



25th plenary meeting of the Committee of European Auditing Oversight Bodies (CEAOB)

Hotel Marriott Champs-Élysées
70, AVENUE DES CHAMPS-ÉLYSÉES
75008 PARIS

Summary of operational conclusions

Chair: Patrick Parent, Director in charge of prospective and international affairs, France's Audit Oversight Body (H3C)

Vice-Chair: Sven Gentner, Head of Unit 'Corporate Reporting, Audit and Credit Rating Agencies', DG FISMA replacing Director of Financial Markets, DG FISMA

18 June 2024

1. Welcome and introduction

The Chair welcomed the participants to the 25th plenary meeting of the CEAOB.

2. Adoption of the agenda

Decision: The agenda was adopted without changes.

3. Adoption of the minutes and of the summary of operational conclusions of the CEAOB plenary meeting on 12 and 13 March 2024

Decision: The minutes and the summary of operational conclusions of the previous meeting held on 12-13 March 2024 were approved.

4. Update from the Chair

The Chair updated members on developments since the latest CEAOB plenary meeting and provided them with an overview of the main topics included in the plenary's agenda (e.g., CSRD implementation and adoption of sustainability assurance standards, development of sustainability assurance guidelines, third country relations, stakeholder outreach sessions).

5. Update from the Vice-Chair

The Vice-Chair provided members with an update on the current state of play of several activities on-going or under preparation by the Commission: mainly the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRSs).

6. Sharing of information about the state of play in the transposition of the CSRD

The discussion on CSRD transposition consisted of members presenting the state of play and challenges identified in their jurisdictions during the transposition work.

7. Election of the CEAOB Chairperson

Members voted for the election of the new CEAOB Chairperson whose term will be four years and it will start on 12 July 2024. Mr. Panos Prodromides, Director General, Cyprus Public Audit Oversight Board (CyPAOB) was elected as Chair of the CEAOB.

8. Outreach session with EFRAG SRB representative

EFRAG SRB representative discussed with members several topics of common interest, focusing mainly on the ESRS: conceptual foundations, implementation guidance, Q&A implementation platform, use of estimates and next steps.

9. Outreach session with ESMA on greenwashing

ESMA representative discussed with members several topics of common interest, focusing mainly on greenwashing risks and the supervisory response.

10. Approval of the proposals prepared by the dedicated task force on criteria for observer at the CEAOB (Members only)

Decision: CEAOB members discussed and approved the proposal prepared by the dedicated task force on criteria for third countries wishing to become CEAOB observers.

19 June 2024

11. Outreach session with EBA

EBA representatives discussed with members several topics of common interest, including the state of play of sustainability reporting and disclosures, the Pillar 3 data hub project, IFRS 9 benchmarking and prudential measurement and loss absorbency of capital instruments.

12. Approval of the non-binding guidelines on sustainability assurance and public consultation process

The International Auditing Standards sub-group Chair provided members with a presentation of the guidelines on assurance of sustainability reporting and the next steps as regards the public consultation and the approval of the final guidelines.

Decision: members voted and approved that the CEAOB should publish the guidelines for public consultation.

13. Updates from the Sub-groups Chairs

The Inspections sub-group Chair reported on the sub-group meeting held in Riga on 12 and 13 June. Meetings were held with KPMG, GT and EGIAN. Presentations on inspection approaches by the members were also held as well as an analysis on acceptance and continuance findings and the transition between ISQC 1 and ISQM 1. Colleges also provided an update to the members.

The Enforcement sub-group Chair presented the activities of the sub-group: a webinar held on 4 April 2024 and a physical meeting on 23 and 24 May 2024 held in Nicosia, Cyprus. Main topics of discussion were the preparation of the 2024 Enforcement Report and sharing of best practices. A webinar dedicated to the Wirecard case will be organised in November 2024.

The International Auditing Standards sub-group Chair updated members on the ongoing work streams as regards the activities of the international standards setters for both statutory audit and assurance of

sustainability reporting. The work performed for the development of the guidelines on assurance of sustainability reporting was also presented together with the next steps, including the public consultation.

The Market Monitoring sub-group Chair presented the main activities of the sub-group: the completion of the update of the templates for the 4th Market Monitoring Report. As regards next steps in the process, data collection as well as consolidation of data should start in 2025, while the drafting should take place in 2026.

The International Adequacy and Equivalence sub-group Chair updated members on the ongoing activities to support the cooperation between European and third country audit regulators.

14. Outreach session with ECG

ECG representatives discussed with members several topics of common interest, mainly the assurance of sustainability reporting.

15. Appointment of the International Auditing Standards Subgroup Chair

The current International Auditing Standards Subgroup Chair was the only candidate for the Chair position and if voted, this would be the third term. The subgroup’s terms of reference allow only two consecutive terms for the same Chair; thus, the voting could not be held during the meeting.

Decision: The Subgroup’s terms of reference will be updated to allow for a third consecutive mandate and then the vote on the appointment can be held. Both the update and the appointment will be held via written procedure in the period following the plenary meeting.

16. Presentation by APAS of the main features of the Wirecard related sanction

APAS representative provided members with a presentation on the main features of the Wirecard sanction.

17. Outreach session with ECODA

EcoDa representatives discussed with members several topics of common interest, including a presentation of the organisation and its current activities, general remarks on how to improve corporate reporting and CSRD updates.

18. Approval of the Market Monitoring Template and timeline

Decision: The approval of the template and timeline will take place via written procedure in the period following the plenary meeting.

19. Debriefing on the five outreach sessions

Members exchanged views on the outreach sessions held during this plenary meeting.

20. Adoption of a short plenary meeting summary for publication on the CEAOB webpage

The Chair presented the draft text of a short summary for publication on the webpage.

Decision: The document was approved pending some changes highlighted by members. Once updated, it will be published on CEAOB’s website.

21. Any other business. Dates and locations for the remaining plenary meetings in 2024

The date and location of the remaining 2024 plenary meeting were reminded to the members: 19 and 20 November (physical).