



COMMITTEE OF
EUROPEAN
AUDITING
OVERSIGHT
BODIES

International Auditing and Assurance Standards Board (IAASB)
529 Fifth Avenue
New York, 10017
USA

23 July 2025

Re: Comments on the IAASB's Exposure Draft on Proposed Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project

Dear Mr. Seidenstein,

1. The CEAOB (Committee of European Auditing Oversight Bodies) appreciates the opportunity to comment on the IAASB's Exposure Draft for *Proposed Narrow-Scope Amendments to IAASB Standards Arising from the IESBA's Using the Work of an External Expert Project* (ED Narrow Scope) issued in April 2025. As the organisation representing the audit regulators of the European Union and the European Economic Area, the CEAOB encourages and supports continuing improvement of professional standards for the audit profession.
2. The content of this letter has been prepared by the CEAOB International Auditing Standards Subgroup and has been adopted by the CEAOB. The comments raised in this letter reflect matters agreed within the CEAOB. It is not intended, however, to include all comments that might be provided by the individual regulators that are members of the CEAOB and their respective jurisdictions.
3. This response builds on previous comments raised by the CEAOB in its letter dated 7 May 2024¹ on the IESBA's exposure draft on Using the Work of an External Expert.
4. In examining the exposure draft, the CEAOB focused on the provisions applicable to auditors in ISA 620. As a result, this letter does not comment on the proposed amendments to ISRE 2400 (Revised), ISAE 3000 (Revised) and ISRS 4400 (Revised).

¹ https://finance.ec.europa.eu/document/download/4243d0e6-7f2c-4445-8297-3955632f98a3_en?filename=240507-ceaob-comment-letter-iesba-exposure-draft-use-experts_en.pdf





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: Neither agree/disagree, but see comments below

5. The CEAOB supports the IAASB's objective in this project, to maintain interoperability between IAASB standards and the IESBA Code.
6. We understand that the proposed amendments are narrow in scope and do not entail a full review of the IAASB standards.
7. We are however concerned that proposed amendments do not sufficiently align the IAASB standards and the IESBA Code and might create additional inconsistencies when performing audit engagements. Please refer to our specific comments under question 2.

Specific Questions

Proposed Narrow-Scope Amendments to ISA 620²

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: Disagree, with comments below

8. In the ED Narrow Scope, the IAASB proposes adding a new paragraph 8(f) requiring the auditor to consider relevant ethical requirements when determining the nature, timing and extent of audit procedures, but does not suggest any specific amendments to paragraph 9 (Evaluation of the competence, capabilities, and objectivity (CCO) of the auditor's expert) or paragraph 11 (Agreement with the auditor's expert) of ISA 620.
9. In paragraph 21 of its Explanatory Memorandum to the ED Narrow Scope, the IAASB acknowledges that the "requirement for the external expert to provide information, in writing, to assist in evaluating the expert's objectivity" represents a significant new provision. It also notes that this requirement, introduced by the IESBA Code, may impact the nature, timing, and extent of the auditor's procedures - particularly in relation to

² International Standard on Auditing (ISA) 620, *Using the Work of an Auditor's Expert*





evaluating the external expert's competence, capabilities, and objectivity (paragraph 9 of ISA 620) and the agreement with the expert (paragraph 11 of ISA 620). However, these points are not sufficiently clear in the proposed amendments to the standard.

10. We generally support the inclusion of references to "relevant ethical requirements" in the ISAs, as they serve as useful reminders for auditors of the relevant ethics and independence frameworks or provisions to be applied that underpin and complement their audit work.
11. However, we believe that the new requirements in the IESBA Code concerning the use of an auditor's external expert are important and should be explicitly incorporated into ISA 620 to promote consistent application worldwide.
12. Due to the varying adoption rates of the IESBA Code and the IAASB standards and the diversity of ethical frameworks for auditors globally, we believe the proposed narrow-scope amendments to ISA 620 might not foster consistency in applying the standards. While some jurisdictions impose equally or more stringent requirements than the IESBA Code, others may have less robust provisions or lack equivalent requirements altogether.
13. It is in the public interest that a global benchmark of requirements related to using the work of an external expert in the IAASB's auditing standards is established, supporting greater harmonization in audit approaches and higher quality in the execution of audits across jurisdictions.
14. Accordingly, we recommend aligning the requirements of ISA 620 with the IESBA Code regarding the evaluation of the auditor's external expert's competence, capability and objectivity. In R390.12 of the IESBA Code, external experts are required to provide written disclosures of any interests, relationships, or circumstances that could impair objectivity, covering the full audit period through to the completion of their work, and this should be clearly stated in ISA 620 itself rather than referring to the IESBA Code.
15. For alignment with the provisions of the IESBA Code, the IAASB should further include explicit prohibitions on using the work of an auditor's external expert in certain situations, as described in paragraph R390.21 of the Code, rather than relying on implicit references or added and reordered application material. Without clear requirements, there is a heightened risk of inconsistent interpretation and application.

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





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16. We agree with the proposed effective date of the narrow-scope amendments for audits of financial statements for periods beginning on or after December 15, 2026, which would align to the effective dates of some other projects.

Please do not hesitate to contact me or the Chair of the CEAOB International Auditing Standards Subgroup should you have any questions on the content of this letter.

Yours faithfully,

Panos Prodromides

Chairman



<https://ec.europa.eu/info/ceaob>



ec-ceaob-secretariat@ec.europa.eu