

Experts Narrow-Scope Amendments – Feedback and Issues

Objective

The objectives of the IAASB discussion in September 2025 are to:

- (a) Provide the Board with an overview of respondents' comments on questions from the Exposure Draft (ED), [Proposed Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's¹ Using the Work of an External Expert Project](#), focused on the most significant comments and main themes that emerged from the feedback.
- (b) Obtain the Board's input on the project team's views and recommendations to address the key themes identified from the responses.
- (c) Approve the proposed narrow-scope amendments to IAASB standards arising from the IESBA's Using the Work of an External Expert project.

Approach to the Board Discussion

The project team will introduce the key themes from the responses to the ED and will ask the Board for its views on the project team's recommendations and proposed revisions to the ED as described in **Part B** of this Agenda Item, with reference, as applicable, to proposed revisions to the narrow-scope amendments as presented in **Agenda Item 2-A**.

The Board will also be asked whether they agree with the project team's summary of respondents' feedback presented and whether there are any other significant issues raised by respondents that should be discussed.

Introduction

Background

1. In March 2025, the Board approved the ED for public exposure. Consistent with the project objective outlined in paragraph 12 of the [project proposal](#), the narrow-scope amendments were focused on targeted amendments to the IAASB standards needed to maintain interoperability with the new provisions in the IESBA's *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the Code) related to [using the work of an external expert](#).

Project Team

2. The project team comprises:
 - Dan Montgomery – Senior Consultant to the IAASB
 - Kazuko Yoshimura – IAASB Senior Manager
 - Jamie Shannon – Technical Advisor to IAASB Member Edo Kienhuis

¹ International Ethics Standards Board for Accountants (IESBA)

Materials Presented

3. This paper sets out the following:
 - **Part A:** A summary of the stakeholders that submitted written responses to the ED and an explanation of the approach to the presentation of respondents' comments.
 - **Part B:** Analysis of responses by themes and the project team's views and recommendations.
 - **Part C:** Way forward.
4. This agenda item includes the following appendices and other agenda items:

Appendix	
Appendix 1	List of respondents to the ED
Other Agenda Items	
Agenda Item 2-A	Proposed narrow-scope amendments (Marked)
Agenda Item 2-B	Proposed narrow-scope amendments (Clean)
Agenda Item 2-C.1–2-C.6 (Supplemental)	Word NVivo reports that include comments from respondents to the ED
Agenda Item 2-D.1–2-D.6 (Supplemental)	Excel NVivo reports that analyze the respondents' comments to the ED
Due Process Matters	
Agenda Item 2-E	<i>Due Process Considerations and Draft Basis for Conclusions</i>

Coordination with IESBA

5. There has been ongoing coordination between IAASB and IESBA since the development of the Code provisions relating to using the work of an external expert.² In August 2025, the IAASB project team updated IESBA staff on the status of the project and provided input to a draft of IESBA staff-prepared non-authoritative material. In addition, IESBA staff has reviewed relevant sections of this paper and the proposed revisions to the narrow-scope amendments in **Agenda Item 2-A**.

Project Objective that Supports the Public Interest

6. The project objective that supports the public interest for these narrow-scope amendments is set out in paragraph 12 of the [project proposal](#). In addition, paragraph 15 of the project proposal describes the qualitative standard-setting characteristics of the Public Interest Framework (PIF)³ that were front

² See paragraph 4, [Agenda Item 4 of the March 2025 Board meeting](#)

³ The PIF sets out a framework for the development of high-quality international standards by the IAASB that are responsive to the public interest. Among other matters, the PIF explains for whom standards are developed, clarifies whose interests need to

of mind in developing the proposals in the ED. The revisions proposed in response to the feedback received, as discussed in **Part B** below, serve to further enhance the responsiveness of the narrow-scope amendments to the public interest, especially in relation to relevance, appropriateness of scope, coherence and comprehensiveness. Changes are also proposed to support clarity and consistency of application.

Part A – Overview of the Written Responses to the ED

Overview of Respondents

7. The comment period for the ED closed on July 24, 2025. 48 responses were received from a range of stakeholders across geographical regions as follows (also see **Appendix 1** for a list of respondents to the ED):

Stakeholder Type	No.	Region	No.
Monitoring Group	1	Global	12
Regulators or Audit Oversight Authorities	2	Asia Pacific	10
Jurisdictional Standard Setters	14	Europe	8
Firms (Audit or Assurance Practitioners)	9	Africa and Middle East	9
Professional Accountancy or Other Professional Organizations	20	North America	7
Public Sector Organization	2	South America	1
		Other	1
Total	48	Total	48

8. No written responses were received from investors or other users. The project team notes that this is not unexpected owing to the nature of the IAASB project to propose narrow-scope amendment to select standards with the sole purpose of maintaining the interoperability of the IAASB standards with the new provisions in the Code related to using the work of an external expert. In this context, investors or other users are not particularly affected since the major impact on the use of experts arises from the Code's provisions.⁴ The IAASB's proposed narrow-scope amendments principally raise awareness and provide a bridge to relevant ethical requirements and, by example, to the new Code provisions but, given the scope of the project, do not fundamentally change the existing performance requirements for auditors or practitioners for using the work of an expert.

Presentation of Respondents' Comments

9. The IAASB provided a [Response Template](#) for respondents to use in providing their comments on the ED to facilitate the IAASB's collation and analysis of the responses. For each question in the Explanatory Memorandum (EM), the respondents indicated their overall response (e.g., "Agree (with no further comments)", "Agree, with comments below") and provided detailed comments, where applicable. For

be served, and includes a set of qualitative characteristics used to assess the public interest responsiveness of its standards. These are referred to herein as "the qualitative standard-setting characteristics."

⁴ The IESBA project was informed, among other input, by targeted outreach with 21 individual investors or other users from 14 organizations (see June 2024 IESBA meeting, [Agenda Item 7](#)).

respondents that did not use the response template, the project team determined the overall response for each question based on the detailed feedback provided.

10. When analyzing the comments, the project team noted that the overall responses were not always reflective of the nature of the detailed comments, and determined that the most effective way to analyze and present the comments received was by the significant themes that emerged from the analysis of the detailed comments.
11. The project team used NVivo to assist with the analysis of the responses to the questions in the EM. The charts in Part B show the breakdown of responses to each question in the EM by significant themes and stakeholder groups. The comments in the overall responses are included in the NVivo reports in **Agenda Item 2-C.1–2-C.6** and the Excel spreadsheet in **Agenda Items 2-D.1–2-D.6** shows the summary of overall responses.

Part B – Analysis of Responses by Themes and the Project Team’s Views and Recommendations

B.1 Public Interest Responsiveness

Background

12. In developing the ED, the IAASB considered the qualitative standard-setting characteristics set out in the PIF as criteria to assess the proposed narrow-scope amendments’ responsiveness to the public interest. The [project proposal](#) and the EM highlighted the following qualitative standard-setting characteristics that were front of mind in how the achievement of the project objective will serve stakeholder needs and the broader public interest: relevance, timeliness, appropriateness of scope, coherence, comprehensiveness and enforceability.

What We Asked

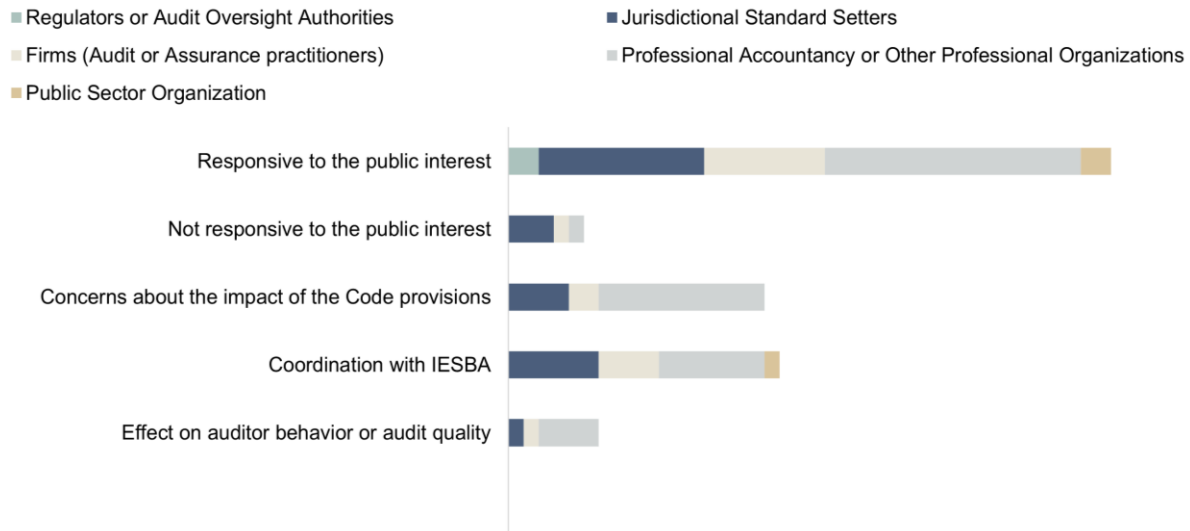
13. Question 1 asked respondents:

Do you agree that the proposed narrow-scope amendments are responsive to the public interest, considering the qualitative standard-setting characteristics and standard-setting actions in the project proposal? If not, why not?

All 48 respondents provided a response to Question 1, including one Monitoring Group (MG) member. See **Agenda Item 2-C.1 and 2-D.1** for further details on the overall responses on Question 1.

What We Heard

14. The chart below shows a breakdown of the responses to Question 1 by theme and stakeholder group.



Monitoring Group Comments

15. The MG member that responded did not expressly agree or disagree whether the proposed narrow-scope amendments are responsive to the public interest. However, the MG member noted that the proposed narrow-scope amendments achieve the objective of maintaining interoperability of the IAASB standards with the new provisions in the Code.

Other Respondents' Comments

16. A significant majority of the other respondents agreed that the proposed narrow-scope amendments are responsive to the public interest. Specific comments in support of the responsiveness to the public interest included:
- The narrow-scope amendments ensure consistency between IAASB standards and the Code, and the alignment with the effective date of the Code provisions will help to avoid inconsistencies in implementation.
 - The IAASB's efforts to align its standards with the Code provisions demonstrate a strong commitment to coherence and relevance.
17. Respondents that noted their disagreement with the proposed narrow-scope amendments being responsive to the public interest often did so in the context of concerns with the practicality or operability of the Code provisions relating to using the work of an external expert, or concerns about, or suggestions for, a more coordinated process on matters of mutual interest. Some respondents that agreed that the narrow-scope amendments are in the public interest had similar comments or concerns. See paragraphs 18-19 below.

Concerns about the impact of the Code provisions

18. Several respondents noted or reiterated concerns previously communicated to IESBA about the Code provisions related to using the work of an external expert in audit and assurance engagements. For example, respondents noted concerns regarding:
- The evaluation of competence, capabilities and objectivity (CCO), especially the operability of requirements for evaluating objectivity and potential difficulties in obtaining required information from external experts. This is perceived as an issue that may lead to potential negative impacts on the availability of experts.
 - The proportionality of the provisions for small- and medium sized practitioners (SMPs), which often have a greater need to use external experts due to limited internal resources.

Coordination with IESBA

19. Many respondents acknowledged and appreciated the coordination between IAASB and IESBA on their respective projects related to experts. On the other hand, more than a third of respondents encouraged closer coordination between the IAASB and IESBA or expressed a need for greater collaboration between the two boards in their standard-setting projects. These respondents highlighted challenges caused by the sequential process for amendments to the Code and IAASB standards, which poses additional burdens on stakeholders and limited the opportunity to consider the impacts from the amendments to both the Code and IAASB standards holistically. In this regard, respondents noted that the public interest would be better served if projects related to topics that have impacts on both the IAASB standards and the Code are developed and consulted on as part of an integrated approach. Some respondents suggested the IAASB and IESBA jointly conduct further outreach with practitioners to understand implementation challenges, and with jurisdictional standard setters to understand any barriers to adoption.

Effect on auditor behavior or audit quality

20. A few respondents commented that it was unclear if the proposed narrow-scope amendments were intended to change auditor behavior or enhance audit quality. Several respondents noted that the changes were primarily only to application material and made various suggestions for further enhancements to requirements to specifically drive auditor behavior.

Project Team's Views

21. The project team acknowledged the widespread agreement of respondents that the narrow-scope amendments are responsive to the public interest. In particular, the project team noted comments indicating that:
- The targeted nature of the proposed amendments ensures timely and proportionate updates, preserving interoperability without the need for full-scale revision of IAASB standards, which is consistent with the project objective and proposed actions in the project proposal.
 - The narrow-scope amendments provide clarity about the auditor's and practitioner's responsibilities for the evaluation of an expert's CCO.
 - The approach taken by the IAASB to heighten awareness of relevant ethical requirements rather than to duplicate such requirements is appropriate for a narrow-scope project focused on interoperability.

Concerns about the impact of the Code provisions related to using the work of an external expert

22. The project team noted these comments but also noted that such comments relate to the Code provisions and do not directly relate to the scope of the project, i.e., targeted amendments to IAASB standards to maintain the interoperability with the new provisions in the Code. A key goal of the proposed narrow-scope amendments was to increase the awareness in the IAASB standards about relevant ethical requirements related to using the work of experts, including, by example, certain specific provisions in the Code regarding the use of the work of an external expert. The project team has shared the respondents' comments about the impact of the Code provisions with IESBA staff.

Coordination with IESBA

23. As noted in paragraph 5 above, there was close, ongoing coordination between IAASB and IESBA staff, and representatives of the two Boards, in the development of the proposed provisions in the Code related to using the work of an external expert and the proposed narrow-scope amendments to IAASB standards arising from those Code provisions. The project team is of the view that, while a joint standard-setting process for topics of mutual interest may be ideal, a holistic process may not always be possible, and differences in the timing of the respective projects of the two boards may arise due to practical considerations, including project priorities. However, the project team agrees that there is scope for further improvements in the coordination and collaboration between the IAASB and IESBA. This has been identified as a strategic priority by the leadership of both Boards in progressing the Boards' current work plans for 2024-2027, as well as in developing their strategies and work plans for 2028-2031, for which work has already commenced (see **Agenda Item 5** of this IAASB meeting).

Matters for IAASB Consideration:

1. The Board is asked whether they agree with the project team's summary of respondents' feedback in **B.1** above, and whether there are any other significant issues raised by respondents on Question 1 in the EM that should also be considered in finalizing the narrow-scope amendments in **Agenda Item 2-A**.

B.2 Proposed Narrow-Scope Amendments to ISA 620⁵

Background

24. The IAASB focused its narrow-scope amendments on those targeted amendments needed to maintain interoperability with the Code. As a result, the IAASB proposed an additional sub-requirement (f) to paragraph 8 of ISA 620 for the auditor to consider provisions of relevant ethical requirements relating to using the work of an expert in determining the nature, timing and extent of the procedures required in paragraphs 9–13 of ISA 620. This was due to the relative significance of the new provisions in the Code related to using the work of external experts.
25. The IAASB also proposed amendments and additional application material for clarity or to provide specific references to relevant ethical requirements, including, by example, footnote references to certain provisions in the Code.

⁵ International Standard on Auditing (ISA) 620, *Using the Work of an Auditor's Expert*

What We Asked

26. Question 2 asked respondents:

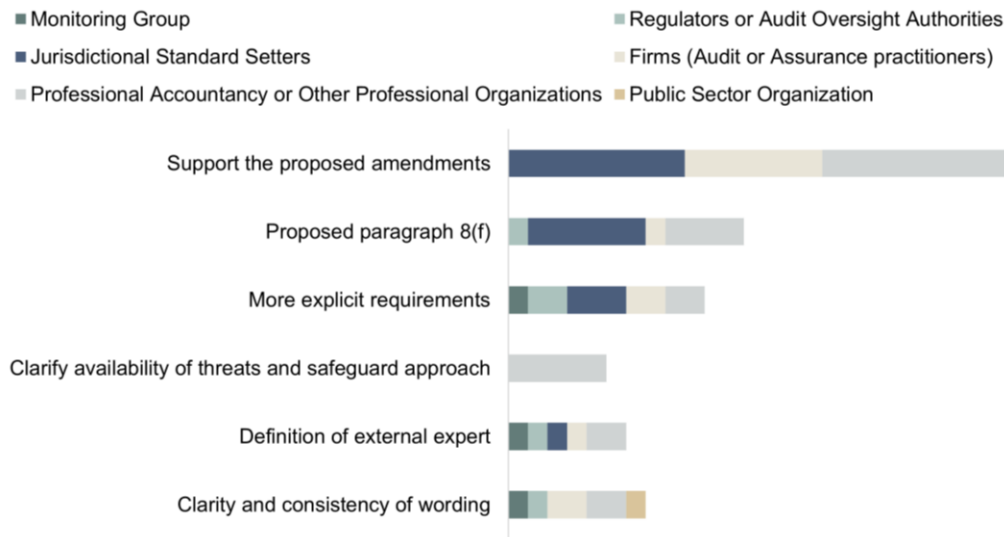
Do you agree that the proposed narrow-scope amendments to ISA 620 are appropriate to maintain interoperability with the new provisions in the Code related to using the work of an external expert?

If you do not agree, what alternatives do you suggest (please identify the specific paragraphs and be specific as to why you believe the proposals are not appropriate, and why you believe your alternatives would be more appropriate)?

All 48 respondents provided a response to Question 2, including one MG member. See **Agenda Item 2-C.2 and 2-D.2** for further details on the overall responses on Question 2.

What We Heard

27. The chart below shows a breakdown of the responses to Question 2 by theme and stakeholder group.



Monitoring Group Comments

28. The MG member disagreed that the proposed narrow-scope amendments to ISA 620 are appropriate to maintain interoperability with the new provisions in the Code. The MG member noted the statement in paragraph 21 of the EM that the requirement for the external expert to provide information in writing is a significant new aspect of the Code provisions, and that this is an overarching factor that can have an effect on the nature, timing and extent of the auditor's procedures, particularly for evaluating the external expert's CCO and the agreement with the expert. Therefore, the MG member was of the view that other targeted amendments to ISA 620 should be considered in addition to paragraph 8(f) and the proposed amendments to the application material. This would include, for example, aligning more closely with the provisions of the IESBA Code that explicitly describe the circumstances in which the auditor is prohibited from using the work of an auditor's external expert (see also paragraph 32 below).

29. Given the different adoption rates of the Code as well as the diverse landscape of ethical frameworks around the world, the MG member was of the view that ISA 620 should align more closely with the new provisions in the IESBA Code. It was noted that a global benchmark of requirements related to using the work of an external expert in the IAASB's auditing standards would facilitate harmonization in the approaches taken and promote consistency in the performance of audits across jurisdictions, which is in the public interest.

Other Respondents' Comments

30. Other respondents generally supported the proposed narrow-scope amendments to ISA 620 to maintain interoperability with the new provisions in the Code, but provided specific comments as summarized in the themes below.

Proposed paragraph 8(f)

31. Several respondents expressed support for the proposed new requirement in paragraph 8(f) as an effective way to link ISA 620 with the need to consider relevant ethical requirements. Some other respondents questioned whether the proposed new requirement in paragraph 8(f) of ISA 620 was needed. Those respondents noted that the ISAs already require auditors to comply with relevant ethical requirements.⁶ Therefore, adding a requirement in ISA 620 is duplicative and appears to function more as a reminder than a substantive enhancement that would affect auditor behavior. In addition, these respondents noted that the new requirement would also apply to evaluating the adequacy of the auditor's expert's work,⁷ which is not addressed in the Code.⁸

More explicit requirements

32. Several respondents commented on the need for more explicit requirements in ISA 620, particularly in relation to the following:

- (a) The circumstances in which the work of an auditor's expert cannot be used.

As explained in paragraph 24 of the EM, there is an implicit presumption in ISA 620 that the work of an auditor's expert cannot be used if the auditor concludes that the expert does not have the necessary CCO for the auditor's purposes. Although some respondents were of the view that the proposed application material in paragraphs A19A and A31A was sufficient to highlight the implicit presumption, other respondents, including the MG member, noted that this application material may not be sufficiently clear or consistently applied by auditors. These respondents therefore suggested that ISA 620 should include a requirement that clearly prohibits using the work of an expert that does not have the necessary CCO for the auditor's purposes. In particular, it was noted that this would drive consistency in approach when a jurisdiction does not adopt the Code.

⁶ See, for example, ISA 200, *Overall Objectives of the Independent Auditor and the Conduct of an Audit in Accordance with International Standards on Auditing*, paragraph 14.

⁷ See ISA 620, paragraphs 12 and 13.

⁸ See, for example, the Code Section 390.4 A5.

(b) Obtaining information from the expert in writing

A few respondents, including the MG member, commented that ISA 620 should include a requirement for the auditor to request the external expert to provide information in writing to assist the auditor in evaluating the external expert's objectivity. This reflected the view that the requirement for the external expert to provide information, in writing, for purposes of assisting the evaluation of the external expert's objectivity is a significant new aspect of the Code provisions. One respondent suggested that such a requirement in ISA 620 could be conditional based on the provisions of the relevant ethical requirements.

Clarify availability of a threats and safeguard approach

33. Some respondents suggested the need for clarity in ISA 620 that the work of an external expert may be used when appropriate safeguards are applied to address threats to objectivity. These respondents noted this is important particularly for SMPs and in jurisdictions where the availability of experts is limited.

Definition of external expert

34. Respondents had mixed views regarding the definition of external expert. Some respondents, including the MG member, encouraged the IAASB to align definitions with the Code and include a specific definition of "external expert." These respondents noted that doing so would help to eliminate ambiguity and foster consistent application by auditors. Other respondents agreed that it was not necessary to make changes to the definition of "auditor's expert" in ISA 620, but noted that additional guidance (e.g., in a joint IAASB-IESBA staff paper) may be helpful to clarify any inconsistencies or address any unintended consequences.

Clarity and consistency of wording

35. Respondents had various suggestions for changes to improve the clarity and consistency of the wording of the proposed narrow-scope amendments. For example:
- (a) To indicate more clearly in paragraph A18A that the information to be provided in writing by the external expert is in relation to the entity at which the external expert is performing their work, which may not be the same as the audited entity.
 - (b) Changing the reference to "professional accountant" in paragraph A13A to "auditor" to be consistent with other references in ISA 620.

Project Team's Views and Recommendations

Paragraph 8(f)

36. Although there were mixed views from respondents, the project team is of the view that paragraph 8(f) should be retained. The project team agrees that the ISAs already require compliance with relevant ethical requirements. However, on balance, given the significance of the new provisions of the Code, the project team continues to believe it is important to raise awareness about the potential impact that relevant ethical requirements may have on the auditor's procedures for evaluating the CCO of an expert and the agreement with the expert. While paragraph 8 of ISA 620 refers to paragraphs 9–13 of the ISA, the project team believes that paragraph 8(f) is appropriate as it requires the auditor to consider the provisions of relevant ethical requirements. Therefore, if there are no

provisions in relevant ethical requirements applicable to evaluating the adequacy of an expert's work, then paragraph 8(f) is not relevant to the evaluation in paragraphs 12 and 13 of ISA 620.

More Explicit Requirements

37. The project team acknowledged the comments from respondents citing various reasons why ISA 620 should include a specific prohibition on using the work of an auditor's expert when the auditor concludes that the expert does not have the necessary CCO. On balance, although respondents had mixed views on the need for an explicit requirement, the project team agreed with respondents, including the MG member, that suggested that such a requirement would increase the clarity of the standard and help to drive consistent application, including limiting the extent to which there may be exceptions or different interpretations. Paragraphs 9A and A19A have been added in **Agenda Item 2-A** to make this prohibition explicit. As a result, the proposed application material in paragraph A31A has been deleted, as that proposed paragraph was intended to highlight the implicit presumption that the auditor would not evaluate the adequacy of the auditor's expert's work if the expert does not possess the necessary CCO.
38. The project team also considered the comments from respondents seeking an explicit requirement for the auditor to obtain information in writing from an external expert. The project team believes paragraphs 11, A18A and A24 remain appropriate as presented in the ED. Not all relevant ethical requirements may require information to be obtained in writing. Therefore, the project team was of the view that adding an explicit work effort requirement in that regard is not needed to maintain interoperability with the provisions of the Code and would be beyond the scope of the project.

Clarify Availability of a Threats and Safeguard Approach

39. The project team believes that the application material in ISA 620 adequately addresses the fact that safeguards may be applied to address threats to objectivity. However, to make this principle clearer in the requirements, a reference to threats and safeguards has been incorporated into proposed new paragraph 9A. The project team believes this gives further prominence to the fact that a threats and safeguards approach can be applied to the evaluation of an expert's objectivity.

Definition of External Expert

40. The project team considered the practicality of including a definition of external expert in ISA 620. In doing so, the project team reviewed the following definitions in the Glossary to the IESBA Code, as updated in connection with the recent revisions as part of IESBA's Using the Work of an External Expert project:⁹

Expert – An individual possessing expertise that it outside the professional accountant's or sustainability assurance practitioner's competence. Where appropriate, the term also refers to the individual's organization.

External expert – An expert engaged by a professional accountant, professional accountant's employing organization or firm, or by a sustainability assurance practitioner.

In the context of audit engagements, an expert (who is not a partner or a member of the professional staff, including temporary staff, of the firm or a network firm) possessing

⁹ The definitions as shown here include only those aspects of the definitions in the IESBA Glossary that relate to the context of an audit engagement.

expertise in a field other than accounting or auditing, whose work in that field is used to assist the professional accountant in obtaining sufficient appropriate audit evidence.

In the context of audit and other assurance engagements, external experts are not members of the engagement team, audit team, review team, assurance team, or sustainability assurance team.

41. The project team noted that these definitions effectively incorporate, and are therefore consistent with, the definition of an auditor's expert in ISA 620. The project team concluded that including a separate definition of "external expert" would be duplicative because the definition of auditor's expert in ISA 620 essentially addresses all relevant aspects as the IESBA definition of external expert, with the exception of stating that an external expert is engaged by the auditor or the auditor's firm. However, it is clear from the last sentence of the definition of auditor's expert in ISA 620 that an internal expert is employed by the firm or network firm, while an external expert is not (i.e., they are engaged from outside the firm or network firm). In addition, the project team believes this is reinforced by the application material in ISA 620 (for example, ISA 620 paragraph A25). The project team was also concerned that adding a definition of external expert would lead to adding a definition of internal expert, and may have implications for the definition of a management's expert.
42. Therefore, the project team reaffirmed the view as explained in paragraphs 18–19 of the EM that no changes are needed to the definitions in ISA 620. However, the project team has added a reference in the definition of auditor's expert (see paragraph 6(a) of ISA 620 in **Agenda Item 2-A**) to the application material in paragraphs A11–A13. The project team was of the view that this will help to draw attention to the differences between an auditor's internal and external expert, including that an external expert is not a member of the engagement team.

Clarity and Consistency of Wording

43. The project team has reviewed all references to relevant ethical requirements and to the IESBA Code and updated the wording in the standard to use the term "auditor" when referring generally to the requirements of relevant ethical requirements in the context of applying ISA 620 and to "professional accountant" when directly referencing the provisions of the Code. The project team also revised the wording in paragraph A19B in **Agenda Item 2-A** (paragraph A19A in the ED) to fully align with the wording of the relevant provision in the Code.
44. In response to comments to clarify paragraph A18A (see paragraph 35(a) above), the project team expanded the first sentence of the hanging paragraph to indicate that the information to be provided in writing by the external expert is in relation to interests or relationships with the entity subject to the audit and, if different, the entity at which the external expert is performing their work.
45. Although not raised by respondents, the project team made changes to the first sentence of paragraph A18A.(b) to delete "including any professional requirements that apply to that expert." This was done in response to input from IESBA staff that, under the Code, professional requirements are "conditions, policies and procedures" established by the expert's profession that may impact the evaluation of the level of the threats, and such professional requirements do not meet the description of a safeguard because they are not sufficiently targeted at specific threats. Although ISA 620 would continue to be operable without this change, the wording is not in alignment with the Code. Therefore, the project team concluded that making the change will enhance coherence between the IAASB standards and the Code. The project team further noted that this change has already been made in paragraph A72 of the proposed ISA 500 (Revised) pre-finalization holding package.

Matters for IAASB Consideration:

2. The Board is asked whether:

- They agree with the summary of respondents' feedback in **B.2** above, and the project team's recommendations for changes to the narrow-scope amendments to ISA 620 in response to comments received (see **Agenda Item 2-A**); and
- There are any other significant issues raised by respondents on Question 2 in the EM that should also be considered in finalizing the narrow-scope amendments.

B.3 Proposed Narrow-Scope Amendments to ISRE 2400 (Revised),¹⁰ ISAE 3000 (Revised)¹¹ and ISRS 4400 (Revised)¹²

Background

46. Based on the proposed amendments to ISA 620, the IAASB explored the need for targeted amendments to other IAASB standards, taking into account the nature and scope of the engagements addressed by these standards and in the context of the provisions of the Code applicable to such engagements.
47. As a result, the IAASB proposed amendments to ISRE 2400 (Revised), ISAE 3000 (Revised) and ISRS 4400 (Revised) for more clarity or to provide links to relevant provisions in the Code.

What We Asked

48. Question 3 asked respondents:

Do you agree that the proposed narrow-scope amendments to these other IAASB standards are consistent with the proposed amendments to ISA 620, and are appropriate to maintain interoperability with the new provisions in the Code related to using the work of an external expert?

If applicable, for each instance where you do not agree, what alternatives do you suggest (please identify the specific paragraphs and be specific as to why you believe the proposals are not appropriate, and why you believe your alternatives would be more appropriate)

46 of 48 respondents provided a response to Question 3 related to ISRE 2400 (Revised) and ISAE 3000 (Revised), and 47 of 48 respondents provided a response related to ISRS 4400 (Revised). The MG member did not respond to this question. See **Agenda Item 2-C.3 and 2-D.3** for further details on the overall responses on Question 3.

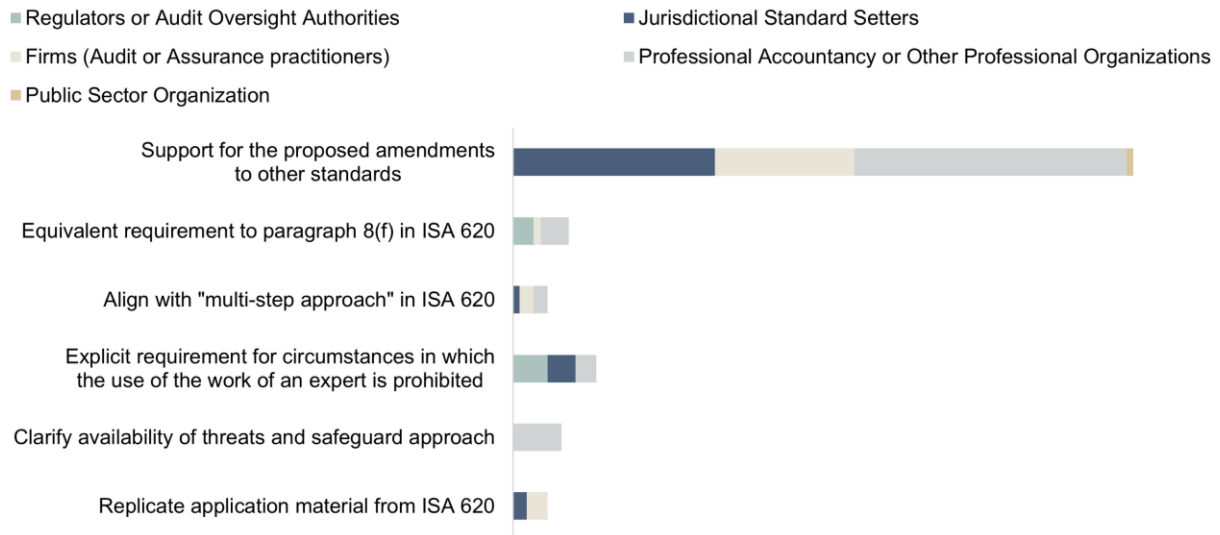
¹⁰ International Standards on Review Engagements (ISRE) 2400 (Revised), *Engagements to Review Historical Financial Statements*

¹¹ International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*

¹² International Standards on Related Services (ISRS) 4400 (Revised), *Agreed-upon Procedures Engagements*

What We Heard

49. The chart below shows a breakdown of the responses to Question 3 by theme and stakeholder group.



Support for the Proposed Amendments to the Other Standards

50. A substantial majority of respondents agreed that the proposed narrow-scope amendments to ISRE 2400 (Revised), ISAE 3000 (Revised) and ISRS 4400 (Revised) are consistent with the proposed amendments to ISA 620 and are appropriate to maintain interoperability with the new Code provisions. The comments were largely consistent for each of the three standards (i.e., in many cases the same, or substantially similar, comments were provided on the proposed amendments to ISRE 2400 (Revised), ISAE 3000 (Revised) and ISRS 4400 (Revised)). Specific comments, which often related to the same themes noted in the comments on ISA 620, are summarized below.

Equivalent Requirement to Paragraph 8(f) in ISA 620

51. Some respondents suggested adding a requirement equivalent to proposed paragraph 8(f) of ISA 620 to enhance the consistency of requirements across the IAASB standards.

Align with "Multi-Step Approach" in ISA 620

52. Some respondents noted that ISRE 2400 (Revised) does not follow the same "multi-step" approach as in ISA 620, i.e., a requirement to first evaluate the CCO of the expert and then evaluate the adequacy of the expert's work. They noted that the consideration of CCO is similar for a review engagement and an audit, and reflecting such an approach in ISRE 2400 (Revised) provides enhanced clarity and consistency.

Explicit Requirement for Circumstances in Which the Use of the Work of an Expert is Prohibited

53. A few respondents recommended adding an explicit requirement in these other standards that describes the circumstances in which the auditor is prohibited from using the work of an auditor's external expert, noting that this would enhance the consistency of requirements across the IAASB standards. A couple of respondents suggested this for all three standards, but other respondents made the suggestion for only one or two of the standards.

Clarify Availability of Threats and Safeguard Approach

54. Similar to comments on ISA 620, some respondents recommended clarifying that external experts may be used if appropriate safeguards are applied to address threats to objectivity.

Replicate Application Material from ISA 620

55. Some respondents suggested replicating certain application material proposed for ISA 620 (e.g., the point in paragraph A18A(b) regarding obtaining information from an external expert in writing) in ISRE 2400 (Revised) and ISRS 4400 (Revised).

Project Team's Views and Recommendations

56. The project team considered respondents' comments on the proposed narrow-scope amendments to ISRE 2400 (Revised), ISAE 3000 (Revised) and ISRS 4400 (Revised), in the context of the comments on, and the project team's proposals for revisions to, the narrow-scope amendments to ISA 620. As a result, the project team has proposed the following:
- (a) Adding a conditional requirement in paragraph 55 of ISRE 2400 (Revised) for the practitioner, with respect to the work of an expert, to evaluate whether the expert has the necessary CCO for the practitioner's purposes. A second conditional requirement has been added to explicitly prohibit the use of the work of the expert if the practitioner concludes that the expert does not have the necessary CCO for the auditor's purposes. These two conditional requirements are consistent with the "multi-step approach" in ISA 620.
 - (b) Revising the proposed application material in ISRE 2400 (Revised) to add a new paragraph similar to new paragraph A19A of ISA 620, and to fully align the wording of paragraph A97D (paragraph A97C in the ED) with the wording of the relevant provision in the Code.
 - (c) Added requirements in paragraph 52A of ISAE 3000 (Revised) and paragraph 29A of ISRS 4400 (Revised) to mirror the requirement in paragraph 9A of ISA 620. The related application material also was revised accordingly, including deleting paragraph A133A in ISAE 3000 (Revised) now that an explicit requirement has been added prohibiting the use of the expert's work if the expert does not have the necessary CCO for the practitioner's purposes.
 - (d) Added application material references in the definitions of practitioner's expert in ISAE 3000 (Revised) and ISRS 4400 (Revised), consistent with the references added to the definition of auditor's expert in ISA 620.

Matters for IAASB Consideration:

3. The Board is asked whether:
- They agree with the summary of respondents' feedback in **B.3** above, and the project team's recommendations for changes to the narrow-scope amendments to ISRE 2400 (Revised), ISAE 3000 (Revised) and ISRS 4400 (Revised) in response to comments received (see **Agenda Item 2-A**); and
 - There are any other significant issues raised by respondents on Question 3 in the EM that should also be considered in finalizing the narrow-scope amendments.

B.4 Other Matters

What We Asked

57. Question 4 asked respondents:

Are there any other matters you would like to raise in relation to the ED? If so, please clearly indicate the standard(s), and the specific requirement(s) or application material, to which your comment(s) relate.

20 of 48 respondents provided comments to Question 4. The MG member did not respond to this question. See **Agenda Item 2-C.4 and 2-D.4** for further details on the overall responses on Question 4.

What We Heard

58. The chart below shows a breakdown of the responses to Question 4 by theme and stakeholder group.

ISRE 2410

59. Several respondents suggested that the IAASB take into account the proposed narrow-scope amendments when considering requirements and application material in the IAASB's current project to revise ISRE 2410.¹³

Other

60. Respondents also provided comments on the following matters:

- (a) *Documentation* – A few respondents suggested guidance on documentation, including related to the evaluation of the objectivity of the external expert.
- (b) *Implementation guidance* – Respondents noted that additional guidance would be helpful to support the implementation of the narrow-scope amendments.
- (c) *Cost-benefit analysis* – A few respondents noted the need for a cost-benefit analysis for IAASB projects, considering the impact of matters such as the volume of standards, translation costs, implications for outreach, and education efforts within firms, professional accountancy organizations and other stakeholders.

Project Team's Views and Recommendations

61. The project team noted the comments related to ISRE 2410 and passed them along to the ISRE 2410 project team.

62. Regarding the other comments:

- On balance, the project team is of the view that no specific documentation requirements are needed in ISA 620 or the other IAASB standards addressed in the project. The nature and extent of documentation is a matter of professional judgment for auditors and practitioners. For audit engagements, ISA 230 addresses documentation of significant matters arising during the audit, the conclusions reached thereon, and significant professional judgments made in reaching those conclusions.

¹³ ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*

- The project team will continue to coordinate with IESBA staff regarding non-authoritative materials relating to the provisions of the Code for using the work of an external expert and will consider whether there may be opportunities to leverage such materials to add incremental guidance from an IAASB perspective. Respondents had various suggestions for additional guidance but the project team did not identify specific matters that were mentioned by multiple respondents. Therefore, the project team proposes that the need for additional guidance or examples be explored through the IAASB's engagement with the [IAASB-JSS Liaison Group](#), regulators and firms.
- The project team notes that IAASB and IESBA leadership are aware of the matter of better understanding the impacts of their standard-setting actions and it is being actioned. This includes that both Boards will prospectively be more explicit in inviting all respondents to provide insight on the implications or effects of implementing a proposed new or revised standard.

Matters for IAASB Consideration:

4. The Board is asked whether they agree with the project team's summary of respondents' feedback in **B.4** above, and whether there are any other significant issues raised by respondents on Question 4 in the EM that should also be considered in finalizing the narrow-scope amendments in **Agenda Item 2-A**.

B.5 General Questions

Translation

63. Question 5 asked whether respondents noted any potential translation issues in reviewing the ED. 16 of the 48 respondents commented and the MG member did not respond to the question. See **Agenda Item 2-C.5 and 2-D.5** for further details on the overall responses on Question 5.
64. The project team noted that respondents generally did not see major translation issues.

Effective Date

Background

65. The Board believed that there is a public interest benefit in aligning the effective date of the proposed IAASB narrow-scope amendments with the effective date of the revised Code provisions related to using the work of an external expert, which is December 15, 2026.
66. Anticipating the final pronouncement to be approved in September 2025 or December 2025, the Board proposed an implementation period of approximately 12 months after the Public Interest Oversight Board's (PIOB) process of certification of the final narrow-scope amendments.¹⁴

¹⁴ After approval by the IAASB, the PIOB will consider its public certification of an approved new or revised standard(s) to confirm the PIOB's oversight of the standard-setting process throughout the full development cycle, that the standard was developed in a manner consistent with agreed due process and that the standard is responsive to the public interest, in accordance with the PIF.

What We Asked

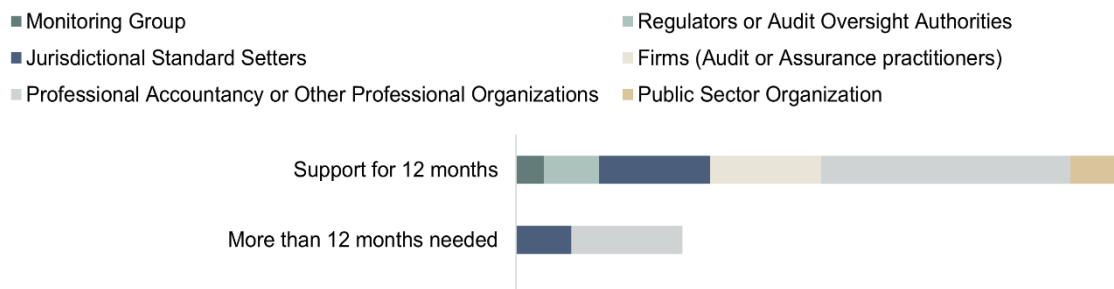
67. Question 6 asked respondents:

Given the public interest benefit of aligning the effective date of these proposed narrow-scope amendments with the effective date of the revised Code provisions related to using the work of an external expert, the IAASB believes that an appropriate implementation period would be approximately 12 months after the PIOB's process of certification of the final narrow-scope amendments. The IAASB welcomes comments on whether this would provide a sufficient period to support effective implementation of the narrow-scope amendments.

33 of 48 respondents provided a response to Question 6, including the MG member. See **Agenda Item 2-C.6 and 2-D.6** for further details on the overall responses on Question 6.

What We Heard

68. The chart below shows a breakdown of the responses to Question 6 by theme and stakeholder group.



Monitoring Group comments

69. The MG member agreed with the proposed implementation period, which would also align the effective date of the narrow-scope amendments with the effective dates of the [Listed Entity and Public Interest Entity \(Track 2\)](#), [Going Concern](#) and [Fraud](#) projects.

Other respondents' comments

70. A substantial majority of the respondents that responded to the question about the effective date agreed with the proposed implementation period of approximately 12 months after the PIOB's certification of the final narrow-scope amendments. Among those respondents that supported the proposal, some noted that 12 months is a challenge, but agreed that there is public interest benefit to align the effective date of the proposed narrow-scope amendments with the effective date of the revised Code provisions.

71. Some respondents noted that 12 months is too short considering the implementation efforts that would be needed, such as translation and training. These respondents noted that 18 months or 24 months would be more appropriate to allow for proper implementation without compromising the quality of audit or other services.

Project Team's Views and Recommendations

72. The project team noted the support from respondents, including the MG member, for aligning the effective date of the narrow-scope amendments to IAASB standards with the effective date of the

revised Code provisions. The project team also noted the support for an implementation period of approximately 12 months after the PIOB's process of certification of the final narrow-scope amendments.

73. While acknowledging the various comments from respondents about the need for sufficient time for translation, revisions to firm methodologies, and training, the project team remains of the view that an implementation period of about 12 months after the PIOB's certification is appropriate given the narrow-scope nature of the amendments, along with efforts that would already be underway to implement the revised Code provisions related to using the work of an external expert.
74. The project team considered the format to express the effective date of the narrow-scope amendments. In this regard, the project team referred to the effective date of the [Code provisions](#) related to using the work of an external expert, as well as comparable past IAASB projects, most notably the project for conforming and consequential amendments to the IAASB's other standards due to the new and revised quality management standards ([published in January 2022](#)) and the recently completed PIE Track 2 narrow-scope amendments to the ISQMs,¹⁵ ISAs and ISRE 2400 (Revised).¹⁶ The project team also referred to the [CUSP Drafting Principle and Guidelines](#) (section 6.2) and noted the convention that applies to the ISAs and the general distinction for either referring to "beginning on or after" or "ending on or after" (the latter primarily being used when the relevant provisions only apply in completing an engagement). Using the work of an auditor's or practitioner's expert warrants a "beginning on or after" effective date.
75. The project team proposes that the *Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project* are effective for:
 - Audits and reviews of financial statements for periods beginning on or after December 15, 2026; and
 - Other assurance and related services engagements beginning on or after December 15, 2026.

Matters for IAASB Consideration:

5. The Board is asked whether:
 - They agree with the project team's summary of respondents' feedback on the effective date in **B.5** above, and the project team's recommendations for the effective date of the narrow-scope amendments, and
 - There are any other significant issues raised by respondents on Question 5 in the EM that should also be considered in finalizing the narrow-scope amendments.

Part C – Way Forward

76. Subject to the Board's approval of the narrow-scope amendments at the September meeting, the project team will:
 - Finalize the draft Basis for Conclusions and circulate it to the Board for a fatal flaw review.

¹⁵ International Standards on Quality Management (ISQMs)

¹⁶ See the approved PIE Track 2 narrow-scope amendments to the ISQMs, ISAs and ISRE 2400 (Revised) in the [Agenda Item 3-E of the June 2025 Board meeting](#).

- Prepare relevant due process documentation for submission to the PIOB.
77. Subject to PIOB certification, the final pronouncement will be published in January 2026 along with the Basis for Conclusions.

List of Respondents to the ED

No.	Respondent	Region
Monitoring Group		Total: 1
1.	International Forum of Independent Audit Regulators	Global
Regulators and Audit Oversight Authorities		Total: 2
2.	Financial Reporting Council – United Kingdom [#]	Europe
3.	Independent Regulatory Board for Auditors – South Africa [#]	Africa and Middle East
Jurisdictional Standard Setters		Total: 14
4.	American Institute of Certified Public Accountants [#]	North America
5.	Auditing and Assurance Standards Board Canada [#]	North America
6.	Australian Auditing and Assurance Standards Board [#]	Asia Pacific
7.	FACPCE	South America
8.	Hong Kong Institute of Certified Public Accountants [#]	Asia Pacific
9.	Institut der Wirtschaftsprüfer [#]	Europe
10.	Instituto Mexicano de Contadores Públicos [#]	North America
11.	Japanese Institute of Certified Public Accountants [#]	Asia Pacific
12.	New Zealand Auditing and Assurance Standards Board of the External Reporting Board [#]	Asia Pacific
13.	Nordic Federation of Public Accountants [#]	Europe
14.	Public Accountants and Auditors Board Zimbabwe	Africa and Middle East
15.	Royal Netherlands Institute of Chartered Accountants [#]	Europe
16.	Saudi Organization for Chartered and Professional Accountants [#]	Africa and Middle East
17.	Wirtschaftsprüferkammer [#]	Europe
Firms (Audit or Assurance Practitioners)¹⁷		Total: 9
18.	BDO International Limited*	Global
19.	Deloitte*	Global
20.	Ernst & Young Global Limited*	Global
21.	Forvis Mazars*	Global

* Forum of Firms members are indicated with a *. The Forum of Firms is an association of international networks of accounting firms that perform transnational audits.

Denotes members of the [IAASB-JSS Liaison Group](#)

No.	Respondent	Region
22.	Grant Thornton International Ltd*	Global
23.	KPMG International Limited*	Global
24.	Mo Chartered Accountants (Zimbabwe)	Africa and Middle East
25.	PriceWaterhouseCoopers International Limited*	Global
26.	RSM International Limited*	Global
Public Sector Organizations		Total: 2
27.	Provincial Auditor Saskatchewan	North America
28.	Government Accountability Office – United States	North America
Professional Accountancy or Other Professional Organizations		Total: 20
29.	Accountancy Europe	Europe
30.	Accounting and Auditing Advisory Committee of the Virginia Society of CPAs	North America
31.	ASEAN Federation of Accountants	Asia Pacific
32.	Association of Chartered Certified Accountants and Chartered Accountants Australia and New Zealand	Global
33.	Botswana Institute of Chartered Accountants	Africa and Middle East
34.	Consejo General de Economistas de España	Europe
35.	CPA Australia	Asia Pacific
36.	European Federation of Accountants and Auditors for SMEs	Europe
37.	Federation of Accounting Professions of Thailand	Asia Pacific
38.	Group of Latin American Accounting Standards Setters	Other
39.	Institute of Chartered Accountants in England and Wales	Global
40.	Institute of Chartered Accountants of Ghana	Africa and Middle East
41.	Institute of Chartered Accountants of Nigeria	Africa and Middle East
42.	Institute of Singapore Chartered Accountants	Asia Pacific
43.	International Federation of Accountants	Global
44.	Malaysian Institute of Accountants - Auditing and Assurance Standards Board	Asia Pacific
45.	Malaysian Institute of Certified Public Accountants	Asia Pacific
46.	National Association of State Boards of Accountancy	North America
47.	Pan African Federation of Accountants	Africa and Middle East
48.	South African Institute of Chartered Accountants	Africa and Middle East