SmartSuite

Framework / Risk Management / Other

The IIA's Three Lines Model: An Update of the Three Lines of Defense (2020, updated September 2024)

The IIA's Three Lines Model sets out six principles and the roles of the governing body, management, and internal audit for governance and risk management in any organization.

The Institute of Internal Auditors

What it is

The IIA's Three Lines Model is a position paper from The Institute of Internal Auditors that updates the earlier Three Lines of Defense. Published in 2020 and updated in September 2024 to reflect the glossary of the Global Internal Audit Standards, it helps organizations identify the structures and processes that best assist the achievement of objectives and facilitate strong governance and risk management.

The IIA is the international professional body for internal auditors and the publisher of the Global Internal Audit Standards. The model is not mandatory, but boards, audit committees, regulators, and supervisors across sectors use it as the common description of how management (first and second line roles), the internal audit function (third line), the governing body, and external assurance providers relate to one another.

At a glance

PUBLISHER The Institute of Internal Auditors (IIA)	TYPE Guidance	VERSION 2020 (updated September 2024)
EFFECTIVE 2020	DOMAIN Risk Management	FAMILY Other
REGION Global (The IIA)	ADOPTION MODEL Voluntary	IMPLEMENTATION COMPLEXITY Medium

Source: https://www.theiia.org/en/content/position-papers/2020/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense/

Why it matters

- **Clarify roles and accountability** State who is accountable for governance, who manages risk, and who provides independent assurance, and how they interact.
- **Strengthen governance** Give the governing body a clear basis for oversight, delegation to management, and reliance on internal audit.
- **Protect internal audit independence** Position the internal audit function with organizational independence from management so its assurance is objective.
- **Align assurance across providers** Coordinate first and second line monitoring, internal audit, and external assurance so coverage is complete without duplication.

How SmartSuite supports IIA Three Lines Model

Roles and Principles Library

Hold the six principles, the roles of the governing body, management, and internal audit, and their charters as structured records linked to your program.

Ownership, Cadence, and Accountability

Assign first, second, and third line owners to controls, monitoring, and audits, set review cycles, and track governing body approvals.

Evidence Collection and Audit Trail

Attach monitoring results, second line reviews, and audit workpapers to the activities they evidence, with timestamps and reviewers.

Assurance Planning and Testing

Plan first and second line testing and internal audit engagements, record findings, and track management actions to closure.

Risk and Objective Alignment

Link risks, objectives, and controls across the lines so assurance coverage maps to what matters to stakeholders.

Board and Audit Committee Reporting

Produce combined assurance dashboards showing coverage, open findings, and independence arrangements for the governing body.

Common framework mappings

- COSO IC 2013
- COSO ERM 2017
- ISO 31000:2018
- BCBS PSMOR 2021
- BCBS Operational Resilience Principles
- APRA CPS 230
- OCEG Red Book 3.5
- USSG §8B2.1
- DOJ ECCP
- SOX
- COBIT 2019

Official resources

The IIA's Three Lines Model position paper

The IIA's page for the model, with the September 2024 update note and downloads in more than 25 languages.

theiia.org/en/content/position-papers/2020/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense

Three Lines Model (English PDF)

The position paper text: six principles, key roles, relationships among roles, and how to apply the model.

theiia.org/globalassets/documents/resources/the-iias-three-lines-model-an-update-of-the-three-lines-of-defense-july-2020/three-lines-model-updated-english.pdf

Global Internal Audit Standards

The IIA's 2024 Standards whose glossary the updated model adopts and which govern the third line.

theiia.org/en/standards/2024-standards/global-internal-audit-standards

IIA Standards and guidance

The IIA's standards hub covering the International Professional Practices Framework and related guidance.

theiia.org/en/standards

Frequently asked questions

What is the Three Lines Model?

It is The IIA's position paper describing how the governing body, management in first and second line roles, and the internal audit function work together to achieve objectives and support governance and risk management. It updates the earlier Three Lines of Defense.

What are the three lines?

First line roles deliver products and services to clients and manage the associated risk; second line roles assist with managing risk, such as compliance and risk functions; the third line is the internal audit function, which provides independent and objective assurance and advice.

What changed from the Three Lines of Defense?

The 2020 update takes a principles-based approach, broadens the focus from protecting value to creating and protecting value, clarifies that first and second line roles may be blended or separated, and explains the relationships among the roles rather than presenting a fixed org chart.

What was updated in September 2024?

The IIA updated the paper to reflect the glossary of the Global Internal Audit Standards, so terms such as board, internal audit function, and control now match the Standards.

Is the Three Lines Model mandatory?

No. It is a position paper that organizations adopt voluntarily, although regulators and supervisors frequently reference it, and the Basel Committee and prudential rules expect banks to operate clear lines of defence.

Where do external auditors and regulators fit?

The paper describes external assurance providers as a separate group that adds assurance to meet legislative and regulatory expectations and requests from management and the governing body.

How does SmartSuite support the Three Lines Model?

SmartSuite records each line's roles and charters, links first and second line controls and monitoring to the risks they address, and manages internal audit plans, findings, and management actions. Audit committees use it for combined assurance reporting across the lines.

Does the model apply to small organizations?

Yes. The IIA states the model applies to all organizations and is optimized by adapting it to organizational objectives and circumstances, so small organizations apply the principles with fewer formal structures.

License included / downloadable: Yes The IIA publishes the position paper free of charge in more than 25 languages, and the six principles and role descriptions are included with the platform as a requirement set.

Full framework page and mappings: smartsuite.com/frameworks/iia-three-lines-model