

Assurance and Advice Instead of Defense: A Comparative Review of the IIA Three Lines Documents of 2013, 2020 and 2026

Abstract: *The paper compares three Institute of Internal Auditors documents defining the roles of the board, management and internal audit: the 2013 Position Paper, the 2020 Three Lines Model and the 2026 Statement of Position. A qualitative comparative analysis of terminology, structure and principles is applied. The results show a shift from a defense metaphor to a governance model, the separation of assurance from advice, the operationalization of independence and the acceptance of role overlap under documented safeguards. The three-part structure remains unchanged, while its application evolves.*

Keywords: *three lines model, corporate governance, internal audit, assurance, independence*

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INTRODUCTION

Over the past 15 years, the Institute of Internal Auditors (IIA) has published three key documents that define the relationship between the board (including, where established, its audit committee), management, and internal audit in the context of risk management and the assurance of reliable operations. These are:

1. *Position Paper: The Three Lines of Defense in Effective Risk Management and Control* (January 2013),
2. *The IIA's Three Lines Model — An Update of the Three Lines of Defense* (July 2020),
3. *Assurance and Advice in Support of Effective Governance — Three Lines Model, Statement of Position* (July 8, 2026).

The purpose of this review is not an academic discussion of the theoretical foundations of risk management, but a practical comparison of these three documents, to show how the model has changed — terminologically, conceptually, and structurally — and what these changes mean for internal auditors, management, and boards. All three documents originate from the same source (the IIA), which ensures continuity and allows for direct comparison; yet it is precisely in their differences that one can best observe how the internal audit profession has adapted to changes in the business environment.

THE 2013 MODEL: “THREE LINES OF DEFENSE”

The original model, published as a Position Paper in 2013, emerged as a response to a specific practical problem: the growing fragmentation of risk management functions. The authors of the document — that is, experts from the Global Institute — clearly state that modern organizations bring together “diverse teams of internal auditors, enterprise risk management specialists, compliance officers, internal control specialists, quality inspectors, fraud investigators,” and other risk and control professionals, and that the problem lies in the fact that their activities are not always coordinated, which creates either gaps in controls or unnecessary overlaps.

The key features of the 2013 model are:

- **Military or defense terminology** – the model is literally called “lines of defense,” implying that the primary function of the three lines is to protect the organization from risk, rather than to create value.
- **Linear, sequential visualization** – the model is graphically presented as a series of “defense lines” through which risk passes:
 - management (1st line),
 - risk management and compliance functions (2nd line), and
 - internal audit (3rd line), with external audit and regulators shown as an additional, outer layer.

- **The board, i.e., the Audit Committee, and senior management are excluded from the “lines”**, since the document explicitly states that the board and senior management are not one of the “lines,” but rather actors positioned above the model, for whom all three lines are established (“governing bodies and senior management are the primary stakeholders served by the lines”).
- **Emphasis on coordination, but with a reactive tone**, given that the concluding part of the document offers concrete Recommended Practices, including an explicit reference to IIA standards requiring the chief audit executive to “share information and coordinate activities with other internal and external providers of assurance and consulting services.”

It is worth noting that the 2013 model was primarily prescriptive in structure but flexible in application, as it permitted the merging of lines in smaller organizations, provided there was transparent communication to the board about the effects of such a merger.

THE 2020 MODEL: FROM “DEFENSE” TO “MODEL”

The 2020 update represents a significant conceptual shift, not merely a terminological cosmetic change. The most important change is already visible in the title itself: the term “lines of defense” was replaced with the neutral designation “Three Lines Model,” with an explicit explanation in a footnote that the “lines” do not denote structural elements of the organization, but rather a “useful distinction among roles,” and that the numbering does not imply a sequence of successive operations since, on the contrary, “all roles operate simultaneously.”

Other significant changes compared to 2013 are:

- **Introduction of the board as an equal, named bearer of a role within the model**, rather than as an entity outside of it. The 2020 visual representation clearly places the board at the top of the structure with its own defined roles (integrity, leadership, transparency), making the model a more comprehensive depiction of organizational governance, rather than merely a risk-defense mechanism.
- **A principle-based approach** — the 2020 model is articulated through six clearly formulated principles (organizational governance, the role of the board, the role of first- and second-line management, the role of the third line, independence of the third line, creating and protecting value), whereas the 2013 version was organized descriptively, through a description of the individual lines.
- **A shift in emphasis from “protection” to “value creation”**, since the 2020 model explicitly lists “creating and protecting value” as one of its six foundational principles, whereas the focus of the 2013 document was almost exclusively on control and loss avoidance, in line with the “defense” metaphor.
- **A more flexible definition of the second line**, as the 2020 model explicitly acknowledges the possibility that the second line may be “interwoven” with the

first line or separate from it, while responsibility for risk management remains “part of the first-line role and within management,” regardless of the existence of specialized second-line functions.

- **External assurance providers as a separate category in the diagram**, rather than being depicted as an “additional line of defense,” as was the case with external auditors and regulators in the 2013 model.

Taken as a whole, the 2020 update makes the model less mechanical and more relational, as the emphasis is placed on relationships, communication, and alignment among stakeholders — something elaborated in a dedicated chapter on the relationships between the board, management, and internal audit, which is not present to the same extent as a dedicated chapter in the 2013 document.

THE 2026 MODEL: ASSURANCE AND ADVICE – INTEGRATION AND COORDINATION

The third document, the Statement of Position from 2026, represents a further developmental step that explicitly “replaces the previous Position Paper” (referring to the 2013 document, since the 2020 model was not a Position Paper, but rather an updated version of the same conceptual framework). This document introduces several new dimensions that earlier versions did not contain to the same extent:

Separation of “Assurance” and “Advice”

While the 2013 and 2020 models primarily spoke of “providing assurance” as the main function of the third line, the 2026 model systematically separates the two forms of contribution — assurance and advice — and treats them as complementary but distinct activities with different independence requirements. It introduces, for example, a specific guideline that “a period of at least 12 months between responsibility for a process or decision and the provision of assurance on that activity” is generally sufficient to safeguard the auditor’s objectivity — a vivid detail not contained in earlier documents.

Independence as a Continuum, not a Binary Category

The 2026 model breaks down the elements of independence in detail (reporting and authority lines, autonomy over scope and planning, unrestricted access, control over resources, protection from retaliation), whereas earlier documents treated the independence of the third line largely declaratively, without this level of operationalization.

Practical Scenarios of Role Overlap

The greatest novelty compared to both previous documents is a dedicated chapter (“Implementation Scenarios”) that acknowledges that, in practice, the roles of the first, second, and third lines often overlap — for example, when the head of audit oversees a second-line function, or when internal audit temporarily takes over second-line activities. Unlike the 2013 model, which mentioned such situations only in passing (“there are instances where internal audit has been requested to establish and/or manage the organization’s risk management or compliance activities”), the 2026 model provides concrete safeguards for each of these scenarios, including documented allocation of responsibilities, board approval, and periodic independent reviews.

Internal Audit as an “Integrator of Assurance”

The 2026 model introduces the concept of internal audit as an integrator of assurance — a role that not only provides its own assurance but actively coordinates, relies on, and connects the assurance of all other providers, including the concept of “assurance maps” and integrated assurance as a more advanced form of coordination. This concept exists only in embryonic form in the 2013 and 2020 documents, through general recommendations on coordination, but is not developed into a separate, named concept.

Retention of the Principle-Based Approach of 2020

The 2026 model builds on the principles introduced in 2020 (the board, management, independence of the third line, value creation), but further articulates them through five new, reformulated principles focused on the reliability of information for the board and the complementarity of assurance and advice.

COMPARATIVE OVERVIEW: WHAT HAS ACTUALLY CHANGED?

Looking at all three documents together, three main lines of development can be identified:

- a. The first line of development concerns the terminological and conceptual shift from “defense” toward a “governance model.” The 2013 model was a tool for loss prevention and coordination of controls; the 2020 model became a framework for governing the organization in a broader sense, including value creation; the 2026 model goes a step further and becomes a framework for organizing all forms of assurance and advice within the organization, regardless of whether they are primarily focused on risk or on performance improvement.
- b. The second line of development concerns the growing sophistication in the treatment of independence. While in 2013 the independence of the third line was mentioned merely as a fact (“this high level of independence is not available in the

second line of defense”), in 2020 it was elaborated through a dedicated principle, and by 2026 it becomes an operational framework with concrete, measurable elements and time-based benchmarks.

- c. The third line of development concerns the acceptance of the reality of role overlap. While earlier models treated overlap as an exception to be eliminated as soon as possible (“it would be appropriate to consider separating the responsibility... to establish the three lines”), the 2026 model normalizes overlap as a legitimate practical option, provided it is managed through appropriate safeguards — an approach that is more realistic for smaller organizations and those with limited resources.

Interestingly, despite all these changes, the basic three-part structure (management, specialized functions, and internal audit) remains unchanged across all three documents, indicating that the fundamental architecture of the model has persisted, while the changes are mainly directed at how that architecture is interpreted, communicated, and applied within more complex and dynamic organizational environments.

CONCLUSION

The comparison of the three IIA documents, from 2013, 2020, and 2026, reveals a clear evolutionary trajectory: from an operational, defense-oriented model focused on coordinating control functions, through a principle-based governance model focused on value creation, to an integrated framework for assurance and advice that embraces the complexity of organizational structures.

For internal auditors, this means that the three lines model is not a static set of rules, but a living framework that is redefined every few years in accordance with changes in the business environment, regulatory expectations, and evolving understanding of the profession’s role. It is particularly significant that, over time, increasingly more room is left for professional judgment and contextual adaptation, rather than rigid insistence on the structural separation of the three lines, while at the same time strengthening the requirements for transparency and documentation of any deviations from the “pure” model.

REFERENCES

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Tri linije odbrane prema Modelu tri linije: Evolucija IIA modela od 2013. do 2026. godine - Razvoj koncepta upravljanja rizicima i interne revizije

Apstrakt: Rad upoređuje tri dokumenta Instituta internih revizora koji definišu uloge odbora, rukovodstva i interne revizije: Position Paper iz 2013, Model tri linije iz 2020. i Stanovište iz 2026. Primenjena je kvalitativna uporedna analiza terminologije, strukture i principa. Rezultati pokazuju pomeranje od metafore odbrane ka modelu upravljanja, razdvajanje uveravanja od savetovanja, operacionalizaciju nezavisnosti i prihvatanje preklapanja uloga uz dokumentovane mere zaštite. Trodelna struktura ostaje nepromenjena, a menja se njeno tumačenje i primena.

Ključne reči: model tri linije, korporativno upravljanje, interna revizija, uveravanje, nezavisnost