



An Roinn Fiontar,
Trádála agus Fostaíochta
Department of Enterprise,
Trade and Employment

Public Consultation on Member State Option to Introduce Independent Assurance Service Providers (IASPs)

Pursuant to Article 34 of Directive 2013/34/EU as inserted by Directive
2022/2464/EU (CSRD)

Response Template

As set out in the consultation paper, the Department of Enterprise, Trade and Employment is specifically seeking views on the Member State option to introduce a new category of independent assurance services provider pursuant to Directive 2022/2464/EU ('CSRD').

Respondents can comment generally on this Member State option at the end of the template and express any views specific to this option should they wish.

Please include your response in the space underneath the relevant option, to set out/ explain your views. Completing the template will assist with achieving a consistent approach in responses returned and facilitate collation of responses.

When responding please indicate whether you are providing views as an individual or representing the views of an organisation.

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Respondents are requested to return their completed templates by email to CSRD@enterprise.gov.ie by the closing date of **Friday, 19 July 2024**.

Submissions should be sent by email to CSRD@enterprise.gov.ie

Please write '**response to public consultation on option to adopt Independent Assurance Services Provider**' in the subject line of the email.

Directive 2022/2464/EU ('CSRD') amends Directive 2013/34/EU ('Accounting Directive') by inserting a new paragraph 4 into Article 34. Paragraph 4 provides the following:

4. Member States may allow an independent assurance services provider established in their territory to express the opinion referred to in point (aa) of the second subparagraph of paragraph 1, provided that such independent assurance services provider is subject to requirements that are equivalent to those set out in Directive 2006/43/EC of the European Parliament and of the Council as regards the assurance of sustainability reporting as defined in point 22 of Article 2 of that Directive, in particular the requirements on:

- (a) training and examination, ensuring that independent assurance services providers acquire the necessary expertise concerning sustainability reporting and the assurance of sustainability reporting;
- (b) continuing education;
- (c) quality assurance systems;
- (d) professional ethics, independence, objectivity, confidentiality and professional secrecy;
- (e) appointment and dismissal;
- (f) investigations and sanctions;
- (g) the organisation of the work of the independent assurance services provider, in particular in terms of sufficient resources and personnel and the maintenance of client account records and files; and
- (h) reporting irregularities.

Question 1 – Do you support the proposal that Ireland adopts the Member State option to introduce, accredit, regulate, and monitor a new service provider – called an Independent Assurance Services Provider – to give an assurance opinion on sustainability reporting? Please give reasons for your preference.

Yes I do. Reasons: 1. It opens the sustainability assurance market to other than accountancy firms. 2. The skill sets of sustainability professionals in my view better fits the requirements to understand company's sustainability data, particularly the validity of future targets setting, example are future ESG targets realisable or not. Across E (Environmental), S (Social), G (Governance), particularly in E there there are more non-financial (non G) ESG metrics to consider in the ESRS than Financial metrics, which is suited to other sustainability professions not only accountancy professionals.

Question 2 – Do you voluntarily obtain the services of a person, other than a statutory auditor, for an assurance opinion on sustainability reporting? Please give reasons for your preference.

No comment.

Question 3 – Do you have any views on how and by whom Independent Assurance Services Providers established in Ireland should be accredited, supervised, and monitored?

It should follow the requirements of the ESRS and CSRD as outlined, and Ireland can take guidance from best practice in other EU countries.

Question 4 – Do you have any views on the capacity of Independent Assurance Services Providers to comply with equivalent requirements to those set out in the Directive 2006/43/EC ('Audit Directive')?

No comment.

Question 5 – Do you have any views on how Ireland (being the host Member State) should supervise the assurance of sustainability reporting carried out by Independent Assurance Services Providers established in another Member State?

No comment.

Question 6 – If you fall within scope of the CSRD, would you be likely to use an Independent Assurance Services Provider (other than a statutory auditor) for your sustainability assurance? Please give reasons for your preference.

Yes as I believe that it would be more cost competitive than carrying out with accounting firms which are traditionally very expensive.

Question 7 – Do you have any views on whether the introduction of a new sector for assurance on sustainability would benefit or harm Irish business and employment or the Irish economy?

I believe that it would benefit by giving opportunities to other sectors than accountancy services. Also, there would be faster turnaround for companies requiring assurance. Opening the market would lower assurance costs with greater supply. There would be a better quality of Sustainability Reporting in my view as sustainability professionals can provide qualified feedback on E and S topics which are not covered. Over time, there would be greater ambition in target setting since sustainability professionals are better qualified to guide in their commentaries, which would increase Ireland's sustainability.

Please include your views on any other issues that you might see as relevant to Article 34(4) and (5).



THANK YOU FOR YOUR RESPONSES