

**Meeting:** IESBA  
**Meeting Location:** New York  
**Meeting Date:** September 16-20, 2024

## Agenda Item 3 (Updated)

### Using the Work of an External Expert

#### I. Objectives

1. To consider the significant comments raised by respondents to the Exposure Draft (ED), [Using the Work of an External Expert](#).
2. To provide input on the Task Force's responses to the significant comments on the ED and the related revisions to the proposed ED text.

The Task Force welcomes advance comments on its proposed revisions to the ED text (in particular, **Agenda Items 3-B and 3-C**) by September 13, 2024.

Please email [kamleung@ethicsboard.org](mailto:kamleung@ethicsboard.org).

#### II. Background and Activities Since Last IESBA Meeting

3. On January 26, 2024 the IESBA issued proposed revisions to the [International Code of Ethics for Professional Accountants \(including International Independence Standards\)](#) (the Code) as set out in the Exposure Draft, [Using the Work of an External Expert](#) (ED), with a comment deadline of April 30, 2024. See the **Appendix** for a complete list of the comment letters received, categorized by stakeholder group and region.
4. The Task Force met in person in July and held virtual meetings in August to review and analyze all respondents' comments, and to develop proposed revisions to the ED text in light of the feedback from the ED respondents.

#### III. Coordination with the IAASB

5. The Task Force met with IAASB representatives four times to discuss the key issues of coordination highlighted by ED respondents, namely regarding the ED definition of "expertise" and the approach to evaluating an external expert's competence, capabilities and objectivity (CCO). Coordinated and aligned positions are reflected in the revised text.

#### IV. Matters for IESBA Consideration

6. During the September 2024 meeting, the Task Force<sup>1</sup> Chair and Staff will walk through the key issues and proposed Task Force responses. IESBA members will be asked to provide feedback and

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<sup>1</sup> The Task Force comprises: Laurie Endsley, Chair, IESBA Vice-Chair; Saadiya Adam, IESBA Member; Andy Mintzer, IESBA Member; and Luigi Nisoli, IESBA Member

direction on the matters raised during the presentation, as well as the proposed revisions to the ED text set out in **Agenda Items 3-B to 3-F**.

**V. Next Steps**

7. The Task Force plans to meet during the September 2024 Board meeting week and in October 2024 to consider the input received in finalizing the revised text for IESBA consideration and approval at the December 2024 meeting.

**Material Presented**

Agenda Item 3-A	Summary of Significant Exposure Draft Comments and Task Force Responses
Agenda Item 3-B	Glossary – Proposed Revisions (Mark-up from ED)
Agenda Item 3-C	Section 390 – Proposed Revisions (Mark-up from ED)
Agenda Item 3-D	Section 290 – Proposed Revisions (Mark-up from ED)
Agenda Item 3-E	Section 5390 – Proposed Revisions (Mark-up from ED)
Agenda Item 3-F	Proposed Consequential Amendments (Mark-up from Extant)
Agenda Item 3-G	Paragraphs R220.7 to 220.7 A2 and 320.11 A1 to A2 (Mark-up from ED)
Agenda Item 3-H	For Reference Only: Compilation of ED Comment Letters by Question

## Appendix

### Comment Letters on Exposure Draft

#	Abbrev.	Respondent (64)	Region
<b>Regulators and Oversight Authorities, Including Monitoring Group (MG) members (10)</b>			
1.	ACRA	Accounting and Corporate Regulatory Authority (Singapore)	AP
2.	BAOA	Botswana Accountancy Oversight Authority	MEA
3.	CEAOB <sup>2</sup>	Committee of European Auditing Oversight Bodies	EU
4.	IFIAR <sup>3</sup>	International Forum of Independent Audit Regulators	Global
5.	IOSCO <sup>4</sup>	International Organization of Securities Commission	Global
6.	IRBA	Independent Regulatory Board for Auditors	MEA
7.	IAASA	Irish Auditing and Accounting Supervisory Authority	EU
8.	NASBA	National Association of State Boards of Accountancy (US)	NA
9.	PAAB	Public Accountants and Auditors Board Zimbabwe	MEA
10.	UK FRC	United Kingdom Financial Reporting Council	UK
<b>Public Sector Organizations (2)</b>			
11.	GAO	United States Government Accountability Office	NA
12.	UNCTAD-ARL	UNCTAD Latin America Regional Alliance	LA
<b>Academia and Research Institutes (2)</b>			
13.	AFAANZ	Auditing and Assurance Standards Committee of the Accounting and Finance Association of Australia and New Zealand	AP
14.	CCPA	College of Public Accountants Costa Rica	LA
<b>Independent<sup>5</sup> National Standard Setters (2)</b>			
15.	APESB	Accounting Professional & Ethical Standards Board (Australia)	AP
16.	NZAuASB	New Zealand Auditing & Assurance Standard Board	AP

<sup>2</sup> CEAOB represents auditing oversight bodies in all 27 EU member states.

<sup>3</sup> IFIAR consists of independent audit regulators from 56 jurisdictions representing Africa, North America, South America, Asia, Oceania, and Europe. IFIAR is a MG member.

<sup>4</sup> IOSCO represents securities regulators in more than 130 jurisdictions, representing more than 95% of the world's securities markets. IOSCO is a MG member.

<sup>5</sup> NSS that have a mandate to set national ethics standards, including independence requirements, in their jurisdictions and which do not belong to PAOs are categorized as "Independent National Standard Setters."

The IESBA has a liaison relationship with a group of NSS (both independent NSS and organizations that hold dual NSS-PAO roles) that share the common goal of promulgating high-quality ethics standards, including independence requirements, and seeking convergence for those standards.

#	Abbrev.	Respondent (64)	Region
<b>Investors (2)</b>			
17.	IMPAX	Impax Asset Management	Global
18.	SAAJ	Securities Analysts Association of Japan	AP
<b>Professional Accountancy Organizations (PAOs)<sup>6</sup> (33)</b>			
19.	ACCA δ	Association of Chartered Certified Accountants	GLOBAL
20.	AE <sup>7</sup>	Accountancy Europe	EU
21.	AICPA δ	American Institute of Certified Public Accountants Professional Ethics Executive Committee	NA
22.	AIC	Asociacion Interamericana de Contabilidad	LA
23.	BICA δ	Botswana Institute of Chartered Accountants	MEA
24.	CA ANZ	Chartered Accountants Australia and New Zealand	AP
25.	CAI δ	Chartered Accountants of Ireland	EU
26.	CACR	Chamber of Auditors Czech Republic	EU
27.	CPAA	CPA Australia	AP
28.	CPAC δ	Chartered Professional Accountants Canada Public Trust Committee	NA
29.	CFAR	Chamber of Financial Auditors of Romania	EU
30.	CNCC-CNOEC δ	Compagnie Nationale des Commissaires aux Comptes and Conseil National de L'Ordre Des Experts-Comptables	EU
31.	FACPCE	Federación Argentina de Consejos Profesionales de Ciencias Económicas	LA
32.	GAA <sup>8</sup>	Global Accounting Alliance	GLOBAL
33.	HKICPA δ	Hong Kong Institute of Certified Public Accountants	AP
34.	IBRACON- CBPS-CFC δ	Instituto dos Auditores Independentes do Brasil, Comitê Brasileiro de Pronunciamentos de Sustentabilidade, and Conselho Federal de Contabilidade	LA
35.	ICAS δ	The Institute of Chartered Accountants of Scotland	UK
36.	ICAEW δ	Institute of Chartered Accountants in England and Wales	UK
37.	IDW δ	Institut der Wirtschaftsprüfer (Germany)	EU
38.	IFAC <sup>9</sup>	International Federation of Accountants	GLOBAL
39.	INCP	Colombia National Institute of Public Accountants	LA

<sup>6</sup> For purposes of this categorization, a PAO is a member organization of professional accountants, of firms, or of other PAOs. PAOs include but are not limited to IFAC member bodies. **PAOs that have full, partial or shared responsibility for setting national ethics standards, including independence requirements, in their jurisdictions are indicated with a “δ”.**

<sup>7</sup> AE represents 50 members from 35 countries.

<sup>8</sup> GAA represents 10 PAOs.

<sup>9</sup> IFAC represents over 180 PAOs in more than 135 jurisdictions.

#	Abbrev.	Respondent (64)	Region
40.	IPA	Institute of Public Accountants (Australia)	AP
41.	ISCA δ	Institute of Singapore Chartered Accountants	AP
42.	JICPA δ	Japanese Institute of Certified Public Accountants	AP
43.	KICPA	Korean Institute of Certified Public Accountants	AP
44.	MIA δ	Malaysian Institute of Accountants	AP
45.	MICPA δ	Malaysian Institute of Certified Public Accountants	AP
46.	NBA δ	Royal Netherlands Institute of Chartered Accountants	EU
47.	NYSSCPA	New York State Society of CPAs	NA
48.	PICPA	Pennsylvania Institute of Certified Public Accountants	NA
49.	SAICA δ	South African Institute of Chartered Accountants	MEA
50.	SOCPA δ	Saudi Organization for Chartered and Professional Accountants	MEA
51.	WPK δ	Wirtschaftsprüferkammer (Germany)	EU
<b>Accounting Firms<sup>10</sup> and Sole Practitioners (13)</b>			
52.	ASSIREVI	Association of the Italian Audit Firms	EU
53.	BDO*	BDO International Limited	GLOBAL
54.	BKTI*	Baker Tilly International	GLOBAL
55.	CROWE*	Crowe Global	GLOBAL
56.	DTTL*	Deloitte Touche Tohmatsu Limited	GLOBAL
57.	GTIL*	Grant Thornton International Limited	GLOBAL
58.	EY *	Ernst & Young Global Limited	GLOBAL
59.	KPMG*	KPMG IFRG Limited	GLOBAL
60.	Mazars*	Mazars Group	GLOBAL
61.	MO	Mo Chartered Accountants (Zimbabwe)	MEA
62.	PKF*	PKF Global	GLOBAL
63.	PwC*	PricewaterhouseCoopers International Limited	GLOBAL
64.	RSM*	RSM International	GLOBAL

<sup>10</sup> Forum of Firms members are indicated with a \*. The Forum of Firms is an association of international networks of accounting firms that perform transnational audits.