



CEAOB Market Monitoring Sub-group

Work Programme

Work-Plan 2022 and Outlook 2023



1. Introduction

This work plan sets out the key priorities and activities for the period to the end of 2022.

The purpose of the sub-group is to facilitate the monitoring of the quality and competitiveness of the market for providing statutory audit services to public-interest entities, relating to assisting the Commission in preparing joint reports. The sub-group will contribute to the convergence and coordination of the monitoring carried out by national authorities.

2. Objectives

Through its ongoing work, the sub-group facilitates the aims of the pillar objectives of the CEOB, in particular, the following objectives.

1. **Communication:** Dialogue with key-stakeholders is a primary focus for the market monitoring sub-group. Through our work we engage directly with audit committees to understand the challenges they face in the promotion of audit quality, and the application of the Audit Regulation. In opening a dialogue we can try to ensure that we are aligned on the common goal of improving audit quality.
4. **Monitoring:** One of the core functions of the sub-group is to collect audit market data. This is collated and forms the basis of the Commission's market monitoring report. In order to ensure that data is of high quality and aggregatable we have an ongoing process of refinement of the data indicators. This ensures that all member states report information that is comparable which in turn provides better insights of the EU audit market.

3. Longer term outlook

Given that a primary focus of the sub-group is to facilitate monitoring the European audit market, our goal is to continually improve the data collected to ensure that it is timely, accurate and of greater relevance to National Competent Authorities ('NCA') and our external stakeholders. To assist in this, we continue to refine out our current data gathering tools and where appropriate utilise external sources to provide more a detailed, cohesive picture of the PIE audit landscape within the EU. In cooperation with the inspections sub-group, we will continue to perform a detailed



analysis of audit quality indicators within the European audit market, in order to identify areas of potential systemic risk along with possible mitigants.

4. Summary

Below is a summary of our activities for 2022:

- Development of the indicators to be used for the 4th market monitoring report. This will include:
 - The introduction of new indicators to monitor changes in the audit market brought about by the audit regulation (Regulation (EU) 537/2014);
 - Identifying ways to achieve consistency in national market reports across member states and to ensure comparability and ease of aggregation of data collected;
- In respect of the EU Commission's study of the Audit Regulation and Directive, submit recommendations to the Commission on improvements to Art. 27 (and related articles) of Regulation (EU) 537/2014 to allow for greater consistency, relevance and timeliness of market monitoring data;
- Continue cooperation with the inspections sub-group in order to provide an analysis to the European Commission on audit quality market monitoring indicators for the purposes of market monitoring report;
- Contribute to CEOB annual report.

	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Set up					
Update 2022 work plan for presentation to CEOB					
Work steps for 2022					
Development and refinement of existing market monitoring indicators in addition to the creation of new indicators relevant to the monitoring of the audit market.					
Submit recommendations to the Commission on potential changes to the audit Regulation that would promote greater consistency, relevance and timeliness when gathering market monitoring data.					
Engagement with the inspection sub-group (ISG) to provide an analysis to the Commission on audit quality market monitoring indicators using the ISG database data as the primary source of data.					
Other matters					



COMMITTEE OF
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