The claim

Every professional firm publishes the list of what it sells. Almost none writes down the other list: what it will not do — engagements declined, claims never made, shortcuts never taken — regardless of the fee. Where it exists at all, it exists as culture, tested only on the day a refusal becomes expensive.

Our position, written into how this firm works, is that a standing refusal list is a governance instrument, not marketing. The reasoning is mechanical, not moral: a refusal made in advance is cheap, a sentence adopted while no fee is on the table, whereas a refusal under commercial pressure must be produced at the moment the fee is visible, the relationship warm and the rationalisation ready. Case-by-case judgment prices a refusal at its most expensive moment.

The claim is narrow. A written list does not guarantee integrity; without enforcement it is a brochure. What we argue is that the instrument itself — a categorical, written prohibition adopted before the pressure arrives — is what regulators, ethics codes and the behavioural research reach for when judgment under fee pressure cannot be trusted.

The evidence

Start with the strongest precedent: auditor independence law is a legislated refusal list. Rather than ask statutory auditors of public-interest entities to weigh a lucrative mandate against their audit case by case, the European Union wrote the refusals in advance, categorically.

> EVIDENCE
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> Regulation (EU) No 537/2014, Article 5, prohibits a statutory auditor of a public-interest entity, and any member of its network, from providing a defined list of non-audit services — tax, management and decision-making services, bookkeeping and valuation among them — to the audited entity during the audit period; non-prohibited services require prior audit-committee approval.
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> Source: Regulation (EU) No 537/2014, European Parliament and Council, 16 April 2014, EUR-Lex CELEX 32014R0537 · Geography: European Union, statutory audit of public-interest entities · Method: regulation text · SEG-5 · Caveat: binds statutory auditors, not advisory firms; member-state options make the exact list vary.

The United States built the same instrument earlier, by the same logic. Both regimes concede the same thing: the regulator does not trust even a sophisticated professional to decide well while the fee is in view.

EVIDENCE

Section 201 of the Sarbanes-Oxley Act (2002) and SEC Rule 2-01(c)(4) of Regulation S-X enumerate categories of non-audit services — bookkeeping, systems design, valuation, actuarial services, internal audit outsourcing, management functions, legal and expert services among them — whose provision to an audit client impairs auditor independence; the remainder require audit-committee pre-approval.

Source: Sarbanes-Oxley Act of 2002, s. 201; 17 CFR 210.2-01(c)(4), SEC, sec.gov · Geography: United States, auditors of SEC issuers · Method: statute and rule text · SEG-5 · Caveat: governs auditor independence for issuers; it does not regulate consulting firms, and a principles-based test still applies around the list.

Timing is the active ingredient, and the lineage runs back to Schelling: the constraint works because it is adopted before the temptation arrives.

EVIDENCE

Ariely and Wertenbroch (2002) found experimentally that people self-impose costly deadlines to control procrastination, that these precommitments improve performance, and that they are nevertheless less effective than equivalent external constraints — people bind themselves, but imperfectly.

Source: Ariely, D. and Wertenbroch, K., "Procrastination, deadlines, and performance: self-control by precommitment", Psychological Science 13(3), 219-224, 2002 · Geography: US and European study populations · Method: peer-reviewed field and laboratory experiments · SEG-4 · Caveat: the tasks were individual deadlines, not firm engagement decisions; the mapping to a firm's refusal list is our reading.

The professional ethics architecture completes the picture. The IESBA International Code of Ethics works through threats and safeguards, but at defined points it writes a categorical prohibition instead — a firm shall not charge a contingent fee for an assurance engagement, full stop.

Our position, graded as such: the same instrument belongs inside an advisory firm, in writing, before the fee arrives. It is worth most where refusing is hardest. In our corridor — European holding boards deciding for operating companies in Abidjan, Dakar or Lomé, payrolls in CFA francs, revenues consolidated in euros — the advisory market is thin, and declining an engagement can cost a relationship built over years rather than a fee, which is the condition under which case-by-case judgment fails.

Our own list is short, written and dated. We do not take contingent success fees on judgments we grade: a fee that depends on the answer is a thumb on the grade. We do not accept engagements whose conclusion is fixed before the evidence is examined — advocacy dressed as analysis. We do not reuse one client's non-public data in another client's work. And we do not make claims graded above their evidence, at any fee, in either language we publish in.

Evidence cards

CLM-EU-AUDITREG-PROHIBITED-SERVICES · SEG-5. Claim: Regulation (EU) No 537/2014, Article 5, categorically prohibits statutory auditors of public-interest entities and their network members from providing listed non-audit services to the audited entity during the audit period. Context: European Union, texts in force 2026. Method: regulation text. Contradictory evidence: member-state options vary the list; the regime binds auditors, not advisers. Causal confidence: none claimed. Transferability: prohibition-design precedent, not a rule for consulting. Review date: 2026-08-02.

CLM-SEC-SOX-INDEPENDENCE-PROHIBITIONS · SEG-5. Claim: Sarbanes-Oxley s. 201 and SEC Rule 2-01(c)(4) enumerate non-audit services whose provision to an issuer audit client categorically impairs independence, with pre-approval for the remainder. Context: United States, rules in force 2026. Method: statute and rule text. Contradictory evidence: a principles-based standard operates around the list; the regime does not reach advisory firms. Causal confidence: none claimed. Transferability: design precedent only. Review date: 2026-08-02.

CLM-PRECOMMITMENT-DEADLINES · SEG-4. Claim: Ariely and Wertenbroch (2002) found that people self-impose costly deadlines as precommitment devices, that these improve performance, and that they remain less effective than external constraints. Context: peer-reviewed experiments, Psychological Science, 2002; Schelling lineage. Method: field and laboratory experiments. Contradictory evidence: tasks were individual and academic; the firm-level mapping is our interpretation. Causal confidence: moderate within the studied tasks; none claimed for firms. Transferability: mechanism-level only. Review date: 2026-08-02.

CLM-IESBA-CATEGORICAL-PROHIBITIONS · SEG-5. Claim: the IESBA International Code of Ethics (2018 restructured code, with International Independence Standards) operates a threats-and-safeguards framework but imposes categorical prohibitions at defined points, including that a firm shall not charge a contingent fee for an assurance engagement. Context: international code, texts in force 2026. Method: code text. Contradictory evidence: most of the code is judgment-based; national adoption varies. Causal confidence: none claimed. Transferability: professional-code design precedent. Review date: 2026-08-02.

CLM-FIRM-REFUSAL-LIST · SEG-2 (firm position). Claim: a standing, written, dated refusal list with a named waiver authority and a waiver register is a governance instrument, because refusals decided in advance are cheap and refusals under commercial pressure are unaffordable. Context: firm practice in the WAEMU-euro corridor. Method: interpretation anchored on the four cards above; no outcome dataset is cited. Contradictory evidence: lists can be gamed by narrow drafting; a firm can comply with its list and still act against a client's interest; culture may outperform paper. Causal confidence: none claimed. Transferability: bounded to firms selling judgment; the items on our list are ours, not a standard. Review date: 2026-08-02.

The limits

Enforcement, not drafting, separates the instrument from the brochure. Our list is versioned and dated, so a client can see it predates the mandate; any waiver requires a recorded decision by the Managing Partner in a register our assurance process reads, and an unrecorded waiver is a breach, not an exception.

Sources and limitations

Sources and limitations. The institutional facts in this note rest on the text of Regulation (EU) No 537/2014 Article 5, Sarbanes-Oxley s. 201 with SEC Rule 2-01(c)(4), and the IESBA International Code of Ethics, each cited with its caveat; the behavioural mechanism rests on Ariely and Wertenbroch (2002), which examined no advisory firm. The step from those anchors to the refusal-list rule is the firm's position, graded SEG-2: an interpretation consistent with the cited architecture, not a measured result — we cite no dataset comparing firms with and without standing refusal lists, because we found none meeting our standard. The boundary is explicit: the independence regimes cited bind auditors, not consultancies, and we invoke them as design precedent only; nothing here is legal advice on independence law, and nothing here claims that any adviser without a written refusal list acts improperly. On our reading, a refusal list is necessary discipline; it is not sufficient.

What to do on Monday

1. The Chair requests the adviser's refusal list, written and dated before the engagement began, as a condition of the next mandate. If it arrives after the question, refusals are being decided case by case, under pressure.

2. The procuring executive asks for the most recent engagement declined under it, anonymised as professional confidence requires. A list that has never refused anything is marketing by other means.

3. The Managing Partner names one waiver authority, opens the register, and budgets the revenue the firm expects to decline. A list without a named authority is a preference, not a control.

4. The board adopts its own short list, in advance and in the minutes. Related-party terms, guarantee extensions, year-end exceptions: a board that writes its own list buys what it should demand from its advisers.