

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)	The Independent Regulatory Board for Auditors (IRBA), South Africa
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Saadiya Adam Director: Standards
Name(s) of contact(s) for this submission (or leave blank if the same as above)	Zimasa Nomqonde-Shabalala
E-mail address(es) of contact(s)	znomqonde@irba.co.za
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.	Africa and Middle East
	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.	Jurisdictional standard setter
	If "Other", please specify
Should you choose to do so, you may include information about your organization (or yourself, as applicable).	The IRBA is both the audit regulator and national audit and ethics standards setter in South Africa. Its statutory objectives include the protection of the public by regulating audits performed by registered auditors; and the promotion of investment and employment in South Africa.

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):

We agree that the proposed narrow-scope amendments are responsive to the public interest. In fact, the IAASB's efforts to align its standards with the IESBA's provisions on using the work of an external expert demonstrate a strong commitment to coherence and relevance.

We particularly appreciate the collaboration with the IESBA on these proposals, as that has ensured interoperability between the IAASB's standards and the ethical requirements outlined in the revised IESBA Code.

In our comment letter on the IESBA's Using the Work of an External Expert project, we emphasised how important it would be for the IAASB to promptly enact its planned amendments, to avoid confusion and maintain consistency across the standards. Therefore, we are pleased to see that the IAASB has acted on this imperative.

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):

We agree that the proposed addition of sub-requirement (f) to paragraph 8 of ISA 620 – requiring auditors to consider the relevant ethical provisions when using the work of an expert – along with the new application material paragraphs, are appropriate to maintain interoperability with the new provisions in the IESBA Code related to Using the Work of an External Expert.

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

The IAASB acknowledges the significant addition in the IESBA Code that requires external experts to provide written information supporting the evaluation of their objectivity. The proposed sub-requirement (f) in paragraph 8 and the new application paragraph (A13A) rightly reflect this. However, to enhance alignment with the IESBA Code's paragraph R390.12, we recommend revising paragraph 9 of ISA 620, to explicitly require external experts, where mandated by ethical requirements, to provide written information to assist auditors in evaluating their objectivity. The suggested revision, as underlined below, is as follows:

“The auditor shall evaluate whether the auditor’s expert has the necessary competence, capabilities and objectivity for the auditor’s purposes. In the case of an auditor’s external expert, the evaluation of objectivity shall include inquiry regarding interests and relationships that may create a threat to that expert’s objectivity. Further, where required by the relevant ethical requirements, the auditor shall also obtain information in writing from the external expert, to assist in evaluating the expert’s objectivity.”

Additionally, the Explanatory Memorandum notes an implicit presumption in ISA 620 that an auditor cannot use the work of an expert who lacks the necessary competence, capabilities and objectivity (CCO). We recommend that the IAASB makes this presumption explicit by introducing a clear requirement in the section on “The Competence, Capabilities and Objectivity of the Auditor’s Expert”. Relying solely on application material paragraphs A19A and A31A poses the risk of inconsistent interpretation and application. An explicit prohibition would improve clarity and consistency, with paragraph A19A supporting the requirement by referencing the relevant IESBA Code provisions. The proposed requirement could read as follows:

“The auditor shall not use the work of an auditor’s expert, if the expert is determined not to possess the necessary competence, capabilities and objectivity for the auditor’s purposes.”

These enhancements could clarify expectations, promote consistent application and ensure a better alignment with the ethics standards.

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):

Refer to the response above.

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: Disagree, with comments below

Detailed comments (if any):

Refer to the response below.

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):

We note that paragraph 55 of ISRE 2400 (Revised) broadly applies to the use of work performed by others, including other practitioners or experts. However, unlike the explicit requirements in the auditing standards, ISRE 2400 does not explicitly require the practitioner to evaluate the CCO of an expert.

Given that the IESBA provisions on using the work of an external expert apply to review engagements, we believe it is important to include a requirement, similar to paragraph 8(f) of ISA 620, that explicitly refers to compliance with the relevant ethical requirements when using such experts, including the provision of written information for the evaluation of the external expert's objectivity.

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

Detailed comments (if any):

We agree that the proposed narrow-scope amendments to ISAE 3000 (Revised) are broadly consistent with those to ISA 620 and support an alignment with the new provisions in the Code on using the work of an external expert, except as noted in the specific 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*

We note that paragraph 52 of ISAE 3000 (Revised) sets out a conditional requirement for situations where the work of a practitioner's expert is used, and that this requirement is stated to be consistent with the core provisions in ISA 620 (paragraphs 9-12). As such, we propose adding a sub-requirement to paragraph 52, linked to the application material in paragraph A121(f), to explicitly require the practitioner to consider the provisions of the relevant ethical requirements when using the work of an expert. This addition would support the alignment with ISA 620 and the IESBA Code that applies to assurance engagements.

The IAASB has also acknowledged the introduction of a significant new requirement in the IESBA Code, which calls for external experts to provide written information to assist practitioners in evaluating their objectivity. To reflect this, we recommend revising paragraph 52(a) of ISAE 3000 to explicitly include a requirement for obtaining such written information, when obligated to do so by the ethics standards. The suggested revision, as underlined below, is as follows:

“Evaluate whether the practitioner's expert has the necessary competence, capabilities and objectivity for the practitioner's purposes. In the case of a practitioner's external expert, the evaluation of objectivity shall include inquiry regarding interests and relationships that may create a threat to that expert's objectivity. Further, where required by the relevant ethical requirements, the practitioner shall also obtain information in writing from the external expert, to assist in evaluating the expert's objectivity;”.

In addition, if ISAE 3000 is intended to carry an implicit presumption that a practitioner must not use the work of an expert who lacks the necessary CCO, we believe this should be made explicit. Introducing a clear requirement to that effect, similar to what is proposed in ISA 620, would improve both clarity and consistency across the IAASB standards.

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):

Refer to the response above.

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):

We agree that the proposed narrow-scope amendments to ISRS 4400 (Revised) are broadly consistent with those to ISA 620 and support an alignment with the new provisions in the Code on using the work of an external expert, except as noted in the specific comments below.

We note that paragraph 29 of ISRS 4400 (Revised) includes a conditional requirement regarding the use of a practitioner's expert, which seems to align with the core principles in paragraphs 9-12 of ISA 620 and paragraph 52 of ISAE 3000 (Revised). To enhance consistency and clarity, we recommend

adding a sub-requirement to paragraph 29, similar to paragraph 8(f) of ISA 620, explicitly requiring the practitioner to consider the relevant ethical requirements when using an expert.

Additionally, if ISRS 4400 is intended to carry an implicit presumption that a practitioner must not use the work of an expert who lacks the necessary CCO, we believe this should be stated explicitly. A clear requirement, similar to that proposed in ISA 620, would strengthen alignment across the IAASB standards. To further support this, we suggest including application material for paragraph 29(d) of ISRS 4400, similar to paragraph A31A of ISA 620.

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):

Refer to the response above.

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: Yes, with comments below

Detailed comments (if any):

The Explanatory Memorandum provides a clear rationale for not proposing changes to the International Standard on Sustainability Assurance 5000, *General Requirements for Sustainability Assurance Engagements*, and ISAE 3410, *Assurance Engagements on Greenhouse Gas Statements*, as part of this project. However, it does not explain why ISRE 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*, has not been included within the scope.

We recognise that ISRE 2410 does not currently contain requirements regarding the use of an auditor's expert in a review engagement and that broader revisions may be outside the scope of this project. However, it is important to note that in practice auditors do make use of experts in these engagements. The IESBA's revisions to the Code relating to Using the Work of an External Experts also do apply to review engagements.

As the IAASB is undertaking a more comprehensive project to revise ISRE 2410, we recommend that this future work should consider including requirements and supporting application material related to the use of auditor's experts in these engagements. That would support interoperability with the relevant provisions of the IESBA Code.

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: No response

Detailed comments (if any):

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 agree with aligning the effective date of these proposed narrow-scope amendments with that of the revised Code provisions related to using the work of an external expert. Such a co-ordinated approach will help auditors apply the standards confidently and consistently, reinforcing public trust in the profession.

To support effective implementation, it will be important for the IAASB to co-ordinate closely with the IESBA on the implementation guidance currently being developed. Such collaboration will ensure that auditors receive consistent and practical support across both ethics and IAASB standards, and will further reduce the risk of misinterpretation or inconsistent application of the new provisions.

The proposed 12-month implementation period, following the PIOB's certification, appears sufficient, especially given the alignment with the IESBA's timeline and the anticipated efforts by firms and jurisdictions to update their methodologies, training and enablement tools.