

HKSSA 5000 Highlights

Key Impacts to Local Stakeholders

Overview

New assurance standard

The introduction of HKSSA 5000 represents a major achievement in Hong Kong enhancing the confidence and trust of intended users in sustainability information. HKSSA 5000, fully converged from ISSA 5000¹, provides a robust framework that supports the consistent performance of quality sustainability assurance engagements, aiming to ensure the reliability and transparency of the disclosed information.

Relationship with HKSAE 3000 (Revised)²

HKSSA 5000 is an overarching standard that includes requirements and application material for all elements of a sustainability assurance engagement. Accordingly, the practitioner is not required to apply HKSAE 3000 (Revised) when performing the engagement. HKSAE 3000 will continue to be used for assurance engagements other than audits or reviews of historical financial information or assurance engagements on sustainability information.

Relationship with HKSAE 3410³

HKSSA 5000 is an overarching standard that includes requirements and application material for all elements of a sustainability assurance engagement. HKSAE 3410/ISAE 3410 for assurance on greenhouse gas statements has been subsumed into HKSSA 5000/ISSA 5000 and is targeted to be withdrawn in accordance with due process when HKSSA 5000/ISSA 5000 becomes effective (i.e. 15 December 2026).

Framework neutral

HKSSA 5000 is designed to be framework neutral, allowing it to be applied to assurance engagements on sustainability information reported under any suitable framework or criteria. Suitable reporting criteria are criteria that result in sustainability information that is relevant, complete, reliable, neutral, and understandable. This includes HKFRS S1⁴ and S2⁵, ensuring reliable assurance for sustainability reports prepared in accordance with these standards.

Compliance with quality management standards and relevant ethical requirements

HKSSA 5000 requires the practitioner to apply HKSQM 1⁶ and the Code⁷, or professional requirements, or requirements in law or regulation, that an appropriate authority has determined to be at least as demanding as HKSQM 1 and the provisions of the Code related to sustainability assurance engagements.

Profession-agnostic

HKSSA 5000 is designed to be used by both professional accountant assurance practitioners and non-professional accountant assurance practitioners, provided that they meet the quality management and ethical requirements of HKSSA 5000.

¹ [International Standard on Sustainability Assurance 5000, General Requirements for Sustainability Assurance Engagements](#) as issued by the International Auditing and Assurance Standards Board (IAASB)

² [Hong Kong Standard on Assurance Engagement \(HKSAE 3000\), Assurance Engagements Other than Audits or Reviews of Historical Financial Information](#)

³ [HKSAE 3410, Assurance Engagements on Greenhouse Gas Statements](#)

⁴ [Hong Kong Financial Reporting Standard \(HKFRS\) S1 General Requirements for Disclosure of Sustainability-related Financial Information](#)

⁵ [HKFRS S2 Climate-related Disclosures](#)

⁶ [Hong Kong Standard on Quality Management \(HKSQM\) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements](#)

⁷ [The Code of Ethics for Professional Accountants](#) as issued by the Hong Kong Institute of Certified Public Accountants



Reasonable and limited assurance

HKSSA 5000 addresses both limited and reasonable assurance engagements. Requirements and application material that are specific to each type of assurance are clearly indicated in columnar format, where “L” denotes limited assurance and “R” denotes reasonable assurance. Example reports for limited assurance, reasonable assurance, and a combination of both are provided.

Effective date

HKSSA 5000 will be effective for assurance engagements on sustainability information reported for periods beginning on or after 15 December 2026 or as at a specific date on or after 15 December 2026. Earlier application is permitted. Anyone who applies HKSSA 5000 voluntarily ahead of its effective date shall comply with relevant quality management standards and ethical requirements as described above, including the consequential amendments to those standards or requirements as a result of the publication of HKSSA 5000, e.g. Ethics Standards for Sustainability Assurance⁸.

How major local stakeholders’ comments are addressed

Profession-agnostic

Stakeholders’ comments

Concerns were raised about the challenges in implementing ISSA 5000, primarily due to the absence of mandatory jurisdictional requirements for sustainability assurance in Hong Kong. The choice of assurance standards depends on local jurisdictions and the specific needs of intended users, considering that other assurance standards are also available in the market.

Local developments

On 10 December 2024, the Hong Kong Government launched a [Roadmap on Sustainability Disclosure in Hong Kong](#) which elaborates on Hong Kong’s blueprint to develop a comprehensive ecosystem to support sustainability disclosures, encompassing sustainability assurance, data and technology, as well as skills and competencies. In relation to the regulatory regime on sustainability assurance, it is stated that the Accounting and Financial Reporting Council (AFRC) will release a proposed local regulatory framework for sustainability assurance for public consultation in 2025. The AFRC will work with relevant financial regulators and stakeholders to drive the development of Hong Kong’s regulatory regime for sustainability assurance. This framework will address various aspects, including the registration of assurance providers, the implementation of assurance and ethics standards, and the establishment of the related regulatory regime.

Scope and Applicability of ISSA 5000

Stakeholders’ comments

Comments included the request to provide clarity in the final standard on the scope and applicability, as the exposure draft (“ED-5000”) indicated that practitioners are required to apply the standard to all assurance engagements on sustainability information including greenhouse gas (GHG) disclosures if no separate conclusion is to be reported for the GHG statement (i.e. ED-5000 excluded from its scope an assurance engagement to issue a conclusion on a GHG statement, with ISAE 3410 continuing to apply). ED-5000 incorporated some, but not all, requirements and application material from ISAE 3410 for limited assurance on GHG information. Stakeholders requested the IAASB to outline the differences between the two standards and provide context for these differences, to facilitate practitioners in transitioning from ISAE 3410 to ISSA 5000 when performing assurance procedures on GHG information as part of sustainability information.

⁸ Ethics Standards for Sustainability Assurance is anticipated to be published in 2025.



Final standard

The IAASB confirmed that ISSA 5000 deals with assurance engagements on sustainability information including GHG disclosures. It applies to all types of sustainability information, regardless of how that information is presented. In the IAASB's Basis for Conclusion, it explained that sustainability information is defined as information about sustainability matters, and matters relating to climate, including GHG emissions, are a topic that may be covered as part of the sustainability information reported. Therefore, information about GHG emissions is sustainability information as defined in ISSA 5000. Based on current sustainability reporting practices and the requirements of sustainability reporting frameworks, GHG "emissions information" would meet the definition of a "GHG statement". Therefore, in essence, there is no longer a distinction between ISSA 5000 and ISAE 3410. The IAASB reassessed the requirements of ISAE 3410 and the requirements for assurance on GHG statements have been subsumed from ISAE 3410 into ISSA 5000. ISSA 5000 follows the same approach to risk assessment for limited assurance engagements as ISAE 3410. Accordingly, ISAE 3410 will be withdrawn in accordance with due process when ISSA 5000 becomes effective (i.e. 15 December 2026).

Concept of "at least as demanding as"

Stakeholders' comments

ED-5000 proposes that the standard can be used by both professional accountant assurance practitioners and non-professional accountant assurance practitioners ("non-PA practitioners"), provided that they comply with ISQM 1⁹ and the IESBA Code¹⁰, or professional requirements or requirements in law or regulation, that are at least as demanding. Stakeholders expressed concerns about practical challenges including a possible lack of understanding of the ISQM 1 and the IESBA Code by non-PA practitioners. This understanding is important for non-PA practitioners to assess whether their existing procedures and policies are "at least as demanding as" ISQM 1 and the IESBA Code when they conduct engagements in accordance with ISSA 5000. Additionally, there are concerns about the comparability of their existing procedures and policies to meet the ISQM 1 and IESBA Code requirements. Stakeholders emphasized that consistent application of the standard by all practitioners is important to uphold the high quality of sustainability assurance practices by professional accountants.

Final standard

The IAASB concurred that the assessment of whether the alternative requirements are deemed to be equivalent to ISQM 1 and the IESBA Code should not be a self-assessment by practitioners which include non-PA practitioners. Consequently, compliance with ISSA 5000 cannot be asserted if the practitioner does not apply ISQM 1/the IESBA Code and the appropriate authority has not made a determination that other requirements are at least as demanding as ISQM 1/the IESBA Code. In addition, the practitioner cannot determine if alternative requirements are at least as demanding as ISQM 1/the IESBA Code without such a determination from an appropriate authority.

Other information

Stakeholders' comments

ED-5000 states that the audited financial statements are considered other information for purposes of ISSA 5000. Stakeholders have highlighted practical challenges in handling other information during a sustainability assurance engagement. Specifically, they noted that the practitioner responsible for auditing the financial statements may differ from the one conducting sustainability assurance, who could be a non-PA practitioner. In such cases, concerns were raised about the sustainability assurance practitioner's competence in identifying inconsistencies between the two documents. As a result, stakeholders have sought clarification on the extent of the review required under ISSA 5000 to ensure a consistent and comprehensive approach in conducting the review of other information.

⁹ International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* as issued by the IAASB

¹⁰ *International Code of Ethics for Professional Accountants (Including Independence Standards)* as issued by the International Ethics Standards Board for Accountants



Final standard

The IAASB reaffirmed that the assurance practitioner's responsibilities in the context of other information have been included in ISSA 5000. Amongst other requirements, ISSA 5000 clearly states that the practitioner has no obligation or responsibility to (i) perform any procedures regarding the other information that becomes available after the date of the assurance report; (ii) search for other information, including other information that may be on the entity's website; (iii) perform any procedures to confirm that other information is appropriately displayed on the entity's website or otherwise has been appropriately transmitted or displayed electronically, unless this is within the scope of the assurance engagement. The IAASB further included a new requirement relating to the practitioner's responsibilities for other information which states that if the other information includes the entity's financial statements subject to audit and the practitioner identifies that a material inconsistency appears to exist between those financial statements and the sustainability information, or becomes aware that the financial statements appear to be materially misstated, the practitioner is required to also communicate the matter to the auditor of the entity's financial statements, unless prohibited by law or regulation, or professional requirements.

Communication between the sustainability assurance practitioner and the auditor of the financial statements on matters that may be of mutual interest between the two engagements is encouraged. Such communication may be useful for planning the assurance engagement and may take place at appropriate times throughout the engagement. In addition, in some circumstances, the sustainability reporting framework may permit sustainability information to be incorporated with reference to other sources, such as the audited financial statements or another section of a management report. If such information is within the scope of the sustainability assurance engagement, the practitioner responsible for the sustainability assurance engagement may intend to obtain evidence from the work performed by the financial statement auditor or another assurance practitioner. In these circumstances, the requirements in ISSA 5000 addressing using the work of another practitioner apply, including communication, to the extent necessary in the circumstances, about the findings from the other practitioner's work.

Implementation support

Stakeholders' comments

Stakeholders requested support for implementation, for example, case studies to illustrate the work and the extent of different procedures that must be carried out for a limited assurance engagement versus that of a reasonable assurance engagement. Such material aids practitioners in better comprehending the specific expectations of their work and facilitating consistent application of the standard which will in turn contribute to a higher quality of assurance practices.

In addition, stakeholders also requested for additional illustrative assurance reports when only partial information in the entity's sustainability report is subject to assurance, as well as illustrative assurance reports for non-PA practitioners for which professional standards are determined to be at least as demanding as ISQM 1 and the IESBA Code as opposed to following those two pronouncements directly.

Local support

The Institute will offer a series of training programmes in 2025 to help practitioners implement the standard effectively.

Meanwhile, the IAASB has made available the following support materials to assist practitioners in the implementation process.

- [Basis for Conclusions](#) – provides background for and a summary of the rationale for the IAASB's conclusions.
- [Fact Sheet](#) – provides an overview and highlights of the standard.
- [Frequently Asked Questions](#) – address specific questions stakeholder may have.
- [Implementation Guide](#) – provides practical non-authoritative guidance intended to assist practitioners in conducting assurance engagements in accordance with the standard.