MALAYSIAN INSTITUTE
OF ACCOUNTANTS

29 July 2025

Mr. Willie Botha
Program & Technical Director
International Auditing and Assurance Standards Board
International Federation of Accountants
529 Fifth Avenue, 6th Floor
New York, 10017 USA

Dear Mr Botha

Responses to the IAASB's Exposure Draft, Proposed Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project

The Auditing and Assurance Standards Board (AASB) of the Malaysian Institute of Accountants (MIA) welcomes the opportunity to provide its comments on the Exposure Draft, *Proposed Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project* issued by the International Auditing and Assurance Standards Board (IAASB).

We attach in Appendix 1, our responses to the questions in the Exposure Draft. We hope our comments would contribute to further deliberation by the IAASB on the matter. If you have any queries or require clarification of this submission, please contact Simon Tay Pit Eu at +603 2722 9271 or email to simontaypiteu@mia.org.my.

Thank you.

Yours sincerely
MALAYSIAN INSTITUTE OF ACCOUNTANTS

G SHANMUGAM
Acting Chief Executive Officer

Dewan Akauntan, Unit 33-01, Level 33, Tower A, The Vertical, Avenue 3
Bangsar South City, No.8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia
Website: www.mia.org.my | Tel: + 603 2722 9000 | Fax: + 603 2722 9100

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)	Malaysian Institute of Accountants
Name(s) of person(s) responsible for this submission (or leave blank if the same as above)	Simon Tay Pit Eu
Name(s) of contact(s) for this submission (or leave blank if the same as above)	-
E-mail address(es) of contact(s)	simontaypiteu@mia.org.my
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.	Asia Pacific
	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.	Professional accountancy or other professional organization (PAO or similar)
	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 no further comments) **Detailed comments (if any):**

Specific Questions *Proposed Narrow-Scope Amendments to ISA 620*[1] 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 no further comments) **Detailed comments (if any):**
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 no further comments)

Detailed comments (if any):

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 no further comments)

Detailed comments (if any):

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)?

[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):

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 no further comments)

Detailed comments (if any):

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):

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):

1. **It may be appropriate to consider a minor amendment to ISRE 2410 to explicitly address circumstances arising from ethical requirements where the assurance provider may be prohibited from relying on the work of an auditor's expert. This would include situations where, during a limited review, matters may come to the assurance provider's attention whether through confirmation or heightened awareness that raise ethical concerns about the expert's independence or objectivity. Such clarification would enhance consistency with the ethical provisions of the IESBA Code and support professional judgment in limited assurance engagements.**

2. One of the key concerns relates to the ability of professional accountants to obtain the necessary information from external experts to comply with the IESBA Code particularly around independence, financial interests and relationships. While professional accountants are bound by the IESBA Code, external experts may not be, thus creating a potential compliance gap that must be managed by the practitioner.

Currently, ISAE 3000 (Revised), particularly paragraphs 52 and A128, already require the practitioner to evaluate the objectivity of the expert, including obtaining written representations regarding any interests or relationships with the client and its related entities. However, the proposed narrow-scope enhancements could be strengthened by mirroring the proposed addition to ISA 620 (paragraph 8(f)) by explicitly referencing relevant ethical requirements, including the IESBA Code, as part of assessing the expert's independence.

To support effective implementation, stakeholder engagement with the external expert community is critical. Outreach by the IAASB and IESBA can raise awareness of the expectations placed on professional accountants and the types of information required from external experts. Practical guidance would also be helpful, particularly on how practitioners can reasonably obtain such information (e.g. through engagement letters or formal written confirmations), and whether this would be considered sufficient evidence for compliance.

Ultimately, while the responsibility lies with the practitioner to meet the ethical requirements, clearer guidance, consistent language across standards, and proactive engagement with external experts will be essential to ensure practical and consistent application.

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: No response

Detailed comments (if any):