Objective and Related Agenda Items

1. The objectives of this Issues Paper are twofold:
   a. Discuss the review process and preliminary outcome on comments received in response to the Exposure Draft, *International Education Standards 2, 3, 4, and 8 – Information and Communications Technologies and Professional Skepticism*.
   b. Obtain the Consultative Advisory Group (CAG) input on the definition of Information and Communications Technologies (ICT) and whether there are fatal flaws in incremental revisions to the learning outcomes presented in the exposure draft.

2. Integral to this Issues Paper are the following agenda items.

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Update of Primary Considerations Raised in Response to the Exposure Draft

3. As discussed in Agenda Item 2-1 ICT Issues Paper – Analysis of Comments in Response to Exposure Draft presented at the April 2019 Board meeting, there was pervasive support for the revisions to the learning outcomes with over 80% either explicitly or generally supporting the ICT and Professional Skepticism revisions. However, there were three broad areas of concern raised for the IAESB (Board) to consider. These were deliberated by the Board at the April 2019 meeting and the conclusions were consistent with those of the CAG.
Consideration 1 - Proposed revisions are coming too soon after the most recent revisions to these same standards.

- The Board agreed with the ICT and Professional Skepticism Task Forces’ conclusion the 5 to 6 years between the effective date of the most recent revisions to IES 2, 3, 4 and 8 and the effective date of the proposed standards was sufficient evidence to support the continued pursuit of issuing revised standards.

Consideration 2 - Insufficient life to the Board to sufficiently analyze and address comments, consider the nature and extent of future standards setting, and the continuing nature and authority of the IESs.

- The Board agreed with the ICT and Professional Skepticism Task Forces’ proposal that the revisions to the IESs should be pursued. This decision was based on the consideration that the IESs will be retained and the authority of the IESs will continued to be achieved under the Statement of Member Obligation 2, International Education Standards for Professional Accountants and Other Pronouncements Issued by the IAESB.

- As evidenced by the process and work performed to date, sufficient time has been devoted to analyze and address comments.

Consideration 3 - Need further coordination with other boards to ensure the latest thinking of the International Auditing and Assurance Standards Board (IAASB) and International Ethics Standards Board for Accountants (IESBA) is considered.

- The Board agreed with the ICT and Professional Skepticism Task Forces’ proposal that it is: i) in the public interest to timely issue standards when gaps have been identified and (ii) it is important to be responsive to input from Member Bodies as a result of outreach activities. As such, revision to the standards should continue to be pursued.

4. The ICT Task Force also discussed whether the extent of the comments received, and the changes proposed would require re-exposure. The ICT Task Force believes there have not been substantive changes of the nature and type to warrant re-exposure. Further deliberation will be held with the Board to obtain their input after the revisions to the exposure draft have been discussed and concluded.

CHANGES MADE AS A RESULT OF COMMENTS RECEIVED

5. Agenda Item 2-5 includes the Analysis of Comments. The ICT Task Force completed its detailed analysis on the comments received in response to the exposure draft published in December 2018 (See Agenda Item 2-2 of May IAESB CAG Teleconference meeting). Through in person meetings, phone calls and webinars, the ICT Task Force:
a. Considered each comment individually  
b. Debated the intent of the learning outcome as compared to the comment  
c. Evaluated the comment when considering the competency area as a whole  
d. Revisited past discussions by the ICT Task Force that were held when the original revisions were made  
e. Evaluated whether the comment was addressed in other learning outcomes

6. The proposed revisions to the learning outcomes included in the exposure draft were also provided to the Draft Working Group for a light review.

7. The exposure draft included a definition for Information and Communications Technologies. As a result of the analysis of comments described above, CAG input and debate with the Board, the ICT Task Force is recommending the following revisions to the definition for Information and Communications Technologies:

   a. Information and Communications Technologies - A diverse set of Established and emerging technologies, techniques, and processes used to capture, manage, transform, and-or communicate data and information.

8. The ICT Task Force determined the phrase - “a diverse set” - did not effectively capture the intent to include “emerging technologies”.

9. The proposed Learning Outcomes marked-for-changes and clean versions from the exposure draft are provided in Agenda Items 2-3 and 2-4.

Questions:

A. Does the CAG agree with the revised definition of Information and Communications Technologies?  

B. Does the CAG believe there are any fatal flaws, for example, unintended consequences or significant issues, as a result of the incremental changes proposed to the learning outcomes?