

Meeting: IESBA
Meeting Location: New York and Virtual
Meeting Date: December 4-8, 13 and 15, 2023

Agenda Item

4

Use of Experts

Objectives

1. To consider the final drafts of the proposed new sections addressing the use of the work of an external expert, and the related consequential amendments to the Code.
2. To approve the proposed new sections for exposure.

Activities Since Last IESBA Discussion in September 2023

3. The Task Force¹ met in-person and virtually during October and November 2023 to develop the agenda materials for this meeting.
4. The final drafts presented take into account comments received at the September Board meeting as well as comments from IESBA participants on the advance drafts of proposed new [section 390](#) and proposed new and revised definitions in the [glossary](#) shared with the Board in October.
5. The Task Force has also carefully considered the latest public interest issues on IESBA projects communicated by the PIOB, and assessed its proposals against the Public Interest Framework (PIF).

Interactions with the IESBA's Sustainability Project

6. As highlighted in the project proposal, the use of experts is critical in the preparation and presentation of sustainability information as well as the assurance of such information. As such, this project is being progressed in tandem with the Sustainability Project.
7. The IESBA's Sustainability Reference Group and the Sustainability Work Stream 2 have provided overarching comments and suggestions on the proposed new section 5390 for the use of external experts in sustainability assurance engagements.

¹ Task Force Members:

- Laurie Endsley, Chair, IESBA Vice-Chair
- Saadiya Adam, IESBA Member
- Sanjiv Chaudhary, IESBA Member
- Andrew Mintzer, IESBA Member
- Luigi Nisoli, IESBA Member

8. The proposed new section 5390 will also be included in the Sustainability ED for completeness. However, to retain the autonomy of both projects, in the Sustainability ED, there will be a cross-reference to specific questions in this ED related to using the work of external experts in a sustainability assurance context.

IAASB-IESBA Coordination Matters

9. In developing the draft proposals, the Task Force coordinated with representatives from the International Auditing and Assurance Standards Board (IAASB) to maintain alignment and interconnectivity between the two Boards' standards as they relate to using the work of an external expert. The discussions focused on (a) avoiding conflicts between the proposals and ISA 620² and other relevant IAASB standards; (b) making sure that the proposed ethics provisions do not include requirements related to the performance of audit or assurance procedures; and (c) the potential for any consequential/conforming amendments to the relevant IAASB standards.
10. In this regard, IAASB Staff have provided comments and suggestions in relation to the draft proposals in the proposed new section 390. Additionally, the IAASB has committed, in its Strategy and Work Plan 2024-2027, to revise relevant IAASB standards for potential consequential and conforming amendments as a result of the finalization of the provisions related to the Use of Experts Project. They will also take into account any resulting impact to proposed ISSA 5000³ during the finalization of that standard.

Action Requested

11. IESBA members are asked to:
- (a) Consider the proposed texts in **Agenda Item 4-A, 4-B, 4-C, 4-D and 4-E**; and
 - (b) Subject to the Board discussion, approve the proposed texts for exposure.

Material Presented

Agenda Item 4-A	Glossary (Mark Up from October IESBA Circulation, September, and Extant)
Agenda Item 4-B	Part 3 Proposed Revisions (Mark Up from Extant) and New Section (Mark Up from October IESBA Circulation)
Agenda Item 4-C	Part 3 Proposed New Section (Mark Up from September)
Agenda Item 4-D	Part 2 Proposed Revisions and New Section (Mark-Up from Part 3)

² International Standard on Auditing (ISA) 620, *Using the Work of an Auditor's Expert*

³ Proposed International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance Engagements*

Agenda Item 4-E	Part 5 Equivalent of Part 3 for Sustainability Assurance (Mark-Up from Part 3)
Agenda Item 4-F	Proposed Consequential Amendments (Mark Up from Extant)
Agenda Item 4-G	For Reference: Draft IESBA CAG September Report-Back

Next Steps

12. Subject to the IESBA's approval of the Exposure Draft (ED), the Task Force will circulate the draft Explanatory Memorandum for the Board's consideration in January 2024, with a view to releasing the Use of Experts ED in conjunction with the Sustainability ED by the end of January 2024.