

Meeting: IESBA
Meeting Location: Virtual
Meeting Date: September 14-21, 29 & October 1, 2020

Agenda Item

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eCode and IFAC Digital Publication Initiative

I. Objectives

1. To receive an update on:
 - The Q3 activities of the eCode Working Group.
 - The status of IFAC's digital publication initiative, and the implications for the eCode.

II. Working Group

2. The eCode Working Group (WG) focused on progressing Phase 2 of the initiative 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

IESBA eCode Initiative

3. The eCode is a web-based tool that delivers the [*International Code of Ethics for Professional Accountants \(including International Independence Standards\)*](#) (the Code) and related resources on a digital platform. The eCode is a multi-phased initiative and phase 1 was completed and successfully launched in June 2019 in conjunction with the Code coming into effect.
4. In addition to a software developer, the development of the eCode has benefited from the operational support of the International Federation of Accountants (IFAC) as well as staff support from the New Zealand External Reporting Board (XRB). The IESBA continued its collaboration with these partners in progressing Phase 2 of the initiative.
5. At its June 2020 meeting, the IESBA received an update on the status of Phase 2, including a demonstration of the new features that were visible to users, as well as the features that were implemented behind the scenes. The IESBA was informed that:
 - Users would soon be able to toggle between the authoritative text of the extant Code, and a future version that incorporates changes arising from approved IESBA pronouncements that will come into effect at a future date (i.e., versioning feature).
 - The technological infrastructure and related IFAC intellectual property agreements have been put in place to facilitate the transfer of the eCode platform to interested professional

accountancy organizations (PAOs) and national standard setters (NSS) who wish to leverage the platform in developing their own local eCodes.

IFAC Digital Publication Initiative

6. In June 2020, the IESBA was informed of IFAC's plans to undertake a staff-led¹ digital publication initiative in collaboration with all the international standard setting boards (SSBs) – IESBA, International Auditing and Assurance Standards Board (IAASB) and International Public Sector Accounting Standards Board (IPSASB).
7. Inspired by the eCode, the objective of the IFAC initiative is to explore a solution to deliver the international standards of all the SSBs to stakeholders on a common digital platform that is consistent in terms of, appearance, ease of use, and ease of maintenance and upkeep.
8. From an IESBA perspective, the IFAC platform will preserve and, in some cases, enhance the key features and functionalities of the eCode.

IV. Activities Since June 2020 IESBA Discussion

IESBA eCode Initiative

9. Since the IESBA June 2020 meeting, the WG has progressed its work via email. Key areas of focus include:
 - Overseeing updates to the eCode to enable the versioning feature.
 - Promoting awareness and use of the eCode. The eCode is prominently featured on the IESBA's [Support & Resources webpage](#) and on IFAC's Gateway as part of its [Exploring the IESBA Code](#) installment series.
 - Collecting usage information for the eCode and the PDF downloads of the current IESBA Handbook. During the September meeting, the WG Chair will provide the IESBA with an update on the usage statistics for the eCode and PDF downloads of the IESBA 2018 Handbook.

Status of eCode Updates & the Versioning Feature

10. The WG notes that IFAC staff has updated the content of the eCode to reflect the final [revisions to Part 4B](#) that will come into effect in June 2021.² Accordingly, the versioning feature of the eCode that was demonstrated to the IESBA in June 2020 is now live, and is accessible to all users. Currently, two versions—June 2019 and June 2021—are available.
11. The effective date selection feature is available from the menu page of the eCode. Users are now able to select different versions of the Code from a drop-down menu. The default position is the extant Code. When an alternate version is selected, a pop-up box prompts the user to confirm they wish to leave the extant Code and access a version that is not yet effective. Once the user accepts, and has accessed the future version of the Code, there is prominent notification at the

¹ An internal Advisory Group, with staff representation from each of the SSBs, was established to provide input to IFAC as it progresses this work. IESBA Deputy Director, Diane Jules is the IESBA representative on this Advisory Group.

² IFAC is responsible for update the eCode's content management system (CMS) for changes arising from IESBA pronouncements that were approved since June 2019. A training manual was developed to assist IFAC staff in updating the content and to provide an overview of eCode's CMS.

top of every page to remind the user they are not in the extant version. Users also have the option to return to the extant version of the Code with one click of a button.

12. The WG notes that IFAC staff plans to update the eCode for changes arising from the finalization of the Role and Mindset Expected of Professional Accountants project completed by October 2020. Once that work is completed, a third version—December 2021—will be available in the eCode.

Pilot-testing the Transfer Feature

13. Initially, the WG planned to trial the transfer of the eCode to the XRB. In June 2020, the WG informed the IESBA that this trial is placed on hold, contingent on IFAC's plans for the next phase of the eCode.

IFAC Digital Publication Initiative

14. IFAC commenced its digital publication initiative in July 2020 and anticipates its completion in Q4 2020. As part of the initiative, IFAC surveyed users of the SSBs' standards including users of eCode and the IESBA's PDF Handbook. Overall, the survey responses confirm the approach and the prioritization of features for the new platform and the digital version of each SSB standards. Survey respondents also provided many suggestions to help inform the IFAC's digital publication initiative, and to enhance the eCode.
15. With respect to the eCode, the survey results confirm that the eCode has had a positive impact on users' ability to access and navigate the Code. For example, respondents noted that the eCode has made it easier to find information and to search for key words or topics.
16. During the September meeting, the IFAC representatives of the WG will brief the Board on the status of IFAC's digital publication initiative. As part of that briefing, they will also provide an overview of the survey results, especially with respect to the feedback on the eCode.

V. Way Forward

17. In light of having substantively completed Phase 2, and with IFAC's ongoing work to develop a common digital platform for all the SSBs' international standards, the WG recommends that the eCode initiative be fully transitioned to IFAC at this stage.
18. The WG notes the coordination between the SSBs and IFAC through IESBA staff participation on IFAC's Advisory Group for the digital publication initiative; and the periodic updates that are provided to the Chair of the SSBs, and the Managing Director of Professional Standards, James Gunn. However, the WG believes that IFAC representatives should continue to brief the IESBA on the status of the IFAC digital publication initiative and the ongoing implications for the eCode.

VI. Action Requested

19. The Board will be asked to note and react to the presentations from the WG Chair and the IFAC representatives of the WG in determining the next steps for the IESBA eCode initiative.