



COMMITTEE OF
EUROPEAN
AUDITING
OVERSIGHT
BODIES

CEAOB 2020-021
Adopted on 25 November 2020

CEAOB Enforcement Sub-group Work Plan 2021 and Outlook 2022

1. Introduction

This work plan sets out the key priorities and activities for the period to the end of 2021.

The purpose of the sub-group is to facilitate the exchange of information, expertise and best practices in the area of investigations and sanctions and to collect an annually publish aggregated information on all administrative measures and sanctions imposed by competent authorities.

Enforcement sub-group enhances by its work the overall CEAOB's objective to support audit quality and consequently to keep and increase confidence and trust of investors and the broader public in financial reporting in the European Union.

2. Objectives

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

1. **Cooperation:** Collect and share information, expertise and best practices among competent authorities regarding enforcement activities. Interaction and cooperation with other CEAOB sub-groups in order to share and analyze information of regulation and auditor oversight. Interaction with other enforcement organizations (eg. IFIAR's Enforcement working group).
2. **Communication:** Transparency regarding the activities of the sub-group and the information collected by the sub-group. The annual CEAOB Enforcement Report covers statistics of administrative measures and sanctions through the EU and useful information on functioning of the enforcement bodies and their practices. The Enforcement Report is targeted to CEAOB members, authorities and to the general public.
3. **Interconnectivity:** Enforcement sub-group focuses on actual topics in audit market. Sub-group will collect and share information, which is useful not only to audit regulators within the EU but also third country regulators in the area of auditor oversight, bearing in mind the objective to support audit quality.

3. Longer term outlook

The general activities of the sub-group will include:

- Exchanging information, expertise and best practices as regards enforcement related issues
- Exchanges with other CEAOB sub-groups where appropriate
- Contributing to the CEAOB annual report

4. Activities in year 2021

The sub-group will work on the following specific activities:

- Conducting an Enforcement Survey to collect Member States' information on a) statistics on administrative measures and sanctions imposed and a) on the current state of the administrative and disciplinary regimes.
- Issuing an annual Report of Enforcement Survey on data from year 2020 pursuant to Article 30 f (1) of the Audit Directive.
- Identifying and creating information channels and effective mechanisms to share information on best practices.
- Exploring training needs for enforcers and the means of increased interaction among members, e.g. by sharing experiences resulting from enforcement decisions and by exploring secondment opportunities.

Timeline

The table below sets out the proposed timings for specific CEAOB Enforcement sub-group tasks in 2021.

	Q1 2021	Q2 2021	Q3 2021	Q4 2021
Topics for 2021				
Survey 2021 on Enforcement, drafting and finalising questionnaire				
Survey 2021 on Enforcement, delivery of questionnaire to CEAOB members				
Consolidate responses and issue a CEAOB Enforcement sub-group report pursuant to Article 30 f (1) of the Audit Directive				
Learning and understanding the investigation and sanctioning regimes in EU member states. Exchange of information through a face-to-face meeting and a workshop (webinar or physical) Study of implementation of AUR and AUD from enforcement perspective. Study real enforcement cases.				
Other matters				
Input into annual CEAOB report				

<p>Interaction with other sub-groups, where there is a link to Enforcement, especially with CEAOB International Auditing Standards sub-group and Inspections sub-group. Examination of enforceability of International Auditing Standards and developing criteria for deciding if inspection findings should be referred to enforcement for investigation/sanctioning.</p>				
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