November 23, 2023

Sent via email

Insurance Auditing and Assurance Standards Board
529 5th Avenue
New York, New York 10017

To Whom It May Concern,

Re: Engineers Canada’s comments regarding the Insurance Auditing and Assurance Standards Board’s Proposed ISSA 5000, General Requirements for Sustainability Assurance Engagements.

On behalf of Engineers Canada, I am writing to express our concerns regarding the current draft of Proposed ISSA 5000, General Requirements for Sustainability Assurance Engagements.

Engineers Canada is the national organization that represents the 12 provincial and territorial engineering regulators that license the more than 300,000 members of the engineering profession in Canada.

Our concerns are also shared by the Association of Consulting Engineering Companies – Canada (ACEC) who have cosigned this letter. ACEC is a business association that represents over 400 companies across Canada that offer engineering and other professional services to public and private sector clients wide range of disciplines.

While we acknowledge the landmark nature of this global sustainability assurance standard, we have reservations about its applicability across multiple professional disciplines. The proposed standard, while stated to be “profession agnostic,” appears to be heavily skewed towards the practice of accounting. This gives the impression that all aspects of the assurance process are to be led and supervised by professional accountants. However, this includes assurance of calculations which fall outside the realms of financial audit or reviews of financial information and which would likely require professional licensure in other disciplines.

Furthermore, the assurance statement explicitly requires adherence to the International Code of Ethics for Professional Accountants. This requirement may pose challenges for other professionals, including engineers and geoscientists, who may not be familiar with these specific ethical guidelines. We believe that broader language would be more conducive to input by other professionals. This would ensure that the standard is truly profession agnostic and can be effectively utilized by all assurance practitioners.
While we acknowledge their skills in assurance work, we believe that tracking such measures requires a deep understanding of science-based calculations and chemical processes, for which engineers and geoscientists are trained. Therefore, we urge that organizations establishing these standards explicitly acknowledge the need to bring in technical experts (e.g., professional engineers) to support their audit, where the assurance crosses into an engineering scope of practice.

There is a significant number of engineers across Canada (and other jurisdictions) with in-depth knowledge about sustainability, and climate action including GHG quantification and verification which are included in disclosure reporting. For example, Engineers and Geoscientists British Columbia has over 40,000 registrants with a significant proportion of engineers who have declared areas of related practice such as “GHG Calculation”, “Sustainability”, and “Climate risk management”. These registrants are engaged in disclosure reporting work in diverse fields as management consultants, in local governments and utilities, and with mining, oil and gas and forestry sectors. Engineers along with accounting professionals with suitable GHG quantification training and expertise also act as Qualified Professionals in carrying out Greenhouse Gas Mitigation Assessments and providing assurances required under Government of Canada’s federally supported infrastructure projects. These skills are directly relevant and highly transferrable in enabling engineers to apply their professional judgment in planning and performing sustainability assurance engagements.

We therefore kindly request that you consider broadening the scope of the proposed standard to include quality management and ethical standards that apply to engineers, geoscientists, and other professionals and that require Qualified Professionals to participate in these assurance engagements. This would ensure a more inclusive approach and allow for a wider range of professional input.

Thank you for your time and consideration. Should you wish to discuss this matter further, please contact Joey Taylor, Manager, Public Affairs and Government Relations at 613-232-2474 x213, or at joey.taylor@engineerscanada.ca.

Sincerely,

Gerard McDonald, MBA, P.Eng., ICD.D
Chief Executive Officer
Engineers Canada

John Gamble, CET, P. Eng.,
President and Chief Executive Officer,
Association of Consulting Engineering Companies - Canada

CC: Mustafa B. Shehu, President, World Federation of Engineering Organizations
Nelson Ogunshakin OBE, Chief Executive Officer, International Federation of Consulting Engineers
Jeanette M. Southwood, FCAE, FEC, LL.D. (h.c.), P.Eng., IntPE, Vice-President, Corporate Affairs and Strategic Partnerships
Joey Taylor, MHA, M.Sc., PMP, Manager, Public Affairs and Government Relations