

RESPONSE TEMPLATE FOR THE ED OF PROPOSED NARROW-SCOPE AMENDMENTS TO IAASB STANDARDS ARISING FROM THE IESBA'S USING THE WORK OF AN EXTERNAL EXPERT PROJECT

Guide for Respondents

Comments are requested by **July 24, 2025**.

This template is for providing comments on the Exposure Draft (ED) of proposed Narrow-Scope Amendments to International Auditing and Assurance Standards Board® (IAASB®) Standards Arising from the International Ethics Standards Board for Accountants' (IESBA) Using the Work of an External Expert project, in response to the questions set out in the Explanatory Memorandum (EM) to the ED. It also allows for respondent details, demographics and other comments to be provided. Use of the template will facilitate the IAASB's automated collation of the responses.

You may respond to all questions or only selected questions.

To assist our consideration of your comments, please:

- For each question, start by indicating your overall response using the drop-down menu under each question. Then below that include any detailed comments, as indicated.
- When providing comments:
 - Respond directly to the questions.
 - Provide the rationale for your answers. If you disagree with the proposals in the ED, please provide specific reasons for your disagreement and specific suggestions for changes that may be needed to the requirements, application material or appendices. If you agree with the proposals, it will be helpful for the IAASB to be made aware of this view.
 - Identify the specific aspects of the ED that your response relates to, for example, by reference to sections, headings or specific paragraphs in the ED.
 - Avoid inserting tables or text boxes in the template when providing your responses to the questions because this will complicate the automated collation of the responses.
- Submit your comments, using the response template only, without a covering letter or any summary of your key issues, instead identify any key issues, as far as possible, in your responses to the questions.

The response template provides the opportunity to provide details about your organization and, should you choose to do so, any other matters not raised in specific questions that you wish to place on the public record. All responses will be considered a matter of public record and will ultimately be posted on the IAASB website.

Use the “**Submit Comment**” button on the ED [web page](#) to upload the completed template.

Responses to IAASB's Request for Comments in the EM for the ED, Proposed Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project

PART A: Respondent Details and Demographic information

Your organization's name (or your name if you are making a submission in your personal capacity)	Association of Chartered Certified Accountants and Chartered Accountants Australia and New Zealand.
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Antonis Diolas Amir Ghandar
Name(s) of contact(s) for this submission (or leave blank if the same as above)	
E-mail address(es) of contact(s)	Antonis.Diolas@accaglobal.com Amir.Ghandar@charteredaccountantsanz.com
Geographical profile that best represents your situation (i.e., from which geographical perspective are you providing feedback on the ED). Select the most appropriate option.	<u>Global</u>
	If "Other", please clarify
The stakeholder group to which you belong (i.e., from which perspective are you providing feedback on the ED). Select the most appropriate option.	<u>Professional accountancy or other professional organization (PAO or similar)</u>
	If "Other", please specify
Should you choose to do so, you may include information about your organization (or yourself, as applicable).	

Should you choose to do so, you may provide overall views or additional background to your submission. **Please note that this is optional.** The IAASB's preference is that you incorporate all your views in your comments to the questions (also, the last question in Part B allows for raising any other matters in relation to the ED).

Information, if any, not already included in responding to the questions in Parts B and C:

PART B: Responses to Questions in the EM for the ED

For each question, please start with your overall response by selecting one of the items in the drop-down list under the question. Provide your detailed comments, if any, below as indicated.

Overall Question*Public Interest Responsiveness*

1. 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?

(See EM, Section 1-A)

Overall response: Agree, with comments below

Detailed comments (if any):

In our view given that the IESBA has already finalised the amendments to the Code, it is in the public interest to ensure that the IAASB standards are also aligned.

However, we believe that the approach taken in this project is not in the public interest. It would have been preferable for the two boards to co-ordinate the changes using the same timeline, allowing both amendments to the IESBA Code of Ethics and the IAASB Standards to be considered simultaneously. This would allow any proposed amendments to be fully aligned from the outset. Instead, the IESBA Code amendments have already been finalised and, irrespective of their context, this results in a necessity for amendments to the IAASB Standards to ensure consistency. This follows the recent IAASB consultation as a result of the revisions to the definitions of Listed Entity and Public Interest Entity in the IESBA Code, where the IAASB had to address the consistency between the IESBA Code revisions and the IAASB's relevant Standards. This therefore appears to be a pattern of repeated behaviour that in our view is not in the public interest.

In addition, as ACCA and CA ANZ raised in our respective responses to the *IESBA's Exposure Draft Using the Work of an External Expert*, we have concerns over the potential limited availability of suitable external experts, particularly in smaller or emerging markets. While both ACCA and CA ANZ agreed that ethical requirements should not be reduced based on jurisdiction or materiality, we highlighted the need for the proposed requirements to be practical and manageable for practitioners, audited entities, and the experts themselves. ACCA raised specific concerns about the timing of the competence, capabilities and objectivity (CCO) evaluation, suggesting it should ideally be completed before the expert begins work to avoid undue pressure on practitioners to confirm objectivity after the fact. CA ANZ echoed these practical concerns, noting that experts are typically first selected based on competence and capability, and that threats to objectivity—often the main barrier to passing the CCO test—might in some cases be mitigated with appropriate safeguards. Both bodies advocated for flexibility in applying the CCO framework, especially to prevent scenarios where ethical rigidity could hinder access to expert input and ultimately be detrimental to audit quality and the public interest at large.

We recommend that the IAASB states explicitly that when it comes to the CCO assessment and more specifically, when evaluating objectivity, that an external expert can be used, provided that safeguards can be implemented. This would help address the ambiguity that the proposed amendments introduce and the concerns regarding the limited availability of suitable external experts.

Specific Questions*Proposed Narrow-Scope Amendments to ISA 620¹*

2. 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?

(See EM, Section 1-C)

Overall response: Agree, with comments below

Detailed comments (if any):

Yes, the proposed amendments to ISA 620 are appropriate to maintain interoperability with the new provision in the Code related to using the work of an external expert. However, as explained in our response to Q1, we believe that the process for the amendments to the IESBA Code of Ethics did not allow for appropriate consideration of the consequential amendments that would be needed to the IAASB Standards.

Furthermore, as suggested in our response to Q1, the IAASB should clarify that when evaluating objectivity under the CCO assessment, an external expert can be used, provided that safeguards can be implemented. This would help address the ambiguity that the proposed amendments introduce and the concerns regarding the limited availability of suitable external experts.

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)?

Detailed comments (if any):

¹ International Standard on Auditing (ISA) 620, *Using the Work of an Auditor's Expert*

Proposed Narrow-Scope Amendments to ISRE 2400 (Revised),² ISAE 3000 (Revised)³ and ISRS 4400 (Revised)⁴

3.1 Do you agree that the proposed narrow-scope amendments to ISRE 2400 (Revised) 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?

(See EM, Section 1-D)

Overall response: Agree, with comments below

Detailed comments (if any):

Yes, the proposed narrow-scope amendments to ISRE 2400 (Revised) are consistent with the proposed amendments to ISA 620 and are appropriate to maintain interoperability with the new provision in the Code related to using the work of an external expert. However, as explained in our response to Q1, we believe that the context of the amendments is not appropriate.

Furthermore, as suggested for ISA 620, the IAASB should clarify that when evaluating objectivity under the CCO assessment, an external expert can be used, provided that safeguards can be implemented, in ISRE 2400 (Revised) too. This would help address the ambiguity that the proposed amendments introduce and the concerns regarding the limited availability of suitable external experts.

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)?

Detailed comments (if any):

3.2 Do you agree that the proposed narrow-scope amendments to ISAE 3000 (Revised) 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?

(See EM, Section 1-E)

Overall response: Agree, with comments below

² International Standard on Review Engagements (ISRE) 2400 (Revised), *Engagements to Review Historical Financial Statements*

³ International Standard on Assurance Engagements (ISAE) 3000 (Revised), *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*

⁴ International Standards on Related Services (ISRS) 4400 (Revised), *Agreed-upon Procedures Engagements*

Detailed comments (if any):

Yes, the proposed narrow-scope amendments to ISAE 3000 (Revised) are consistent with the proposed amendments to ISA 620 and are appropriate to maintain interoperability with the new provision in the Code related to using the work of an external expert, while we note that unlike ISA 620, in ISAE 3000 (Revised) the proposed amendments refer only to application material. However, as explained in our response to Q1, we believe that the context of the amendments is not appropriate.

Furthermore, as suggested for ISA 620, the IAASB should clarify that when evaluating objectivity under the CCO assessment, an external expert can be used, provided that safeguards can be implemented, in ISAE 3000 (Revised) too. This would help address the ambiguity that the proposed amendments introduce and the concerns regarding the limited availability of suitable external experts.

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)?

Detailed comments (if any):

3.3 Do you agree that the proposed narrow-scope amendments to ISRS 4400 (Revised) 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?

(See EM, Section 1-F)

Overall response: Agree, with comments below

Detailed comments (if any):

Yes, the proposed narrow-scope amendments to ISRS 4400 (Revised) are consistent with the proposed amendments to ISA 620 and are appropriate to maintain interoperability with the new provision in the Code related to using the work of an external expert. However, as explained in our response to Q1, we believe that the context of the amendments is not appropriate.

Furthermore, as suggested for ISA 620, the IAASB should clarify that when evaluating objectivity under the CCO assessment, an external expert can be used, provided that safeguards can be implemented, in ISRE 4400 (Revised) too. This would help address the ambiguity that the proposed amendments introduce and the concerns regarding the limited availability of suitable external experts.

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)?

Detailed comments (if any):



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Other Matters

4. 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.

Overall response: **No other matters to raise**

Detailed comments (if any):

Part C: Request for General Comments

The IAASB is also seeking comments on the matters set out below:

5. Translations—Recognizing that many respondents may intend to translate the final narrow-scope amendments for adoption in their own environments, the IAASB welcomes comment on potential translation issues respondents note in reviewing the ED.

Overall response: [See comments on translation below](#)

Detailed comments (if any):

The ambiguity that the proposed amendments introduce and the concerns regarding the limited availability of suitable external experts is likely to cause further challenges when it comes to translations. Therefore, as suggested in our response to Q1, if the IAASB states more explicitly that when it comes to the CCO assessment and more specifically, when evaluating objectivity, that an external expert can be used, provided that safeguards can be implemented, it would help address this challenge before translations take place.

6. Effective Date—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.

(See EM, Section 1-G)

Overall response: [See comments on effective date below](#)

Detailed comments (if any):

We do not believe that 12 months after the PIOB's process of certification of the final narrow scope amendments is sufficient. Many jurisdictions will need to translate the final narrow scope amendments to their local language and firms will need time to provide appropriate training to their staff. We therefore recommend that a longer implementation period is considered.