



May 14, 2026

Submitted electronically

Mr. Thomas R. Seidenstein (Chair)
International Auditing and Assurance Standards Board

Ms. Gabriela Figueiredo Dias (Chair)
International Ethics Standards Board for Accountants

Comments on the IAASB's and IESBA's Joint Stakeholder Survey

Dear Mr. Seidenstein and Ms. Figueiredo Dias:

Introduction

The PCAOB is a nonprofit corporation established by the United States Congress to oversee the audits of public companies in order to protect investors and further the public interest in the preparation of informative, accurate, and independent audit reports. The PCAOB also oversees the audits of brokers and dealers registered with the United States Securities and Exchange Commission (SEC), including compliance reports filed pursuant to federal securities laws.

The PCAOB seeks to establish and maintain high quality auditing and related professional practice standards for audits of public companies, other issuers, and broker-dealers in support of the PCAOB's mission to protect investors and further the public interest in the preparation of informative, accurate, and independent audit reports. The PCAOB Office of the Chief Auditor — working with other PCAOB offices and divisions — assists the PCAOB Board in establishing and maintaining PCAOB standards.

The PCAOB's standard-setting activities include identifying current or emerging audit issues, developing a research agenda, and working on standard-setting projects. These are informed by a range of activities, such as the PCAOB's oversight, monitoring and outreach activities; discussion with SEC staff; the work of other standard setters (for example, the IAASB); and other relevant inputs and developments.

As a member of the International Forum of Independent Audit Regulators (IFIAR), the PCAOB participated in the development of the IFIAR comment letter on the Joint IAASB's and IESBA's

(collectively referred to as the standard setting boards or SSBs) Stakeholder Survey (Survey) for the next strategy period (2028–2031).

This letter is intended to draw further attention to certain matters arising in the context of the Survey, specifically, digital transformation and the evolving structure and business model of accounting firms. The letter also suggests considering implementation support for new standards. The letter reflects views of the PCAOB Chief Auditor, in the Chief Auditor’s official capacity, and does not necessarily reflect the views of the PCAOB Board, individual Board Members, or PCAOB staff. Not commenting on other specific matters raised in the Survey should not be interpreted as either support or lack thereof by the PCAOB.

I agree with the IAASB’s strategic objective to strengthen coordination across the global standard-setting and regulatory ecosystem, including accounting, auditing, ethics and independence standard setters, securities and audit regulators. In this regard, I echo Chairman Logothetis’s view that collaboration and open feedback are essential to shaping the PCAOB’s standard-setting, including how we can better work effectively with international standard-setters.¹ Strong coordination is critical to support consistent, high-quality application of standards worldwide. To that end, the PCAOB Office of the Chief Auditor looks forward to working alongside PCAOB Board Members to support alignment of auditing standards to the extent appropriate and support opportunities for the staff of our organizations to cooperate, as appropriate, on future auditing standards that promote high-quality auditing and global consistency.

Responses to Questions or Matters for Stakeholder Input

What do you believe the SSBs should aspire to achieve during their next strategy period, 2028 – 2031?

In considering the key trends identified in the Stakeholder survey, I believe the most important key trend and area for working together relates to digital transformation.

As artificial intelligence and other technologies are rapidly changing the financial reporting and audit processes, I stress the need for greater coordination across the global standard-setting and regulatory ecosystem, including accounting, auditing, ethics and independence standard setters, securities regulators, and oversight bodies. Strong coordination is critical to avoid

¹ See Demetrios (Jim) Logothetis, Chairman, PCAOB, [Chairman Logothetis Delivers Remarks at Standards and Emerging Issues Advisory Group Meeting](#) (May 6, 2026).

fragmented or misaligned developments across standards, reduce unnecessary complexity in audit work and support consistent, high-quality application of standards worldwide.

As autonomous technology becomes increasingly prevalent, the very survival of the auditing profession depends upon the ability to adapt to its use. Key to this is to have auditing standards evolve accordingly to remain relevant and to ensure a level of investor protection and trust in capital markets. While rapid developments in technology call for agile standard-setting approaches, they also call for principle-based requirements that lessen the risk of becoming too quickly outdated. At the same time, significant standard-setting activity in the area could stifle innovation that would otherwise increase the effectiveness of the audit. A balanced approach is a necessity.

I agree with the three areas included in the survey as examples of digital transformation that will influence the future of standard setting, specifically, the increasing use of emerging technologies, digital assets and institutionalization of digital assets, and financial crimes enabled by technology.

In general, I believe the current projects on audit evidence and risk response and other standards in the ISA 500-Series may encompass consideration of changes to some standards due to increased use of autonomous technology.

A key trend I also see as important is the evolving structure and business models of accounting firms, although I encourage the SSBs to remain cautiously aware of which aspects of this issue can be addressed by the SSBs and which need to be addressed at a jurisdictional level or by others in the accounting and auditing ecosystem.

Additional Matter for Consideration

I draw your attention to another potential matter for your consideration that is not addressed in the survey: supporting the implementation of new standards. During the period before the effective date of new standards, questions may arise regarding the application of those new standards. After the effective date, audit regulators conducting oversight activities may observe practices that they believe are inconsistent with the new standards or areas where the standards are not being applied consistently. I believe it is important to audit quality and to investor protection for the SSBs to have a mechanism to monitor early implementation efforts and input from audit regulators that could result in guidance or potential changes when a standard may not be working as intended.

Please do not hesitate to contact me to discuss any of our comments.

Yours sincerely,



Barbara K. Vanich
PCAOB Chief Auditor