

Using the Work of an External Expert: Due Process

Objective of Agenda Item

1. To advise the IESBA of the status of due process regarding the proposed revisions to the Code relating to the *Using the Work of an External Expert* project.

Background

2. The Program and Senior Director is responsible for advising the IESBA as to whether due process has been followed effectively and with proper regard for the public interest before final changes to the Code are approved for issuance.
3. The following outlines the Program and Senior Director's conclusion and basis thereof with respect to actions up to the December 2024 IESBA meeting for the abovementioned revisions to the Code. Before final approval of the changes, the Program and Senior Director will advise the Board on whether due process has been followed during the course of the December 2024 IESBA meeting.

Due Process Up to the Date of the December 2024 IESBA Meeting

4. The Program and Senior Director confirms to the IESBA that up to its December 2024 meeting, the changes to the Code arising from this project have been developed in accordance with the IESBA's due process.
5. In summary, for the proposed changes, the IESBA:
 - Approved the project proposal for commencement of work on the proposed revisions to the Code.
 - Consulted with the IESBA Consultative Advisory Group (CAG) up to end of December 2023 on:
 - The proposal to start the project; and
 - The significant issues relating to the development of the proposed revisions.

Significant comments received through the consultation with the CAG have been brought to the IESBA's attention, and the Task Force has reported back to the CAG the results of the IESBA's deliberations.

- Conducted four global roundtables in Paris, Sydney, Singapore and New York in March and April 2023 to obtain input from as wide a range of stakeholders as possible to inform the IESBA's consideration of the issues and development of the proposals.
- Approved and issued an exposure draft of the proposed revisions to the Code for public comment, together with an explanatory memorandum highlighting, among other matters, the IESBA's key proposals.
- Considered an analysis of the significant issues raised by respondents on the exposure draft, including outlines of their proposed disposition and, as appropriate, the reasons significant changes recommended by respondents have, or have not, been accepted.

- Having familiarized itself with the issues raised in comment letters on the exposure draft:
 - Deliberated significant matters raised in the comment letters; and
 - Amended the proposed changes to the Code accordingly.
- Coordinated closely with the International Auditing and Assurance Standards Board (IAASB) throughout the project.