

Meeting: IESBA
Meeting Location: Virtual
Meeting Date: June 15, 2020

Agenda Item 10

eCode Phase 2

I. Objective of Agenda Item

1. To:
 - Receive a demonstration of the newly launched Phase 2 features of the eCode.
 - Receive an update on next steps for the eCode, including IFAC's plans for a digital publication initiative for the global standard setting boards.

II. Working Group

2. The Phase 2 Working Group (WG) comprises:
 - Brian Friedrich, IESBA Member, Chair
 - Jens Engelhardt, IESBA Technical Advisor
 - Joseph Bryson, Director, Quality & Development, IFAC
 - Michelle Brody, Senior Manager, Head of Intellectual Property, IFAC

III. Background

3. Phase 1 of the eCode was successfully launched in June 2019. The eCode initiative is a collaborative effort between the IESBA, IFAC and an external developer. In future, it might also involve national standard setters (NSS) and professional accountancy organizations (PAOs) who wish to leverage the eCode platform within their jurisdiction.
4. The IESBA was due to receive a demonstration of the Phase 2 features at the March meeting, but this did not occur due to COVID-19 disruptions. The developer has now finalized the Phase 2 features, most of which are live. The WG Chair will highlight and demonstrate some of these features at the June 2020 IESBA meeting.

IV. Promotion and Use

5. There is ongoing awareness building to continue promoting the restructured Code and the eCode by both IESBA and IFAC. For example:
 - The IESBA promotes the eCode as part of all of its stakeholder outreach activities
 - The value of the eCode's search function was referenced in the IESBA's recently released staff publication *COVID-19: Ethics and Independence Considerations*; and

- The IFAC's [Exploring the IESBA Code](#) publication series, including the [fifth installment](#) which was released in April, promotes use of the eCode.
6. IFAC continues to collect usage information for both the [eCode](#) and [PDF downloads](#) of the 2018 Handbook. The WG Chair will provide a brief update of the usage statistics at the June meeting.

V. Status of Phase 2

7. The development of the following Phase 2 features and enhancements are complete:
- Features that are visible by users in the eCode “front end”;
 - Features that are intended to enhance maintenance and operation of content management system (CMS) (i.e., “back end”); and
 - Features to support transfer of the eCode platform to NSS and PAOs.
8. **Features that are visible and already live in the eCode** include:
- An Upcoming Pronouncements page linked from the Menu, including a link to the Part 4B amendments to align the Code to ISAE 3000 (Revised)¹.
 - An option to expand all accordions. Selecting this option expands all accordions across the eCode if selected, but can be turned off at the click of a button.
 - The Get Help button has been moved.
9. **A feature that is complete, but not visible to users until work to update Code content is completed**, is the effective date selection mechanism:
- From the menu page, users will be able to select to view a different version of the Code. There is a drop-down menu to select from. The default position is the extant Code.
 - When an alternate version is selected, a pop-up box appears for the user to confirm they are leaving the extant Code. In addition, there is prominent notification on every page to remind the user when they are not in the extant version, with the ability to return to the extant version through a quick link.
10. The effective date selection mechanism includes a “back end” feature that enables IFAC to create a new copy of the Handbook sections and definitions in the CMS. This is needed to update the eCode with newly approved content.
11. The WG’s view is that the process to update the content of the CMS, for IESBA approved text, is an administrative exercise. IFAC is responsible for updating the content and has committed resources to add a new version in the eCode to incorporate the Part 4B amendments by Q3, before the 2020 Handbook is launched.
12. A training manual has been developed to assist IFAC staff in updating the content and a process to review the content update is under development.

¹ ISAE 3000 (Revised), *Assurance Engagement Other than Audits or Reviews of Historical Information*

13. **Another feature that is complete, but not yet visible to users, supports the transfer of the eCode platform** to NSS and PAOs and includes:
- National jurisdiction or local checkbox
 - Individual jurisdictions can indicate paragraphs they have modified using a local checkbox (i.e., letters to be determined by the individual jurisdiction) appearing next to the relevant paragraphs in the national jurisdiction's version of the eCode. This will not appear in the IESBA eCode.
 - In addition, the individual jurisdiction has the option to add more information in a "drawer" about the change that has been made.
 - This feature is implemented on the back end and will only be visible to users once the platform is transferred and adopted by an NSS or PAO.
14. The WG had planned to trial the transfer of the eCode to the New Zealand XRB. The WG recommends that this trial is placed on hold, contingent on IFAC's plans for the next phase of the eCode.

VI. IFAC Digital Publication Initiative

15. Inspired by the eCode, IFAC has prioritized the development of a digital platform for all of the standard setting boards. This initiative is intended to be staff-led. An internal Advisory Group, with staff representation from each of the SSBs, has been established to provide input to IFAC as it progresses this work. The objective of the initiative is to explore a solution to deliver the SSBs' standards to stakeholders on a digital platform that is consistent in terms of appearance, and that is easy to use (like the eCode) and maintain going forward.
16. The IFAC representatives of the WG will brief the IESBA on the status of this initiative at the June meeting.

VII. Next Steps

17. In light of having completed the feature development work for Phase 2 of the initiative and with IFAC progressing a common digital platform for all SSBs, the WG recommends that the eCode initiative be transitioned to IFAC at this time. There will continue to be coordination between the IESBA and IFAC through staff participation on IFAC's Advisory Group. The IESBA can expect to be kept informed on a regular basis as to how the IFAC digital publication initiative develops and what the next steps for the eCode are.

VIII. Actions Requested

18. The IESBA will be asked to:
- Note the demonstration of the new Phase 2 features.
 - Provide comments and reactions for IFAC's consideration in progressing its digital publication initiative, especially with respect to the future of the eCode.
 - Consider and react to the WG's recommendation regarding next steps for the eCode initiative.