SMEs Accounting Standard (Revised 2024)

Below, we set out our recommendations to clarify and enhance certain revisions in the updated guidelines:

Public interest entity/ publicly accountable entity includes, but is not limited to:

- a) An entity whose debt or equity instruments are traded in a public market (a domestic or foreign stock exchange or an over-the-counter market, including local and regional markets) or is in the process of issuing such instruments for trading in a public market; or*
- b) An entity that holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses. This is typically the case for;
 - i) Financial institutions¹ and micro-finance deposit-taking institutions;*
 - ii) An entity that carries on insurance business under an insurance contract, whether as an Insurer or reinsurer;*
 - iii) Retirement Benefits Schemes²;*
 - iv) SACCOs³; or**
- c) A large company⁴; or*
- d) A payment system operator; or*
- e) A capital market infrastructure provider ((namely; approved and or licensed entity); or*
- f) A collective investment scheme; or*
- g) A public organization, including parastatals, state enterprises, commissions, and authorities; or*
- h) A private entity in which the State has an equity stake of at least 10%; or*
- i) An entity that borrows funds that are guaranteed by the Government of Uganda.*

¹ Financial institution means a company licensed to carry on or conduct financial institution business in Uganda and includes a commercial bank, merchant bank, mortgage bank, post office savings bank, credit institution, a building society, an acceptance house, a discount house, or any institution classified as a financial institution by the Central Bank.

² A Retirement Benefits Scheme referred to in this definition meets the following criteria: (i) voluntary contributions of three billion (3,000,000,000) Uganda shillings and above; or (ii) Institutional capital of three billion (3,000,000,000) Uganda shillings and above.

³ A SACCO referred to in this definition meets at least two of the following criteria: (i) Voluntary savings of three billion (3,000,000,000) Uganda shillings and above; or (ii) Institutional capital of three billion (3,000,000,000) Uganda shillings and above (iii) Membership of 500 people and above

⁴ A large company means an entity limited by guarantee or shares other than an entity already covered under (a), (b), (d), or (e), AND which is:

- A Private Company that is a holding company; or
- An Entity engaged by any tier of government in public works with an annual contract sum of two billion (2,000,000,000) Uganda shillings and above, payable from public funds; or
- Any Entity to which all of the following conditions are applicable for two consecutive financial years:
 - Turnover of One hundred billion (100,000,000,000) Uganda shillings or more
 - Total Assets of Two hundred billion (200,000,000,000) Uganda shillings or more, or
 - Total liabilities of Sixty billion (60,000,000,000) Uganda shillings.

The term 'entity' has been used to refer to a corporation, estate, trust, association, limited liability company, joint venture, or similar organization duly registered and or incorporated or both under any law in force in Uganda.