

15 April 2024

Gabriela Figueiredo Dias
International Ethics Standards Board for Accountants
529 5th Avenue
New York, NY 10017
USA

Dear Madam

COMMENTS ON USING THE WORK OF AN EXTERNAL EXPERT

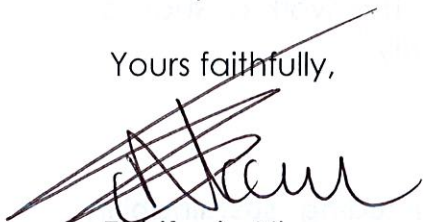
The Botswana Accountancy Oversight Authority (the Authority) takes this opportunity to comment on the Exposure Draft, Using the Work of an External Expert.

The Authority is responsible for providing oversight to accounting and auditing services and promotion of the standard, quality, and credibility of providing financial and non-financial information by Public Interest Entities (PIEs). This is attained through standard setting, financial reporting monitoring, audit practice reviews, corporate governance reviews, enforcement of compliance and oversight over Professional Accounting Organisations, and education and training of professional accountants in Botswana.

Please refer to our Appendix to this letter to see our response to the questions in the Exposure Draft.

Kindly e-mail us at enkanga@baoa.org.bw or phone directly on +267 3919735, for any further clarifications on the comments.

Yours faithfully,



Ephifania Nkanga
Acting Chief Executive Officer

Appendix

Specific Comments

Question 1

Do respondents support the proposals set out in the glossary concerning the proposed new and revised definitions? See Section III.

We agree with the proposal as the definitions are clear and concise.

Question 2

Do respondents support the approach regarding evaluating an external expert's competence, capabilities, and objectivity? Are there other considerations that should be incorporated in the evaluation of CCO specific to PAIBs, PAPPs and SAPs? See Section V.

We support the approach. This is necessary to ensure that work is performed with due care and skill and can be relied upon.

We have not noted any other considerations that should be incorporated into the evaluation of CCO specific to PAIBs, PAPPs and SAPs.

Question 3

Do respondents agree that if an external expert is not competent, capable, or objective, the Code should prohibit the PA or SAP from using their work? See paragraphs 67 to 74.

Yes, we agree because there are no safeguards against threats if an external expert does not satisfactorily pass the CCO evaluation. The work of such an expert cannot be used in any professional service or activity.

Question 4

In the context of an Auditor or other Assurance (including sustainability assurance) engagement, do respondents agree that the additional provisions relating to evaluating an external expert's objectivity introduce an appropriate level of rigor to address the heightened public interest expectations concerning external experts? If not, what other considerations would help to address the heightened public interest expectations? See Section (V)(A).

We agree, the additional provisions introduce a rigorous approach to address public interest expectations concerning external experts. The additional provisions also provide the Auditor with more information on the

external expert's objectivity or lack thereof. In the absence of this stringent approach, if the expert has an interest or relationship with the client there is a risk of the expert exerting influence for favourable results for the entity.

Question 5

Do respondents support the provisions that guide PAs or SAPs in applying the conceptual framework when using the work of an external expert? Are there other considerations that should be included? See Section (VI) (A).

Yes, we do support the provisions as we believe they provide a comprehensive framework for guiding PAs or SAPs in applying the conceptual framework when using the work of an external expert. There are no other considerations that we think should be included.

General Comments

Question 6

In addition to the request for specific comments above, the IESBA is also seeking comments on the matters set out below:

Small and Medium-Sized Entities (SMEs) and Small and Medium Practices (SMPs) – The IESBA invites comments regarding any aspect of the proposals from SMEs and SMPs.

Regulators and Audit Oversight Bodies – The IESBA invites comments on the proposals from an enforcement perspective from members of the regulatory and audit oversight communities.

Sustainability Assurance Practitioners Other than Professional Accountants – The IESBA invites comments on the clarity, understandability, and usability of the proposals from SAPs outside of the accountancy profession who perform sustainability assurance engagements addressed in the proposed Part 5 of the Code.

Developing Nations – Recognizing that many developing nations have adopted or are in the process of adopting the Code, the IESBA invites respondents from these nations to comment on the proposals, and in particular on any foreseeable difficulties in applying them in their environment.

Translations – Recognizing that many respondents may intend to translate the final changes for adoption in their own environments, the IESBA welcomes comment on potential translation issues respondents may note in reviewing the proposals.

The IESBA should consider providing a simplified and straightforward guidance on engaging and evaluating external experts. SMEs and SMPs may have limited resources and expertise compared to larger entities, so a clear and concise guidance would be beneficial.