

Meeting: IESBA
Meeting Location: New York
Meeting Date: March 16-18 2020

Agenda Item

8

Technology – Project Proposal

Objectives of Agenda Item

1. To consider:
 - (a) With a view to approval, a project proposal to develop enhancements to the Code to maintain its robustness and relevance in an evolving digital age; and
 - (b) The Technology Working Group's (TWG's) initial thoughts regarding next steps for Phase 2 of the IESBA's Technology initiative.

Working Group

2. Members:
 - Brian Friedrich, Chair, IESBA Member
 - James Barbour, IESBA Technical Advisor
 - Gregory Driscoll, IESBA Technical Advisor
 - Hironori Fukukawa, IESBA Member
 - Myriam Madden, IESBA Member

Activities Since Last IESBA Meeting

3. Following the presentation of its Phase 1 report¹ at the December 2019 IESBA meeting, the TWG met via teleconference in mid-February to discuss a draft project proposal based on the recommendations in the report, which were broadly accepted by the IESBA. The TWG subsequently liaised electronically to finalize the project proposal for this Board meeting.
4. The TWG will meet again via teleconference in early March to plan the agenda for the project Task Force's in-person meeting in April and discuss the Task Force's work plan for Q2-Q3, as well as the way forward regarding Phase 2 of the Technology initiative.
5. As part of outreach:
 - On January 22 and 23, the TWG Chair and a Technical Advisor presented to and met with the Canadian Public Accountability Board staff and CPA Canada's Public Trust Committee in Toronto.

¹ The Phase 1 Report is expected to be published on the IESBA website together with an Update on the Technology initiative by the end of February 2020.

- Towards the end of January 2020, a member of the TWG and staff held meetings in London with representatives of the Institute of Chartered Accountants in England and Wales (ICAEW) and the Association of Chartered Certified Accountants (ACCA) as well as a senior data scientist from EY's Audit Innovation team.
- On February 26, the TWG Chair will meet with the IFAC Technology Advisory Group (TAG) via teleconference to present an update on the Phase 1 work and the final report.

The Board will be briefed on the main takeaways from these outreach activities during the session, as well as other outreach activities being planned for Q2.

6. On March 9, the TWG Chair will also present the Phase 1 report and the project proposal to the IESBA Consultative Advisory Group (CAG). The TWG Chair will brief the Board on the CAG's advice and other input during the Board session.

Material Presented

Agenda Item 8-A Project Proposal – Enhancing the Code in an Evolving Digital Age

Action Requested

7. IESBA members are asked:
 - (a) For views on the project proposal presented in **Agenda Item 8-A**;
 - (b) Subject to consideration of the CAG's input and any refinements to the project proposal, to approve it; and
 - (c) To provide directional input on the approach to the Phase 2 work in the light of the TWG's initial thoughts on next steps.