



Meeting: IAASB Consultative Advisory Group
Meeting Location: New York, United States of America
Meeting Date: March 7–8, 2023

Agenda Item I.2

IAASB Strategy and Work Plan 2024–2027 – Cover and Report Back

Objective

1. The objective of this agenda item is to report back on the IAASB CAG Representatives' comments on the IAASB's Strategy and Work Plan for 2024–2027 (the Strategy and Work Plan) made at the September 2022 CAG meeting.

Project Status

2. The [Consultation Paper on The IAASB's Proposed Strategy and Work Plan](#) was unanimously approved by the IAASB in its December 2022 meeting. The Consultation Paper was published on January 11, 2023 with a 90 day comment period. Stakeholders are invited to comment on the IAASB's Proposed Strategy and Work Plan by April 11, 2023.
3. The Strategy seeks to accelerate the actions originally laid out in the 2020–2023 Strategy with a focus on standard setting that supports the performance of high-quality audit and assurance engagements. It outlines four strategic objectives:
 - Support the consistent performance of quality audit engagements by enhancing our auditing standards in areas where there is the greatest public interest need;
 - Establish globally accepted standard(s) for assurance on sustainability reporting;
 - Strengthen coordination with the International Ethics Standards Board for Accountants and other leading standard setters and regulators to leverage better collective actions in the public interest; and
 - Create more agile, innovative ways of working in line with the Monitoring Group's reform vision.
4. The IAASB's Proposed 2024-2027 Work Plan describes the technical standard-setting work required to support the Strategy. The Work Plan focuses on where further standards' development can best contribute to meeting the needs of stakeholders in the external reporting ecosystem, while balancing timeliness with quality.
5. **Appendix A** to this paper provides a history of previous discussions with the IAASB CAG and IAASB on this topic, including links to the relevant IAASB CAG documentation.

Way forward

6. After the comment period on the consultation ends, the Planning Committee who serves as the task force for this project, will analyze the comments received. The Planning Committee will present feedback received and initial proposed revisions of the Strategy and Work Plan at the September

2023 IAASB meeting. It is the intention of the Board to approve the Strategy and Work Plan in December 2023.

Report Back

7. Extracts from the minutes of the September 2022 IAASB CAG meeting, as well as an indication of how the Planning Committee or IAASB has responded to the Representatives' comments, are included in the table below.

Representatives' Comments	Task Force / IAASB Response
OVERALL COMMENTS	
Ms. Manabat, Dr. Cela and Mr. Ishiwata supported the Strategy and Work Plan.	Support noted.
Ms. Meng acknowledged the importance of all the projects underway from the public interest perspective but added that the IAASB's project on fraud should be prioritized. She noted that, since the start of the project, it may take 7 years for the standard to become effective and that this is too long as it is a key public interest topic.	Point noted. The IAASB recognizes the importance of the fraud project and will finalize the project on a priority basis taking into account the resources available and other demands (e.g., pressures to finalize the overarching standard for assurance on sustainability reporting by the end of 2024).
Dr. Cela noted the importance of obtaining stakeholder input on the Strategy and Work Plan. He encouraged the IAASB to reach out to stakeholders that normally do not respond to the IAASB's consultations, (e.g., small and medium practitioners). He also questioned how IAASB is planning to raise awareness about the Strategy and Work Plan.	Point noted. Through its outreach program and social media channels, the IAASB will raise awareness about the Strategy and Work Plan Consultation with its key stakeholders, including small and medium practitioners.
Messrs. Ishiwata and Sobel noted that the IAASB's project on assurance on sustainability reporting may be the most important project. Therefore, Mr. Ishiwata suggested to add more detailed questions regarding this project in the Strategy and Work Plan. In addition, he suggested to add a post implementation review of the overarching standard for assurance on sustainability reporting.	Point accepted. The IAASB included a detailed question regarding sustainability assurance in the Strategy and Work Plan Consultation (see question 5). This question is in addition to general questions which include the IAASB's work on sustainability assurance (e.g., questions about the strategic drivers, strategic objectives and the strategic actions).
Ms. Manabat noted that the budgetary constraint should be properly addressed.	Point noted.

Representatives' Comments	Task Force / IAASB Response
	<p>The Consultation document clarifies that the budget for the Foundation is affected by the funding arrangements agreed under the Monitoring Group reforms. These arrangements will evolve over the initial implementation period that falls within the IAASB's Strategy and Work Plan period.</p>
<p>Mr. Sobel supported the use of the Framework for Activities to select the IAASB's next project. He noted that it is important to have a structured process in place to select the IAASB's next project. He added that the IAASB should be nimble and agile in terms of determining the next projects, especially when changes occur.</p>	<p>Support and point noted.</p>
<p>Mr. Sobel noted the importance of getting the right talent to support the projects.</p>	<p>Point accepted.</p> <p>The IAASB recognizes the importance of getting the right talent. Therefore, one of the proposed strategic actions for Strategic Objective 4 is to foster an environment that is conducive to the retention of talent, through appropriate governance and leadership, and Human Capital support as it relates to career advancement and professional and personal development opportunities, and progressive human resources policies and procedures.</p>
<p>Mr. Yoshii noted that in Japan and some other countries the effective dates for new or revised standards may be later than the IAASB's effective date. He asked the IAASB to take this into account when considering the timing of post implementation reviews.</p>	<p>Point accepted.</p> <p>The proposed Strategy and Work Plan recognizes that post-implementation reviews of new or revised standards are only considered after a significant period of global adoption and implementation of a standard (i.e., 3–5 years).</p>

Appendix A

Project Details and History

Planning Committee Members

The Planning Committee serves as the task force for this project. Members are:

- Tom Seidenstein, IAASB Chair;
- Josephine Jackson, IAASB Vice Chair;
- Julie Corden;
- Kai Morten Hagen;
- Sachiko Kai; and
- Isabelle Tracq-Sengeissen.

Summary

	IAASB CAG Meeting	IAASB Meeting
Consultation Paper	September 2022	September 2022 December 2022

IAASB CAG Discussions: Detailed References

Consultation Paper	<p><u>September 2022</u></p> <p>See IAASB CAG meeting material (Agenda Item E)</p>
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