

### Strategy and Work Plan 2028–2031 – Issues Paper

#### Objective:

The objective of this Agenda Item is to obtain the Board's input on the core elements of the IAASB's Strategy and Work Plan (SWP) for 2028–2031, including the IAASB goal, strategic drivers, and possible strategic objectives and strategic actions, as well as potential work plan topics. At this stage, these elements are at a formative level and are written to stimulate conversation among key parties internally and externally.

In addition:

- **Agenda Item 3–A** sets out an overview and initial views of the Joint IAASB and IESBA (together referred to as the Standard-Setting Boards (SSBs)) SWP Working Group and Staff of the responses to the joint stakeholder survey (joint survey), including with respect to the strategic positioning of the SSBs for 2028–2031, the key environmental trends impacting the SSBs and areas for joint action in the SSBs' work plans.
- **Agenda Item 3–B** provides a full analysis of the responses to the SSBs joint survey.

The Board's views on these matters will help inform IAASB Staff and the Planning Committee (S&PC) in developing a Consultation Paper on the IAASB's Proposed SWP for 2028–2031, which will be presented for discussion at the December 2026 IAASB meeting. It is possible that this Consultation Paper will look different than previous ones, in that the IAASB may present certain proposed approaches less conclusively to stimulate a broader discussion on the IAASB's positioning within the broader external reporting ecosystem.

#### *Approach to the Board Discussion:*

For the Board's SWP discussion in December 2026, the IAASB Chair and Staff will briefly introduce the topic and will consider the matters for IAASB consideration in the following order:

- The overview and initial views of the Joint SWP Working Group and Staff as discussed in **Agenda Item 3–A**.
- The S&PC views and proposals included in this paper (i.e., **Agenda Item 3**).

The IAASB Chair will pause after each Section of this Agenda Item and **Agenda Item 3–A** to receive the Board's feedback on the matters for IAASB consideration, in the order presented in the respective papers.

## Introduction

### Background

1. The IAASB's current [Strategy and Work Plan](#) runs from 2024–2027. In accordance with due process, the IAASB will need to approve a new SWP for the period 2028–2031. Currently, the plan is to approve the new SWP in December 2027. The development of the SWP involves consulting with the Public Interest Oversight Board (PIOB) and other stakeholders through a Consultation Paper that will help inform the development of the SWP for 2028–2031.

2. Based on current expectations relating to the work required during and post the consultation period, the diagram below illustrates the anticipated timeline for the development of the SWP for 2028–2031:



3. In August 2026, the Planning Committee held a discussion on the core elements of the SWP for 2028–2031, including the IAASB goal, strategic drivers, and possible strategic objectives and strategic actions, as well as potential work plan topics. The Planning Committee also considered the key insights from the analysis of the feedback received to the joint survey and information obtained from other sources, such as through the IAASB’s general outreach program. The feedback and input provided by the Planning Committee has been incorporated into the issues discussed in this Agenda Item.

## Materials Presented

### *Matters Addressed in This Paper*

4. This paper sets out a discussion on the core elements of the IAASB SWP for 2028–2031 to be included in the Consultation Paper, in the following sections:

| Section | Description                                                |
|---------|------------------------------------------------------------|
| I       | <i>IAASB Goal</i>                                          |
| II      | <i>Strategic Drivers</i>                                   |
| III     | <i>Possible Strategic Objectives and Strategic Actions</i> |
| IV      | <i>Potential Work Plan Topics</i>                          |
| V       | <i>Way Forward and Next Steps</i>                          |

### *Appendices and Other Agenda Items Accompanying This Paper*

5. This Agenda Item includes the following appendices and accompanying agenda items:

|                                                    |                                                                           |
|----------------------------------------------------|---------------------------------------------------------------------------|
| <b>Appendix 1</b>                                  | IAASB S&PC members, meetings and outreach                                 |
| <b>Agenda Item 3–A</b>                             | Observations and Initial Views from the Joint SWP Working Group and Staff |
| <b>Agenda Item 3–B</b>                             | Analysis of the Feedback to the Joint Stakeholder Survey                  |
| <b>Agenda Items 3–C.1 to 3–C.17 (Supplemental)</b> | Word NVivo reports that include comments from respondents                 |
| <b>Agenda Item 3–D.1 to 3–D.17 (Supplemental)</b>  | Excel NVivo reports that analyze the respondents' comments                |

## Section I – IAASB Goal

6. The IAASB goal as articulated in the SWP for 2024–2027 is to serve the public interest by: *“Developing the globally accepted and leading audit, review and other assurance standards enabling the consistent performance of quality engagements that enhance trust in external reporting and evolve in a timely manner to meet changing public interest demands.”*
7. S&PC are of the view that the IAASB goal from the previous strategy continues to remain relevant to the 2028–2031 IAASB strategy period. However, S&PC believe that certain additions to the wording of the goal are needed to better reflect the environmental context in which the IAASB will operate in the next strategy period.
8. The box below provides the suggested additions to the IAASB goal that is intended to be included in the Consultation Paper (changes are presented in mark-up from the current SWP IAASB goal):

To serve the public interest by:

Developing and maintaining ~~the~~ globally accepted and leading audit, review and other assurance standards, as well as supporting materials, enabling the consistent performance of quality engagements that enhance trust in external reporting and evolve in a timely manner to meet changing public interest demands.

9. The rationale for the proposed updates aims to signal that the IAASB is not committing to a “status quo” or purely incremental strategy. The updates aim to:
  - Recognize that in addition to developing, the IAASB goal would also focus on *maintaining* globally accepted and leading audit, review and other assurance standards.
  - Reflect that in addition to the standards themselves, the IAASB goal would also focus on *supporting materials* enabling the consistent performance of quality engagements.

### Matter for IAASB Consideration:

1. The Board is asked whether they agree with S&PC’s proposal to extend the wording of the extant IAASB Goal as presented in paragraph 8 above?

## Section II – Strategic Drivers

10. This section discusses **four key insights** that are proposed to provide the overarching context for, or may represent, the IAASB's strategic drivers (i.e., encapsulating how the IAASB's consideration of its environment drives the opportunities and challenges impacting its ability to achieve its goal). This will assist in shaping the choices the IAASB makes in its 2028–2031 SWP. These insights have been identified from the messages derived from respondents' feedback to the joint survey and other sources, including from ongoing outreach activities.
11. In establishing these four key insights, it is important to recognize the current context in which the IAASB and its partner board operate. The last seven or more years have marked a period of significant transformation. The SSBs have completed foundational projects that have and will continue to have a profound impact on their stakeholder communities. The SSBs have proven that they could work at an increased pace to respond to emerging challenges, such as demands for global standards for sustainability matters and for a response to rapid technological innovation and other public interest challenges. Engagement with the stakeholder community has intensified to ensure that a diverse range of stakeholders actively participate in all elements of standards development, reducing any sense that the SSBs' work is limited to a small cadre of stakeholders. Consistently with the Monitoring Group recommendations, the SSBs shifted their operating model to a more staff-driven approach to reflect what is considered best practice at other leading standard-setting bodies, including the IFRS Foundation.
12. The above suggests a period of significant success, but the SSBs also see each strategy period as one for internal reflection and an opportunity for engagement with those who value global standards. The four key insights (strategic drivers) are meant to serve as the basis for the strategic choices that the IAASB makes to fulfill its goal. Such choices will ultimately be reflected in the IAASB's strategic objectives and strategic actions, including the work plan for 2028–2031. For this Agenda Item, the key insights are presented in a draft format in bold text. Each insight is supported by a narrative on specific data points that were considered in their formulation. Based on the discussion and input received from the Board, Staff intends to further develop these insights into strategic drivers to be included in the Consultation Paper. As part of the Consultation Paper and final Strategy, the insight section of these documents will include supporting evidence from the survey and other sources.

#1

### The IAASB's Standard-Setting Activities are at an Inflection Point

**A successful global standard-setter today must stand prepared to assess the practical implementation challenges resulting from changes, dedicate significant resources to address technological advances, and have the relevant skillsets (including expertise and access) and tools to respond (including from a due process standpoint) accordingly. After a decade of significant audit model evolution, the IAASB's stakeholders have expressed that the collective impact of changes to foundational quality management and engagement standards has been transformative in cementing a risk-based model but challenging to implement and remain a work in progress. At the same time, the reporting and audit and assurance environment is addressing the rapid impact felt from digital transformation, including artificial intelligence (AI).**

### *Embedding a Risk-Based Audit Approach*

13. In the past decade, the IAASB has completed significant standard-setting projects to modernize the standards for an evolving environment, to strengthen audit quality, and to support a risk-based audit framework. Among other, such revisions included a comprehensive revision of ISA 315 (Revised 2019)<sup>1</sup> establishing the foundation for a framework for a risk-based audit model, the project to revise the Quality Management Standards,<sup>2</sup> revising ISA 540 (Revised),<sup>3</sup> ISA 600 (Revised),<sup>4</sup> and addressing public interest matters such as fraud and going concern through revisions to ISA 240 (Revised)<sup>5</sup> and ISA 570 (Revised 2024).<sup>6</sup>
14. Projects currently underway, such as the revision of ISA 330,<sup>7</sup> ISA 500<sup>8</sup> and ISA 520<sup>9</sup> also address foundational aspects of an audit through concurrent revisions related to audit evidence and risk response. These efforts build on and, to a great extent, complete an evolved audit framework, thereby providing an underpinning for a comprehensive risk-based approach to audits. They also modernize the standards to remain relevant in the face of rapid digital innovation in an evolving business reporting and technology environment.

### *Supporting Adoption and Implementation of the Standards*

15. While these developments underpin the framework for the delivery of high-quality audits, our stakeholders signal a need to allow stability for the marketplace to absorb the ongoing standard-setting changes. In addition, effective implementation of the IAASB's standards remains important to our stakeholders to ensure that the developed revisions are understood, applied and enforced as intended.
16. There are also calls across stakeholder groups for the SSBs to reflect deeper on how their standards are being adopted in view of ongoing risks of regulatory fragmentation that may directly impact comparability, engagement quality and public confidence in international professional standards.
17. In doing so, stakeholders emphasize the importance of timely post implementation reviews (PIRs) as tools to inform if, and what, further actions may be needed to address implementation and practical issues, which may include targeted standard setting, non-authoritative materials, or other forms of action.
18. Supporting adoption and implementation of our standards, including allowing a period of stability and a focus on PIRs, emerge as overarching and cross-cutting in stakeholders' responses to the joint

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<sup>1</sup> ISA 315 (Revised 2019), *Identifying and Assessing the Risks of Material Misstatement*

<sup>2</sup> The quality management standards include: ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, ISQM 2, *Engagement Quality Reviews* and ISA 220 (Revised), *Quality Management for an Audit of Financial Statements*.

<sup>3</sup> ISA 540 (Revised), *Auditing Accounting Estimates and Related Disclosures*

<sup>4</sup> ISA 600 (Revised), *Special Considerations—Audits of Group Financial Statements (Including the Work of Component Auditors)*

<sup>5</sup> ISA 240 (Revised), *The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements*

<sup>6</sup> ISA 570 (Revised 2024), *Going Concern*

<sup>7</sup> ISA 330, *The Auditor's Responses to Assessed Risks*

<sup>8</sup> ISA 500, *Audit Evidence*

<sup>9</sup> ISA 520, *Analytical Procedures*

survey. Respondents across stakeholder groups consistently referenced these themes across multiple sections of the joint survey, indicating that they are not confined to a single trend or issue but instead influence a broad range of strategic considerations for the IAASB in the next strategy period. Their prevalence suggests they are foundational enablers of the IAASB's strategic goal as critical conditions for maintaining the relevance, credibility and global impact of the IAASBs standards.

### *Implications of Digital Transformation*

19. At the same time, the environment is characterized by new risks and opportunities arising from the rapid technological evolution driven by the entities deployment of advanced technologies in their financial reporting processes and auditors' use of technological tools in obtaining and evaluating evidence.
20. The pace of change of the technologically evolving landscape challenges the traditional standard-setting cycle. Stakeholders call for establishing agile, ongoing monitoring processes for environmental scanning and more rapid response mechanisms to address issues on an ongoing basis, including the development of non-authoritative guidance.

## **#2**

### **Future Standards' Relevance Depends on a Strong Principles-Based Foundation**

**Standard setting grounded in sound principles is best positioned to promote consistent professional judgments. An emphasis on principles will allow the standards to remain relevant and responsive to evolving business environments, emerging risks, and technological change. In this environment, a commitment to principles-based standard setting necessarily means ensuring objectives and intentions of its standards are understood and not misinterpreted, thereby facilitating consistent application, and providing the necessary level and appropriate balance of application material (in the standards) and non-authoritative materials (outside the standards). Refining, in conjunction with other leading global standard-setters, what a sound principles-based approach should include and committing to that approach would significantly benefit the public interest.**

### *Maintaining Relevance in a Technologically Evolving Landscape*

21. There is strong recognition from the joint survey responses for the relevance of the increasing use of emerging technologies as a growing strategic priority for the IAASB in its next strategy period. For example, the narrative responses demonstrate a strong consensus across stakeholder groups and all geographical regions that the increasing use of emerging technologies by entities and audit/assurance practitioners is a defining strategic priority for the SSBs over the next strategy period. Also, the quantitative rankings for this trend significantly outperform all other trends of the joint survey. Stakeholders call for a focus of the IAASB on guidance or for a combination of standard-setting, non-authoritative materials, and other forms of implementation support.
22. The accelerating adoption of emerging technologies, particularly AI, is becoming a defining force reshaping the global business and governance landscape. The increasing focus of international and

national bodies,<sup>10</sup> reflects a growing consensus that these technologies are creating new opportunities while fundamentally changing how risks are generated, managed and governed. As technology-enabled systems become more deeply embedded across economic and societal activities, expectations regarding governance, transparency, accountability and professional competence are also evolving. This underscores the need for standard setters to continually assess whether standards, guidance and supporting activities remain fit for purpose in an increasingly technology-driven environment.

23. At the same time there are important lessons being learned from ongoing standard-setting workstreams that are currently addressing technology-related project modernization objectives, including:
- A commitment to principles that remain adaptable to changing environments, circumstances, new risks and emerging technologies.
  - A need to continue testing the existing principles to determine whether they are able to remain relevant and stand the test of time in a rapidly evolving environment.
  - Leveraging application material or guidance to support the application of the principle-based requirements rather than pursuing technology specific requirements which may become obsolete.

#### *Diverse Demands on our Standards*

24. Stakeholders continue to strongly support standards that are scalable and proportionate, enabling the same core principles to be applied effectively across entities of different sizes, complexities, industries and jurisdictions. This flexibility is viewed as essential to maintaining the long-term relevance and adaptability of the standards. At the same time, stakeholders express concern about increasing standards' length, repetition, prescriptiveness, and the growing volume of application material, cautioning that overly detailed or rule-based requirements can reduce usability and quickly become outdated as business practices evolve.
25. While these concerns are not new, stakeholders also recognize that the profession is operating in an environment of rapid technological and market change. Rather than responding through more prescriptive requirements, many advocate for continued monitoring and evaluation of developments such as AI, digital assets, sustainability reporting, and increasingly complex data ecosystems to determine whether existing principles-based standards remain sufficient. Stakeholders acknowledge a need for additional support to facilitate consistent application and demand more guidance and illustrative application material that demonstrates how principles can be applied in practice without undermining the flexibility and professional judgment that underpin a principle-based framework.

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<sup>10</sup> For example, the Organization for Economic Co-operation and Development (OECD) through its AI Principles, the US National Institute of Standards and Technology (NIST) through dedicated AI risk management frameworks, International Organization of Securities Commissions (IOSCO) through its work on the implications of AI for market integrity, investor protection and financial stability and Committee of Sponsoring Organizations of the Treadway Commission (COSO) through its emphasis on integrating technology-related risks and data governance into enterprise risk management.

#3

**Demand for Deeper, Cross-Board Collaboration to Enhance Public Interest Outcomes**

**Because of the cross-cutting nature of ethics- and audit and assurance-related topics, deepening the approach to collaboration with IESBA (and potentially other standard setters in the reporting ecosystem) would support quality external reporting. Stakeholders of the IAASB and IESBA benefit when common focus areas or topics are addressed in a cohesive and early manner, as applicable, to provide a holistic view of the impact of matters or proposals and the public interest outcomes to be achieved (i.e., the SSBs' external alignment). Internally, a continuing evolution to collaboration could produce enhanced efficiencies and effectiveness.**

*Interconnectivity and Interoperability of Auditing, Assurance and Ethics Standards*

26. Stakeholders broadly recognize that there are cross-cutting auditing, assurance and ethical implications of thematic issues addressed by the IAASB and IESBA that is creating stronger expectations for coordinated and effective responses across the standard-setting system. For example, there are cross-cutting areas which extend to technology, sustainability, firm culture and governance and connectivity with ISQM 1, PIE definitions and external experts. At the same time, stakeholders recognize that not every issue requires both Board's to act jointly as long as there is appropriate mandate clarity for an issue with a Board's remit.
27. Over recent years, the IAASB and the IESBA have greatly expanded their collaborative efforts. These include increased joint meetings, coordinated time schedules, sharing and commenting on each other's papers when cross-cutting issues arise, joint external groups, leveraging IAASBs and IESBAs exposure drafts to ask questions for respondents that inform both SSBs and undertaking a joint survey to inform the development of their SWP consultations. These efforts have translated into more cohesive and complementary efforts, including in the development of global baseline standards for sustainability assurance and ethics.
28. The demand for coordinated efforts will only continue to grow. Stakeholders increasingly view effective responses to these interconnected issues as requiring collaboration that is embedded throughout the standard-setting lifecycle, from agenda setting and project scoping through consultation, implementation, and PIR assessments, to enable holistic consideration of interconnected proposals, evaluate interoperability and their cumulative public interest impact. Expectations for impactful alignment among the SSBs to enhance the effectiveness of their coordinated approaches also extend to matters such as aligning processes and mechanisms of responses (e.g., agile and rapid response approaches, annual improvement mechanisms, interoperability processes to align definitions and concepts in the respective SSBs standards and formal "interoperability checkpoints" at various project stages).

*Strengthening Strategic Alignment of the SSBs*

29. Stakeholders also highlight opportunities to improve efficiency and effectiveness through greater sharing of expertise, resources, and stakeholder outreach, particularly in areas such as technology, AI and implementation support. The emphasis is how to continue to optimize collaboration looking beyond the potential constraints of the SSBs structures and defined resources.

30. Leveraging a period of reduced major standard-setting activity, there is also a strategic opportunity to reassess priorities, strengthen alignment mechanisms, optimize collaboration and establish more scalable models of collaboration across the SSBs.

#### #4 Greater Agility can Strengthen the IAASB's Impact and Responsiveness

Organizationally, the completion of a major work plan phase provides an opportune moment to assess how the IAASB leverages internal and external resources to fulfill its public interest mandate, including better intra-Board alignment between the SSBs focus areas and approach, its use of volunteer and external resources, and its processes, resources and ways of working. To respond to the rapidly evolving environment, maintaining timely access to specialized expertise and diverse perspectives will become increasingly important. This requires the consideration of enhancing the flexibility of resource deployment, refining ways of working and strengthening alignment between priorities and delivery mechanisms.

#### *Operating Within an Evolving Governance and Structural Framework*

31. The SSBs have undergone significant governance and structural reforms in recent years in response to the Monitoring Group recommendations, resulting in a revised operating model that strengthens public interest oversight and stakeholder accountability. For the purposes of the 2028–2031 strategy, it is assumed that the SSBs will continue to operate within this established governance framework.
32. At the same time, the SSBs are expected to continue operating within existing funding and resource parameters. As stakeholder expectations increase, emerging issues proliferate, and the interdependence of audit, assurance and ethics topics become more pronounced, there is a growing public interest imperative to maximize the effectiveness of available resources. This places greater emphasis on identifying operational efficiencies, strengthening coordination across the standard-setting system, leveraging resources where needed and prioritizing work that delivers the greatest public interest impact.

#### *Opportunities for Greater Impact*

33. As priorities shift and new challenges emerge, the IAASB's ability to maintain its effectiveness will increasingly depend on how flexibly it can deploy resources to evolving work priorities and adapt its operating model by rethinking how and where resources are deployed.
34. In this changing environment, traditional approaches to resource allocation may become more difficult to sustain as demands across the SSBs become more interrelated. These commonalities could be leveraged to achieve synergies in developing timely and integrated solutions to stakeholders. For example, identifying opportunities for greater collaboration and shared activities, and utilizing broader networks of expertise to supplement internal capacity. A more coordinated and adaptable approach could help generate efficiencies while preserving the quality and rigor of standard-setting outcomes.

#### *Ability to Leverage Technology and External Partnerships*

35. Advances in technology, particularly AI, present opportunities to enhance the effectiveness and efficiency of standard setting. Technology could support research, stakeholder engagement,

information analysis and project execution in ways that enable the IAASB Staff and Board to deliver greater outcomes with available resources.

36. There is also an opportunity to strengthen external partnerships and access specialized capabilities to ensure the IAASB remains at the forefront of innovation and does not fall behind other standard-setting organizations that are increasingly incorporating technology into their operations.

**Matters for IAASB Consideration:**

2. The Board is asked for their views on the four key insights (strategic drivers) discussed above. In particular:
- (a) Do these adequately capture the opportunities and challenges impacting the IAASB’s ability to achieve its goal and shaping the Board’s choices for the 2028–2031 strategy period?
  - (b) Are they appropriately balanced to be reflective of the broad needs of our stakeholder groups?
  - (c) Are there any other key insights (strategic drivers) that should be considered?

### Section III – Possible Strategic Objectives and Strategic Actions

37. The table below outlines general areas that could be further developed into strategic objectives, with related examples of strategic actions that address the strategic drivers and are necessary to achieve the IAASB goal. At this time, it is important to build from the insights and reflect the dialogue among SSB members and the broader stakeholder community. For this reason, S&PC are not recommending definitive strategic objectives yet. Instead, S&PC have developed “strawman” categories to facilitate discussion.

| Example of Possible Areas for the Strategic Objectives                                                                                                                                                      | Example of Possible Strategic Actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Increasingly shift standard-setting priorities to emphasize implementation and adoption-related activities, while developing rapid response mechanisms to address emerging challenges, including technology | <ul style="list-style-type: none"> <li>• Explore mechanisms for rapid responses, including narrow scope amendments and approaches that recognize non-authoritative material as an appropriate and robust option to address identified issues or challenges</li> <li>• Consider external monitoring working groups to connect more closely with practice and end users</li> <li>• Clear prioritization of technology-related matters on the work plan</li> <li>• Initiate timely PIRs and other forms of implementation monitoring</li> <li>• Collaborate with others (e.g., regulators, jurisdictional standard setters and accountancy firms) to understand root causes for standards not</li> </ul> |

| Example of Possible Areas for the Strategic Objectives                                                                                                                                                                            | Example of Possible Strategic Actions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                                                                                   | adopted or adopted with modification, and for implementation or application challenges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Maintain standards grounded in robust principles that promote consistent professional judgments, and allow standards to remain relevant and responsive to evolving business environments, emerging risks and technological change | <ul style="list-style-type: none"> <li>• Clarify what high-quality principles-based standard setting means, potentially by engaging other standard setters who are committed to similar approaches</li> <li>• Continue drafting principles-based standards in line with CUSP Drafting Principles and Guidelines<sup>11</sup> and PIF qualitative characteristics<sup>12</sup></li> <li>• Address emerging issues through a guidance-first approach, when extant principles remain robust and standard setting may not be needed to meet the public interest</li> <li>• Consider targeted, narrow-scope amendments first when standard setting is indicated</li> <li>• Consider simplification initiatives in ongoing or new standard-setting projects</li> </ul> |
| Address interconnected audit or other assurance and ethical issues jointly with IESBA to optimize collective impact to serve the public interest better                                                                           | <ul style="list-style-type: none"> <li>• More focus on clean sheet approaches before solutioning by the Board</li> <li>• Enhance and elevate coordination efforts with IESBA at early stages</li> <li>• Undertake joint or parallel work for interconnected, cross-cutting audit, assurance and ethics topics</li> <li>• Align terminology, project timelines and consultations</li> </ul>                                                                                                                                                                                                                                                                                                                                                                       |
| Pursue operational efficiencies, embracing innovative and smarter ways of working, and optimizing resource deployment to maximize impact in a resource-constrained environment                                                    | <ul style="list-style-type: none"> <li>• Use technology to enhance processes and accessibility of standards</li> <li>• Explore opportunities for shared resources among the SSBs, including shared centers of excellence (e.g., monitoring adoption and implementation, PIRs, technology expertise)</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                   |

<sup>11</sup> See the [Complexity, Understandability, Scalability and Proportionality \(CUSP\) Drafting Principles and Guidelines](#).

<sup>12</sup> See the Monitoring Group report [Strengthening the International Audit and Ethics Standard-Setting System](#).

**Matter for IAASB Consideration:**

3. The Board is asked to provide their input on possible strategic objectives and strategic actions for the next IAASB strategy period.

## **Section IV – Potential Work Plan Topics**

38. The IAASB’s work plan represents how the Board operationalizes its strategy. Our strategic objectives are the differentiating outcomes that address our strategic drivers. The strategic objectives and related strategic actions represent the Board’s choices for the next strategy period in working towards achieving the IAASB goal. The topics that are included in the work plan are intrinsically linked with and flow from our strategic objectives and strategic actions. As explained in **Section III**, S&PC are not at this stage recommending definitive strategic objectives or strategic actions but have presented a “strawman” to facilitate discussion. Accordingly, potential work plan topics also cannot be finalized yet.
39. Board members should note that the joint survey did not specifically ask stakeholders to identify potential work plan topics for the IAASB and IESBA, separately. However, many respondents to the joint survey did highlight topics or areas for consideration by the IAASB specifically (or IESBA specifically) as part of elaborating on their comments relating to the SSBs’ strategic positioning, key trends impacting their environment and areas for joint action. In addition, IAASB Staff’s monitoring of the environment, the IAASB’s general outreach program and project-specific outreach throughout, including regular meetings with the Stakeholder Advisory Council (SAC), international regulators, the IAASB-JSS Liaison Group and the auditing and assurance profession, may identify areas or topics of interest or growing demand.
40. This section discusses an initial list of potential work plan topics and S&PC are seeking the Board’s views to assist in developing the work plan section of the draft Consultation Paper for the Board’s consideration in December 2026 (i.e., *candidate topics* to include for stakeholder input).
41. Because the strategic objectives and strategic actions are still being deliberated, this section identifies potential work plan topics and for now links them with the key insights as presented in **Section II**.

### *Projects or Workstreams Likely Underway at the Start of 2028*

42. Based on current forward planning by senior staff and the IAASB Chair, the following projects and workstreams would have commenced or are likely to commence during the current SWP period and are likely to be ongoing at the start of 2028:

#### **Workstreams that are continuous/ongoing in nature**

- **Technology Catalog** – Monitoring and Maintenance. The Catalog will continue to provide a central repository of technology-related matters that are on the IAASB’s radar, their prioritization and the Board’s preliminary direction on action as a basis to take informed decisions about escalating topics for specific action.

- **Sustainability Assurance** – Monitoring and Support. ISSA 5000<sup>13</sup> becomes effective December 15, 2026, and the IAASB has undertaken significant and comprehensive adoption and implementation support activities since the standard was issued in January 2025. However, the IAASB recognizes its responsibility to continue with monitoring and support activities as ISSA 5000 is implemented and applied to sustainability assurance engagements, while standing ready to respond to any significant or urgent issues that may come up and require action to meet the public interest.

#### Projects or Workstreams focused on specific topics

- **Technology Workstream.** Placeholder for commencement on work in 2027 on a specific theme(s)/topic(s) identified through the Technology Catalog process.
  - **ISA 500 Series Project.** Revising the considerations for inventory in ISA 501<sup>14</sup> and external confirmation procedures in ISA 505.<sup>15</sup> The project proposal was approved in March 2026, and the revised standards are targeted for approval in March 2028.
  - **Materiality.** Information gathering relating to ISA 320.<sup>16</sup> This is a committed topic in the current SWP. The commencement of work had previously been deferred because of the elevation in the work plan of the Board's focus on technology-related matters. Information-gathering activities on ISA 320 are planned to commence in 2027, the results of which will provide a basis to decide whether and, if so, what further action may be warranted.
  - **PIR of ISA 315 (Revised 2019).** Information-gathering activities commenced in Q3 2026. Board deliberations will start in December 2026, and a public consultation is planned for 2027, with targeted completion of the PIR in March 2028.
  - **PIR of the Quality Management Standards** (i.e., ISQM 1, ISQM 2 and ISA 220 (Revised)). Although not initially included as a work plan topic for 2024–2027, current forward planning through 2027 already reflects the focus on PIRs of recently completed standards as indicated by stakeholders. The Quality Management Standards became effective December 2022; information-gathering is targeted to commence in the second half of 2027.
43. S&PC note the support from the joint survey for projects and workstreams underway to be progressed as planned, with certain stakeholder groups emphasizing the importance of certain projects or workstreams to be allocated sufficient resources so they are undertaken in a timelier manner (e.g., technology and materiality).
44. The above projects and workstreams continue to be aligned with Key Insights 1 and 2 in **Section II**, specifically in relation to the impact of digital transformation, including AI, maintaining relevance and being responsive to evolving business environments, emerging risks, and technological change, and supporting the adoption and implementation of standards, including through PIRs.
45. In addition, for completeness purposes, S&PC highlight that the following topics on which work is

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<sup>13</sup> International Standard on Sustainability Assurance (ISSA) 5000, *General Requirements for Sustainability Assurance*

<sup>14</sup> ISA 501, *Audit Evidence—Specific Considerations for Selected Items*

<sup>15</sup> ISA 505, *External Confirmations*

<sup>16</sup> ISA 320, *Materiality in Planning and Performing an Audit*

being undertaken may require work plan placeholders to accommodate ongoing work at the start of 2028:

- **Audit Evidence and Risk Response.** Although the approval of the final standards is currently targeted for December 2027, S&PC expects that there will be a demand for considerable adoption and implementation support activities owing to the foundational nature of proposed ISAs 330 (Revised), 500 (Revised) and 520 (Revised).
- **Maintenance of the ISA for LCE.**<sup>17</sup> The Board is committed to the ongoing maintenance of the ISA for LCE. As part of the exposure draft of the [first ISA for LCE maintenance project](#), the Board has also requested stakeholders' views about the current maintenance approach for the standard. Therefore, further maintenance work is dependent on what the Board may decide based on stakeholder feedback and related outreach activities.

#### *Potential New Work Plan Topics for 2028–2031*

46. S&PC highlight that the identification of a topic as a candidate topic for inclusion in the Consultation Paper is not intended to pre-empt any IAASB action, unless that is apparent from the topic description, such as PIRs. Rather the inclusion of a candidate topic is an indication that IAASB attention may be warranted, requiring focused information-gathering activities to understand the topic and the related issues or challenges and their root causes, so that the Board can take an informed decision about the need for and nature of any action (whether standard setting, non-authoritative material or other action).
47. The candidate topics discussed in paragraphs 51–56 have proximity to Key Insights 1 and 2 in **Section II**, specifically with respect to the priority focus on the impact of emerging technologies, including AI, the importance of supporting the adoption and implementation of the IAASB's existing standards, including recently completed standards, and principles-based standards that can remain relevant and responsive to evolving business environments, emerging risks, and technological change. The candidate topics discussed in paragraphs 57–58 are linked with Key Insight 3 in **Section II**, specifically, deepening collaboration between the IAASB and IESBA.

#### *Reserve Topics in the Current SWP*

48. In developing the current SWP, certain candidate topics did receive support from stakeholders, but considering their relative priority compared to other topics and anticipated Staff and Board capacity for 2024–2027, those topics were put into reserve. Reserve topics can be elevated to the work plan because, for example, factors and circumstances that originally informed programming decisions may change, additional or changing capacity, or developments in the external landscape.
49. One of these reserve topics is “**Assurance Engagements on Digital Reporting Tagging** (e.g., XBRL tagging of financial and non-financial information)”. In March 2026<sup>18</sup> the Board supported that Staff undertake information-gathering activities to better understand the landscape and possible global prioritization of other subject matter-specific assurance engagements to inform decisions about the IAASB's potential role in respect of such engagements, including Assurance on XBRL. This

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<sup>17</sup> The International Standard on Auditing for Audits of Financial Statements of Less Complex Entities

<sup>18</sup> See IAASB March 2026 meeting, [Agenda Item 5](#).

work is currently underway and will be deliberated at this meeting (see **Agenda Item 5**) and the IAASB December 2026 meeting.

50. The following are the other two reserve topics in the current SWP and S&PC believe that it is prudent to consider whether stakeholders should be asked to revisit these topics in responding to the Consultation Paper for the 2028-2031 SWP:
- **ISA 620**,<sup>19,20</sup> amid the impact of ongoing developments in the business and audit/assurance environment that contribute to complexity and emerging areas that require specialist expertise, both in the context of audits of financial statements and other assurance engagements. Although focused on audits of financial statements, ISA 620 would be an appropriate starting point, because it provides a foundation for addressing use of the work of experts in other assurance standards.
  - **ISA 720 (Revised)**,<sup>21</sup> to address practical challenges with the application of ISA 720 (Revised) that emerged as part of the IAASB's Auditor Reporting PIR.

#### Post-Implementation Reviews

51. S&PC note the broad support across stakeholder groups from responses to the joint survey for the IAASB to focus on PIRs of recently completed standards.
52. Recognizing the expected completion of the PIR of ISA 540 (Revised) in 2026<sup>22</sup> and the PIRs expected to be underway at the start of 2028 (see paragraph 42), the list below represents the next standards that would be eligible for PIRs. This list also reflects the IAASB's general approach to only consider PIRs after a significant period of global adoption and implementation of a standard (i.e., 3–5 years) to allow sufficient time for a new or revised standard to be properly embedded in practice and for internal and external monitoring purposes. Candidate topics for undertaking PIRs for:
- **ISA 600 (Revised)**. Standard is effective for audits of financial statements for periods beginning on or after December 15, 2023 (i.e., December 2024 year-ends). PIR eligibility is 2027–2029.
  - **The ISA for LCE**. The standard is effective for audits of financial statements of LCEs for periods beginning on or after December 15, 2025 (i.e., December 2026 year-ends). PIR eligibility is 2029–2031.
  - **ISSA 5000**. The standard is effective for assurance engagements on sustainability information reported for periods beginning on or after December 15, 2026 (i.e., December 2027 period-end, if period is a full year).<sup>23</sup> PIR eligibility is 2030–2032. Note that the PIR of ISSA 5000 was

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<sup>19</sup> ISA 620, *Using the Work of an Auditor's Expert*

<sup>20</sup> In September 2025, the IAASB approved [narrow-scope amendments](#) to IAASB Standards, including ISA 620, arising from the IESBA's using the work of an external expert project. However, that project did not include a full review of ISA 620.

<sup>21</sup> ISA 720 (Revised), *The Auditor's Responsibilities Relating to Other Information*

<sup>22</sup> See ISA 540 (Revised) PIR [project page](#).

<sup>23</sup> There are two dimensions to the effective date of ISSA 5000, namely sustainability information reported for periods beginning on or after December 15, 2026, or as at a specific date on or after December 15, 2026. In considering the PIR of ISSA 5000, it is prudent to focus on the "for period" dimension.

also identified as an area for joint action of the IAASB and IESBA in relation to IESBA's PIR of the International Ethics Standards for Sustainability Assurance (IESSA) (see also paragraph 58 below).

- **ISA 240 (Revised) and ISA 570 (Revised 2024).** These standards are effective for audits of financial statements for periods beginning on or after December 15, 2026 (i.e., December 2027 year-ends). PIR eligibility is 2030-2032.

#### Assurance Engagements

53. Respondents from jurisdictional standards setters, accounting firms and professional accountancy organizations highlighted the need for the IAASB to focus on the modernization of ISAE 3000<sup>24</sup> (Revised) and ISAE 3402.<sup>25</sup> They commented that:

- **ISAE 3000 (Revised).** Enhancements to ISAE 3000 (Revised) should include consideration of alignment with ISSA 5000 and consideration of whether it remains fit for purpose in view of the emergence of other standards in this area<sup>26</sup> and the Board's recent thinking about underlying assurance concepts and principles reflected in completed projects since ISAE 3000 (Revised).
- **ISAE 3402.** Modernization of ISAE 3402 in the context of the impact of AI on systems and controls, as well as to more broadly respond to the demand for service auditor reports on controls at a service organization in relation to reporting other than financial reporting.

54. As indicated in paragraph 49, work is underway to inform the Board about the possible global prioritization of other subject matter-specific assurance engagements and possible further actions (see **Agenda Item 5**). The timing of the "Other Assurance" workstream is aligned with that of the SWP workstream in that a final report relating other assurance engagements, including recommendations, is expected to be discussed at the IAASB December 2026 meeting, which also is the meeting at which the Board will consider the draft Consultation Paper for the 2028-2031 SWP. Without pre-empting the Board's discussion of **Agenda Item 5** at the September 2026 meeting, the following topics are being explored (in addition to those in the preceding paragraph):

- **Assurance on systems and controls.** This includes controls over both financial and non-financial reporting, as well as controls over technology or technology-related risks, including for example AI systems, tools or governance.
- **Assurance engagements to provide a one-to-many report.** This concept was established during the development of ISSA 5000 and is very much new and evolving. One-to-many reports are intended to have application beyond sustainability information and could potentially include information disclosed by entities on a wide range of subject matters. This may also include information about technology-related subject matters.
- **Assurance of forward-looking information.** Recognizing that the IAASB has an existing subject matter-specific assurance standard that applies to prospective financial information,

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<sup>24</sup> International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*

<sup>25</sup> ISAE 3402, *Assurance Reports on Controls at a Service Organization*

<sup>26</sup> For example, the International Organization for Standardization (ISO) and the NIST.

ISAE 3400,<sup>27</sup> this topic has been raised in a broader context in relation to both financial and non-financial forward-looking information.

- **Non-authoritative material.** Many suggestions for the development of non-authoritative material to address specific subject matters and provide guidance about the application of the concepts and principles in existing ISAEs.

#### Audits of Financial Statements

55. In addition to candidate topics already identified that represent focusing on the ISAs, there is one additional topic that could be considered: **ISA 402**.<sup>28</sup>
56. S&PC consider it prudent to highlight this topic to the Board, because of its interaction with responses received in relation to ISAE 3402 (see paragraph 53). ISA 402 is the “other side of the coin” by focusing on the responsibilities of the auditor when the entity uses a service organization(s) to provide services relevant to the entity’s financial reporting, including addressing the auditor’s (i.e., user auditor) use of a service auditor’s report on controls at a service organization. If there is evidence of matters to be addressed in relation to both ISAE 3402 (the service auditor/practitioner) and ISA 402 (the user auditor), work in relation to ISA 402 may also be relevant in the context of a ‘user practitioner’ in the context of other assurance engagements.

#### Potential Work Plan Topics for Joint IAASB and IESBA Action

57. The joint survey specifically asked respondents to share their views about IAASB and IESBA areas of common interest and possible joint or parallel work plan topics or other initiatives or activities. The feedback received has been summarized for both Boards’ consideration in Part D of **Agenda Item 3–B**.
58. For ease of reference in this paper, the potential work plan topics highlighted by respondents are named below (but refer to **Agenda Item 3–B** for more detail):
  - The impact of emerging technologies, specifically AI.
  - Sustainability – ISSA 5000 and IESSA.
  - PIE definition.
  - Private equity and other external investments.
  - Firm culture and governance and interconnection with principles of ISQM 1.
  - Non-compliance with laws and regulations (NOCLAR) and ISA 250 (Revised).<sup>29</sup>
  - Use of the work of experts.

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<sup>27</sup> ISAE 3400, *The Examination of Prospective Financial Information*

<sup>28</sup> ISA 402, *Audit Considerations Relating to an Entity Using a Service Organization*

<sup>29</sup> ISA 250 (Revised), *Consideration of Laws and Regulations in an Audit of Financial Statements*

**Matters for IAASB Consideration:**

4. The Board is asked to share its views about candidate topics to be included in the Consultation Paper for stakeholder input as set out in **Section IV** above, as well as any other candidate topics that should be considered. Specifically:
  - (a) Projects or Workstreams Likely Underway at the Start of 2028.
  - (b) Potential New Work Plan Topics for 2028–2031.
  - (c) Potential Work Plan Topics for joint IAASB and IESBA Action.

**Section V – Way Forward and Next Steps**

59. Following the September 2026 IAASB meeting, S&PC will prepare a draft of the Consultation Paper based on the comments and input received by the IAASB, which will be presented for discussion to the Board in December 2026.
60. In addition, S&PC will reflect on the input and comments from the ongoing outreach relevant to the SWP for 2028–2031, including but not limited to:
  - Input from the SAC at their meeting in New York (October 2026).
  - Engagement with the Forum of Firms (FoF) at their meeting in Paris (October 2026).
  - Discussions with the International Auditing Standards and Inspections Subgroups of the Committee of European Auditing Oversight Bodies (CEAOB) at their meeting in Sofia Bulgaria (November 2026).
  - Feedback from the virtual meeting with the Committee on Issuer Accounting, Audit and Disclosure of the IOSCO (IOSCO C1).
  - Other regular engagements.
61. Ongoing and regular coordination activities with IESBA will continue throughout the development of the respective SSBs Consultation Papers, including a planned joint plenary session of the Board's in quarter 4 of 2026.

## **IAASB S&PC Members, Meetings and Outreach Activities**

### **IAASB’s Planning Committee Members**

1. The IAASB Planning Committee members are:<sup>30</sup>
  - Tom Seidenstein, Chair \*
  - Edo Kienhuis, Vice-Chair \*
  - William Edge, Board Member \*
  - Chrystelle Richard, Board Member
  - Wendy Stevens, Board Member
  - Neil Morris, Board Member

### **SWP Staff**

2. The SWP Staff for the project are:
  - Willie Botha, Program and Senior Director
  - Kalina Shukarova Savovska, Director
  - Nathalie Baumgaertener Dutang, Senior Manager

### **Meetings**

3. In July 2026, a coordination meeting was held between the IAASB and IESBA Chairs to discuss matters of an alignment nature relevant to the timeline of the approval of the respective Consultation Papers of each SSB. In addition, since June 2026, there has been close coordination among the IAASB and IESBA Staff teams on several issues of mutual relevance.
4. In developing this Agenda Item, the Planning Committee met once virtually in August 2026 to provide input on the core elements of the SWP for 2028–2031, including the IAASB goal, strategic drivers, possible strategic objectives and strategic actions, and potential work plan topics.
5. Members of the Joint SWP Working Group held one virtual meeting in August 2026 to provide views and recommendations on the analysis of the feedback of joint survey responses, including with respect to the strategic positioning of the SSBs for 2028–2031, the key environmental trends impacting the SSBs and areas for joint action in the SSBs’ work plans.
6. In August 2026, an update was provided to the IAASB Liaison Board member and their Technical Advisor for IESBA general coordination matters on the key messages from the joint survey for areas and matters highlighted by respondents for joint action in the SSBs’ work plans.

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<sup>30</sup> Planning Committee Members denoted with (\*) are also members of the Joint SSB SWP Working Group.

**Outreach Activities**

7. In June 2026, SSB Staff presented a high-level briefing on the responses received to the joint survey to members of the Joint IAASB–IESBA User Advisory Group and received their reflections on the overview presented.
8. The IAASB Chair updated the PIOB on the planned public consultation and timeline of the SWP for 2028–2031 at their July 2026 meeting.