Sustainability – Draft Project Proposal (Use of Experts)

A. Subject

1. This project proposal relates to IESBA’s plan to develop revisions to the *International Code of Ethics for Professional Accountants (including International Independence Standards (IIS))* (the Code) to address the specific ethics and independence issues that might arise when experts work alongside professional accountants (PAs) in business (PAIBs) and in public practice (PAPPs).

B. Background

*Extant Code Provisions Relating to Using the Work of an Expert*

2. The Code does not expressly specify ethics requirements for experts (whether external or internal) working alongside PAs. However, extant paragraphs R220.7 to 220.7 A1 and R320.10 to 320.10 A1 of the Code are relevant to a PA’s use of the work of others or experts. Specifically, these provisions cover internal experts within an employing organization or a firm.

   - In relation to preparing and presenting information, a PA who intends to rely on the work of other individuals, either internal or external to the employing organization, other organization is required to exercise professional judgment to determine the appropriate steps to take, if any, in order to fulfil the overarching requirements relating to preparing and presenting information in extant paragraph R220.4 of the Code.

   - With respect to situations in which a PAPP intends to use the work of an expert, extant paragraph R320.9 requires the PAPP to determine whether the use is warranted.

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1. For purposes of this document, the reference to extant Code is the 2022 edition of the IESBA Handbook which includes the most recent IESBA-approved revisions approved by the IESBA.
2. These provisions are subject to technology-related revisions. See Agenda Item 5.
3. Under extant paragraph R220.4 of the Code, PAs preparing and presenting information (including sustainability information) are required to:

   (a) Prepare or present the information in accordance with a relevant reporting framework, where applicable;

   (b) Prepare or present the information in a manner that is intended neither to mislead nor to influence contractual or regulatory outcomes inappropriately;

   (c) Exercise professional judgment to:

      (i) Represent the facts accurately and completely in all material respects;

      (ii) Describe clearly the true nature of business transactions or activities; and

      (iii) Classify and record information in a timely and proper manner;

   (d) Not omit anything with the intention of rendering the information misleading or of influencing contractual or regulatory outcomes inappropriately;

   (e) Avoid undue influence of, or undue reliance on, individuals, organizations or technology; and

   (f) Be aware of the risk of bias.
• The extant Code:
  o Provides examples of Factors for the PA to consider in making this determination (see paragraph 220.7 A1 and 320.10 A1).
  o Notes that “using an expert” is as an example of a safeguard that might address self-interest threats to the fundamental principles of professional competence and due care (see extant paragraphs 230.3 A4 and 320.3 A5).

Independence Considerations
3. The Code’s Glossary definition of “engagement team” expressly excludes external experts engaged by a firm or a network firm. This position mirrors the approach in the extant International Standard on Auditing (ISA) 220 (Revised), Quality Management for an Audit of Financial Statements and was not subject to revisions as a result of the IESBA’s Engagement Team Group Audit Independence (ET-GA) project.

IAASB Standards Relating to Using the Work of an Expert
5. International Standard on Auditing (ISA) 620, Using the Work of an Auditor’s Expert deals with the auditor’s responsibilities relating to the work of an individual or organization in a field of expertise other than accounting or auditing, when that work is used to assist the auditor in obtaining sufficient appropriate audit evidence. In particular, ISA 620 provides requirements to addresses the auditor’s responsibilities in relation to evaluating whether the auditor’s expert has the necessary competence, capabilities and objectivity.

6. For external experts engaged by a firm or a network firm in the context of an assurance engagement, ISAE 3000 (Revised) provides guidance when the work of a practitioner’s expert is to be used. This is also highlighted in the IAASB’s non-authoritative guidance on “Applying International Standard

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4 Extant 230.3 A4 states “Examples of actions that might be safeguards… include obtaining assistance or training from someone with the necessary expertise.”

5 Under the Code an external expert is defined as “An individual (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) or organization possessing skills, knowledge and experience in a field other than accounting or auditing, whose work in that field is used to assist the professional accountant in obtaining sufficient appropriate evidence.”

6 This position mirrors the approach in the extant International Standard on Auditing (ISA) 220 (Revised) which, by virtue of the exclusion of external experts from the definition of “engagement team” (ET), did not subject these individuals to the same requirements that apply to ET members. This approach by the IAASB recognizes that, given the specialized nature of external experts’ work, it would not be appropriate to apply the same level of direction, supervision and review over them as applies to ET members.

7 See ISA 620, paragraph 1.

8 See ISA 620, paragraph 9, which also requires the auditor to inquiry about interests and relationships that may create a threat to the expert’s objectivity.

9 International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information

10 See paragraphs A121 to A135 of ISAE 3000 (Revised).
on Assurance Engagements (ISAE) 3000 (Revised) to Sustainability and Other Extended External Reporting Assurance Engagements.”

7. The IAASB’s standards also deals with the auditor’s use of the work of a management expert (i.e., an individual or organization possessing expertise in a field other than accounting or auditing, whose work in that field is used by the entity to assist the entity in preparing the financial statements). This is dealt with in the recently approved Exposure Draft, Proposed ISA 500 (Revised), Audit Evidence and Proposed Conforming and Consequential Amendments to Other.

8. Proposed ISA 500 (Revised) builds on the extant overarching requirement to evaluate the relevance and reliability of information intended to be used as audit evidence; and focuses the auditor on understanding how management has considered the appropriateness of such information, including any modifications made by management. If information intended to be used as audit evidence has been prepared by a management’s expert, as part of the auditor’s evaluation, the auditor is required to: (i) Evaluate the competence, capabilities and objectivity of that expert; (ii) Obtain an understanding of the work performed by that expert; and (ii) Obtain an understanding about how the information prepared by that expert has been used by management in the preparation of the financial statements (see paragraphs 9-11 of Proposed ISA 500 (Revised)).

Relevant IESBA’s Discussions

9. The IESBA notes that the Public Interest Oversight Board (PIOB) and several stakeholders have raised questions about the applicability of the Code to experts that work alongside PAs. This question was raised in the context of the ET-GA, technology and tax planning projects. It has also been identified as a matter for consideration by the Sustainability Working Group. Accordingly, at its September 2022 meeting, the IESBA asked the Sustainability Working Group to develop a project proposal for consideration with a view to approve at its November/December meeting.

10. The specific issues identified are set out in Section E of this paper.

Public Interest Framework

11. The IESBA leveraged the Public Interest Framework (PIF) published by the Monitoring Group in July 2020 (as part of their report, Strengthening the International Audit and Ethics Standard-Setting System) in developing this project proposal to articulate the public interest responsiveness of the project. Among other things, the PIF sets out the considerations essential to the judgments needed in the development of standards. Although the IESBA is not yet required to implement the PIF, it is likely this project will be in progress and completed when the PIF is implemented. Therefore, the elements of the PIF deemed applicable and relevant to this project have been tailored and used as the basis for this project proposal, while still adhering to the due process requirements currently in place. However, as the PIF is being implemented as part of the Monitoring Group reforms, there may

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11 It also includes additional guidance on the evaluation of competence and objectivity of the practitioner’s expert, and notes that while written in the context of using the work of a practitioner’s expert, such guidance and the relevant paragraphs of ISAE 3000 (Revised) may also provide helpful guidance when using work performed by a management’s expert, or an internal auditor.

12 The IAASB finalized proposed revisions to ISA 500 in September 2022. The exposure draft is currently out for comment with a deadline of April 2023 and the new standard is anticipated to be finalized in June 2024. Among other matters, the proposed revisions enhance and clarify the auditor’s responsibilities when using information intended to be used as audit evidence that has been prepared by a management’s expert.
be elements of the PIF that are relevant to standard setting that will be further developed for the IESBA’s work more broadly in the future.

12. Throughout the duration of the project, the IESBA will benefit from the independent, direct oversight by the PIOB, and will remain transparent and adhere to the IESBA’s agreed strategies, due process, and the need to be responsive to the public interest.

13. This project proposal describes the project objectives that support the public interest, as well as the project scope for the work that will be undertaken in the project.

C. Project Objectives that Support the Public Interest

Objective

14. Considering the stakeholders whose interests are to be served (see Section G), the objective of the project is to develop revisions to the Code, to address:

(a) Ethics and independence provisions considerations for the use of an external expert in audit and assurance engagements; and

(b) Ethics considerations regarding the involvement of an expert (both internal or external to the employing organization or firm) in the preparation and presentation of financial and non-financial information, including sustainability information.

15. It is envisioned that such revisions will serve to maintain the Code’s robustness and relevance as a cornerstone of public trust in the global accountancy profession.

16. There is a public interest need to have these standards available for use at the same time as the forthcoming IAASB’s overarching sustainability assurance standard.

D. Project Scope

17. The scope of the proposed revisions will encompass the entire Code, including:

- Part 2 – Professional Accountants in Business;
- Part 3 – Professional Accountants in Public Practice; and
- Parts 4A and 4B – International Independence Standards.

18. The experts project Task Force will develop the proposed revisions that build on the revisions to the Code arising from the Technology and ET-GA projects that IESBA anticipates approving at its November/December 2022 meeting. This includes:

- The technology-related revisions to extant paragraphs R220.7 to 220.7 A1 and R320.10 to 320.10 A1 related to the PA’s use of the work of others or an expert.
- The ET-GA revisions to the Glossary definition of assurance team to consider those engaged by a firm who can directly influence the outcome of the assurance engagement, and refinements to the Glossary definition of engagement team to provide more explicit references to the relevant ISAs.

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13 It is anticipated that revisions to the provisions in Part 1, Complying with the Code, Fundamental Principles and Conceptual Framework of the Code will be limited.
E. Approach to Developing Standards

19. While the scope of the project is broad, it is intended to focus on the specific issues that have been raised about the relevance of the Code in relation to PA's use of experts, including in sustainability reporting and assurance.

Specific Issues Identified

20. Among other matters, the ET-GA project highlighted the need to clarify and enhance the independence principles that apply when experts that are not audit team members (i.e., external experts) are involved in a group audit.

21. During the IESBA’s deliberations in developing the revised ET definition for the ET-GA project, questions were raised (including by the PIOB) as to whether external experts should be subject to independence requirements in audits and other assurance engagements. Therefore, the ET-GA project has refined the reference to ISA 620 in the explanatory material attached to the engagement team definition in the Glossary to (a) further align the determination of auditor’s experts to the determination in ISA 620, and (b) clarify that ISA 620 deals with the auditor’s responsibilities relating to the work of such experts.

22. The PIOB has observed that given the growing involvement of experts in areas such as estimates and technology and, in particular in sustainability, it is in the public interest to assess whether the nature of their work and contribution to the audit opinion requires further independence requirements, similar to other individuals that are part of the engagement team. The PIOB recommended that IESBA and IAASB consider the issue of external experts in the Code and through a revision of ISA 620 when next considering the Boards’ strategies and work plans.

23. In addition, responses to IESBA’s strategy survey 2022, the ET-GA ED, feedback from the Tax Planning Global Roundtables, as well as the Technology Working Group’s fact-finding work recognize the importance of reviewing the ethics and independence issues arising from the use of an expert by a PA. In particular, the following comments or observations have been raised:

- Whether the role and independence of experts providing sustainability-related services is sufficiently accommodated in the Code. It was suggested that the IESBA consider the impact of the use of experts in Part 4B of the Code, noting that the use of experts providing sustainability-related services is likely to increase with the increase in demand for reporting of sustainability/ESG information. In this regard, the IESBA noted in September 2022 that the ET-GA project is aimed at aligning the Code’s provisions with the requirements in ISA 600 (Revised) which only apply to group audit engagements. Therefore, potential future...

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14 The Code indicates that engagements teams include all partners, staff and any other individuals who perform procedures under the engagement. As part of the ET-GA revisions to the Code, the use of the defined term “engagement team” is used only in Parts 4A and 4B of the Code. In Parts 1-3 of the Code, the word “team” is used.

15 See footnote 5 of this paper for the Glossary definition of the external experts.

16 See the PIOB’s September 2022 and November 2022 Public Interest Issues Reports.

17 See paragraph 23 of Agenda Item 5-A of the IESBA September 2022 meeting materials which provides a summary of the ET-GA Task Force’s analysis of the responses to the ET-GA Exposure Draft.
consideration can be made regarding whether further changes are needed in relation to the involvement of experts or other individuals in an assurance engagement.18

• There is a growing trend in the use of experts in audits as well as other assurance services. It is anticipated that as PAs get increasingly involved in sustainability reporting and assurance activities, there be a further increase the use of experts and that there will be more questions related to ethics (including independence) issues. This will become even more relevant if the scope of the Code were to be expanded to cover sustainability assurance providers who are not PAs.19

• Preparing and presenting financial and, in particular, non-financial information (e.g., sustainability information) typically involve the assistance of, or reliance upon, technology experts. The question arose as to the factors that PAs should consider when gaining confidence that a technology expert can be trusted and relied-upon to make ethically appropriate decisions (i.e., decisions that are in alignment with the Code’s fundamental principles of ethics), and to what extent the Code could service as the basis for an evaluation approach.20

• PAs who are not equipped with the necessary expertise or experience to advise the client or employing organization in certain situations need to rely upon the judgments of other firms or experts that have the appropriate competencies.21 PAs would then need to assume that these firms or experts will operate within a similar ethical framework as the PAs.22

Consultation with Stakeholders

24. The project will involve consultations with various stakeholders23 at appropriate points during the development of the revisions. This will be conducted in tandem with the Sustainability Task Force, including global roundtables tentatively planned for the first half of 2023 with various stakeholders including PAs in business.

25. Such consultation will supplement, but not replace, the IESBA’s ongoing outreach, liaison and consultation activities, including its interactions with the IESBA Consultative Advisory Group (CAG),24 the NSS, PAs in business, the Forum of Firms, and certain regulators (i.e., IOSCO and IFIAR). As appropriate, the learnings and insights from these consultations will inform the scope and timeline for the project.

26. In relation to sustainability, there is a need to conduct further outreaches to better understand how experts (both internal and external to a firm or employment organization) are used. Such further

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18  Paragraph 169 of ET-GA September 2022 Paper
20  Recommendation F and paragraphs 207 to 209 of the Technology Working Group (TWG) draft Phase 2 Final Report
21  This is contemplated under the Code under paragraph 230.3 A4 in Section 230, Acting with Sufficient Expertise.
22  Paragraph 31 of Tax Planning September 2022 Paper
23  Many stakeholder constituencies are represented on the IESBA Consultative Advisory Group (CAG).
24  In 2024, the IESBA and IAASB CAGs will be replaced with the Stakeholder Advisory Council (SAC) as contemplated under the Monitoring Group reforms.
information will facilitate the identification of the independence and ethical issues, analysis of its public interest impact, and development of revisions to address such issues when experts are used by firms and employing organizations. It takes into consideration the comments and observations noted above.

27. Among other matters which might be identified from future outreaches and information gathering, the project will consider:

- Whether external experts engaged by a firm in audit and assurance engagements are able to comply with the independence requirements that apply to the firm. This might involve an analysis of the nature of the external experts work and contribution to the audit and assurance report.
- Whether the Code should emphasize the importance of a PA assessing the extent to which an expert being used and relied upon behaves in alignment with the Code’s fundamental principles, and the factors to consider in making such an assessment. 25
- This might involve an analysis of whether a PA has the practical ability to undertake such assessment, how such assessment might be conducted in practice, and what are the practical implications should a PAIB or PAPP not be able to conduct such assessment.

**Coordination with other IESBA Workstreams**

28. As highlighted in the preceding paragraphs, the use of experts is critical in the preparation and presentation of sustainability information, including the assurance and audit of such information. As such, it is planned that this project will be progressed in tandem with the Sustainability Project. In addition, it is envisioned that the future Task Force will need to coordinate its effects with the Tax Planning Task Force to address issues that might arise when PAs use of experts in undertaking tax planning and related activities.

**Coordination with the IAASB**

29. Close consideration of the IAASB will be required. Specifically, it is observed that the IAASB identified a potential review of ISA 620 as a possible new standard setting project to commence in 2022 to 2023. In addition, the project Task Force will monitor the IAASB’s finalization of their project to revise ISA 500. Finally, it is anticipated that the IAASB’s ongoing sustainability and fraud projects might touch on the topic of experts.

**Non-authoritative Material**

30. As the project evolves, opportunities might be identified for the IESBA to commission non-authoritative material to support and promote adoption and implementation of the principles-based framework in the Code. If so, the project will develop recommendations for the IESBA’s consideration, including potential collaboration with IFAC and others.

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25 See recommendation F of the Technology Working Group’s Phase 2 Report. The recommendation notes that such potential guidance would be applicable whenever experts are used (e.g., technology, tax planning, sustainability) and goes beyond independence considerations.
F. How the Project Serves the Public Interest and Impact Analysis

How the Project Serves the Public Interest

31. Key public interest outcomes this project seeks to achieve are:

(a) Promoting consistent and ethical basis with which PAs in business and in public practice use experts in their professional activities and services, consistent with their responsibility to act in the public interest;

(b) Raising awareness about threats to compliance to the fundamental principles associated with using experts who are presumed to be ethical;

(c) Protecting and strengthening the PA’s role and reputation when using experts, especially relevant as sustainability information needs are on the rise; and

(d) Strengthening independence of firms when experts are used in audit and assurance.

Impact Analysis Considerations

32. In line with the PIF’s qualitative characteristics used to describe the assessment of a standard’s responsiveness to the public interest, the qualitative characteristics to be considered when finalizing this project include whether the revised standard:

- Is consistent with the identified public interest objectives set out for the project (see Section C).
- Operates coherently with the Code’s “building blocks” architecture and drafting conventions.
- Has responded, as appropriate to differing circumstances, emerging issues, changes in business or public practice environments, developments in accounting practices, or changes in technology.
- Reflects the results of broad consultation and has balanced stakeholder priorities.
- Has been developed with sufficient clarity and conciseness to support proper intended application and minimize the likelihood of differing interpretations.
- Is capable of being implemented effectively, and consistently applied globally.

33. As the project advances, costs and benefits will be an important consideration as the IESBA evaluates options and the practical impact of any potential changes to the Code. At a general level, however:

- The project output(s) is expected to benefit the stakeholders set out in Section G below by providing clear and robust ethics and independence requirements and guidance for sustainability reporting and assurance.
- There will be costs associated with adoption and implementation at the national level and within firms, including translation, awareness-raising and training. In addition, legal and regulatory action might be needed at the jurisdictional level.

34. The project will be especially mindful of the importance of avoiding unnecessary complexity, which may undermine understandability and clarity, given the wide range of experts used for various purposes around the world.
G. Implications for any Specific Persons or Groups

35. The project has implications for a wide range of stakeholders in the financial and non-financial reporting supply chain, in particular:

   (a) TCWG in relation to their interactions with auditors on independence matters, and the regulatory and audit oversight community in relation to enforcement of independence requirements.

   (b) Audit clients and investors that rely on the audit when audit firms who use experts to provide their professional services to those clients.

   (c) National standard setters (NSS) and IFAC member bodies that have adopted the Code or used it as a basis or a benchmark for their own ethics and independence standards.

   (d) Firms that are subject to the requirements of the Code and/or national ethics and independence standards that are based on the Code.

36. This project will aim to serve the interests of relevant stakeholders by addressing key issues and challenges and has implications for a wide range of stakeholders in the financial and non-financial reporting supply chain. These include:

   (a) Users of financial and non-financial information (“the users”) – this may include a broad range of stakeholders, including investors, lenders, and other creditors, who may use the sustainability information to make capital asset allocation decisions, as well as other users who may be interested in the impact of the organization, including consumers, taxpayers, employees, competition and prudential authorities, central banks and bodies in charge of financial stability oversight, and those granting public contracts. It may also include suppliers and nongovernmental organizations.

   (b) Experts (both external and internal) involved in sustainability reporting and assurance; and experts involved in other sustainability assurance providers who are not PAs.

   (c) Those in charge of adoption, implementation, and enforcement of the standards as well as monitoring of the capital markets who rely on such standards – including firms that are subject to the requirements of the Code and/or national ethics and independence standards that are based on the Code; NSS and IFAC member bodies that have adopted the Code or used it as a basis or a benchmark for their own ethics and independence standards; regulators and inspectors; market authorities; public sector bodies; and professional accountancy organizations.

   (d) Preparers – management, for entities of all sizes, in either the public or private sectors.

   (e) Those charged with governance (TCWG) in relation to their interactions with auditors on independence matters, and the regulatory and audit oversight community in relation to enforcement of independence requirements.

   (f) Small-medium Entities and Practitioners (SME/ SMP) – Depending on the nature of the proposals, there may be particular implications for smaller practices that audit small- and medium-sized entities. The IFAC SMP Advisory Group will be kept apprised of developments
to ensure that the IESBA receives appropriate input from the Committee at key stages of the project.

37. In line with the PIF, standard setting that is in the public interest requires a process that gathers views from all stakeholders, with a focus on assessing the merits of the various stakeholder views, irrespective of whether the views are a majority or a minority. The public interest of standards cannot be ensured through a mere aggregation of all stakeholder interests, rather the public interest requires weighing and balancing all stakeholder views.

38. In order to address the public interest as contemplated by the PIF, and to achieve the objectives of this project proposal, the project will:

(a) Consider all stakeholder input and identify the different stakeholder interests that affect the overall objectives that will achieve the public interest;

(b) Appropriately weigh the input in terms of the public interest impact of the relative stakeholder interests; and

(c) Appropriately balance alternative outcomes in terms of the expected responsiveness to the public interest.

Although the PIF sets out a framework for how the public interest will be addressed, the approach for considering stakeholder interests and how they are weighed is largely consistent with how stakeholder input is currently considered on IESBA’s projects (i.e., judgment is applied).

H. Development Process, Project Output and Project Timetable

Development Process

39. The project will follow the IESBA’s due process, including seeking input and advice from the IESBA CAG and the perspectives of the NSS.

Project Output

40. It is anticipated that the output of the project will be targeted revisions to the Code, in particular to Parts 2, 3, 4A and 4B.

41. Depending on the issues identified, the project Task Force may bring forward other relevant matters for the IESBA’s consideration. These may include recommendations for the development of non-authoritative material or issues to be addressed as part of future standard-setting projects.

Project Timetable

42. Subject to the IESBA’s approval of the project proposal, this project will commence immediately. The specific project milestones and outputs will depend on the matters that the project Task Force

26 See the PIF’s sections on “For whom are standards developed?” and “How is the public interest responsiveness of a standard assessed?” (on pages 20-21 and 23-24, respectively, of the Monitoring Group’s report).

27 This project will recognize the importance of all stakeholders but will focus on users of sustainability reporting. See the PIF’s section on “For whom are standards developed?” (on pages 20-21 of the Monitoring Group’s report).

28 See the PIF’s section on “How are the interests of users best served?” (on pages 21-22 of the Monitoring Group’s report).
ultimately determines are appropriate to address as part of the project, and the priorities assigned to those matters.

43. The timeline for the use of experts project is being aligned to the timeline for the sustainability project for which extensive stakeholder consultation, including with PAs and non-PAs is planned (see Agenda Item 3-A). There is a need for accelerated action to align the finalization of the IESBA’s workstreams related to sustainability assurance with that of the IAASB’s. Accordingly, in addition to the IESBA’s scheduled quarterly meetings, an additional virtual meeting will be scheduled each quarter to facilitate Board discussion about specific matters.

44. Additional IESBA meetings might need to be scheduled each quarter to facilitate discussions about specific matters.

45. The table below provides indicative timing for the project. This timeline is subject to refinements based on the learnings and insights from stakeholder consultation, including the feedback from the NSS, the CAG and global roundtables.

46. The IESBA will prioritize the project and allocate sufficient Board plenary time to deliberate significant matters. It will also allocate sufficient time to consult with:

- Key stakeholders (such as regulators, assurance oversight bodies, other standard setters and the GPPC) and experts in sustainability and assurance.
- The CAG or SAC, as appropriate, on significant issues relevant to the project.
- The PIOB on public interest issues relevant to the project.

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<tr>
<th>Timing</th>
<th>Milestone</th>
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<tr>
<td>December 2022</td>
<td>Discussion of project proposal with IESBA</td>
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<td></td>
<td>IESBA approval of project proposal</td>
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<tr>
<td>February-March 2023</td>
<td>Discussion of issues with NSS, IESBA CAG and IESBA</td>
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<tr>
<td>April/ June 2023</td>
<td>First read of proposals to IESBA CAG and IESBA</td>
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<tr>
<td>September 2023/ December 2023</td>
<td>Discussion with IESBA CAG</td>
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<td></td>
<td>IESBA consideration and approval of Exposure Draft (ED)</td>
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<tr>
<td>June 2024</td>
<td>High-level update to IESBA</td>
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It is anticipated that the Experts Exposure Draft will be finalized at the same time as the Sustainability Exposure Draft (see Agenda Item 3-A). Under the IESBA’s Due Process and Working Procedures, the exposure period for a draft international pronouncement issued by the IESBA is ordinarily 90 days, however a shorter or longer exposure period may be set when appropriate. Given this project is a focused nature of the standard setting project, the 90 days comment period appear to be sufficient.

The exposure period is determined concurrently with the approval of the exposure draft, which may in turn result in adjustments to the overall timeline for the completion of the project.
I. **Resources Required**

47. A project Task Force consisting of four IESBA representatives, including an IESBA member as Chair will be established.

48. IESBA Staff will provide support to the project Task Force.
Appendix

Comments by Standard-Setting Board (SSB)/IFAC Technical Managers

Due process requires that project proposals be circulated to SSB Staff and IFAC Staff for the technical areas within, or supported by, IFAC for comments on any matters of possible relevance to the project.

Kevin Dancey (CEO – IFAC) on behalf of:

- IFAC Quality and Development Department
- IFAC Education Initiative
- IFAC Professional Accountants in Business (PAIB) Advisory Group
- IFAC Small and Medium Practices (SMP) Advisory Group
- Transnational Auditors Committee (TAC)

[insert]

Senior Staff to International Auditing and Assurance Standards Board (IAASB)

[insert]

Senior Staff to the International Public Sector Accounting Standards Board (IPSASB)

[insert]