



Stellungnahme zum Entwurf unverbindlicher Leitlinien des CEAOB zur Prüfung der Nachhaltigkeitsberichterstattung mit begrenzter Sicherheit

Die WPK hat mit Schreiben vom 22. Juli 2024 gegenüber dem Committee of European Auditing Oversight Bodies (CEAOB) zu dessen Entwurf unverbindlicher Leitlinien zur Prüfung der Nachhaltigkeitsberichterstattung mit begrenzter Sicherheit wie nachfolgend wiedergegeben Stellung genommen:

Question 1

Is there any content, in the draft CEAOB guidelines on limited assurance on sustainability reporting, that you would assess as not useful or relevant from a public interest perspective?

WPK:

The WPK (German Chamber of Public Accountants) would like to express our gratitude for the opportunity to provide our comments on the draft CEAOB non-binding guidelines on limited assurance on sustainability reporting. These guidelines will serve as a crucial initial orientation for auditors (and companies as well) in the early stages and will support them in performing limited assurance engagements on sustainability reporting.

Therefore, we support the CEAOB's efforts in developing these guidelines and appreciate the opportunity to contribute our insights. We believe that with careful consideration of scalability and adaptability, the guidelines will be a usable tool for both auditors and companies.

Moreover, in terms of clarity we encourage a closer alignment with international assurance standards issued by the IAASB, and to avoid the guidelines being seen as too close to reasonable assurance, as for example:

- No. 4, 2nd paragraph, 1st sentence: As per international assurance standards the reference to information being "free from material misstatement(s)" is closer to reasonable assurance than to limited assurance.

- No. 9, 5th paragraph: Regarding the request of practitioners "to conclude with limited assurance regarding the absence (or not) of material misstatements" international standards are requiring practitioners to express their limited assurance conclusions in form of a negative statement.
- No. 16: The heading implies that, like for reasonable assurance, "testing" would be required.
- No. 17: Though marked as optional, the concept of "key (assurance) matters" exists solely for audits (i. e. reasonable assurance) of listed entities and should not be introduced into limited assurance engagements for a wider group of entities.

Question 2

Are there any areas or topics not covered in the draft CEAOB guidelines that would need to be addressed in the guidelines or developed in the future European Standard on limited assurance?

WPK:

We recommend proposing and illustrating scalability aspects and options for the assurance of sustainability information within the guidelines.

In Germany, it is estimated that approximately 15,000 companies will be required to prepare a sustainability report within their management report and have it audited on a statutory basis from 2025 on. The majority of these companies are not listed entities, despite they form the backbone of the German economy (so called "Mittelstand") and despite the fact, that these companies are "large" in terms of their size. This will mean that many auditors, who predominantly audit these firms, will also need to familiarize themselves with auditing sustainability reports. Consequently, the guidelines will be of paramount interest to both auditors and companies alike.

In light of this, we consider it particularly important that the guidelines are sufficiently scalable and adoptable to be effectively utilized by both companies and auditors. Scalability and adaptability are crucial in maintaining the practicality and relevance of the guidelines across the diverse landscape of businesses.

In addition, we suggest that the CEAOB should mention the applicable extant standards and drafts for sustainability assurance engagements to the profession, as these are currently (and presumably will be) used by most auditors worldwide. These are ISAE 3000 and the standards under development (such as ISSA 5000 and the sustainability audit section of the IESBA Code of Ethics). We believe that it is important that the companies concerned, and their auditors are aware of the relevant professional pronouncements and that the CEAOB takes a favourable view of them.

No. 17 3rd paragraph, inserted text box: the reference to "faithful representation" implies that this is an overall (new) concept required by the ESRS. We understand that ESRS 1 QC5 to QC9 and QC14 require application of fair representation on a disclosure level, but not as an overall concept. We suggest clarifying the guidance or deleting that paragraph in the text box.

Question 3

Are there any other suggestions that you would like to share with the CEAOB, before adoption of the final CEAOB guidelines on limited assurance on sustainability reporting?

WPK

It is recommended to add CSRD in the title of the guidelines in order to clarify that they are solely directed to CSRD sustainability reporting.

No. 6: The combination of fraud and non-compliance with laws and regulations in one guidance / paragraph appears confusing. To align with international assurance standards that provide different concepts of practitioners' responsibilities in relation to fraud and their considerations of non-compliance with laws and regulations, we suggest to address these concepts separately.
