

Agenda Item 5-D.17 (Reference Material)

IESBA and IAASB Joint Stakeholder Survey – Areas of Common Interest and Possible Joint or Parallel Work Plan Topics

18.01. Technology, AI & Digital Transformation

02. Users of Financial or Non-Financial Information

CFA Institute

-Emerging technology initiative: an ongoing project on the uses and abuses of emerging technologies such as AI in assurance, preparation, and use of financial reporting and its implications for standard setting. This would be an extension of the technology quality management workstream.

Impax Asset Management

3. Use of Technology and AI in Audit and Assurance

- Joint guidance on the ethical use of AI and emerging technologies, including over-reliance risks, human oversight and responsibility for outcomes.
- Alignment between IAASB quality management standards and IESBA ethical requirements as technology becomes embedded in audit processes.

We see several priority areas where joint or parallel action would meaningfully enhance public-interest outcomes:

International Corporate Governance Network (ICGN)

The IAASB and IESBA should focus joint or parallel work on areas where audit quality, assurance quality, ethics and independence are closely connected.

The SSBs should consider joint work on the implications of AI and emerging technologies. This should include guidance on the use of AI by preparers, accountants and auditors, with a focus on professional judgement, professional scepticism, competence, accountability, objectivity and confidentiality. The SSBs should consider not only how technology is used, but also how technology-enabled tools are designed, built, trained and governed. Any response should be proportionate and targeted to issues that affect audit quality or ethical quality.

Jose Esposito (Credicorp Ltd.)

The use of agentic AI in the internal and external auditors work; the new or future role of the accountant profession in this new world.

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

During the next strategy period, there are several areas where closer coordination between the IAASB and the IESBA could add meaningful value.

The European Federation of Investors and Financial Services Users (BETTER FINANCE)

The increasing use of AI and other technologies raises interconnected questions relating to audit methodologies, professional judgment, accountability, ethical responsibilities and independence. While the IAASB may focus on implications for audit and assurance performance, the IESBA may need to address issues such as over-reliance on technology, transparency, competence and accountability. Joint work or coordinated guidance could support a coherent approach and avoid gaps or inconsistencies.

04. Those Charged With Governance

Kaori Ito (Yourmysyar Inc.)

A key area of common interest for the IAASB and IESBA lies in how professional judgment is formed, communicated, and acted upon across the audit and governance ecosystem, particularly in complex and fast-moving environments. Many of the challenges highlighted by recent trends do not stem from a lack of standards, but from difficulties in surfacing early concerns, preserving context, and maintaining accountability as information moves between management, those charged with governance, and auditors. Joint or parallel initiatives could therefore focus on clarifying expectations around early-stage judgment, escalation, and dialogue —such as non-authoritative guidance or practical materials that illustrate how timely, context-rich concerns can be raised and addressed without compromising independence or ethical boundaries. This may be particularly relevant in areas involving emerging technologies, technology-enabled financial crimes, and sustainability information, where judgment often precedes clearly identifiable breaches.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

Other trends that should be addressed in a coordinated manner by the SSBs are the increasing use of new technologies in audits, addressing both quality management and ethical implications as well as firm governance, culture, and independence, especially in the context of alternative ownership structures. These developments may influence decision-making processes and internal incentives as well as the independence of the audit work.

Independent Regulatory Board for Auditors (IRBA)

From our response, the following themes may be well suited to joint or parallel work by the IAASB and IESBA: • Technology and AI, including professional judgment, scepticism, accountability, over-reliance risks, competence and due care, and the use of specialists in multidisciplinary teams;

UK Financial Reporting Council (UK FRC)

Also, there are some ongoing projects where coordination has been started and needs to be maintained, including:

For the topics covered in this survey, we believe those with implications for both Boards include:

A: Digital transformation – For example, the development and use of technological tools can have considerations relating to whether that may involve specialists, who may not be professional accountants, and the ethics provisions such specialists need to comply with. Or, an audit firm may identify circumstances where a client could implement software that would help facilitate better interaction with the firm's own audit software, but the client needs help from the firm for that implementation, with consequent ethics considerations.

Technology quality management

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

Key topics for joint or parallel work include sustainability and technology. APESB also considers that the following additional trends identified in the Other Trends section above represent areas of common interest warranting coordinated attention by both Boards: (i) AI governance and explainability, where the IAASB and

IESBA will need to develop coordinated frameworks addressing practitioner competence, professional scepticism and the scope of assurance and ethics standards;

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

Subject matters of common interest requiring joint projects:

- Use of technology (with an AI focus)

Auditing and Assurance Standards Board of Canada (AASBC)

Financial Crimes Enabled by Technology

- Exploring the need for guidance to support practitioners in identifying and responding to emerging and evolving financial crime risks enabled by technology across a broad range of entities.

Digital Transformation

- Development of non-authoritative materials to support practitioners in applying existing assurance and ethical requirements in rapidly evolving technological environments
- Guidance to support appropriate use of professional judgement and professional skepticism, including mitigating the risk of undue reliance on outputs from complex systems (e.g. AI and automated tools)

Institut der Wirtschaftsprüfer (IDW)

Areas of common interest that may benefit from joint projects include:

A1. Increasing use of emerging technologies

New Zealand Auditing and Assurance Standards Board (NZAuASB)

- Responding to the impact of emerging technology.

Possible joint areas could include:

Royal Netherlands Institute of Chartered Accountants (NBA)

The new business model of audit firms (private equity) and developments in technology.

Saudi Organization for Chartered and Professional Accountants (SOCPA)

-Non-authoritative-materials addressing the use of emerging technologies in audit and review engagements (e.g. practical examples illustrating the use of Artificial Intelligence (AI) in audit procedures, explanatory guidance on the key ethical considerations associated with the use of emerging technologies in accounting services, and case studies demonstrating the implementation of critical audit and ethics standards in the context of emerging technologies).

07. Accounting Firms

Ernst & Young Global Limited (EY)

- Establishing a single Technology Experts Panel to advise on technology-related matters relevant to both Boards.

Finally, we believe that both the IAASB's and IESBA's Strategies and Work Plans should include greater specificity regarding planned coordination topics and mechanisms. This should include explicit identification of any projects in either Board's 2028– 2031 work plan that could have implications for the other Board's standards. In particular, coordinated activities could include:

Grant Thornton International Ltd (GTI)

See our response to Q4 and our request to deepen and formalize IAASB and IESBA coordination. We encourage both SSBs to work together on standard-setting projects that include a technology modernization action and nonauthoritative guidance related to technology (including topics in Trend B and ongoing projects in Appendix 1), to ensure standards and guidance remain principles-based, globally operable, can be consistently applied and are interoperable.

Jack Schoeman (PWC)

The IAASB and IESBA should focus on practical, joint guidance for technology and non-accountant specialists. As firms use more data scientists and IT experts, the line between audit procedures and ethics becomes blurred. We do not need more legislation or more layers of regulation that create separate checklists for the same work. Instead, the boards should provide a single, unified framework that ensures these specialists follow the same quality and ethical bars as auditors without adding unnecessary red tape. This is the only way to keep the profession relevant and functional in a digital world.

Krzysztof Burnos

whatever you do you should not over standardise the audit process. AI is a game changer that SSBs even do not understand enough so the standards could be a killer for SMPs if defined in inappropriate way.

PricewaterhouseCoopers International Limited (PWC)

Technology

We recommend that the SSBs consider whether the overall approach to technology guidance warrants greater coordination. As both SSBs continue to explore the potential impact of technology on its respective standards, it is important that issues of a cross-cutting nature are identified and addressed concurrently and holistically, to avoid repeating past challenges where one Board is forced to react and "catch up" to address a decision taken by the other Board.

We believe the following areas of joint or parallel work are relevant to the 2028–2031 strategy period:

RSM International Limited

Areas of common interest and possible joint or parallel work plan topics that we identified include:

AI: We believe that AI should be a core focus area for IAASB and IESBA over the 2028–2031 strategy period. AI impacts both assurance and ethics, particularly in relation to evidence, data reliability, professional judgement and reputational risk. As such, it is not confined to a single standard-setting board's remit and, therefore, reinforces the need for continued coordinated efforts between IAASB and IESBA.

While AI is transformative, it also builds on existing concepts, such as evidence, systems and controls, rather than requiring an entirely new framework or standard. The key challenge lies in applying and adapting existing principles to AI-generated or AI processed information. Given the magnitude of its impact, thoughtful updates and practical guidance will be necessary.

Assurance over AI systems: We note there is a growing need for guidance on how practitioners can obtain assurance over AI driven systems and outputs, such as scenarios when AI performs core business, financial or audit processes. This includes clarity on how auditors or other practitioners obtain assurance over information processed through a client's AI-enabled systems

in areas relevant to the audit or other assurance engagement (e.g., when AI performs automated transaction processing or coding). It also includes when assurance is needed over the AI system itself, similar to service organization controls.

Ethics, independence and confidentiality risks from using AI: From an ethics and independence perspective, using AI introduces risks relating to data confidentiality, integrity, cybersecurity and guardrails. We also noted concerns related to inappropriate data use, leakage beyond intended users and over-reliance on AI outputs.

These risks have clear public-interest implications, highlight the importance of aligned ethics and assurance guidance.

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

From a public interest perspective, there are several areas where enhanced coordination between the IAASB and IESBA would be beneficial, whether through standard-setting, non-authoritative materials, or other forms of guidance and support.

1. Use of Emerging Technologies (including AI):

The increasing use and advancement of emerging technologies raises both audit/assurance and ethical considerations. Coordinated efforts help ensure alignment between requirements relating to audit evidence, professional judgment, and application of the fundamental principles, such as objectivity and professional competence. There is a clear opportunity for the boards to lead proactively by developing complementary non-authoritative guidance and updated standards where required that help practitioners better understand and apply these requirements consistently, confidently and with the public interest firmly at the centre.

Consejo General de Economistas de España

- Talent, practical training and learning curve The use of AI, and in particular on future auditors, is its learning curve and the management of generational change, as it produces an alteration of the learning process that was traditionally carried out through practical experience. AI can improve efficiency, but also alter the learning curve of junior auditors, by automating tasks through which they traditionally acquired practical knowledge about evidence, exceptions, documentation, risks, and professional judgment. IAASB and IESBA should consider the impact of AI on practical training, professional competence, team supervision and generational renewal. The activity of auditing accounts must prevent automation from reducing the exposure of new auditors to the fundamentals of professional work and judgment

- In terms of "Protection and confidentiality": develop non-binding material for SMPs and SMEs using AI tools, focusing on confidentiality, data protection, traceability, transparency, control over technology providers and limits on the use or reuse of information. This guide should help small and medium-sized firms evaluate AI tools without imposing burdens equivalent to those of large firms with their own technology departments.

- Governance and evaluation of the control environment in the use of AI: Guides on the use of new technological tools and AI in audited companies in terms of risk identification and evaluation of internal control. Future guidelines should cover the impact on AI-generated evidence, algorithmic transparency, bias, human oversight, confidentiality, and documentation of professional reasoning when using technological tools. Regarding the acceptance of the assignment and execution of the audit work. Requirement of transparency in tools, algorithms and biases when incorporating AI into processes, procedures and decision making.

- Cybersecurity Non-binding guide that analyzes the main issues on cybersecurity and good practices. Cybersecurity should be treated as a matter of managing the quality, confidentiality and operational continuity of audit firms, not just as a technological risk. The non-binding guidance should address how firms, especially SMPs, should consider cybersecurity risks in customer acceptance and continuity, information protection, third-party vendors, access control, incidents, cloud tools, and quality management systems.

- Considerations on the independence of auditors, related to the use of AI and other professionals who use IESBA standards before AI developers or providers. IESBA should analyze the independence risks arising from the use of common technology providers by the audit firm and the audited entity, especially when these providers intervene in financial information systems, AI tools, automation of controls or generation of data used as evidence. Threats of self-review, technological dependence, confidentiality, access to data and appearance of independence must be analyzed.

Institute of Chartered Accountants in England and Wales (ICAEW)

- Financial crimes enabled by technology

Non-authoritative materials where collaboration and coordination would be helpful, include: • Use of emerging technologies in audit

Malaysian Institute of Accountants (MIA Malaysia)

- Develop a Unified Technology Strategy: The SSBs should consider a coordinated approach to technology guidance. By addressing cross-cutting issues concurrently, they can avoid repeating past challenges where one Board was forced to react to a decision made by the other, ensuring holistic and consistent standard-setting.

We recommend the following areas for joint or parallel work during the 2028–2031 strategy period:

Pan African Federation of Accountants (PAFA)

From an African perspective, there are several key areas where coordinated or parallel action between the IAASB and IESBA would significantly enhance the relevance, consistency, and implementability of international standards across diverse jurisdictions.

A primary area for joint focus is digital transformation, particularly AI, cybersecurity, and emerging technologies, where audit quality, assurance requirements, and ethical considerations are deeply interconnected. Joint action should extend beyond standard-setting to include practical implementation guidance, capacity-building tools, and scalable approaches that reflect varying levels of technological maturity, particularly in emerging markets where infrastructure and expertise differ significantly. Closely linked to this is the growing importance of data analytics and technology-enabled audit and assurance techniques. As firms increasingly adopt advanced analytics, AI-assisted tools, and continuous auditing methods, there is a need for coordinated IAASB–IESBA guidance on the reliability of data-driven audit evidence, professional skepticism in automated environments, and ethical risks such as bias, transparency, and over-reliance on technology. From an African perspective, this is particularly important given the uneven adoption of such tools across firms and jurisdictions, which risks widening audit quality disparities unless supported by practical, scalable implementation materials and capacity-building initiatives

Pavel Dimitrov (Union of Accountants in Bulgaria)

- Cybersecurity and technology-enabled financial crimes – joint expectations for evaluating cyber risks, digital resilience, and fraud enabled by technology.
- Hybrid information ecosystems – coordinated approaches to assurance and ethics for integrated, real-time, and technology-generated information.

The IAASB and IESBA should consider coordinated or parallel work in several cross-cutting areas of growing importance. Key opportunities include:

- AI and automated systems – aligned guidance on ethical responsibilities, professional judgment, and assurance over AI-generated information.

Polish Chamber of Statutory Auditors (PIBR)

The impact of AI on auditing practice.

South African Institute of Chartered Accountants (SAICA)

Potentially emerging technologies and governance aspects.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

The Committee also wishes to draw attention to the growing relevance of AI in the context of fraud risk. The recent revision of ISA 240 is a welcome and important step, and the Committee recognizes the significant work undertaken in this area. As AI continues to evolve and its use in financial reporting and control environments expands, questions may naturally arise regarding emerging fraud typologies and data governance expectations, requiring continued attention as experience in this area develops. The Committee therefore encourages continued coordination between the IAASB and the IESBA to ensure consistency between auditing and ethical requirements, as well as a focus on improving the usability and implementability of existing standards in technology-driven contexts, rather than adding further complexity.

The Committee notes the central importance of digital transformation, and in particular artificial intelligence, as a key driver of change in auditing and assurance. While both the IAASB and the IESBA have already undertaken important initiatives in this area — including the development of technology-related guidance, Technology Quality Management initiatives, and the consideration of emerging risks— significant challenges remain.

In particular, the Committee highlights the need for greater clarity and practical guidance on how existing standards apply in AI enabled environments, especially with respect to audit evidence, professional judgement, professional skepticism and the reliability of outputs generated by complex systems. In this regard, the Committee notes that technology-neutral standards currently in use can provide a useful baseline but require auditors to exercise extensive professional judgement and may not fully address the distinctive challenges posed by generative AI, including its probabilistic behavior, opacity, and eventual configuration changes.

The rapid evolution of AI technologies, combined with increasing reliance on third-party providers, also raises important questions regarding the scope of assurance and the auditor's responsibilities beyond the traditional organizational boundary. The Committee notes that critical AI and cloud services are highly concentrated among a small number of dominant providers, and that coordinated or regulator-endorsed oversight arrangements — such as those developed in the European financial sector which collaborates on auditing of cloud providers — may offer useful models worth exploring in the audit context.

18.02. Sustainability Reporting and Assurance

02. Users of Financial or Non-Financial Information

Impax Asset Management

4. Assurance over Forward-Looking and Narrative Information

- Coordinated exploration of assurance implications for targets, transition plans, assumptions and scenario analysis, balancing investor needs with professional feasibility.
- Consideration of non-authoritative materials to support consistent practice without discouraging innovation.

We see several priority areas where joint or parallel action would meaningfully enhance public-interest outcomes:

1. Sustainability Assurance and Ethics as an Integrated System

- Joint work on the connectivity between sustainability assurance standards and ethical/independence requirements, particularly where sustainability assurance is performed alongside financial audits or advisory services.
- Clarification of expectations regarding professional judgment, skepticism and accountability in sustainability assurance engagements.

International Corporate Governance Network (ICGN)

The SSBs should prioritise adoption and implementation support for existing standards, particularly in sustainability assurance, ethics and independence. As jurisdictions take different approaches to sustainability reporting and assurance, coordinated implementation support will be important to reduce fragmentation and support global consistency. Capacity-building, partnerships and non-authoritative implementation material may be especially useful in addressing implementation complexity and change fatigue.

Kei Tsuchiya (The Securities Analysts Association of Japan)

Although the IAASB and the IESBA are independent standard-setting bodies, the standard-setting activities of the SSBs have a collective impact on the financial and non-financial reporting ecosystem as a whole. In light of this, I consider it critically important to strengthen coordination by identifying, at an early stage, areas in which the SSBs can act jointly or in parallel. In particular, with respect to sustainability-related information, the introduction of mandatory disclosures and assurance in accordance with sustainability disclosure standards is progressing across jurisdictions, and practice-specific challenges unique to the early stages of implementation have begun to emerge. I consider that these challenges are likely to continue into the next strategic period, and that ensuring the interoperability of assurance standards and ethics and independence standards represents an area in which the SSBs should act jointly or in parallel.

In addition, how professional-agnostic standards will function in practice constitutes a common issue relevant to both assurance and ethics and independence, and I consider this to be an area that warrants coordinated consideration by the SSBs. Furthermore, in order to ensure that such joint or parallel actions are effective, coordination with sustainability disclosure standard setters such as the ISSB, as well as with IOSCO and regulators in individual jurisdictions, is also indispensable. I consider that advancing the identification of issues, monitoring responses, and sharing insights through such coordination will represent an important area for joint action during the next strategic period.

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

During the next strategy period, there are several areas where closer coordination between the IAASB and the IESBA could add meaningful value.

First, sustainability assurance and the related ethical considerations represent a natural area for joint or parallel work. As sustainability reporting becomes increasingly connected with financial reporting, issues such as independence, professional skepticism, professional judgment and ethical culture arise alongside technical assurance matters. Ensuring that assurance and ethics standards are developed and applied in a coherent manner is important to maintaining assurance quality and reinforcing public confidence in the profession.

Second, the growing interconnection between financial audits and sustainability assurance warrants coordinated reflection. Environmental and social risks may affect companies' financial position and cash flows over longer time horizons. Treating financial and non-financial information in isolation may undermine consistency and clarity in reporting. A more integrated conceptual perspective, developed with coordination between both Boards, could enhance the coherence and usability of reporting frameworks for users.

Third, as investor information needs expand beyond entity-level financial risks toward broader risk environments, it may be beneficial for the two boards to jointly or in parallel consider emerging issues that cut across assurance and ethics. In particular, this may include exploring appropriate assurance approaches for disclosures that relate to long-term, economy-wide risks, as well as clarifying the role of the profession and the corresponding ethical frameworks in such contexts. In addition, as sustainability disclosures increasingly combine quantitative and qualitative information, there may be a need for coordinated consideration of how assurance can address the evaluation of judgment processes, underlying assumptions and supporting evidence, and how these considerations interact with ethical requirements.

03. Preparers or Issuers of Financial Statements or Other Information

Japan Business Federation – Keidanren

It is essential to ensure cross-jurisdictional consistency in institutional design, as well as consistency and coherence in underlying approaches, terminology, and concepts.

In particular, we strongly expect the early development and publication of frameworks under which information prepared in accordance with a single sustainability disclosure standard can, in substance, be assured through a single engagement by global accounting firms.

05. Regulators and Oversight Authorities

Independent Regulatory Board for Auditors (IRBA)

- Sustainability reporting and assurance, including implementation support, interoperability, global consistency, and the interaction between sustainability assurance and financial audit considerations;

From our response, the following themes may be well suited to joint or parallel work by the IAASB and IESBA:

Irish Auditing & Accounting Supervisory Authority (IAASA)

The post-implementation reviews of the new sustainability assurance provisions should be conducted in parallel, with close coordination between the SSBs on any future changes to the standards and Code in this area. The SSBs should also consider developing a coordinated set of non-authoritative materials in this area, ideally available in a single location, to support consistent application by practitioners.

UK Financial Reporting Council (UK FRC)

C1: Continuing demand for sustainability reporting and assurance – Coordination has already been established in this area and should be maintained.

For the topics covered in this survey, we believe those with implications for both Boards include:

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

nature, biodiversity and beyond-climate sustainability assurance, where existing frameworks established under ISSA 5000 and the Code's Part 5 may require assessment and possible extension.

Key topics for joint or parallel work include sustainability and technology. APESB also considers that the following additional trends identified in the Other Trends section above represent areas of common interest warranting coordinated attention by both Boards:

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

- PIRs: NOCLAR, sustainability, external experts

Subject matters of common interest requiring joint projects:

Australian Auditing and Assurance Standards Board (AUASB)

Sustainability and Board Coordination

The AUASB notes that further work on sustainability is likely and that continued coordination between the IAASB and IESBA will be essential, building on the joint approach already taken in recent standards and projects.

Hong Kong Institute of Certified Public Accountants (HKICPA)

Joint post-implementation reviews of ISSA 5000 and IESSA: Given their close interrelationship, coordinated reviews would provide more holistic insights into implementation experiences and lessons learned.

New Zealand Auditing and Assurance Standards Board (NZAuASB)

- Coordinating with other standard setting boards including the IASB and ISSB in the development process to increase responsiveness and provide input into the variability of new reporting requirements.

Possible joint areas could include:

Saudi Organization for Chartered and Professional Accountants (SOCPA)

-Non-authoritative-materials providing more specific guidance on the sustainability assurance matters (e.g. assurance engagements relating to specific sustainability topics, or sustainability information within particular sectors); including matters related to the governance of sustainability assurance profession.

07. Accounting Firms

Ernst & Young Global Limited (EY)

- Expanding the IAASB's Sustainability Implementation Group to include IESBA representation.

Finally, we believe that both the IAASB's and IESBA's Strategies and Work Plans should include greater specificity regarding planned coordination topics and mechanisms. This should include explicit identification of any projects in either Board's 2028– 2031 work plan that could have implications for the other Board's standards. In particular, coordinated activities could include:

PricewaterhouseCoopers International Limited (PWC)

Joint post implementation review of ISSA 5000 and the IESSA

As noted in our response to trend C.1, the SSBs should conduct a joint post implementation review of ISSA 5000 and the IESSA.

We believe the following areas of joint or parallel work are relevant to the 2028–2031 strategy period:

09. Public Sector Organizations

Audit Board of Republic Indonesia

Joint cooperation is conducting research in providing assurance services in public sectors and joint seminar on the impact of public accounting standard on climate disclosure to the financial audit

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

4. Sustainability Reporting and Assurance:

Given the strong interrelationship between assurance standards and ethics, continued collaboration will be essential to support high-quality and globally consistent sustainability assurance engagements. In the near term, this may primarily involve coordinated implementation support, monitoring of emerging issues, and ensuring interoperability between ISSA 5000 and the IESSA, rather than additional standard-setting.

From a public interest perspective, there are several areas where enhanced coordination between the IAASB and IESBA would be beneficial, whether through standard-setting, non-authoritative materials, or other forms of guidance and support.

Chartered Accountants Ireland (CAI)

development of non-authoritative, application-focused materials, not only between IESBA and IAASB but also, where appropriate, with other standard setters such as the IASB and ISSB.

CPA Australia

- Priority examples:

and sustainability assurance interfaces (e.g., consistent concepts and aligned effective dates across ISSA/IESBA sustainability provisions).

The highest-value "joint action" is earlier, more systematic IAASB–IESBA coordination to keep outputs interoperable and avoid duplication or inconsistent requirements.

Malaysian Institute of Accountants (MIA Malaysia)

- Jointly Review New Sustainability Standards: The SSBs should conduct a joint post implementation review of ISSA 5000 and the IESSA, as noted on our response to trend C.1.

We recommend the following areas for joint or parallel work during the 2028–2031 strategy period:

Pan African Federation of Accountants (PAFA)

A second key area is sustainability reporting and assurance, where IAASB assurance standards and the IESBA ethical framework must remain closely aligned. As sustainability information becomes increasingly integrated with financial reporting, there is a need for consistent ethical requirements, assurance expectations, and interoperable standards, supported by clear, practical guidance that can be applied across both advanced and developing economies.

From an African perspective, there are several key areas where coordinated or parallel action between the IAASB and IESBA would significantly enhance the relevance, consistency, and implementability of international standards across diverse jurisdictions.

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

Sustainability / ESG

The Committee also notes the continued importance of sustainability reporting and assurance as a key area of development for the profession. While important progress has been made in developing dedicated standards, the integration of sustainability assurance within the broader system of auditing and ethical standards remains challenging.

In this context, the Committee emphasizes the need for greater alignment between assurance and ethical requirements, as well as clarity regarding the role and responsibilities of assurance providers. Ensuring

consistency and avoiding unnecessary duplication or fragmentation of standards will be critical to support effective implementation in practice. More broadly, this raises important questions about the overall architecture of the standard-setting system in this area.

18.03 Firm Structures, Ownership and Governance

02. Users of Financial or Non-Financial Information

CFA Institute

-Ownership structure initiative: a project to identify and determine what to with the IESBA code in response to alternative ownership structures, if anything, to ensure trust in assurance

Impax Asset Management

2. Independence and Conflicts of Interest in a Changing Firm Model

- Parallel initiatives addressing non-assurance services, alternative ownership structures, and multidisciplinary teams, ensuring consistent treatment of independence and quality risks across standards.
- Development of practical guidance to help firms operationalise safeguards without relying solely on formal prohibitions.

We see several priority areas where joint or parallel action would meaningfully enhance public-interest outcomes:

International Corporate Governance Network (ICGN)

The SSBs should consider the implications of changing accounting firm ownership structures, including private equity investment. This should include whether new ownership models create risks to firm culture, independence, governance, quality management or the public interest role of audit and assurance. This should be linked to broader consideration of audit market governance and accountability, including how standards and related activities can reinforce the auditor's responsibility to users of audited information. The SSBs should also consider the implications of multidisciplinary teams and the increasing involvement of non-professional accountants in audit and assurance. Standards should support the use of specialist expertise, particularly in technology, data, sustainability and valuation, without weakening accountability, ethical responsibilities or professional oversight.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

Other trends that should be addressed in a coordinated manner by the SSBs are the increasing use of new technologies in audits, addressing both quality management and ethical implications as well as firm governance, culture, and independence, especially in the context of alternative ownership structures. These developments may influence decision-making processes and internal incentives as well as the independence of the audit work.

Hellenic Accounting and Auditing Standards Oversight Board (HAASOB)

We agree to the collaboration of the IAASB and IESBA on projects that have major overlaps, including on the current workstream on firm culture and governance and future projects.

Independent Regulatory Board for Auditors (IRBA)

- Evolving firm structures and business models, including linked quality management, ethics and independence considerations arising from ownership models, firm culture, and multidisciplinary delivery models.

From our response, the following themes may be well suited to joint or parallel work by the IAASB and IESBA:

UK Financial Reporting Council (UK FRC)

D1: Alternative ownership structures – There are implications here for how engagements may be entered into, audit/assurance evidence obtained, and related ethics considerations.

D2: Increased involvement of non-PAs – See above for considerations in relation to this. Also, there are some ongoing projects where coordination has been started and needs to be maintained, including:

Firm culture and governance

For the topics covered in this survey, we believe those with implications for both Boards include:

06. Jurisdictional and National Standards Setters (JSS)

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

Subject matters of overlapping interest requiring board-level (not just staff) monitoring and oversight because of direct or indirect implications

- IESBA's firm culture and governance

Australian Auditing and Assurance Standards Board (AUASB)

Private Equity and Firm Governance

Recognising the increasing involvement of private equity in audit firms, the AUASB highlights the need for the IAASB to maintain a watching brief on potential implications for ISQM 1, particularly in relation to leadership, governance and firm culture.

Institut der Wirtschaftsprüfer (IDW)

b) Firm culture and governance

This impacts ISQM 1 and other IAASB pronouncements.

c) The growing role of private equity in the profession (potential area)

This impacts quality management and other IAASB pronouncements.

In addition, if they are pursued, we consider that the following topics should be considered jointly by the standard-setting boards:

New Zealand Auditing and Assurance Standards Board (NZAuASB)

- Firm Culture and Governance and Quality Management (ISQM).
- Coordination between the SSBs to consider the impacts of private equity investment in firms on both ISQM and the Code.

Possible joint areas could include:

Royal Netherlands Institute of Chartered Accountants (NBA)

The new business model of audit firms (private equity)

Saudi Organization for Chartered and Professional Accountants (SOCPA)

-Non-authoritative-materials addressing the evolving structure and business models of accounting firms (e.g. practical examples illustrating the application of ethics and independence standards in circumstances where new ownership structures are implemented within accounting firms).

07. Accounting Firms

RSM International Limited

Areas of common interest and possible joint or parallel work plan topics that we identified include:

Business model evolution: Evolving firm structures and service models, including alternative practice structures and expanding service models, present ongoing challenges for independence and quality management. As firms increasingly adopt alternative practice structures and expand their service offerings, we believe that it will be important for standards to remain fit for purpose, protecting independence and maintaining engagement quality while also being sufficiently practical to operate in a changing professional environment.

Non-assurance services and use of experts: We believe that non-assurance services and involvement of experts sit at the intersection of both SSBs' responsibilities. While substantial guidance already exists in this area, there is value in a coordinated approach as non-assurance experts increasingly support core assurance activities (for example, IT, valuation and sustainability). Consistent and aligned standards across ethics and assurance perspectives would help ensure clarity in roles, responsibilities and independence considerations.

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

2. Firm Structures, Ownership Models:

The evolution of firm business models, including the emergence of alternative ownership structures, raises interconnected issues relating to audit quality, independence, and public trust. Joint consideration of these areas could help ensure that quality management, audit requirements, and ethical standards remain coherent and responsive to these developments.

From a public interest perspective, there are several areas where enhanced coordination between the IAASB and IESBA would be beneficial, whether through standard-setting, non-authoritative materials, or other forms of guidance and support.

Chartered Accountants Australia and New Zealand (CAANZ)

IESBA Firm Culture and Governance project – there are linkages between the IESBA Viewpoints and International Standard on Quality Management 1 (ISQM 1) due to the inherent connection between an audit firm's ethical culture and its system of quality management (SOQM). However, our view is that this project should be revised to ensure that there is no standard setting response within the scope.

Pan African Federation of Accountants (PAFA)

Finally, there is a need for joint attention to the evolving structure and business models of accounting firms, including multidisciplinary practices, alternatives ownership structures, and the expansion of non-assurance services. These developments require closely aligned IAASB–IESBA responses to ensure consistency in addressing independence, governance, ethical culture, and quality management in increasingly complex and commercially driven environments.

11. Academics

Nicole Ratzinger-Sakel (University of Hamburg Business School)

PE-investments in accounting firms

18.04 Standard-Setting Process, Agility and Coordination Mechanisms

02. Users of Financial or Non-Financial Information

Goro Kumagai (The Securities Analysts Association of Japan)

The difference in the definition of the PIE between the IAASB and the IESBA appears to be very confusing to the stakeholders other than the audit and assurance professionals.

I understand this difference was caused by the difference in their remits. That said, if the meaning or the definition is different, I believe two boards should choose different terms not to confuse stakeholders.

Impax Asset Management

5. Adoption, Implementation and Supervisory Dialogue

- Joint engagement with regulators, oversight bodies and investors to identify implementation challenges early and respond in a timely, coordinated manner.
- Use of post-implementation insights to inform both Boards' future priorities and guidance.

International Corporate Governance Network (ICGN)

Any joint work should be undertaken in a way that protects the trust and credibility of the standard-setting system. Greater agility is welcome where it improves responsiveness, but it should not weaken due process, independence or the public interest focus of the SSBs. Practitioner input should also be strengthened to ensure standards are operable and capable of consistent application, but without diluting the SSBs' public interest mandate.

Kei Tsuchiya (The Securities Analysts Association of Japan)

Although the IAASB and the IESBA are independent standard-setting bodies, the standard-setting activities of the SSBs have a collective impact on the financial and non-financial reporting ecosystem as a whole. In light of this, I consider it critically important to strengthen coordination by identifying, at an early stage, areas in which the SSBs can act jointly or in parallel.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

24. Additionally, the CEOB considers it essential for the SSBs to work to further enhance the clarity of the standards, as excessively long sentences and overlapping terminology for distinct concepts may create ambiguity and hinder effective and consistent implementation and enforcement.

Independent Regulatory Board for Auditors (IRBA)

- Greater agility in standard-setting, including modular enhancements and non-authoritative materials where appropriate;

From our response, the following themes may be well suited to joint or parallel work by the IAASB and IESBA:

Irish Auditing & Accounting Supervisory Authority (IAASA)

Increased focus should be placed on clarity in the standards. Simplifying drafting, reducing complex sentence structures, and ensuring consistent and distinct terminology would support more consistent interpretation and application.

UK Financial Reporting Council (UK FRC)

We recommend that both Boards, as a matter of standard practice, give due consideration whenever a new initiative is contemplated to whether it could have possible implications for the other Board and, if so, commence cooperation as appropriate at the earliest opportunity. This will assist each Board identify possible issues arising from actions proposed by the other and for both to work together in addressing them in a timely manner. It helps avoid the risk of one Board addressing an initiative at a later time and identifying an issue that would have been better addressed earlier.

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

APESB encourages the boards to strengthen mechanisms for identifying cross-cutting issues earlier in the standard-setting process and to consider joint approaches where this would enhance clarity and reduce fragmentation. More broadly, APESB supports continued collaboration between the boards to ensure that international standards remain coherent, principles-based and responsive to developments affecting both ethics and assurance.

Hong Kong Institute of Certified Public Accountants (HKICPA)

Joint enhancements to agile due process: Any rapid-response mechanisms or annual improvements programmes should be developed and applied consistently by both SSBs.

Institut der Wirtschaftsprüfer (IDW)

In our view, greater effort should be given to identifying opportunities to streamline and simplify existing standards in joint projects, rather than predominantly focusing on adding new requirements in parallel. In terms of coordination, parallel efforts should be avoided completely. Activities should either be conducted jointly or clearly delineated between the Boards. Experience has shown that parallel workstreams do not work.

Whether an initiative is pursued through standard-setting or non-authoritative materials should be informed by appropriate public consultation and only extend to activities that are within the remit of the respective boards. Consideration of public input should be more balanced so that the voice of the profession is not underrepresented, given its central public interest role in applying the standards.

Instituto Mexicano de Contadores Públicos (IMCP)

4. Avoid duplication of topics that will create inconsistencies in implementation and application

New Zealand Auditing and Assurance Standards Board (NZAuASB)

- Continuing to align definitions in the IESBA and the IAASB's standards. When the same word is defined in a different way, questions arise as to whether something different is meant. Examples of the same term being defined differently are:
 - o Financial statements (IESBA Code) and Financial statements (ISA 200, ISA for LCE)
 - o Engagement leader (IESBA Code) and Engagement Leader ISSA 5000
 - o Non-compliance (ISA 250) and ISA for LCE.

Possible joint areas could include:

Nordic Federation of Public Accountants (NRF)

This consultation relates to the 2028–2031 strategy period. Throughout the document, the rapid pace of change, emerging issues, and the increasing influence of technology and AI are highlighted as factors that will significantly shape the work of both boards. In light of this, and reflecting on the experience from the current strategy and work plan cycle, we believe it is appropriate to consider whether the existing process remains fit for purpose.

The world looks very different today compared to when the current SWP was initiated. Developments have unfolded at a speed that could not have been anticipated five years in advance. This raises a broader question: does it make sense — or is it even feasible — to begin the strategy and work plan process so far ahead of the period it is intended to cover, and to identify topics that may only be addressed several years later? In an environment characterized by rapid change, such an approach risks locking in priorities too early and limiting the boards' ability to respond to emerging needs.

We therefore encourage the boards to reflect on whether the process itself should be reconsidered. A more adaptive or rolling approach may be better suited to the environment described throughout this consultation, enabling the boards to maintain strategic direction while remaining responsive and agile. As the boards move forward to develop their individual draft strategies and work plans, close collaboration between the IAASB and IESBA will be essential to support appropriate alignment where their work intersects.

07. Accounting Firms

Baker Tilly International

Project plans should be costed and there should be transparency about how the standard setting budget is spent on each project. The IAASB has more impactful projects than IESBA therefore IAASB should receive a greater proportion of the standard setting budget than IESBA.

Proposed projects, and then outcomes from those projects should be accompanied by a robust root cause analysis and then cost benefit analysis. Stakeholders should have visibility on the root cause that is being addressed and the impact of the proposed solution. This will allow stakeholders to give due consideration to whether proposals are proportionate and effective

BDO International Limited

Please refer to our responses to Section III, Q4 (repeated here):

Working together:

- We continue to support initiatives - like this joint Survey approach – of both SSBs to work together. - This close working relationship needs to be deeper and should operate across both SSBs' individual SWPs and respective projects. This will also help create alignment between the work of both SSBs, reducing the need for additional projects/task forces to reconcile terminology or definitions between both SSBs (e.g., on matters such as 'sustainability information' 'professional accountant').

- Rather than having separate areas of expertise (such as IESBA's Trends and Risks Committee, IAASB's QM Technology project) both SSBs should be working together on these types of future-thinking groups – to help inform both SSBs (increasing the sharing of knowledge and insights and reducing the burden for each SSB to source its own experts and information).

A shift towards being measurably impactful, not just 'productive':

- With an extant and established set of standards and the IESBA Code, both SSBs need to shift their focus from identifying 'new' standard setting activities and instead to:

- o Maintain a body of standards which are principles-based (and do not result in overly detailed or prescriptive requirements) accompanied by timelier and more useful NAM (such as educational materials) which can be used to address rapidly changing issues.
- o Focus on measuring the impact of their standards and potential for new and improved 'guidance' (e.g., educational materials) to help support adoption and implementation.

- There should be a shift away from standard setting towards measuring adoption (full, partial or none) thereby reducing the risk of fragmentation (referenced later in this Survey). This would need to include appropriate root cause analysis combined with thorough investigation of reasons for non-adoption and a planned response to move jurisdictions toward an 'adopted' status. This approach will also improve the relevance of both SSBs and their credibility with stakeholders. - A focus on guidance will also reduce concerns about SSBs' ability to respond to new and emerging issues, preserve the primacy of a set of principles-based standards and also enable both SSBs to respond to challenges (e.g., AI and digital transformation) without feeling the need to engage in full blown (and very lengthy) standard setting. - We would recommend both SSBs:

o Include as a standing item on their quarterly in-person meetings an agenda item focused on adoption and implementation as performed by IFAC Member Compliance Program (of their body of standards/the Code) to help inform both SSB about what NAM could help drive improve adoption

o Set one or more KPIs focused on adoption and review achievement or otherwise on an annual basis o Ask IFAC's Member Compliance Program to set targets to improve adoption and implementation of IFAC member bodies o Focus on adoption, by thinking of alternative ways to aid implementation of the standards/the Code, by:

Being very clear and unambiguous (including in messaging to regulators and other stakeholders) about the non-authoritative nature of such guidance

Developing more user-friendly guidance, flowcharts, Q&As and education/training/workshops of all stakeholders including educators, national standard setters

Working closer with stakeholders

- There is an opportunity to work closer with practitioners and preparers in the standard setting and Non-Authoritative Material (NAM) development phases at an earlier stage in projects (whether as SSB members, Staff, SMEs/technical advisors on working groups/task forces or with increased representation by practitioners at the SSBs)

- This involvement should be earlier on in the process at project development (not when standards are nearing finalisation and moving to the exposure draft stage of a project) to make best use of their knowledge and experience in applying standards and using NAM

- We would also advocate both SSBs revisit their own due process to see if there is way to:

- o Deliver smaller more agile and relevant pieces of work
- o Make more targeted updates to extant standards

- There should also be a joint program of 'CPD' for all SSB members to ensure that they are hearing regularly from SMEs/technical experts and practitioners regarding how the profession is changing and what this means for both the role of professional accountants as well as the future of the profession

- For the IAASB:

o There should be a housekeeping exercise performed to ensure that all published standards are in the clarified format (e.g., interim reviews update which highlighted critical areas not updated to reflect the current ways of auditing)

o Future proofing of standards – we have noted recent proposed changes and revisions still do not address the impact of changes in technology (e.g., ISA 500 series does not really touch upon how technology can both support and challenge auditors) – there is a danger that the body of standards of both SSBs can lose

credibility when stakeholders have to 'infer' how they can be used in a technology-enabled part of the financial reporting ecosystem.

Ernst & Young Global Limited (EY)

We recommend enhanced coordination between the Boards in the development and alignment of their respective Strategies and Work Plans. Given the interconnected nature of standard-setting activities, it is important that both Boards jointly consider and understand the implications of proposed revisions to their standards before either Board finalizes changes. This would help avoid unintended consequences, inconsistencies, or rework arising from sequential decision-making. For example, the IESBA finalized revisions to the definition of a public interest entity before the matter was fully deliberated by the IAASB, highlighting the need for earlier and more structured coordination.

In addition, we recommend a joint or parallel review of current and planned projects to assess alignment, prioritization, and resource allocation. Such a review could help identify overlapping areas where collaboration is beneficial, areas where sequencing should be adjusted, and projects where effort may be better redirected to higher-priority initiatives. This approach would support more efficient standard-setting and promote coherence across the Boards' outputs, whether through joint projects, coordinated timelines, or complementary NAM.

Forvis Mazars Global Limited (Mazars)

The Boards should also jointly consider how they can better balance their response to feedback from stakeholders, providing greater transparency over how stakeholder feedback is weighted

Grant Thornton International Ltd (GTI)

Part of ensuring that IAASB and IESBA standards are interoperable includes eliminating inconsistencies in existing standards. See also our response to Trend B.2 related to our support of a project to develop certain differential performance requirements for public interest entities after a global baseline definition of such entities has been established.

KPMG International Limited

In the responses to the individual questions in this survey, we provide recommendations for actions to be taken by both Boards, certain of which would involve the Boards working together, where appropriate. We also recommend that the IAASB and IESBA should maintain close coordination in monitoring emerging trends, including regulatory developments, technological change, and evolving market expectations. These insights should be used to inform outreach activities and future work plan decisions. In this context, joint messaging and aligned engagement will be increasingly important to help manage stakeholder expectations and reinforce trust in standards that are consistent and high quality.

PricewaterhouseCoopers International Limited (PWC)

We believe the following areas of joint or parallel work are relevant to the 2028–2031 strategy period:
Joint enhancements to due process to support agility

In relation to our comments in response to trend B.3, any development of a rapid-response mechanism and/or annual improvements plan should be designed and applied consistently by both SSBs.

Effective governance and transparency of due process

In line with our additional trend, proposed enhancements to SSBs governance and due process should be conducted as a joint exercise.

RSM International Limited

We believe that joint or parallel work between IESBA and IAASB should be the norm rather than the exception, particularly for topics that span audit quality, ethics, independence and firm behaviour. Early coordination, such as the scoping stage of projects, would help avoid misalignment, duplication or unintended consequences. In this context, joint work does not mean joint standards. Instead, we believe the SSBs could deliver value through:

- coordinated non-authoritative materials;
- consistent messaging across SSBs; or
- shared implementation support.

In our view, this approach may be more agile, practical and responsive to emerging developments.

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

From a public interest perspective, there are several areas where enhanced coordination between the IAASB and IESBA would be beneficial, whether through standard-setting, non-authoritative materials, or other forms of guidance and support.

Chartered Accountants Ireland (CAI)

We encourage the SSBs, where practicable, to pursue more joint and coordinated work to support interoperability of global standards, including alignment of core concepts, definitions and terminology. There may be particular value in joint thematic post-implementation reviews (which should be treated as critical to informing whether further standard-setting is necessary at all) and narrowly scoped initiatives, as well as the development of non-authoritative, application-focused materials, not only between IESBA and IAASB but also, where appropriate, with other standard setters such as the IASB and ISSB. Such collaboration is necessary to support consistency, usability and understanding of standards, while preserving the robustness of the core frameworks.

CPA Australia

The highest-value "joint action" is earlier, more systematic IAASB–IESBA coordination to keep outputs interoperable and avoid duplication or inconsistent requirements.

- When to act jointly/ in parallel: where (i) audit/assurance requirements and ethics/independence requirements are tightly connected, and (ii) divergence would undermine global operability and adoption.
- Priority examples: shared definitions/scope (e.g., PIE definition); independence implications of engagement delivery models (e.g., use of experts/specialists—alignment with ISA 620); and sustainability assurance interfaces (e.g., consistent concepts and aligned effective dates across ISSA/IESBA sustainability provisions).
- How to implement: introduce an "interoperability checkpoint" at project proposal, exposure and pre-finalisation, including mapping of terminology, consequential amendments and effective dates; keep single-Board ownership where primarily within one remit.

Global Accountancy Alliance (GAA)

The IAASB and IESBA should focus joint efforts on topics where interoperability is essential. In many cases, the most effective response may be timely non-authoritative materials rather than new requirements. The IESBA should stay within its remit and avoid duplicating work by not addressing matters better handled by the IAASB. Coordination should also be strengthened at the board level (not only among staff), with an early-warning process so potential cross-board impacts are identified promptly and unintended inconsistencies are avoided.

Institute of Chartered Accountants of Scotland (ICAS)

The IAASB and IESBA should focus joint efforts on topics where interoperability is essential. The most effective response in many instances may be timely non-authoritative materials rather than new

requirements. The IESBA should stay within its remit and focus on matters pertaining to professional accountants. Coordination should also be strengthened at Board level (not only among staff), with an early-warning process so potential cross-board impacts are identified promptly and unintended inconsistencies are avoided.

International Federation of Accountants (IFAC)

IFAC supports effective coordination between the IAASB and IESBA where matters genuinely cut across audit, assurance, ethics and independence. However, coordination should be purposeful and clearly structured. The SSBs should avoid ambiguous "parallel" work that risks duplication, inconsistent concepts, or one Board taking action that has consequential effects for the other Board only after decisions have effectively been made.

IFAC believes work should be either genuinely joint, where both Boards have a clear and necessary role, or clearly allocated to the Board whose mandate is most directly relevant. Not every trend requires both Boards to act.

The SSBs should also avoid overlap between standards or concepts. Where a matter is primarily an audit or assurance issue, it should not be reframed as an ethics issue unless there is a clear ethics or independence gap. Similarly, work on firm culture, governance or quality should be carefully scoped to avoid duplication with existing quality management standards.

Where joint work is undertaken, the SSBs should establish a clear collaboration framework at the outset, including:

- which Board owns which issue;
- where a genuinely joint output is needed;
- how terminology and definitions will be aligned;
- how timelines will be coordinated;
- how duplication will be avoided; and
- how impacts on adoption and implementation will be assessed.

IFAC also supports stronger coordination with other relevant standard setters, particularly where audit or assurance standards depend on underlying reporting requirements being capable of audit or assurance. This is relevant in areas such as digital assets and sustainability reporting, where reporting, assurance, ethics and independence considerations need to be coherent but not duplicative.

Malaysian Institute of Accountants (MIA Malaysia)

We recommend the following areas for joint or parallel work during the 2028–2031 strategy period:

- Create a More Agile Process Together: Any rapid-response mechanism or annual improvements plan should be designed and applied consistently by both SSBs to enhance agility and maintain alignment as noted in our response to trend B.3.

11. Academics

Kenichi Akiba (Waseda University)

It is important for the SSBs to acknowledge that the effectiveness and independence of the international standard-setting system depend on stable financial and human resources. Although the responsibility for securing funding and staffing rests with the PIOB and the IFEA, continued attention by the SSBs to the sustainability of these resources would help ensure that the standard-setting process remains robust, credible, and able to respond in a timely manner to emerging global issues.

18.05 Specific Named Joint Projects or Post-Implementation Reviews

05. Regulators and Oversight Authorities

UK Financial Reporting Council (UK FRC)

Also, there are some ongoing projects where coordination has been started and needs to be maintained, including:

Audit firm – audit client relationship

ISRE 2410

NOCLAR

06. Jurisdictional and National Standards Setters (JSS)

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

Subject matters of overlapping interest requiring board-level (not just staff) monitoring and oversight because of direct or indirect implications

Subject matters of common interest requiring joint projects:

- PIRs: PIEs, NOCLAR, external experts
- PIRs: NOCLAR, sustainability, external experts
- PIEs

Brazil Institute of Independent Auditors (IBRACON)

- ISA 200 – In light of the recent updates on the ISAs (240, 570), revise the audit standard to align with the expected auditor behavior, as well as promote an alignment with the ethical and independence requirements set out in IESBA Code.

Areas where joint or parallel work can be done by the SSBs are:

Hong Kong Institute of Certified Public Accountants (HKICPA)

Joint review of using the work of experts and specialists: Given the interaction between IAASB requirements and the IESBA Code, a joint review could assess how ethical provisions operate in practice and their impact on auditors' and practitioners' use of specialists.

Institut der Wirtschaftsprüfer (IDW)

a) NOCLAR (non-compliance with laws and regulations)
This impacts ISA 250 and other IAASB pronouncements.

Areas of common interest that may benefit from joint projects include:

Saudi Organization for Chartered and Professional Accountants (SOCPA)

-Although the SSBs have undertaken standard-setting projects relating to the use of external experts in audit and assurance engagements, we believe they should continue their joint efforts to monitor and address the ethical and technical issues arising in this area. This remains particularly important in light of the increasing complexity of business models and operations as well as the growing demand for assurance engagements relating to specific subject-matters, which frequently require the involvement of experts from other professions.

07. Accounting Firms

Ernst & Young Global Limited (EY)

- Ongoing monitoring of the implementation of the IESBA PIE definition and its implications for audit and assurance standards.
- Monitoring the implementation of the IESBA External Experts revisions and related narrow-scope amendments to IAASB standards, particularly with respect to evaluating the competence, capabilities, and objectivity of the auditor's expert.

Finally, we believe that both the IAASB's and IESBA's Strategies and Work Plans should include greater specificity regarding planned coordination topics and mechanisms. This should include explicit identification of any projects in either Board's 2028– 2031 work plan that could have implications for the other Board's standards. In particular, coordinated activities could include:

Grant Thornton International Ltd (GTI)

See also our response to Trend B.2 related to our support of a project to develop certain differential performance requirements for public interest entities after a global baseline definition of such entities has been established.

PricewaterhouseCoopers International Limited (PWC)

Coordination on future actions relating to the PIE definition

The IAASB has committed to revisiting the definition of Public Interest Entity (PIE) in 2027. To avoid misalignment of each SSBs understanding of the intended future application of the PIE definition, when applied in the context of the Code and the IAASB's standards, and the intersection of the two, this work should be undertaken jointly by the SSBs. The IAASB should also be directly engaged in, or kept informed about, the IESBA's efforts to monitor jurisdictional adoption of the revised IESBA Code PIE provisions, as well as any preliminary views with respect to conducting a post-implementation review of those provisions. Early and ongoing coordination will be important.

Joint post implementation review on the using the work of an external expert provisions

In our view, the interconnectivity between the Code provisions and IAASB standards necessitates a joint post-implementation review of the revised provisions, with a focus on operability of the Code provisions and the implications for the ability of auditors and assurance practitioners to use the work of external experts.

We believe the following areas of joint or parallel work are relevant to the 2028–2031 strategy period:

10. Member Bodies or Other Professional Accountancy Organizations

CPA Australia

- Priority examples:

The highest-value "joint action" is earlier, more systematic IAASB–IESBA coordination to keep outputs interoperable and avoid duplication or inconsistent requirements.

Institute of Singapore Chartered Accountants (ISCA)

We support the joint SSBs' initiative to undertake the Post-Implementation Review – Public Interest Entity project.

Malaysian Institute of Accountants (MIA Malaysia)

- Jointly Assess the "External Expert" Rules: The deep link between the Code and IAASB standards on using external experts makes a joint review essential. This should focus on the practicality of the Code's provisions and the overall impact on practitioners' ability to use experts' work.

We recommend the following areas for joint or parallel work during the 2028–2031 strategy period:

18.06 Implementation Support, Non-Authoritative Materials

02. Users of Financial or Non-Financial Information

International Corporate Governance Network (ICGN)

The SSBs should prioritise adoption and implementation support for existing standards, particularly in sustainability assurance, ethics and independence. As jurisdictions take different approaches to sustainability reporting and assurance, coordinated implementation support will be important to reduce fragmentation and support global consistency. Capacity-building, partnerships and non-authoritative implementation material may be especially useful in addressing implementation complexity and change fatigue

The European Federation of Investors and Financial Services Users (BETTER FINANCE)

In addition to standard-setting projects, the Boards should consider more agile forms of joint work, including implementation guidance, educational materials, stakeholder roundtables and mechanisms for identifying emerging implementation challenges. Such initiatives could support more timely responses while preserving due process and improving the practical operability of standards.

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

21. The CEAOB wishes to underline also the importance of conducting post-implementation reviews of the recently adopted/revised standards to determine whether the changes have been properly understood and implemented. In addition to new trends that need to be addressed, timely and periodic reviews of existing standards are needed to address practical challenges and areas that require further attention, and should also incorporate, in a systematic way, take-aways from inspections and enforcement activities. In particular, the Post-Implementation Review of the new sustainability assurance provisions should be conducted together by the SSBs, with close coordination, on any future changes to the standards in this area

Independent Regulatory Board for Auditors (IRBA)

- Risk of fragmentation, including coordinated outreach and aligned responses to support consistent adoption and application across jurisdictions;

From our response, the following themes may be well suited to joint or parallel work by the IAASB and IESBA:

06. Jurisdictional and National Standards Setters (JSS)

Auditing and Assurance Standards Board of Canada (AASBC)

Scalability of Standards

- Continued emphasis on scalability, supported by illustrative guidance and practical examples to demonstrate the scalable application of standards, particularly for SMPs and engagements on smaller, less complex entities.

Australian Auditing and Assurance Standards Board (AUASB)

Scalability and Future Review

The AUASB continues to highlight the importance of scalability and proportionality, particularly as standards are applied across a wider range of entities and evolving business structures. This reinforces the need for both boards to remain attentive to how standards operate in practice across different firm and engagement profiles.

Hong Kong Institute of Certified Public Accountants (HKICPA)

Joint SME-focused implementation support package: Non-authoritative SME materials (such as methodology frameworks, common risks areas, illustrative reports, case studies and short training modules) to support proportionate application of technology, sustainability and ethics requirements.

Instituto Mexicano de Contadores Públicos (IMCP)

1. Nonauthoritative materials on common topics that impact professional standards
2. PIR on LCE and Sustainability for more potential areas of improvement

Royal Netherlands Institute of Chartered Accountants (NBA)

Instead of more regulation more focus on non-authoritative materials as webinars etc.

07. Accounting Firms

Alan Am

Non-authoritative materials which make standards softer used to be non-considered by regulators. Therefore, rules should be softer of materials incorporated to the standards.

BDO International Limited

Working closer with stakeholders

- There is an opportunity to work closer with practitioners and preparers in the standard setting and Non-Authoritative Material (NAM) development phases at an earlier stage in projects (whether as SSB members, Staff, SMEs/technical advisors on working groups/task forces or with increased representation by practitioners at the SSBs)

- This involvement should be earlier on in the process at project development (not when standards are nearing finalisation and moving to the exposure draft stage of a project) to make best use of their knowledge and experience in applying standards and using NAM

A shift towards being measurably impactful, not just 'productive':

- With an extant and established set of standards and the IESBA Code, both SSBs need to shift their focus from identifying 'new' standard setting activities and instead to:

- o Maintain a body of standards which are principles-based (and do not result in overly detailed or prescriptive requirements) accompanied by timelier and more useful NAM (such as educational materials) which can be used to address rapidly changing issues.

- o Focus on measuring the impact of their standards and potential for new and improved 'guidance' (e.g., educational materials) to help support adoption and implementation.

Deloitte Touch Tohmatsu Limited

Joint action by the IESBA and IAASB would be most impactful if directed toward coordinated implementation support, consistent interpretation, and post implementation reviews of recent standards.

Forvis Mazars Global Limited (Mazars)

The SSBs should focus their joint efforts on driving the consistent implementation and adoption of the suite of international standards to mitigate the risk of fragmentation, as well as development of non-authoritative materials that support the implementation and application of existing standards.

RSM International Limited

In this context, joint work does not mean joint standards. Instead, we believe the SSBs could deliver value through:

- coordinated non-authoritative materials;
- consistent messaging across SSBs; or
- shared implementation support.

Consistency and global adoption (risk of fragmentation): There is an increased risk of fragmentation when IAASB and IESBA standards are not aligned, nor consistently adopted or applied across jurisdictions. We believe a key aspiration for the SSBs during 2028–2031 should be to promote consistent adoption and application of their standards globally to reduce fragmentation. We are concerned that the uneven adoption of IAASB and IESBA standards, local adaptations and the divergent approaches across jurisdictions may undermine the effectiveness of international standards. We, therefore, encourage the SSBs to focus on alignment, coordination and understanding the underlying causes of adoption challenges, rather than issuing guidance that may not be widely implemented.

10. Member Bodies or Other Professional Accountancy Organizations

Accountancy Europe (AE)

Both Boards should focus on improving implementation, adoption and usability of existing standards, including through more targeted post-implementation reviews and better use of stakeholder's feedback.

Greater weight should be given to input from the profession, as the primary users responsible for applying the standards in practice.

Parallel efforts should be avoided; work should be joint or separate.

Overall, joint efforts should prioritise guidance, implementation support and simplification, rather than the development of new standards.

Asociación Interamericana de Contabilidad (AIC)

Para la AIC es relevante, importante y consta en su plan estratégico, el participar permanentemente con los entes emisores de normas, como ya lo hemos hecho en el pasado, sobre:
Guías de apoyo referencial para los profesionales globales y de la región.

Chamber of Hungarian Auditors (MKVK)

Scalable implementation support

In addition to standards themselves, the Boards should coordinate on implementation materials, examples, FAQs, and outreach, especially for small and medium-sized practices and less complex entities.

Chartered Accountants Ireland (CAI)

We encourage the SSBs, where practicable, to pursue more joint and coordinated work to support interoperability of global standards, including alignment of core concepts, definitions and terminology. There may be particular value in joint thematic post-implementation reviews (which should be treated as critical to informing whether further standard-setting is necessary at all) and narrowly scoped initiatives, as well as the development of non-authoritative, application-focused materials, not only between IESBA and IAASB but

also, where appropriate, with other standard setters such as the IASB and ISSB. Such collaboration is necessary to support consistency, usability and understanding of standards, while preserving the robustness of the core frameworks.

Global Accountancy Alliance (GAA)

The IAASB and IESBA should focus joint efforts on topics where interoperability is essential. In many cases, the most effective response may be timely non-authoritative materials rather than new requirements.

Institute of Chartered Accountants in England and Wales (ICAEW)

ICAEW recommends that the priority for both SSBs should be implementation, and post-implementation review of extant standards with a view to encouraging uniform adoption and implementation of standards across IFAC jurisdictions. This would include continued monitoring of adoption of ISSA 5000 and the IESSAs, as well as promoting the case for the ISA for LCEs.

Non-authoritative materials where collaboration and coordination would be helpful, include:

- Use of emerging technologies in audit

- Obtaining information from third parties in the value chain
- Financial crimes enabled by technology
- Cross-border transactions

Institute of Chartered Accountants of Scotland (ICAS)

The IAASB and IESBA should focus joint efforts on topics where interoperability is essential. The most effective response in many instances may be timely non-authoritative materials rather than new requirements.

Pan African Federation of Accountants (PAFA)

A third priority is the need to strengthen scalability and proportionality across all standards, particularly for SMEs, SMPs, and developing jurisdictions. Joint IAASB–IESBA efforts should prioritise the development of tailored implementation guidance, illustrative examples, and simplified application tools to support consistent application without compromising audit quality or ethical rigor.

Polish Chamber of Statutory Auditors (PIBR)

Scalability of requirements.

18.07 Role of profession and attracting talent

09. Public Sector Organizations

Sanford Rich (NYC Board of Education Retirement System)

Stakeholders need to have confidence in the external auditors and their process. Efforts to support communication between auditors and stakeholders are key to this.

10. Member Bodies or Other Professional Accountancy Organizations

European Federation of Accountants and Auditors for SMEs (EFAA)

EFAA believes that attracting and retaining talent should be considered an important area of common interest for both the IAASB and the IESBA, and one that may merit joint or parallel consideration in the 2028–2031 strategic work plan period.

The profession is facing increasing challenges in attracting, developing, and retaining qualified professionals, driven by evolving skill requirements, technological transformation, changing workforce expectations, and increasing complexity in reporting and assurance demands. These developments have implications not only for the capacity of firms to deliver high-quality assurance and ethical services, but also for the long-term resilience and public trust of the profession.

From EFAA's perspective, this topic intersects both boards' remits. For the IAASB, talent-related challenges affect audit quality, professional competence, and the effective application of standards in increasingly complex engagement environments, including technology-enabled assurance and sustainability reporting. For the IESBA, the issue is closely linked to ethical culture, professional behavior, competence, integrity, and the evolving expectations placed on professional accountants in business and practice. A coordinated approach by both boards could help address how standards, guidance, and implementation support can contribute to a profession that remains attractive, future-oriented, and capable of responding to market and societal needs, including for SMEs and SMPs.

Pavel Dimitrov (Union of Accountants in Bulgaria)

The IAASB and IESBA should consider coordinated or parallel work in several cross-cutting areas of growing importance. Key opportunities include:

- Future competencies – a shared view on the skills needed for practitioners in areas such as AI literacy, data governance, and sustainability assurance

11. Academics

European Accounting Association (EAA) Auditing, Assurance and Ethics Standard Committee

Talent & Profession

The Committee further notes challenges related to attracting, developing, and retaining talent within the accounting and auditing profession. These challenges are not merely cyclical in nature but reflect deeper structural trends linked to the increasing complexity of the profession and the rapidly evolving skillsets required, particularly in areas such as technology and sustainability.

In this regard, the Committee wishes to highlight that sustained talent pressures can adversely affect the financial reporting process — contributing to delays in the preparation and publication of financial reports and placing strain on output quality — with potentially significant consequences for market participants who rely on timely, high-quality financial information, and broader implications for market confidence and stability. Addressing these challenges in a sustained and forward-looking manner will therefore be important not only for the resilience of the profession itself, but for the integrity and efficiency of the broader financial reporting ecosystem.

12. Others

Louise Willdrige (LBW Global)

There is an opportunity for the Boards to work together on helping address the expectation gap between the public, companies, regulators, and the profession itself. Clearer communication around the purpose, scope, and limitations of audit and assurance could help strengthen confidence and understanding. The profession can become the main focus of criticism following wider corporate failures, even where the root causes are broader and involve governance, leadership, regulation, or company behaviour. More could perhaps be done collectively to encourage a more balanced and constructive discussion around accountability and the role of audit.

I also think it makes sense for both Boards to continue exploring how leadership behaviours, challenge culture, psychological safety, incentives, and professional judgment influence audit quality and public trust.

18.08 Other

02. Users of Financial or Non-Financial Information

CFA Institute

- Firm and engagement metrics. A standard setting project to establish a handful of measures to be reported on by auditors (with explanatory narrative) about an audit engagement and the auditor investors. The measures would complement the auditor's report and audit fee information to better inform investors' voting decisions with respect to audit committee members and auditor ratification. Measures should be those used by audit committees, audit firm network management, validated by independent SSB staff research.

First Nations Financial Management Board

We believe that our comments regarding Indigenous rights are relevant to both the ISEBA and the IAASB. Except where otherwise stated, we make our recommendations to both boards.

06. Jurisdictional and National Standards Setters (JSS)

New Zealand Auditing and Assurance Standards Board (NZAuASB)

- Exploring changing workflows and considering developing standards in html (not in word). In a modern world where people are often digesting information in digital formats adding navigation and search functions to lengthy standard is critical.
- Not renumbering paragraphs when publishing standards in a handbook but staying true to the numbering in the original publications. The later renumbering of paragraphs in a handbook adds additional work, without additional value, to ensure all the cross references align.

Possible joint areas could include:

09. Public Sector Organizations

Audit Board of Republic Indonesia

Joint cooperation is conducting research in providing assurance services in public sectors and joint seminar on the impact of public accounting standard on climate disclosure to the financial audit

10. Member Bodies or Other Professional Accountancy Organizations

Asociación Interamericana de Contabilidad (AIC)

Traducción de inglés a español de las normas técnicas existentes y nuevas, así como de la formación de nuevas normas de acuerdo, a la realidad de las regiones y América.
Normativa relacionada con el tercer sector, abordada desde el IAASB y su relación con los contadores independientes, así como las NICSP y sostenibilidad, en su evaluación.

Institute of Chartered Accountants in England and Wales (ICAEW)

- Cross-border transactions

Non-authoritative materials where collaboration and coordination would be helpful, include:

Pavel Dimitrov (Union of Accountants in Bulgaria)

- Cross-border data governance – consistent ethical and assurance considerations for data storage, transfer, and processing across jurisdictions.

The IAASB and IESBA should consider coordinated or parallel work in several cross-cutting areas of growing importance. Key opportunities include:

18.09. No specific response

01. Monitoring Group

International Federation of Independent Audit Regulators (IFIAR)

International Organization of Securities Commissions (IOSCO) Committee

02. Users of Financial or Non-Financial Information

Investment Company Institute

Jane Wilson (Wilsojay Investments)

No opinion

Koei Otaki (SMBC Nikko securities Inc)

Martin Lawrence (Ownership Matters Pty Ltd)

Sarasin & Partners

03. Preparers or Issuers of Financial Statements or Other Information

Ajinomoto Co., Inc.

N/A

Ascendia EOOD

Business Europe

Sevdalina Paskaleva

05. Regulators and Oversight Authorities

Botswana Accountancy Oversight Authority (BAOA)

None.

Canadian Public Accountability Board (CPAB)

Martina Morrissey (IAASA)

National Association of State Boards of Accountancy (NASBA)

No views to share at this time.

Public Accountants and Auditors Board Zimbabwe (PAABZ)

Public Company Accounting Oversight Board (PCAOB) – Views of the PCAOB Chief Auditor

Tokyo Stock Exchange

06. Jurisdictional and National Standards Setters (JSS)

Compagnie Nationale des Commissaires aux Comptes (CNCC) - Conseil National de l'Ordre des Experts Comptables (CNOEC)

GLASS Group of Latin American Accounting Standard Setters (GLENIF)

N/A

Japanese Institute of Certified Public Accountants (JICPA)

Wirtschaftsprüferkammer (WPK)

n/a

07. Accounting Firms

AFCA Desarrollos Profesionales

"Riesgos de auditoría en el aseguramiento de valor y recuperación de las propiedades de inversión en Honduras"

Gats-Ratings Professionals

José María Hinojal (BNFIX)

Kudos International

MAH, Chartered Accountants

Piotr Witek (Moore Polska)

no idea

Shreekant Prasad (Govindham Consultancy Services)

08. Sustainability Assurance Providers other Than Accounting Firms

Anum Atique (Islamic Non Banking Financial Institution)

Keung Ho Keung Ricky

10. Member Bodies or Other Professional Accountancy Organizations

Institute of Public Accountants (IPA)

Malta Institute of Accountants (MIA Malta)

11. Academics

Kiran Seth (Sunway University)

12. Others

AIDS Committee of Toronto

Cristian Emmanuel Munarriz

No additional comments

Kazuhiro Yoshii (Securities Firm)

Mahmoud Bilal (Unimar)

Wai Man (Emily) Ho

I would like to be involved in the work plans (e.g., standard-setting, non-authoritative materials, article writing, interview session, survey participation etc)

Wenzel Reyes (MindBridge)

18.10. Support for coordination

02. Users of Financial or Non-Financial Information

Impax Asset Management

From Impax Asset Management's perspective, strong, visible coordination between the IAASB and IESBA is increasingly critical to maintaining confidence in both financial and sustainability reporting

Overall Impax view:

The next strategy period represents an opportunity for the IAASB and IESBA to position themselves not only as global standard setters, but as custodians of trust in an increasingly complex reporting ecosystem. Well-coordinated, investor-informed joint action will be essential to achieving that objective.

Kei Tsuchiya (The Securities Analysts Association of Japan)

Although the IAASB and the IESBA are independent standard-setting bodies, the standard-setting activities of the SSBs have a collective impact on the financial and non-financial reporting ecosystem as a whole. In light of this, I consider it critically important to strengthen coordination by identifying, at an early stage, areas in which the SSBs can act jointly or in parallel.

Takeshi Kimura (Nippon Life Insurance Company (Board Member, PRI) (Steering Committee Member, TISFD))

More broadly, early identification of cross-cutting themes and the use of joint initiatives, parallel projects or non-authoritative materials where appropriate could strengthen the coherence, credibility and global acceptance of the Boards' standards

The European Federation of Investors and Financial Services Users (BETTER FINANCE)

Overall, the SSBs should seek to identify areas where users of information experience the reporting and assurance ecosystem as interconnected, even where institutional mandates remain separate. Joint action in such areas can contribute to greater consistency, usability and confidence in reporting outcomes

The IAASB and IESBA should continue strengthening early coordination and identifying topics where assurance, ethics and independence considerations are inherently interconnected. From an investor and public-interest perspective, greater alignment between the two Boards can support coherence, reduce fragmentation and improve trust in reporting and assurance outcomes.

04. Those Charged With Governance

Kaori Ito (Yourmysyar Inc.)

By coordinating more explicitly on these judgment-related interfaces, the IAASB and IESBA could enhance the interoperability of their standards and strengthen their collective impact, not by expanding requirements, but by supporting how standards are exercised in practice

05. Regulators and Oversight Authorities

Committee of European Auditing Oversight Bodies (CEAOB)

23. The CEOB strongly believes that addressing these trends through the SSBs' joint work will help ensure that the standards remain robust, coherent, and capable of responding to the evolving dynamics of the corporate reporting ecosystem. Both SSBs' work plans should reflect the expectation that the international standards constitute together a robust and coherent auditing and assurance framework.

06. Jurisdictional and National Standards Setters (JSS)

Accounting Professional & Ethical Standards Board (APESB)

APESB encourages the boards to strengthen mechanisms for identifying cross-cutting issues earlier in the standard-setting process and to consider joint approaches where this would enhance clarity and reduce fragmentation. More broadly, APESB supports continued collaboration between the boards to ensure that international standards remain coherent, principles-based and responsive to developments affecting both ethics and assurance.

American Institute of Certified Public Accountants - Professional Ethics Executive Committee and Auditing Standards Board (AICPA PEEC & AICPA ASB)

Parallel projects are unlikely to mitigate our concerns, as noted in our response to question 4. Joint projects are likely, at least in the short term, the most effective way to address activities based on crossover topics and subject matters.

07. Accounting Firms

BDO International Limited

- We continue to support initiatives - like this joint Survey approach – of both SSBs to work together. - This close working relationship needs to be deeper and should operate across both SSBs' individual SWPs and respective projects. This will also help create alignment between the work of both SSBs, reducing the need for additional projects/task forces to reconcile terminology or definitions between both SSBs (e.g., on matters such as 'sustainability information' 'professional accountant').

Ernst & Young Global Limited (EY)

We recommend enhanced coordination between the Boards in the development and alignment of their respective Strategies and Work Plans. Given the interconnected nature of standard-setting activities, it is important that both Boards jointly consider and understand the implications of proposed revisions to their standards before either Board finalizes changes. This would help avoid unintended consequences,

inconsistencies, or rework arising from sequential decision-making. For example, the IESBA finalized revisions to the definition of a public interest entity before the matter was fully deliberated by the IAASB, highlighting the need for earlier and more structured coordination.

In addition, we recommend a joint or parallel review of current and planned projects to assess alignment, prioritization, and resource allocation. Such a review could help identify overlapping areas where collaboration is beneficial, areas where sequencing should be adjusted, and projects where effort may be better redirected to higher-priority initiatives. This approach would support more efficient standard-setting and promote coherence across the Boards' outputs, whether through joint projects, coordinated timelines, or complementary NAM.

RSM International Limited

We believe that joint or parallel work between IESBA and IAASB should be the norm rather than the exception, particularly for topics that span audit quality, ethics, independence and firm behaviour.

10. Member Bodies or Other Professional Accountancy Organizations

Association of Chartered Certified Accountants (ACCA)

We welcome this joint initiative by the IAASB and the IESBA, which responds to stakeholder feedback calling for enhanced coordination between the SSBs. We strongly support the IAASB and IESBA in launching a coordinated strategic planning process under the reformed governance structure. This is an ambitious and important step towards a more connected and responsive international standard setting system, one better equipped to address the increasing interdependence of audit, assurance and ethics issues. Bringing the two boards into closer strategic dialogue creates meaningful opportunities to anticipate emerging challenges, strengthen public confidence and articulate a clearer long-term vision for the profession. We also recognise that this initiative requires both careful design and careful execution. From a stakeholder perspective, responding to a single coordinated survey has itself required thoughtful navigation, particularly where differing mandates and priorities can lead to different responses depending on the issue under consideration. Preserving the distinct role, perspective and stakeholder focus of each board while building greater strategic alignment will require sustained collaboration, clarity of purpose and mutual trust. That tension is not a weakness of the model; it is part of what gives the initiative its value. Past developments have highlighted the importance of continued and consistent alignment in areas of shared relevance. For example, projects such as the IESBA's use of the work of external expert and the definition of listed entity and public interest entities, demonstrate the need for coordinated approaches to ensure clarity, consistency, and interoperability between auditing and ethical requirements.