

IAASB CAG PAPER



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Agenda Item **C.5**

Committee: IAASB Consultative Advisory Group

Meeting Location: Toronto

Meeting Date: September 4-5, 2008

Report Back—Assurance on Carbon Emissions Information

Objectives of Agenda Item

1. The objective of this Agenda Item is to provide a brief report back on the proposals of Representatives on the IAASB project, “Assurance Engagements on Carbon Emissions Information” discussed at the March 3-4, 2008 CAG meeting.
2. The IAASB plans to review an Issues Paper at its December 2008 meeting.

Report Back – March 3-4, 2008 CAG Proposals

3. Below are extracts from the minutes of the March 3-4, 2008 CAG meeting¹ related to discussion of a Project Proposal and subsequent actions, and an indication of how the IAASB/staff responded to the Representatives’ comments.

Representatives’ Comments	IAASB response
Mr. Sylph noted that the IAASB had approved the proposal at its December 2007 meeting. At that time, the IAASB recognized that the work to be undertaken in 2008 regarding the Clarity project should take priority; however, the IAASB did agree to begin working on this project and has named two co-chairs for the project – Roger Simnett, a former IAASB member and academic, and Caithlin McCabe, an IAASB member. Mr. Sylph also noted that the IAASB has heard from a number of interested parties volunteering to assist the IAASB with this project, indicating that the IAASB had struck a chord with broader based users of this information, as well as those currently preparing such assurance reports.	A Project Advisory Panel has been set up. It currently has 13 members, predominantly from accounting firms and IFAC member bodies, but it also includes a member nominated by INTOSAI, and a member from a bank that finances carbon offset projects. Broader based users of emissions information and others interested in or involved with emissions trading, such as regulators, lawyers, academics, NGOs, non-accounting assurers and standard-setters, will be involved through other forms of consultation, such as the roundtables noted below.

¹ The minutes will be approved at the September 2008 IAASB CAG meeting.

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Representatives' Comments	IAASB response
[Mr. Sylph also noted that] it is anticipated that, in 2008, the IAASB will hold one or more public forums to test some of the issues in this area with interested parties. Information gained during these forums will be incorporated into an issues paper that would be considered by the IAASB.	Roundtables were held during May in Melbourne and Sydney. They were well attended by participants from diverse backgrounds, and resulted in lively and fruitful discussions. A summary of issues raised is available at the link below. Further roundtables are planned for Toronto (September 22) and Brussels (December 5).
Mr. Damant agreed with the IAASB's decision to start with the area of carbon emissions information. In a very broad subject, such as sustainability, it was appropriate to focus on specific areas. He noted that there was general support for this project within the IAASB CAG.	The IAASB <i>Strategy and Work Program, 2009-2011</i> has flagged a broader project to commence in third quarter 2009 after experience has been gained with the emissions project. That project will review Royal NIVRA's recently issued assurance standard on sustainability reporting to determine whether it provides an appropriate basis for an international standard.

Material Presented – IAASB CAG REFERENCE PAPERS ONLY

Assurance on Disclosures of Carbon Emissions
Information Summary of Discussions –
Australian Roundtables

http://web.ifac.org/download/Australian_Roundtables_Summary_of_Discussions.pdf