

EER Assurance: Issues and Recommendations

Objectives of Agenda Item

The objectives of this Agenda Item are to:

- Obtain IAASB views about proposed changes to the *Extended External Reporting (EER) Assurance* phase 1 draft guidance to respond to comments received on the phase 1 Consultation Paper.
- Present the IAASB with the latest work of the EER Task Force in relation to Phase 2 draft guidance

Introduction and Overview of the Agenda Items

1. Since the June 2019 IAASB meeting, fifty-two responses to the IAASB's Consultation Paper - '*Extended External Reporting (EER) Assurance*' (the 'CP') - have been received from a broad range of stakeholders (see Appendix 1) and the Task Force have progressed the work on drafting the guidance for the five remaining challenges of the initially identified Ten Key Challenges.
2. The Task Force met in July to analyse the CP responses and develop the guidance on the remaining Key Challenges allocated to phase 2 of the project.
3. This issues paper is divided into the following sections:
 - Analysis of Consultation Paper Responses and Proposed Approach to Comments Received
 - Phase 2 Draft Guidance (**Agenda Item 6-A**)
 - Chapter 3: Determining Preconditions and Agreeing the Scope (Challenge 1)
 - Chapter 4: Applying Appropriate Skills (Challenge 9)
 - Chapter 5: Exercising Professional Skepticism and Professional Judgment (Challenge 8)
 - Chapter 10: Obtaining Evidence (new chapter)
 - Chapter 11: Assuring Narrative Information (Challenge 6) (renumbered chapter)
 - Chapter 12: Assuring Future-Oriented Information (Challenge 7) (renumbered chapter)
 - Chapter 14: Communicating Effectively in the Assurance Report (Challenge 10)

documents showing how the material in the June 2019 Issues Paper has been dealt with either through (i) inclusion in the draft phase 2 guidance or by (ii) identifying it as material for inclusion in the Supplement to be presented as **Supplemental Documents** to Agenda Item **6-A**

 - Appendix 1: List of Respondents to the Consultation Paper
 - Appendix 2: NVivo Process of Analysing Respondents' Comments and Listing of NVivo Reports and Excel Summaries; the reports and spreadsheets to be presented as **Supplemental Documents** to this Agenda Item
 - Appendix 3: Project update

4. The Task Force is looking for the Board's input and feedback on the Task Force's proposed responses to the feedback received on the CP. These are indicated as '***The Task Force Proposes***' in bold italics throughout this Agenda item.

Analysis of Consultation Paper Responses and Proposed Approach to Comments Received

5. Fifty-two responses were received to the IAASB's Consultation Paper - '*Extended External Reporting (EER) Assurance*' (the 'CP') from a broad range of stakeholders. The detailed list of respondents and their distribution by geographic region are included in Appendix 1. All responses can be accessed from the IAASB's website at: <https://www.ifac.org/publications-resources/consultation-paper-extended-external-reporting-assurance>

6.

Category of Respondent	No.	Percentage
Investors and Analysts	1	2%
Regulators and Oversight Authorities	2	4%
National Auditing Standard Setters	8	15%
Accounting Firms	8	15%
Public Sector Organizations	1	2%
Member Bodies and Other Professional Organizations	28	54%
Academics	1	2%
Individuals and Others	3	6%
Total	52	100%

7. The EER Task Force met during July to analyse the responses to each question posed in the CP and to consider appropriate ways to address the issues raised by those themes.
8. The Task Force has used NVivo to assist with the analysis of responses from which the high-level summary of responses in this Agenda item has been prepared (see Appendix 2 for further details on how the NVivo analysis was prepared).
9. Six respondents provided only a general response to the CP and did not answer individual questions. Only fourteen respondents provided comments related to Question 7 and these comments mainly anticipated translation challenges, particularly in relation to newly introduced terms.
10. The remainder of this section of the Agenda Item summarises the overall responses to the questions posed in the CP and common themes in respondents' comments, whether they relate to particular questions or are overarching themes related to the guidance as a whole, and indicates the general nature of the changes that ***the Task Force proposes*** to make to the Phase 1 draft guidance, to address the issues raised. Subject to the Board's input, the changes that ***the Task Force proposes*** to make will be developed in drafting the combined phase 1 and 2 guidance, which is to be presented

to the IAASB at the December Board meeting. Detailed drafting suggestions made by respondents will also be addressed in doing so.

Responses with Overarching Themes Relating to the Guidance as a Whole

11. Notwithstanding the support within respondents' comments on many aspects of the draft guidance, the following overarching themes affecting the guidance as a whole were noted:
- The phase 1 guidance is already long and complex and, with the addition of the phase 2 material, it could be seen to lack practical usefulness and could be difficult to use. Respondents suggested a closer focus on providing practical guidance in the specific context of EER engagements, and avoiding excessive background material, conceptual content or repetition of material in ISAE 3000 (Revised) (hereafter referred to as the 'Standard').
 - There was, however, acknowledgment by several respondents that more general educational material may be needed, particularly for EER practitioners who are not professional accountants and may be less familiar with auditing and assurance concepts. Various suggestions were made for providing such materials outside the guidance, including that the supplementary Background and Contextual Information in the CP (the 'Supplement') was helpful in this context for the phase 1 guidance.
 - Several respondents encouraged the use of innovative ways of presenting the guidance, to enhance its navigability and usefulness, including the use of hyperlinks to material in the Standard and of cross-references within the guidance.
 - Several respondents noted that the draft guidance was overly focused on GRI/sustainability reporting, and that this may limit its value to practitioners addressing EER reports under other frameworks. Recommendations included taking examples from a broader range of EER reports, such as management commentary or integrated reports. However, other respondents noted that attempting to make the guidance applicable to all types of EER reports could result in it being overly complicated and difficult to apply.
 - Several noted that additional guidance would be helpful in applying differential requirements for limited and reasonable assurance engagements (e.g., for engagement acceptance, understanding the system of internal control, risk assessment procedures, nature and extent of procedures to obtain sufficient appropriate evidence) as these present challenges to practitioners. Examples that compare and contrast such engagements would be helpful.
 - Some suggested that practitioners encounter challenges in practice due to EER being an evolving area and that, in order to 'future-proof' the guidance, the IAASB should consider the possible implications of such evolution (including in the use of technology) for the guidance and how to respond to ensure it remains fit-for-purpose.
 - One respondent called for the International Framework for Assurance Engagements to be referred to in the guidance as a foundation for all assurance engagements and a few called for greater clarity on the linkage between the guidance, the Standard and other subject-specific standards.
 - One respondent noted different forms of service delivery performance reporting are common in the public sector environment. The IAASB could consider including a reference or an

example in the introduction or background in Chapter 1 to refer to service delivery performance reporting as an example of a form of EER.

- A few respondents noted that rapid advancements in technology would change the way in which EER information is reported, and called for guidance on the implications for assurance (e.g. how to make it clear what has been subject to assurance when EER reporting is in web format, or directly from an entity's online platform).

Task Force Views

12. In seeking to address the overarching comments, the Task Force has focused on developing proposals for changes to the guidance that respond to comments about:
 - Length and complexity of the guidance, when phase 2 material is added
 - Focusing on practical guidance in the specific context of EER engagements, but retaining useful contextual information and enhancing navigability
 - Broadening the range of EER frameworks addressed in the examples
 - Differential requirements for limited and reasonable assurance engagements.
13. The Task Force acknowledges the need for both practical guidance for practitioners in applying the requirements of the Standard, and the need to place that guidance in an appropriate context by providing an understanding of the application of relevant assurance concepts in an EER engagement. The Task Force agrees that this may be particularly important for practitioners without an audit or assurance background. Consequently, **the Task Force proposes** to make the main body of the guidance more concise, practically oriented and easy to use, whilst moving other conceptual, but contextually useful, outside the main body of the guidance.
14. In doing so, **the Task Force proposes** the following changes to the structure and approach to the guidance:
 - Retain, in the main body of the guidance, concise practical guidance in the specific context of EER engagements;
 - Confine the examples in the main body of the guidance to short examples, and move or add longer examples to an appendix to the main body of the guidance;
 - Move conceptual or background material that is contextually useful to the Supplement, and delete such material that is not;
 - Broaden the range of examples to address other common forms of EER reports such as integrated reporting and management commentary;
 - Include references (with hyperlinks where possible) to requirements of the Standard rather than repeating them in the main body of the guidance, and service delivery performance reporting;
 - To aid navigation, use cross references (with hyperlinks where possible) within the main body of the guidance and between the main body and the proposed appendix for longer examples and the Supplement.

15. Further comments regarding proposed changes to the structure of the guidance are considered under Question 3 below.
16. The Task Force discussed the comments on the challenges of applying differential requirements for limited and reasonable assurance engagements. Differential requirements relate to obtaining an understanding of the underlying subject matter and other engagement circumstances (paragraphs 46/47 L/R), considering susceptibility to misstatement (paragraphs 48(a) L/R), and designing and performing procedures and responding to evidence obtained (paragraphs 48(b)/49 L/R). The Task Force concluded that it would be useful to highlight more fully in the guidance where such differential requirements are relevant to the challenges addressed in the combined phase 1 and phase 2 guidance and how the responses to those challenges may need to be different in that context.
17. However, the Task Force also noted, with respect to the requirements in paragraphs 48(b)/49 L/R, that these are relevant to the phase 2 challenges in obtaining evidence. Any difference in the response to those challenges is likely to be in determining the nature, timing and extent of procedures that are appropriate to obtain the evidence needed to reduce engagement risk to an acceptably low level, for the specific engagement, rather than a fundamentally different response for limited and reasonable assurance engagements.
18. The Task Force believes that determining the nature, timing and extent of procedures on the continuum of possible procedures is as much a general consideration in applying the Standard as it is in the specific context of EER engagements and considers that this would be adequately covered by the proposed approach to guidance on obtaining evidence in the phase 2 guidance. In following that approach, **the Task Force proposes** to include contextual information in the Supplement and practical guidance, in the specific context of narrative and future-oriented information in EER reports, in the main body of the guidance. The Task Force also considers that it would be helpful to summarize the key differences and implications for responses to the challenges addressed in the guidance, in a table in the main body or the Supplement.
19. The Task Force acknowledges that developments in the use of technology may well impact how and when EER information is prepared and reported in the future. For example, users may be able to extract real-time data from a company's online platforms rather than annual data as is usually the case today. While such advancements may present challenges to practitioners in applying the Standard, the Task Force is of the view that such challenges are not unique to EER reporting and are outside the scope of the project proposal. However, **the Task Force proposes** acknowledging in the guidance that developments in the use of technology may well impact how and when EER information is prepared and reported in the future, which may present different challenges from those addressed in the guidance, and that the principles set out in the guidance would still apply in those circumstances. For example, it would still be necessary to identify the subject matter information and distinguish it from 'other information' so it is clear what has been subject to assurance and which has not.

Other Responses not Relating to Particular Questions

(see *NVivo Report 6B-8 and Excel Summary 6C-8*)

20. Several individual comments were received from respondents raising additional suggestions not directly related to the questions posed in the CP. These included:

- Several suggestions of materials and initiatives that may be helpful for the Task Force to consider in finalising the guidance.
- A call to finalise the guidance rapidly, with a recommendation to set up both a pilot to make sure the guidance is understandable, and encouraging a post implementation review of the guidance.
- A few respondents called for guidance on drawing the distinction between an assurance engagement and an agreed upon procedures (AUP) engagement.
- One respondent noted that practitioners performing the EER engagement may not be the same as the auditor performing the audit of the financial statements. The respondent suggested that agreement between the client and the practitioners should be reached to allow information exchange between the auditor and the EER assurance practitioner. As this is not regulated in the same way as it is for financial statement audits, it would be helpful to acknowledge this in the guidance.
- One respondent questioned whether the IAASB had allowed the project timetable to be driven by the availability of external resources and other factors rather than the care needed to ensure alignment with the Standard in wording and concepts and to ensure a high-quality draft. This respondent also called for a consultation paper on phase 2 of the guidance before including the materials in a draft IAPN.

Task Force Views

21. The Task Force appreciates the suggestions of materials that may be helpful in finalising the guidance. Some of these have been considered and further consideration will be given to these and other materials during the finalisation of the phase 2 guidance.
22. The Task Force notes that the combined phase 1 and 2 guidance is progressing rapidly with the aim of submitting the combined materials for the IAASB's consideration at the December 2019 Board meeting. The Task Force will give consideration to further recommendations to the Board regarding the timing of any post implementation review when the guidance is being finalised.
23. AUP engagements are outside the scope of this project, because the guidance is only intended to assist practitioners in performing EER assurance engagements under the Standard. The Task Force will, however, give further consideration to clarifying this in the guidance.
24. The Task Force acknowledges that it may be increasingly important for the financial statement auditor and the EER assurance practitioner to be able to communicate during the conduct of their respective engagements. In drafting the phase 2 guidance, the Task Force is of the view that it may be helpful to draw out this point in relation to using the work of others in Chapter 4 of the draft phase 2 guidance.
25. The Task Force does not believe that the EER project has been rushed. There has been sufficient time to follow due process, and the draft guidance has been brought to the IAASB at regular intervals for its consideration.

Responses Relating to Question 1

Question 1: Does the draft guidance adequately address the challenges for practitioners that have been identified as within the scope of the draft guidance being developed in phase 1? If not, where and how should it be improved?

Summary of Respondents' Comments Relating to Question 1 (see NVivo Report 6B-1 and Excel Summary 6C-1)

26. Four respondents agreed, without further suggestions for improvement, that the guidance adequately addressed the challenges identified as within scope of the draft guidance developed in phase 1.
27. The majority of respondents generally supported the draft guidance but raised comments about some aspect(s) of the guidance. Respondents' comments are summarized from paragraph 28, under sub-headings that are consistent with the way Question 1 was posed.
28. Three respondents disagreed that the guidance adequately addressed the challenges for practitioners that were identified as within scope of the draft guidance developed in phase 1, citing specific areas of concern:
 - The draft guidance does not adequately address the challenges for practitioners as they relate to integrated reporting (see also fourth bullet of paragraph 11 above);
 - Further clarity is needed in determining the scope of EER engagements; and
 - There could be practical challenges in applying the guidance in paragraphs 161, 162 and 195 of the draft guidance.

Comments Relating to Scope of the Draft Guidance (paragraphs 9-15 of CP)

Purpose and Intended Audience

29. The following themes were noted regarding the purpose and intended audience of the draft guidance:
 - EER engagements should be defined so that it is clear to which engagements the non-authoritative guidance applies, and which engagements the guidance is not intended to cover.
 - Two respondents noted that there is not necessarily a clear distinction to be made between EER and non-EER assurance engagements and that the two are likely to further converge over time with greater integration of financial and EER reporting and greater connectivity of information. They suggested that the guidance could clarify that, while focused on "EER" assurance engagements, as currently envisaged by this term, it may also be applied more generally wherever the key challenges addressed by the guidance are encountered.
 - Several respondents noted that, while the inclusion of the preparer's role in the guidance is important and assists in an understanding of the respective responsibilities, the guidance needs to be clear that the primary intended users of the guidance are practitioners, to avoid blurring the line between the role of the assurance practitioner and the role of the preparer.

Other Comments Relating to the Scope of the Draft Guidance

30. Other comments regarding the scope of the EER guidance related to challenges encountered by practitioners in practice, but which had not been identified as being within the scope of the draft guidance developed in phase 1:

- Reliance on the work of others, which is common practice in EER assurance engagements, including in relation to impact measurement outcomes performed by an expert and in the context of EER reporting in a supply chain.
- EER assurance engagements may include financial information. Current examples in the draft guidance do not include such engagements although some address separate financial statement audits. Examples of historical financial information included within the scope of an EER engagement would be useful.
- Direct assurance engagements are not addressed in the guidance, but such engagements are contemplated by the Standard and the IESBA Code of Ethics and are performed in practice.
- As the Standard is used by practitioners who are not professional accountants, the importance of the practitioner being a member of a firm subject to ISQC 1 or other professional requirements, or requirements in law or regulation, regarding the firm's responsibility for its system of quality control should be emphasised.

Task Force Views

31. The Task Force is of the view that, in order to clarify the intended purpose and audience of the guidance, it will be helpful to expand the guidance in Chapter 1 to identify different types of subject matter information addressed by assurance engagements currently performed under the Standard, indicating whether they are EER engagements and providing examples of the frameworks commonly used in preparing the subject matter information.
32. Further, it may be helpful to clarify that there are two broad types of EER reporting; one focused on an entity's sustainability impacts ('externalities') and the other focused on the entity's value creation of significance to investors (including both financial and non-financial value creation, which includes consideration of externalities in that context). In addition, EER reporting includes service performance reporting in the public sector and not-for-profit sector. The guidance is intended to address these types of reporting. However, the guidance is not designed to apply to engagements that are not related to sustainability impacts (externalities) or service reporting at all. For example, the guidance is not intended to apply to assurance engagements over a description of controls, or over the suitability of design and/or the operating effectiveness of controls.
33. **The Task Force proposes** that the guidance clarifies that its primary focus is to provide non-authoritative guidance to assurance practitioners on the identified key challenges relating to EER engagements, with acknowledgment that the guidance may be useful to practitioners performing other types of assurance engagements, in which the challenges being addressed are present.
34. Further, **the Task Force proposes** that the guidance should state, explicitly, that it is not intended for use by preparers of EER information although they may find it helpful in better understanding the respective responsibilities of the preparer and the practitioner and the practitioner's responsibilities under the Standard. During the development of the phase 2 guidance, **the Task Force proposes** to give further consideration to distinguishing the guidance for practitioners from material that sets out considerations regarding preparer responsibilities.
35. Regarding other comments noted in paragraph 30:
 - The drafting of Chapter 4 of the guidance was allocated to phase 2 of the project and a first draft has now been developed. This chapter includes guidance on using the work of others.

The Task Force considers that it may be helpful to include an additional example to illustrate considerations around using the work of others in the context of a supply chain.

- Financial information included in an EER report is now addressed in Chapter 11 (see phase 2 guidance). In light of the call by a number of respondents for further practical examples to be included in the guidance, the Task Force considers that it will be helpful to include an illustrative example with a mix of narrative and numeric subject matter information, including financial information, to illustrate the application of the guidance to each type of information in an EER engagement.
- Guidance on direct engagements was not included in the project proposal and is outside the scope of the EER project. However, the guidance may be applied wherever the challenges being addressed are present, irrespective of whether that is in the context of attestation or direct assurance engagements. The Task Force notes that this is already explicitly stated in paragraph 8 of Chapter 1 of the phase 1 draft guidance.
- ISQC 1 considerations are addressed in Chapter 4 of the draft phase 2 guidance (see Agenda Item 6-A).

Comments Relating to Preconditions and the System of Internal Control (paragraph 25 of CP)

36. Respondents generally supported the guidance on preconditions for assurance, including the consideration of internal controls (Chapter 6) as part of the preconditions. However, many respondents commented that the extent of the 'preliminary knowledge' of the engagement circumstances required, when determining whether the preconditions are present, needs to be clarified. Many comments reflected a concern that the guidance should not imply that an unduly high level of knowledge is required.
37. Comments suggested that practical guidance would be helpful to differentiate the required knowledge and related work effort needed to establish whether the preconditions are present from that needed to plan and performing the engagement post acceptance. It was noted that before accepting an engagement, the practitioner's knowledge of the engagement circumstances need not be sufficient to reach a final conclusion on the adequacy of an internal control system or on the suitability of criteria, in the context of the preconditions. It was also suggested to recognise in the guidance that the practitioner's knowledge relevant to practitioner considerations about internal control and suitable criteria will generally be further informed by procedures performed after accepting the engagement and that such considerations are iterative.
38. Some comments noted inconsistencies between paragraphs 45 and 60 of the CP regarding the difference between limited and reasonable assurance and the procedures required in relation to internal controls. They highlighted that while paragraph 45 states that the same preconditions need to be present for all assurance engagements, paragraph 60 refers to different considerations about internal control in limited and reasonable assurance engagements.
39. Further, one respondent noted that paragraph 60 indicates that less evidence may be needed in a limited assurance engagement than in a reasonable assurance engagement, and raised a concern that a possible interpretation of this paragraph might be that a practitioner is able to perform a limited engagement where the control environment is still developing and not sufficiently developed to support reasonable assurance. The respondent noted that the decision as to the level of assurance

should be made by the preparer based on the needs of intended users, not by reference to how well developed the internal control system is.

40. Other comments relating to the preconditions and internal control include that:

- In practice, preparers' EER reporting may be evolving and their systems being developed to provide better quality information. While the material on readiness assessments is therefore useful, it could be developed further to cover practical considerations, including independence considerations and what to do if the preparer is found not to be ready for assurance. However, care should be taken not to imply that a readiness assessment is always needed as a precursor to an assurance engagement.
- The guidance should recognise that the practitioner may be able to adopt a purely substantive approach to obtain sufficient appropriate evidence.

41. In addition to the above comments, several comments were raised in relation to the preconditions more generally. Comments include:

- The diagram in paragraph 46 is difficult to follow and lacks clarity on what the implications of responses to the questions would be; one respondent questioned whether there was a need for both the diagram in paragraph 46 and paragraph 47.
- The guidance should address the precondition relating to the underlying subject matter and linkages to other preconditions, as there are significant inter-relationships between the preconditions relating to the suitability of the criteria, the needs of the intended users and whether there is a rational purpose to the engagement.
- Generally, respondents were satisfied that the precondition relating to rational purpose had been appropriately addressed. A small number of individual comments on this were raised including suggestions to:
 - Note in the guidance that whether assurance over EER reporting is proposed as at a point in time rather than over a period of time may be a relevant consideration in determining whether the engagement has a rational purpose
 - Consider whether there may be inappropriate association of the practitioner's name with the EER report
 - Clarify in paragraph 118 of the draft guidance what would be expected of the practitioner in terms of obtaining acknowledgement from the intended users that the entity-developed criteria are suitable for their purposes. As currently worded, it is unclear whether the guidance expects that the practitioner would interact with users.

Task Force Views

42. In analysing the comments relating to the preconditions and the system of internal control, the Task Force has considered how to clarify the level of knowledge and related work effort that may be needed to determine whether the preconditions are present. The determination of the presence of the preconditions is based on a preliminary knowledge of the engagement circumstances and discussion with the appropriate parties. However, the term "engagement circumstances" includes a wide range of aspects of the proposed engagement and their characteristics including, amongst other matters, the characteristics of the underlying subject matter, the criteria to be used, the needs of the

intended users, relevant characteristics of the responsible party and its environment, and other matters such as transactions, conditions and practices, that may have a significant effect on the engagement. Accordingly, the breadth of the preliminary knowledge needed to arrive at a reasoned judgement about the preconditions will need to include knowledge about these numerous aspects and will depend on the characteristics of each of those aspects.

43. For example, the greater the complexity of the underlying subject matter, or the more that information about it is subject to management bias, the greater may be the need for the practitioner to perform procedures to understand the systems, processes and controls in place that provide the preparer with a reasonable basis for the subject matter information before being able to determine whether the preconditions are present. By contrast, in an engagement that is not complex, discussion with the preparer may suffice to provide the necessary preliminary knowledge.
44. The draft phase 2 guidance developed to date includes marked up suggested changes to the phase 1 material in Chapter 3 of the CP, as well as some additional paragraphs. In the Task Force's view, it is not possible or desirable to provide 'bright line' guidance on the work effort pre- and post-acceptance but, in the revised draft Chapter 3 material, the Task Force has sought to give an indication of factors that may influence the practitioner's decision about the extent of preliminary knowledge needed to determine whether the preconditions are present. The preliminary knowledge needed will be a matter of judgment. It may range from knowledge obtained through discussion with the preparer through to bringing forward some of the walk throughs and other work usually carried out during the planning stage, depending on the engagement circumstances. Factors that may influence it include the size and complexity of the entity, the complexity of the subject matter and its measurement or evaluation, and the experience of the practitioner. Furthermore, a more experienced practitioner may be able to make decisions more readily than a less experienced practitioner based on their experience, for example, of the framework being applied and what that implies about the need for the entity to further develop the criteria.
45. **The Task Force proposes** to illustrate these considerations through the use of additional examples in Chapter 3; one for a relatively straightforward engagement such as an entity's GHG emissions reporting; the other for a more complex engagement such as a whole EER report where there may be a complex set of criteria.
46. Regarding the other comments received in relation to the preconditions and internal control:
 - During the drafting of the phase 2 guidance in Chapter 3, suggested changes and additional material have been marked up to address the call for further guidance on readiness assessments (see **Agenda Item 6-A**)
 - The Task Force does not believe there is an inconsistency between paragraphs 45 and 60 of the phase 1 draft guidance. Paragraph 45 addresses consideration of the preconditions during acceptance and continuance whereas paragraph 60 addresses consideration of the entity's system of control or aspects of it after acceptance or continuance has been agreed. **The Task Force proposes** to clarify in paragraph 60 that this is after acceptance or continuance has been agreed.
 - In light of the calls to simplify and shorten the guidance, and the difficulties noted in relation to the diagram in paragraph 46 of the CP, **the Task Force proposes** moving this diagram from the guidance to the Supplement and giving examples in the guidance that illustrate the

linkages between the preconditions for an assurance engagement. In doing so, **the Task Force proposes** clarifying that:

- whether assurance over EER reporting is proposed as at a point in time rather than over a period of time may be a relevant consideration in determining whether the engagement has a rational purpose.
- It is important for the practitioner to consider the engaging party's rationale for requesting an assurance engagement, as well as whether the nature of the engagement and the underlying subject matter are relevant to the practitioner's field of knowledge. Considering why the practitioner is being asked to perform the engagement is relevant in determining whether the guidance has a rational purpose.
- Direct contact with intended users would not be expected; it may be possible and helpful, but not expected. However, it is important that the practitioner understands the process the preparer has been through to identify the intended users and their needs.

Comments Relating to Suitability of Criteria (paragraph 29 of CP)

47. Respondents generally considered the draft guidance on the suitability of criteria to be well developed and helpful. The concept of 'neutrality' was welcomed as particularly important when undertaking EER engagements where the subject matter information may be more subjective. However, respondents raised a number of comments and suggestions for improvement relating to the guidance on the suitability of criteria:

- In practice, the evaluation of the suitability of criteria is challenging. For example, the evaluation of completeness balanced against conciseness (an aspect of understandability) when dealing with highly principles-based reporting frameworks. Additional practical guidance to illustrate how the practitioner evaluates this balance would be helpful.
- There was a call for more guidance and examples, particularly where principles-based frameworks need to be supplemented by entity specific measurement or evaluation criteria.
- The guidance could address the different implications of the non-prescriptive nature of some EER frameworks, such as the Integrated Reporting Framework, the IASB's Management Commentary Practice Statement and the UK Strategic Report:
 - Such frameworks emphasise a high-level principles-based determination of report content (relevance), for example by reference to the how the organization's business model and strategy create value.
 - Whilst a rigorous approach to evaluating the suitability of criteria under such frameworks is possible, the guidance could usefully emphasise the greater need to exercise professional judgment, particularly in relation to evaluating the completeness of the criteria, and to have a deep understanding of the business model, in doing so.
 - One commentator suggested that the guidance should confirm that one such high level principles-based framework, the Integrated Reporting Framework, provides suitable criteria. A different response noted the importance of having regard to the high-level principles in such frameworks, in evaluating the suitability of criteria for the engagement, as those principles effectively provide a form of "high-level guidance" for evaluating suitability of criteria in the context of the framework.

- One respondent noted that it would be helpful to emphasise the need to monitor criteria changes year on year. Much EER reporting is voluntary reporting and may be easily manipulated. Although this is touched on in paragraph 100 of the draft guidance, it would benefit from greater emphasis.
- Criteria are judged to be suitable from the perspective of the intended users and decisions they will make based upon the subject matter information. Emphasis should be given to how the entity has identified the intended users and their information needs, and the importance of the practitioner understanding those needs, applying a skeptical mindset, rather than simply assuming that the information will meet all such needs.
- An apparent inconsistency was noted in that the Standard indicates that established criteria “are presumed to be suitable in the absence of indications to the contrary” whereas paragraphs 83 and 116 note that a limited level of maturity or the use of a high-level principles-based approach to develop criteria in a commonly used EER framework may indicate that the criteria in such a framework, on their own, may not be suitable even when prescribed by law or regulation.

Task Force Views

48. The Task Force recognizes the difficulties in evaluating completeness of criteria and the balance between completeness on one hand, and conciseness and understandability on the other, particularly in the context of a whole EER report. The practitioner's knowledge of the engagement circumstances, experience of a range of engagements and ability to apply professional scepticism and professional judgment will be crucially important in being able to determine the suitability of the criteria. The Task Force also agrees that, in relation to high-level principles-based frameworks, having regard to the high-level principles and having a deep understanding of the business model and strategy (when they are drivers of the EER report content) will also be crucially important in evaluating the suitability of the criteria. To respond to the above comments and the call by respondents for further practical examples in this area, **the Task Force proposes** developing a number of further examples to illustrate the thought process a practitioner may go through in evaluating the suitability of criteria, the work effort that may be needed pre- and post- acceptance in different engagement circumstances, the need for the practitioner to understand the process the preparer has gone through to identify the intended users and their needs and the importance of monitoring and considering the reasons for changes in criteria from one period to another.
49. The Task Force is of the view that, in practice, a set of published criteria under an EER reporting framework is seldom likely to be sufficient on its own to meet the test of suitable criteria. The Task Force believes this is likely to involve significant development of additional criteria in the case of more non-prescriptive EER frameworks and, even in the case of the more prescriptive EER frameworks, there will be some need for the preparer to develop the criteria further. For example, a framework may have prescriptive criteria that require the preparer to select topics or metrics to report on, or may set out detailed criteria for measurement of metrics, but may have less suitable criteria for related disclosures. **The Task Force proposes** to draw out, through the use of examples in the guidance, the different considerations that may apply when frameworks include criteria that are relatively more or less prescriptive.
50. The Task Force believes that the apparent inconsistency could be further clarified by being explicit that a limited level of maturity or the use of a high-level principles-based approach to develop criteria

in a framework are indicators that the criteria in the framework may not be suitable without further development by the preparer.

Comments Relating to Availability of Criteria (paragraph 29 of CP)

51. Several respondents commented that further guidance on how to make the criteria available to intended users would be helpful, including guidance on whether making entity-developed criteria available outside the EER report may make the EER report less understandable to users. One respondent noted that, while a reference to established and publicly available criteria outside of the EER report may be sufficient, the customized and entity-specific nature of entity-developed criteria warrants integration within the body of the EER report.

Task Force Views

52. The Task Force considers that the guidance would benefit from greater clarity that it is a precondition that the criteria (whether they are in a framework or entity-developed) be made available to intended users; and that it is not appropriate to accept an engagement if the criteria are not expected to be made available, irrespective of preparer 'confidentiality' considerations. The application guidance in the Standard indicates how the criteria may be made available. For example, they may be made available publicly, or through clear inclusion in the EER report or in the assurance report, or by general understanding. Availability is crucial to user understanding of the underlying report. Without that, it is not appropriate for the practitioner to accept the engagement as the user would not have the ability to understand the basis on which the subject matter has been prepared (including its measurement or evaluation, presentation and disclosure) and the practitioner's report may be misleading. The Task Force also believes that either making them publicly available or including them clearly in the EER report are equally valid if done effectively but that it is less ideal to include them in the assurance report. ***The Task Force proposes*** to clarify the guidance in these respects whilst emphasising that it is the preparer's responsibility to develop suitable criteria and to make them available to the intended users.

Comments Relating to Materiality processes (paragraph 33 of CP)

53. Respondents generally considered that Chapter 8 provides useful guidance to assist practitioners in understanding the materiality process applied by the preparer as it is a complex area. However, there were a number of broad concerns raised:
- While the concept of the 'materiality process' is understandable, the terminology used to describe it is confusing as the process has little to do with the recognized assurance concept of materiality as used in the Standard and other assurance standards. Respondents recommended the use of a different term and that the term selected should reflect clearly that the process has to do with the development of suitable criteria. It was suggested that the term 'materiality' should be reserved for use in the context in which it is used in the Standard, principally the design of assurance procedures and the assessment of misstatements.
 - An understanding of the materiality process may also inform the engagement scoping decision and the guidance would benefit from clear linkage between consideration of the preparer's materiality process and determining whether the preconditions, including the suitability of criteria and a rational purpose, are present in considering the proposed engagement scope.

- In the context of developing suitable criteria as part of the materiality process, the needs of intended users are crucial in the determination of what is relevant. It is not possible to cover all users and neither the preparer nor the practitioner would be expected to identify all stakeholders as intended users. Disclosure of who the intended users are would assist users in understanding the extent to which it would be appropriate for them to rely on the EER report.
- The guidance should recognise that there is a need for the preparer to consider more than “impact” in developing suitable criteria in the materiality process. For example, value creation in the short, medium and long term is the intended driver of what is relevant to users in the Integrated Reporting Framework.
- While there is a need to understand how the preparer has approached the further development of suitable criteria for preparation of the EER report, the guidance should not imply an obligation for the practitioner to review, evaluate or conclude on the preparer’s “materiality process”. The preparer remains responsible for determining the information to be included in the EER report and the criteria for preparing it. The key issue for the practitioner is whether the pre-conditions for assurance have been met, i.e., whether the entity-developed criteria (which are outputs of the materiality process) are suitable. Counter to this comment, one respondent noted that if the preparer has applied a materiality process the practitioner’s consideration of the process would be integral to their evaluation of the suitability of the criteria.
- There were calls for clarification on whether the nature of ‘materiality process’ (not just the criteria that the entity develops in the process) should be disclosed in the EER report.
- The guidance should explicitly address cases where multiple frameworks (i.e. criteria) are used as, in practice, reports often apply multiple criteria at the same time.
- One respondent noted that the diagram illustrating likelihood of occurrence and magnitude of effect in Paragraph 153 uses likelihood of occurrence and magnitude of effect only as examples of what a practitioner might take into consideration when judging an entity’s process of determining materiality. However, the inclusion of such a diagram could be misunderstood to indicate that a standard approach is required, raising the concern that a practitioner may in practice fail to make a judgement aligned with the preparer’s own process of determining materiality.

Task Force Views

54. The Task Force is considering different terminology to describe this process and clarifying that the ‘materiality process’ covers more than the development of the criteria. In practice, it also involves the application of the criteria to determine outcomes, such as the selection of material topics. During the drafting of the phase 2 guidance the Task Force will give further consideration to the material in Chapter 8 and will identify alternative terminology. **The Task Force proposes** to: update the guidance for the new terminology; include in the guidance a number of examples to illustrate how criteria are further developed and applied to determine outcomes that are relevant to user decision-making; to make clearer in the guidance the linkage between the preconditions in Chapter 3 and the process the entity uses to develop the criteria and apply them; and to further consider whether determining the users of the EER report is a criterion used by the entity in developing further criteria as part of the materiality process, and therefore should be made available to the intended users. These matters will be addressed during the drafting of the phase 2 guidance. In drafting the phase 2

guidance relating to challenge 10 (Reporting) (see Agenda Item 6-A), the Task Force has given consideration to the disclosure of intended users and whether it would enhance understanding of the assurance report.

55. In considering the comments regarding the practitioner's consideration of the materiality process, the Task Force considers that it may be helpful to consider by way of analogy the choice of applying a controls versus substantive based approach to evidence gathering. Considering the process the preparer has been through to develop the criteria is one approach to obtaining evidence about the output of that process (the resulting criteria that have been developed). In some respects, understanding the process may provide the most reliable available evidence. For example, if the process includes an effective stakeholder engagement process, this may provide the most reliable evidence about user needs. While consideration of the process is not a requirement, and practitioners could consider the suitability of the resulting criteria in their own right, without reference to the process, obtaining an understanding of the process undertaken may provide useful evidence. **The Task Force proposes** to further clarify the relevance to the practitioner of considering the entity's materiality process, using such an analogy, whilst clarifying that the practitioner is not required to do so but is required to determine whether the resulting criteria are suitable.
56. Regarding the disclosure of the 'materiality process' the phase 1 draft guidance in paragraph 164 states that practitioners may consider it appropriate to encourage disclosure of the process. The Task Force is of the view that it would be helpful, and therefore **the Task Force proposes**, to expand this aspect of the guidance to clarify that it is the criteria that are required to be made available to the intended users and that, while there is not generally a requirement to disclose the process of developing the criteria, there may be some frameworks that do require such disclosure, for example the GRI framework requires the Stakeholder Engagement Process to be disclosed. Even where there is no such requirement in the framework, users may find it helpful if the process were described.
57. In the Task Force's view, when a preparer reports under multiple frameworks, the requirements of all of those frameworks need to be met and, if necessary, developed further. Where the preparer selects criteria from multiple frameworks to draw up their own set of criteria, then that set of criteria becomes the preparer's own entity-developed criteria. In either case, the criteria are required to be made available to the intended users as a precondition for assurance. **The Task Force proposes** including guidance to clarify this during the further development of the phase 2 guidance.
58. The Task Force agrees with the comment that a standard approach is not required and proposes looking at the wording to make sure that such a requirement is not implied.

Comments Relating to Materiality of Misstatements (paragraph 35 of CP)

59. Respondents were generally supportive of the guidance developed in phase 1, but noted that:
- More guidance on qualitative materiality considerations is needed, especially for narrative and future-orientated information, and where there are several disparate aspects of the underlying subject matter with no common factor as a basis for aggregating identified misstatements. Significant judgement will be needed to determine the implications of a single misstatement (i.e., is the practitioner effectively providing assurance on each measure separately or collectively over the information as a whole?).
 - Clarification is needed on what is meant by "clearly trivial" as the determination may be more challenging in an EER engagement than in an audit of financial statements. Providing an

example would be helpful – in respect of both quantitative and qualitative information – particularly for practitioners who are less familiar with the concept. One respondent noted that the outcome of the determination may depend on other factors and is largely subjective and that it may be helpful to clarify whether it is appropriate for the assurance practitioner to determine, if in doubt, that the misstatement is not clearly trivial.

- It was noted that the guidance needs to provide better explanation of the term ‘material topics and related elements’ in paragraph 213 before the term can be used in making the judgment as to whether a misstatement is material.
- One respondent noted that the types of misstatement identified, while consistent with financial assurance and important, are not sufficient for EER, and even less sufficient for future-oriented disclosures. Misstatement from ‘not knowing’, which may arise from poor understanding, immature reporting, uncertainty, volatility and complexity could well be material. Further guidance on the materiality effects of omissions of information or misleading information would be useful.
- Focus is needed on what further actions may be needed, in fulfilling the requirement in paragraph 62 of the Standard, including identification of where to draw the line for further actions, where the practitioner identifies a material inconsistency or becomes aware of a material misstatement of fact in the ‘other information’.
- One respondent noted that the proposed guidance should clarify that, while preparers may need to consider the different information needs or attributes among ‘sub-groups’ of users, the practitioner’s consideration of materiality ‘is affected by the practitioner’s perception of the common information needs of intended users as a group’.
- Presentational misstatement goes beyond the choice of wording. It also includes the structure of the overall report and the priority with which information is presented.
- The current draft guidance deals with the consideration of the materiality of *misstatements* but not with the consideration of materiality in the planning and performance of the engagement.

Task Force Views

60. The Task Force is of the view that the comment raised on ‘not knowing’ is not a misstatement in itself, but the reason why a misstatement may occur or may not be discovered, and links to work the Board has done in revising ISA 315 and ISA 540. **The Task Force proposes** to address this point in the guidance.
61. The Task Force believes that the comment about a material inconsistency or material misstatement of fact is outside the scope of the guidance and that the material in paragraph A142 of the Standard should provide sufficient guidance in this regard.
62. The Task Force also believes that there is no inconsistency in the practitioner’s consideration of materiality being “affected by the practitioner’s perception of the common information needs of intended users as a group” as indicated in the Standard and the possible need for the preparer to consider “different information needs or attributes among ‘sub-groups’ of users”. The Standard sets out a frame of reference for the practitioner, which is consistent with matters generally included in the concept of materiality, and that is used by the practitioner in considering materiality when the applicable criteria do not discuss the concept of materiality. If the applicable criteria require the

preparer to consider different information needs or attributes among ‘sub-groups’ of users, then that is part of the frame of reference that the practitioner uses in considering materiality in relation to the engagement.

63. The Task Force broadly agrees with the comments raised above, subject to the Task Force views expressed in paragraphs 60 to 62. During the development of the phase 2 draft guidance to date, some of the comments in paragraph 59 have been addressed in the draft guidance (see Agenda Item 6-A) related to ‘narrative and future-oriented information. **The Task Force proposes** to address each of the other comments in paragraph 59 (other than those discussed in paragraphs 60 to 62), including through revisions to the phase 1 draft guidance in chapter 12 and the development of new guidance on performance materiality for consideration at the December 2019 IAASB meeting.

Comments Relating to Assertions (paragraph 40 of CP)

64. Although the Standard does not refer to the use of assertions, respondents were generally supportive of the draft guidance. However, some comments raised concerns that:
- The description of ‘categories’ of assertions and their relationship with the characteristics of useful financial information is by its nature conceptual background information, long and somewhat complex and lacks clarity about how it is intended to guide the practitioner’s practical application of the Standard .
 - The concept of assertions may be new to practitioners without previous experience in using assertions in performing audits. Including a simple indicative set of assertions, a general description of each within the context of an EER report, what it is about that subject matter that could give rise to a material misstatement (“what can go wrong”) and how assertions may impact the practitioner’s approach to testing, together with some examples, would assist practitioners not familiar with the term.
 - A few respondents commented that the way in which the concept of assertions is described in the draft guidance is inconsistent with how it is described in ISAE 3410 and ISA 315.
 - Consideration should be given to whether the categories of assertions introduced that differ from those applicable to a financial statement audit are appropriate or whether they should be consistent with those used in financial statement audits, with guidance on how they are applied in an EER engagement. Counter to this, a few respondents noted that the assertions stated are related to financial information and there may be a challenge for assurance practitioners in determining the assertions relevant for EER assurance engagements. The diverse nature of EER subject matter information may make it more challenging to develop appropriate assertions.
 - Completeness and valuation are examples of categories of assertions that should be addressed in the guidance.
 - Two new assertions ‘free from error’ and ‘connectivity’ are introduced but their meaning is not clear. One respondent noted that freedom from error is not an assertion, but the result of the procedures performed after having considered the categories of assertions.
 - One respondent considered that introducing the concept of proper application of criteria may imply a ‘fair presentation’ consideration which is a concept that is not discussed in The Standard.

Task Force Views

65. **The Task Force proposes** to move much of the background and conceptual material to the Supplement, to reduce the length and complexity of the guidance, and to focus the main body of the guidance on the practical use of assertions through a number of illustrative examples.
66. However, the Task Force believes that some of the background and conceptual material is useful contextual information, both for practitioners not familiar with the concept, and even for those familiar with it in an audit context. It assists the practitioner in understanding that assertions as used by the practitioner are ‘categories’ of assertions that are required to be true in the subject matter information if that information has been properly prepared in accordance with the applicable criteria. They are a helpful way to categorise such assertions “required” by a framework and that, if not complied with, would give rise to a misstatement. For example, if a particular disclosure were required by a framework, that might be regarded as a disclosure assertion.
67. **The Task Force proposes** to enhance the guidance on assertions by incorporating the views of the Task Force set out in this paragraph, and clarifying how categories of “required” assertions (assertions as used by the practitioner) assist the practitioner in identifying types of misstatements (the “what can go wrong”), whilst also clarifying that there may be different ways to categorize required assertions and this is a matter of choice for the practitioner as long as they are all appropriately addressed in considering the types of misstatements that may occur.
68. For example, while a framework’s criteria may specify a required principle of ‘connectivity’, specific “required” assertions of this type might be covered in a different way by the practitioner or in another framework – for example, they may be covered as part of a category of assertions about presentation and disclosure. In a financial statement context, although connectivity between various elements of the financial statements is inherently required by financial reporting frameworks, it is not usually treated as a separate category of assertions in a financial statement audit but rather as part of the category of assertions about presentation, reflecting requirements about the relationship between information in the income statement and information in the balance sheet inferred by a double-entry bookkeeping system.
69. Having further considered the assertion ‘free from error’, **the Task Force proposes** to remove this as an example of an assertion as freedom from error relates to all the assertions and is the result of having considered other assertions. The Task Force does not believe that discussing the proper application of criteria should be read as implying that all applicable criteria must be fair presentation criteria. **The Task Force proposes** to acknowledge this in the guidance.

Comments Relating to Narrative and Future-Oriented Information (paragraph 41 of CP)

70. Respondents generally supported the guidance on narrative and future-oriented information. However, a number of responses provided varied perspectives on this material, with suggestions for further development in phase 2, which included the following:
71. It will be important that the phase 2 guidance includes examples of suitable criteria and procedures that practitioners may perform to obtain appropriate evidence and does
72. Some responses suggested that in considering the suitability of criteria for narrative and future-oriented information, there should be a strong emphasis on the availability of very reliable criteria for

measuring or evaluating the underlying subject matter. Respondent comments of this nature included:

- Narrative information of the type described in paragraph 188 of the draft guidance (i.e., that: is not factual; that is subject to management judgment; and that may be susceptible to management bias) would not meet the preconditions for an assurance engagement, which include that the underlying subject matter is capable of consistent measurement or evaluation against the applicable criteria.
 - The guidance should not inadvertently create an expectation that all narrative and future-oriented information is capable of being assured.
73. By contrast, other responses suggest that the requirement that the applicable criteria should be suitable should not be read as a requirement for the criteria to exhibit each of the characteristics of suitable criteria in absolute terms. Respondent comments of this nature included:
- It is not necessary for subject matter to be absolutely objective, neutral or understandable, for the criteria to be suitable. Rather, practitioners considering acceptance of assurance engagements should consider whether the criteria would result in subject matter information that reflects an appropriate balance between the characteristics of suitable criteria, such that benefits accrue to the intended users because the subject matter information is sufficiently complete, reliable (objective rather than subjective), neutral and understandable to be sufficiently relevant (useful to decision-making by the intended users).
 - There is a need for further examples and practical guidance on how to approach, conduct and conclude on narrative and future-oriented information, including how subjective narrative information may be revised to be more factual in nature and what potential courses of action practitioners may take if the subject matter information remains subjective.
 - Several respondents noted that narrative and future-oriented information should be supported by a system of internal control sufficient to provide a reasonable basis for the subject matter information and to provide sufficient appropriate evidence for assurance purposes.
 - Narrative information subject to assurance should be clearly defined, and identified within the EER report, so that it is clear what is subject to assurance and what constitutes 'other information'. Comments included:
 - The draft guidance treats narrative information, for which there are not suitable criteria, as 'other information'. However, it is not clear why this is consistent with the Standard because, the respondent suggests, under the Standard, the subject matter information is the EER report and 'other information' is information other than the subject matter information.
 - The example in paragraph 195 does not provide guidance on how a practitioner would identify other information within the EER report and clarify that the assurance conclusion does not apply to such information.
 - With respect to future-oriented information, the guidance could better draw out that there is likely to be a stronger evidential basis for a forecast that is supported by a stable history of accurate forecasting, as compared to future-orientated information that is entirely based on subjective judgement with no history

Task Force Views

74. Chapters 11 and 12 include draft phase 2 guidance developed to date on narrative and future-oriented information, which includes guidance to address:
- The need for the preconditions to be met, including the need for processes and controls that provide a reasonable basis for the subject matter information;
 - How subjective statements may be revised to be more factual in nature and possible courses of action if they are not revised;
 - What constitutes 'other information'.
75. In drafting the phase 2 guidance to date, the Task Force has reconsidered the example in paragraph 195 of the CP and has made several suggested changes to the material. These have been marked up in Chapter 11 of the guidance (see Agenda Item 6-A). The Task Force does not agree that all of the EER report is necessarily the subject matter information. This is clearly not the case when the assurance scope is less than all of the EER report, but it may not be the case even when the EER report is intended to be addressed comprehensively within the scope of the engagement. Information in the EER report that does not result from the application of suitable criteria is not subject matter information. However, because it is included in the same document as the subject matter information, it is 'other information' or may be considered to be 'supplementary information' by analogy to ISA 700. The example in paragraph 195 of the CP has been enhanced to illustrate this more effectively.
76. **The Task Force proposes** developing the phase 2 guidance further by including a number of examples to illustrate the considerations set out in these chapters.

Specific Issues Relating to Question 2

Question 2: Is the draft guidance clear and easy to understand, including through the use of examples and diagrams, and the way terminology is used? If not, where and how should it be improved?

Summary of Respondents' Comments Relating to Question 2

(see NVivo Report 6B-2 and Excel Summary 6C-2)\ Examples and diagrams

77. Six respondents agreed, without suggestions for improvement, that the draft guidance is clear and easy to understand, while two disagreed. The majority of respondents found the guidance, particularly the examples, useful but offered suggestions for improvement. In addition to individual comments on specific examples or diagrams, the following broad themes were noted:
- As the guidance is non-authoritative and likely to be applied to a broad range of EER engagements under a number of different frameworks, understanding and consistency of application are likely to be achieved through clear and detailed practical examples, which could be included in an appendix to the guidance or as a separate document so as not to add to the length of the guidance document.
 - Some respondents were supportive of the idea of an end-to-end case study, which could be built up to illustrate, across all the challenges, the issues faced and the decision-points, thought processes, what the exercise of professional judgment and professional skepticism looks like, and the actions to take, and the reporting considerations. Alternatively, several different case studies might be useful, each illustrating considerations in addressing the identified

challenges, with the criteria based, in each case, on a different one of the major reporting frameworks.

- Several respondents noted that, as not all EER assurance practitioners will have an audit background, the use of financial examples may not be helpful in illustrating concepts and approaches as they presume a knowledge of auditing standards and practice. While some respondents were of the view that only EER related examples should be used, others suggested that, where appropriate, both a financial and non-financial (EER) example would be helpful to illustrate a concept.
- Several respondents expressed a concern that examples should illustrate one possible approach but should not suggest a new requirement or 'best practice'.
- Examples could be enhanced by illustrating what courses of action may be taken in response to the scenarios. Some, for example, on page 46 (reference to SASB), and on page 48 (what to do when impact is not identifiable) do not provide sufficiently practical solutions.

Task Force Views

78. As noted in paragraphs 12 to 14 above, **the Task Force proposes** that in order to provide concise, practical guidance to practitioners on the application of the Standard in the context of EER engagements, to move the contextually useful conceptual and background material to the Supplement, with links to this from the practical guidance. This would allow a stronger focus on practical application in the main body of the guidance, including through the use of a number of examples.
79. Also, **the Task Force proposes** to enhance the guidance by providing a broader range of examples to illustrate the application of the guidance in the context of different frameworks, and to show scalability. Consideration has been given to an end-to-end case study, but the development of such case studies is complex and time-consuming and may be disproportionate to the benefit to be derived. However, **the Task Force proposes** to develop a number of longer, more complex examples to illustrate the various concepts discussed in the guidance. In order to balance the length of the guidance with usefulness, **the Task Force proposes** to include shorter examples in the main body of the guidance, alongside the topic to which they relate, but to include longer examples in an Appendix to the guidance, cross referenced from the main body of the guidance.
80. **The Task Force proposes** to address each of the comments on specific diagrams and examples for presentation at the IAASB December 2019 meeting.

Terminology and new concepts

81. The majority of respondents considered that the introduction of new terminology did not conflict with the terminology used in The Standard or other standards. However, a number expressed concern that some of the newly introduced terms unnecessarily diverged from the terminology used in the Standard and other assurance standards, which may add complexity and risk confusion. In the main, these concerns raised in such comments related to the terms 'materiality process', 'elements' and 'qualities', and to the concept of assertions. If the new terminology is retained, several respondents considered that a glossary should be included to define those terms. Several respondents also commented that the complexity of language and newly introduced terms may present translation challenges.

82. Respondents noted that, in outreach, the concept of ‘qualities’ of elements had not been widely understood and was considered to be confusing. It was suggested that this either be removed on the basis that it is addressed primarily as part of a conceptual explanation, rather than in practical guidance on the application of Standard in an EER context, or that a more readily understood term such as ‘characteristics’ be used.

Task Force Views

83. **The Task Force proposes** to revisit the terminology used and consider whether it can be simplified or clarified (see also paragraph 54, with respect to replacement of the term ‘materiality process’).
84. **The Task Force proposes** to give further consideration also to the need for a glossary in light of other changes made.

Specific Issues Relating to Question 3

Question 3: Do you support the proposed structure of the draft guidance? If not, how could it be better structured?

Summary of Respondents’ Comments Relating to Question 3

(see NVivo Report 6B-3 and Excel Summary 6C-3)

85. Eleven respondents supported the structure of the draft guidance, without suggestions for improvement.
86. One respondent is of the view that much of the draft guidance is generic and can be applied to any engagement conducted under the Standard. As such, the respondent recommended that it should be incorporated in the Standard and its associated application guidance.
87. Other respondents generally supported the proposed structure but made comments offering some suggestions for improvement. Broad general themes in such comments included:
- Consideration should be given to innovative ways of presenting the guidance to assist in its navigability and usefulness, including, where possible, the use of hyperlinks to the requirements of The Standard or as cross-referencing between chapters and paragraphs of the guidance. A flowchart to link the stages of the engagement and show the iterative nature of considerations would be helpful.
 - The purpose and intended users of the guidance should be clarified (see also paragraph 29 under Question 1) as its relationship to the Standard and other assurance standards is unclear. Defining the intended user and then adapting the content of the document accordingly would be helpful. It could also be useful to indicate which parts of the guidance are intended for assurance practitioners and which parts are intended for preparers.
 - The structure of the guidance follows the key challenges and a certain chronological order when performing the engagement, but it could be improved to reflect the workflow of an assurance engagement or the structure could follow the sequencing of requirements in the Standard.
 - Reordering some of the chapters may be needed, for example moving Chapter 8, Considering the Entity's ‘Materiality Process’, earlier in the document.

- There was a call for separate chapters on some aspects of the challenges, including underlying subject matter and evidence.

Task Force Views

88. As noted under Question 1, **the Task Force proposes** to clarify, in Chapter 1, the purpose and intended audience of the guidance.
89. The Task Force has considered ways in which to make the guidance more user-friendly and easier to navigate, and **the Task Force proposes** to include a flow diagram at the beginning of each chapter to show the stage of the engagement and the practitioner's considerations at each stage. This would assist in navigating the material, making linkages to the Standard and showing the iterative nature of an assurance engagement.
90. **The Task force proposes** to give further consideration to the structure and order of the guidance during the drafting of phase 2 materials for presentation at the December 2019 IAASB meeting, which will involve integrating the guidance developed in both phases of the project.

Specific Issues Relating to Question 4

Question 4: Do you agree that the draft guidance does not contradict or conflict with the requirements or application material of ISAE 3000 (Revised), and that the draft guidance does not introduce any new requirements?

Summary of Respondents' Comments Relating to Question 4

(see NVivo Report 6B-4 and Excel Summary 6C-4)

91. Several respondents to the consultation paper did not comment on this question or indicated that they were withholding comment until the phase 2 guidance had been developed.
92. Thirteen respondents agreed that the draft guidance does not contradict or conflict with the requirements or application material of the Standard and does not introduce any new requirements.
93. Four respondents considered that the draft guidance does contradict or conflict with the requirements of the Standard in certain respects. One concern related to perceived contradictions and new requirements in relation to the consideration of internal controls as part of determining the presence of preconditions (see also paragraph 36). Another concern related to the treatment of 'other information' (see also paragraph 73). One of the four respondents is of the view that the guidance should be incorporated into the Standard as, in particular, the Standard does not address assertions. The fourth respondent noted that the Standard is generic and able to accommodate a range of frameworks. While the guidance should be in line with the Standard, it does need to deal with the specificities of different forms of reporting.
94. Many respondents partially agreed but expressed comments that raised some concerns. In addition to detailed specific comments regarding inconsistencies in the draft guidance, the broad themes included that:
 - The guidance should not imply that an unduly high level of knowledge is required of an entity's system of internal control before acceptance of the engagement. The guidance elaborates on the preconditions but overstates the effort to assess the suitability of criteria and to understand

the preparer's internal control before the practitioner is engaged. Greater clarity is needed on the work effort needed pre- and post-acceptance. (See also paragraphs 36 to 38)

- The guidance should not imply an obligation for the practitioner to review, evaluate or conclude on the preparer's "materiality process" (See also paragraph 53)
- The guidance should not inadvertently suggest new requirements or best practice through the choice of wording such as 'needs', 'desirable' and 'should'
- New terminology has been introduced into the guidance; care should be taken not to substitute existing terminology, but to use recognized terminology where possible.

95. In addition to the above broad themes:

- One respondent recommended making clear in the final guidance whether, as non-authoritative guidance, there should be reference made to it if it has been applied as part of the assurance engagement.
- Two respondents commented that if the guidance didn't go beyond the Standard, then there would not be much point in issuing it.

Task Force Views

96. Chapter 1 of the guidance states that the guidance is not intended to introduce new requirements. Wording will be carefully considered during phase 2 to avoid any suggestions of new requirements.
97. As noted, the concerns regarding the work effort pre- and post-acceptance, and around the need to consider the materiality process have been dealt with under Question 1, and the concerns around terminology are addressed under Question 2. The Task Force does not believe that it would be consistent with the guidance being non-authoritative, to propose any conforming amendments to any IAASB standard as a result of the final issuance of the guidance.
98. The Task Force is of the view that should practitioners wish to refer to the guidance in their assurance reports, that would be acceptable, but not required. The Task Force proposes to give further consideration to this during finalization of the phase 2 guidance.

Specific Issues Relating to Question 5

Question 5: Do you agree with the way that the draft guidance covers matters that are not addressed in ISAE 3000 (Revised)?

**Summary of Respondents' Comments Relating to Question 5
(see NVivo Report 6B-5 and Excel Summary 6C-5)**

99. Six respondents agreed, without further comment, with the way the draft guidance covers matters not addressed in the Standard.
100. The majority of respondents who answered question 5 partially agreed but expressed some comments that expressed concerns. Broad themes included:
- The guidance appeared to go beyond the requirements of the Standard in relation to preconditions and systems of internal control. (see under Question 1)
 - Concerns around the introduction of new terminology. (see under Question 2)

- Concerns about the term ‘materiality process’ and the suggestion that the guidance implied an obligation for the practitioner to review that process (see under Question 1)
- The suggestion that amendments may need to be made to the Standard for the guidance once the guidance is finalized, in order to achieve consistency. (see under Question 4)
- A suggestion by several respondents that there should be clear signposting of matters that are not in the Standard.

101. In addition to the broad themes noted above:

- One respondent raised a concern that regulators may regard some of the guidance as requirements because no alternative approaches are given to those provided in the guidance; there should be at least two options. Another expressed a similar concern that the guidance may, in some jurisdictions, be considered a new requirement after some time.
- One respondent suggested that the guidance should address internal controls in the context of the identification and assessment of the risks of material misstatement consistent with ISA 315.
- One respondent suggested that it would be helpful to emphasize that the Standard requires compliance with other standards and ethical requirements. It would also be helpful to explicitly state that it would be inappropriate to refer to the Standard when the engagement is carried out under methodologies that are based on the Standard.

Task Force Views

102. The concerns regarding preconditions and internal controls, the materiality process, terminology and conforming amendments to the Standard have been addressed in Questions 1, 2 and 4 above.
103. The Task Force notes the concern raised that the guidance should offer alternative approaches, and is of the view that, while the draft guidance already makes it clear that it is non-authoritative guidance, the addition of further examples during the drafting of the phase 2 materials may be helpful in providing alternative and scalable approaches. The Task Force will give further consideration to the comments made in the second and third bullets of paragraph 101 in developing the phase 2 guidance further.

Specific Issues Relating to Question 6

Question 6: Do you agree that the additional papers contain further helpful information and that they should be published alongside the non-authoritative guidance?

**Summary of Respondents’ Comments Relating to Question 6;
(see NVivo Report 6B-6 and Excel Summary 6C-6)**

104. The majority of respondents agreed that the additional papers contained further helpful information and supported its publication alongside the non-authoritative guidance, while a few were of the view that the content should be incorporated within the body of the guidance.
105. Several respondents were of the view that the Background and Contextual Material paper was confusing and difficult to read, and some questioned its usefulness.
106. There was a call to better clarify the target audiences and the purpose of the guidance and papers.
107. Several respondents offered detailed drafting suggestions and editorial comments.

108. One respondent did not support the two additional papers on the grounds that it would introduce a further regulatory hierarchy, which might contribute to further uncertainty in the application of the Standard.

Task Force Views

109. As noted above, **the Task Force proposes** to retain useful background and contextual guidance from the main body of the CP in the Supplement, combining it with the material in these additional papers. This will necessitate revisiting the material in the Supplement in conjunction with moving the material that is currently in the CP. In doing so, the detailed suggestions and comments will be further considered.
110. As noted above, **the Task Force proposes** to clarify the intended purpose and audience of the guidance, including the Supplement. It is also the Task Force's view that improved linkage between the guidance and Supplement will be helpful in clarifying its purpose.

Specific Issues Relating to Question 7

Question 7: In addition to the requests for specific comments above, the IAASB is also seeking comments on the matters set out below:

- a) **Stakeholder Perspectives—Respondents representing stakeholders such as preparers (including smaller entities) of EER reports, users of EER reports, and public sector entities are asked to comment on the questions above from their perspective.**
- b) **Developing Nations—Recognizing that many developing nations have adopted or are in the process of adopting the International Standards, the IAASB invites respondents from these nations to comment, in particular, on any foreseeable difficulties in using the draft guidance in a developing nation environment.**
- c) **Translation—Recognizing that many respondents may intend to translate the final guidance for adoption in their own environments, the IAASB welcomes comments on potential translation issues.**

Summary of Respondents' Comments Relating to Question 7 (see NVivo Report 6B-7 and Excel Summary 6C-7)

111. Only fourteen respondents provided comments in response to Question 7. Of these, ten noted that there may be difficulties in translating the guidance due to its complexity and the introduction of new terminology.
112. A number of individual stakeholder comments included:
- The need for scalability and the development of material on a “think simple first” basis, to help ensure that the guidance, which will primarily be used in the foreseeable future on engagements for larger listed companies and other PIEs, will be suitable for SMEs and non-PIE as and when they seek similar engagements.
 - There is only limited reference to the role of the internal audit function in this document and no reference to the reliance that external audit should place on the work of internal audit function undertaken in these areas. The guidance should provide better explanation in terms of the relationship between the internal audit function and external audit and other assurance providers. The focus is on external assurance providers, and much of the emphasis in the

guidance is on the end product. In both these respects the picture drawn is incomplete. There are many preparatory steps before an extended external report can be considered for publication, including all of the necessary stages in the “integrated thinking journey” through which an organization must transform its mindset. IA can play an important part.

- A call for the guidance to be more prescriptive, which would assist smaller entities to easily apply it. The cost versus benefit consideration is always a major consideration for smaller entities and as such the standards should be scalable in such a way that smaller entities can apply the requirements with a reasonable cost and yet still enjoy the benefits.

Task Force Views

113. As noted above, **the Task Force proposes** to revisit the terminology used and consider whether it can be simplified
114. **The Task Force** acknowledges the need for the guidance to be scalable and, as noted, under Question 1, and **the Task Force proposes** to enhance the guidance by providing a broader range of examples to show scalability.
115. As noted above, the drafting of Chapter 4 of the guidance was allocated to phase 2 of the project and a first draft has now been developed. This chapter includes guidance on using the work of others, including the work of internal audit. Further consideration will be given to whether it may be helpful to include the use of the work of internal audit in one of the examples being developed.
116. As noted above in paragraph 114 **the Task Force proposes** to provide a broader range of examples to show the scalability of the guidance. The remit of this project was to develop non-authoritative guidance. Development of more prescriptive guidance is outside the remit of this project.

Matters for IAASB Consideration

The IAASB is asked:

- Q1. For its views on whether the Task Force proposals respond appropriately to the CP responses
- Q2. Whether there are any other matters identified in the CP responses that the Task Force should consider

Phase 2 Draft Guidance

Introduction

117. Since the June 2019 IAASB meeting, the Task Force has held a three-day meeting and developed a first draft of the phase 2 guidance addressing the remaining five Key Challenges allocated to phase 2 of the project.
118. A bullet point summary of the main feedback received during the breakout sessions at the June 2019 IAASB meeting on the Task Force's proposed approach to drafting the phase 2 guidance is set out in the table below, together with an indication of where those points have been addressed in the phase 2 draft guidance.
119. Agenda item 6-A is the phase 2 draft guidance which the Task Force has developed to date. The board meeting discussions will follow the structure of the draft guidance (Agenda Item 6-A), addressing the questions presented to the IAASB set out below.
120. The Task Force is looking for the Board's input and feedback on the draft phase 2 guidance. This will then be considered by the Task Force along with feedback from the Project Advisory Panel and an updated draft will be presented at the December IAASB meeting in the format of an exposure draft. Following any revisions as a result of further Board feedback, the Task Force hopes to publish the exposure draft in January 2020.

Summary of common themes from June 2019 IAASB Meeting Breakout Sessions

Feedback from June 2019 IAASB Meeting	Where Addressed
Challenge 1 Scoping	
<ul style="list-style-type: none"> Clarify what is meant by EER Guidance should be scoped by issue, not type of engagement Management should assert the users and purpose of the engagement Regarding narrative information, if language is not suitable for assurance, it should be taken out It needs to be made clear what is assured and what is not Clarify rolling scope engagements 	Chapter 3 of the draft phase 2 guidance
Challenges 6&7	
Narrative and Future-Oriented Information	
<ul style="list-style-type: none"> Narrative/future guidance is too general and approach is long/theoretical 	Chapters 10-12 of the draft phase 2 guidance

<ul style="list-style-type: none"> • More, and a wider range, of examples needed with a mix of subjective/governance/sustainability • Thought process for evidence-gathering should focus on Part C • More guidance is needed on the difference between limited and reasonable assurance • Discussion on indicants too theoretical and complex 	
Challenges 8 and 9 Professional Skepticism and Professional Judgment; Skills Needed	
<ul style="list-style-type: none"> • Considerations could be incorporated into other challenges • Diagrams – one not liked as it did not relate to the text, and focus was too much on internal/external expertise; other diagrams useful but some points raised regarding the term ‘courage’ and questioning some of the ‘impediments’ 	Chapters 4 and 5 of the draft phase 2 guidance
Challenge 10 Reporting	
<ul style="list-style-type: none"> • Expectation gap – assurance not understood • Need to be able to communicate to what extent the user can take assurance and how is that to be communicated? • More examples needed – but not necessarily whole illustrative reports; need to keep some areas free • Can examples include some example ‘don’ts’? 	Chapter 14 of the draft phase 2 guidance

Matters for IAASB Consideration

The IAASB is asked:

Q3. For its high-level comments on the first draft of the phase 2 guidance (Agenda Item 6-A)

Q4. Whether there are any other matters that have not been dealt with or are planned to be dealt with in the draft guidance.

Appendix 1 - List of Respondents to the Extended External Reporting (EER) Consultation Paper

#	Abbrev.	Respondent (45)	Region
Investors and Analysts (1)			
1.	CRUF	Corporate Reporting Users' Forum	GLOBAL
Regulators and Oversight Authorities (2)			
2.	CFC	Conselho Federal de Contabilidade	SA
3.	IRBA	Independent Regulatory Board for Auditors	MEA
National Auditing Standard Setters (7)			
4.	AUASB	Australian Auditing and Assurance Standards Board	AP
5.	CNCC-CSOEC	Compagnie Nationale des Commissaires aux Comptes and the Conseil Supérieur de l'Ordre des Experts-Comptables	EU
6.	HKICPA	Hong Kong Institute of Certified Public Accountants	AP
7.	IDW	Institut der Wirtschaftsprüfer	EU
8.	JICPA	The Japanese Institute of Certified Public Accountants	AP
9.	MAASB	Auditing and Assurance Standards Board of Malaysian Institute of Accountants	AP
10.	NBA	Nederlandse Beroepsorganisatie van Accountants	EU
11.	NZAASB	New Zealand Auditing and Assurance Standards Board	AP
Accounting Firms (7)¹			
12.	BDO*	BDO International Limited	GLOBAL
13.	CG*	Crowe Global	GLOBAL
14.	DTT*	Deloitte Touche Tohmatsu Limited	GLOBAL
15.	EYG*	Ernst & Young Global Limited	GLOBAL
16.	GTI*	Grant Thornton International Ltd	GLOBAL
17.	KPMG*	KPMG IFRG Limited	GLOBAL
18.	MZS	Mazars	GLOBAL
19.	PWC*	PricewaterhouseCoopers International Limited	GLOBAL
Public Sector Organizations (1)			
20.	GAO	United States Government Accountability Office	NA
Member Bodies and Other Professional Organizations (25)			

¹ 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](#).

21.	ACCA-CAANZ	Association of Chartered Certified Accountants - Chartered Accountants Australia and New Zealand	GLOBAL
22.	AE	Accountancy Europe	EU
23.	AICPA	American Institute of Certified Public Accountants	NA
24.	AIPS	Australian Institute of Performance Science	AP
25.	ASSIREVI	Associazione Italiana Revisori Contabili	EU
26.	CPAA	CPA Australia	AP
27.	CPAC	CPA Canada	NA
28.	EFAA	European Federation of Accountants and Auditors for SMEs	EU
29.	FACPCE	Federación Argentina de Consejos Profesionales de Ciencias Económicas (Argentine Federation of Professionals Councils of Economic Sciences)	SA
30.	FAR	Institute for the Accountancy Profession in Sweden (FAR)	EU
31.	FSR	FSR – danske revisorer	EU
32.	GRI	The Global Reporting Initiative	GLOBAL
33.	IAAA	Inter-American Accounting Association	SA
34.	IIA	Institute of Internal Auditors	GLOBAL
35.	IIRC	International Integrated Reporting Council	GLOBAL
36.	ICAEW	Institute of Chartered Accountants in England and Wales	EU
37.	ICAG	Institute of Chartered Accountants Ghana	MEA
38.	ICAS	Institute of Chartered Accountants of Scotland	EU
39.	ICPAU	Institute of Certified Public Accountants of Uganda	MEA
40.	IPA	Institute of Public Accountants	AP
41.	ISCA	Institute of Singapore Chartered Accountants	AP
42.	MICPA	Malaysian Institute of Certified Public Accountants	AP
43.	NASBA	National Association of State Boards of Accountancy	NA
44.	PAIB	IFAC Professional Accountants in Business	GLOBAL
45.	SAICA	South African Institute of Chartered Accountants	MEA
46.	SASB	Sustainability Accounting Standards Board	GLOBAL
47.	WICI	The World Intellectual Capital/Assets Initiative	GLOBAL
48.	WPK	Wirtschaftsprüferkammer	EU
Academics (2)			
49.	DU	Deakin University	AP
Individuals and Others (2)			

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50.	BARNARD	Chris Barnard	EU
51.	CAATAS	Chartered Accountants Academy and Training and Advisory Services	MEA
52.	SCHNEIDER	Beth A. Schneider	NA

Appendix 2 – Use of NVivo and List of NVivo Reports and Excel Summaries

1. The Task Force has used NVivo to assist with the analysis of comments. The high-level summary of respondents' comments included within this Agenda Item is based on the NVivo analysis. It identifies the common themes in answers and comments in responses to each question posed in the CP. The summary also indicates the general nature of the changes that the Task Force proposes to make to the Phase 1 draft guidance, to address the matters reflected in those themes. The summary does not include the many detailed drafting suggestions provided by certain respondents and does not include all the detailed matters raised by respondents. In arriving at its conclusions, however, the Task Force has considered all comments made by respondents.
2. Based on the NVivo analysis, Excel summary spreadsheets have been prepared for each question posed in the CP, to provide a tabular analysis of respondents' answers and of the broad themes in their comments related to the question. In many cases, respondents did not expressly answer a question as 'Agreed' or 'Disagreed' but may have expressed a level of support, together with a number of comments. In those cases, determining the respondent's answer was an interpretative exercise, based on their comments. The spreadsheets assist in summarising the overall nature of respondents' answers to each of the questions posed and in identifying the common themes in respondents' comments related to the question. They also identify the respondents who provided detailed drafting suggestions.
3. The Excel summary spreadsheet for each question is linked to an NVivo report that includes extracts of each respondent's answers and comments (but not detailed drafting suggestions) related to the question. It therefore also assists in navigating between the high-level summary of responses to that question in this Agenda Item and the individual responses.
4. In order to analyse the responses by question and theme, where a comment is clearly related to the question addressed by a particular spreadsheet, it has been treated in that spreadsheet as a response to that question, even if the comment is included in the response as a general comment or as part of a response to a different question. Respondents' comments not clearly related to a particular question are included in a separate NVivo report. These comments are also included in the high-level summary of responses in this Agenda Item.
5. A listing of the NVivo reports and the corresponding Excel summary spreadsheets is set out below.

Listing of NVivo Reports and Excel Summaries

Description	Question- # in CP	NVivo Word Report	Excel Summary Sheet Reference
Challenges adequately addressed	1	6B-1	6C-1
Examples, diagrams, terminology	2	6B-2	6C-2
Structure	3	6B-3	6C-3
Does not contradict or conflict	4	6B-4	6C-4
Matters not covered in the Standard	5	6B-5	6C-5
Additional papers	6	6B-6	6C-6
General comments	7	6B-7	6C-7
Other responses not relating to particular questions	-	6B-8	6C-8
Detailed drafting comments	-	6B-9	-

Appendix 3 – Project update and future meeting agenda topics

Task Force

1. The Task Force members are listed on the [project page](#) on the IAASB website.
2. There are three observers to Task Force meetings; representatives from the World Business Council for Sustainable Development, the Corporate Reporting Dialogue, and Principles for Responsible Investment.
3. The Project Advisory Panel now has 26 members, with good representation across stakeholder groups and global regions. It last met via conference call on July 5th, 2019 and is due to meet again on the 4th September to consider the matters raised in this Issues Paper.

Plan for Board Meetings in 2019

September 2019

- Phase 1 Consultation Paper responses
- Review of draft guidance on all phase 2 issues

December 2019

- Updates to draft guidance on all phase 1 and phase 2 issues
- Seek approval of exposure draft

Plan for Task Force Meetings in 2019

October 18-20 (Vancouver)

November 12-14 (Series of Conference Calls)