



COMMITTEE OF  
EUROPEAN  
AUDITING  
OVERSIGHT  
BODIES

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## CEAOB Market Monitoring Sub-group

### Work-Plan 2024 and Outlook 2025

## 1. Introduction

In order to further trust in informative, reliable, and independent audit reports, the CEAOB fosters the improvement of audit quality in Europe. To fulfil this mission, the Market Monitoring sub-group facilitates the monitoring of the quality and competitiveness of the market for providing statutory audit services to public-interest entities, with tasks as assisting the Commission in preparing joint reports. The sub-group contributes to the convergence and coordination of the monitoring carried out by national authorities.

This work plan sets out the key priorities and activities for the period to the end of 2024.

## 2. Objectives

Through its ongoing work, the sub-group contributes to meeting the following CEAOB's core strategies:

- 1. Harmonizing regulatory approaches:** the sub-group collects and shares information, expertise, and best practices among competent authorities regarding audit activities.
- 2. Sharing expertise and experience:** the sub-group focuses on actual topics in the audit market. It interacts and cooperates with other CEAOB sub-groups in order to share and analyze information on audit market.
- 3. Contributing to EU policy on statutory audit and other assurance:** the sub-group provides transparency on its activities and on information collected. The market monitoring report covers statistics of the auditing sector through the EU. The report is targeted to CEAOB members, authorities and to the general public and it tries to fulfill the objective to increase the general knowledge of the structure and functioning of the 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 a more detailed, cohesive picture of the PIE audit landscape within the EU. In

cooperation with the Inspection 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 mitigation techniques and will collaborate in the identification of member states that do not upload inspection data to the ISG's inspection database.

#### **4. Summary**

Below is a summary of our planned activities for 2024:

- Completion of the preparation of the 3<sup>rd</sup> market monitoring report with the Commission's review and approval.
- Establish objectives and development of the indicators to be used for the 4<sup>th</sup> market monitoring report. This will include:
  - Revision of the templates with the objective of improving the quality of the information and achieving a better homogenization of the member countries.
  - Monitoring of the current indicators and study of the convenience of including sustainability indicators.
  - Identifying ways to achieve consistency in national market reports across member states and to ensure a higher level of comparability and ease of aggregation of data collected.
- Continue cooperation with the Inspection sub-group within the CEAOB to provide an analysis to the European Commission on audit quality market monitoring indicators for the purposes of market monitoring report.
- Contribute to CEAOB annual report.

The table below sets out the proposed timings of each activity between 2023 and 2025.

	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q2 2025
<b>1. Set up</b>						
Update 2024 work plan for presentation to CEAOB						
<b>2. Work steps</b>						
Approval of the 3rd Market Monitoring Report						
Revision of the templates						
Establish objectives and development and refinement of existing market monitoring indicators in addition to the creation of new indicators relevant to the monitoring of the audit market						
Distribution of the templates to the NCAs involved						
Receipt of the completed templates.						
Start of the analysis and consolidation of the data provided by the NCAs involved focused on the preparation of the 2024 market monitoring report.						
<b>3. Other matters</b>						
Dialogue with Inspection Sub-group						
Input into annual CEAOB report						