



10th plenary meeting of the Committee of European Auditing Oversight Bodies (CEAOB)

Rue de la Loi 120/130 (Room LOI 130.B)

Brussels, 12 June 2019

Draft summary of operational conclusions

Chair: Ralf BOSE, Chief Executive Director, Germany's Audit Oversight Body (AOB)

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

1. Adoption of the agenda

The Chair welcomed the participants to the 10th plenary meeting of the CEOAB.

Decision: The agenda was adopted without changes.

2. Adoption of the minutes and the summary of operational conclusions of the previous meeting

Decision: The minutes and the summary of operational conclusions of the previous meeting held on 4 March 2019 were approved.

3. Chair's introductory remarks

The Chair briefly updated the CEOAB members on developments since the last CEOAB plenary meeting, provided members with an overview of the main topics included in the plenary's agenda and briefly introduced the next meeting of the year scheduled on 27 and 28 November.

4. Vice-Chair's introductory remarks

The Vice-Chair provided members with an update on the current state of play of several activities under preparation by the Commission.

5. Main business

5.1. Update on educational qualifications initiative

According to Article 6 of the Audit Directive, the competent authorities shall cooperate with each other with a view to achieving a convergence of the requirements for educational qualifications.

The CEOAB considers it useful for national entities having direct responsibility for educational qualifications to come together to exchange knowledge and experience, to build a network and to start thinking of convergence in the education area. As such, it could facilitate a first meeting of such entities and follow-up with them on potential next steps.

5.2. Adoption of updated procedure to share non-public parts of CAIM with non-EU/ EEA regulators

This topic was already discussed in the previous plenary meeting held on 4 March 2019 and it is related to the concept and approach allowing the CEAOB to share the full CAIM suite, including the confidential parts, with third country regulators.

An updated version of the procedure was proposed for discussion and it is meant to address members' comments expressed in the previous meeting.

Decision: The updated procedure was adopted without changes.

5.3. Adoption of ISG advanced public outreach initiative

To achieve further transparency as well as an enhanced public outreach, the ISG has developed an approach to communicate more publicly observations of the European audit oversight bodies in a clear and comprehensive way.

These communications will accompany the sub-group's press releases following each of its meetings.

Decision: The proposal was adopted without changes.

5.4. Update on state of play of non-binding guidelines or opinions

5.4.1. Duration of audit engagements (Art. 17 task force)

The work on these guidelines is ongoing and the task force leader provided the plenary with an update of the state of play.

5.4.2. Adoption of an internal guideline for the use of the written procedure

During the meeting held on 24 October 2014, the plenary decided on the development of further guidelines to clarify the relevant rule 12 of the CEAOB Rules of Procedure on the future adoption of documents through the written procedure.

Decision: The guideline was adopted without objections and without changes.

6. Sub-group reporting including the approval of the 2018 Enforcement Survey Report (ESG) and country reports for transitional countries

The Enforcement sub-group Chair made a presentation of the 2018 enforcement report and mentioned that the 2019 enforcement questionnaire is under preparation.

Decision: The 2018 enforcement report was adopted and will be published on the CEAOB website.

The International Adequacy and Equivalence sub-group Chair presented to the plenary the state of play and conclusions of the assessments of the third countries under transitional regime.

Decision: The country reports were adopted with one abstention.

The Inspections sub-group Chair reported on the sub-group's meeting to be held on 19 and 20 June in Luxembourg.

The Market Monitoring sub-group Chair reported on the ongoing work and activities related to the national market monitoring reports.

The International Auditing Standards sub-group Chair reported on the on-going work on the dialogue with the standard setters, implementation of audit reform and ESEF.

7. Update and internal discussion on the work of the ESEF task force

The ESEF task force presented members with the conclusions of their internal discussions as well as discussions held with the profession. The presentation was followed by a discussion among the members.

Decision: The task force will continue its work on this project.

8. Stakeholder Outreach

8.1. Report on CEAOB- ESRB meeting

The third CEAOB-ESRB meeting with auditors of G-SIFIs will take place on 28 and 29 October. The meeting is currently under preparation.

8.2. Update on this year's stakeholder invitations

The Chair provided members with an overview of the stakeholder invitations planned for 2019.

8.3. Paper on general stakeholder outreach

The Chair and another member explained to members the new approach that will involve a more extensive preparation of the stakeholder outreach presentations as well as further follow-up work for these sessions.

8.4. Presentation by representatives of the Public Company Accounting Oversight Board (PCAOB) followed by Q&A and internal discussion

The CEAOB Chair provided the PCAOB representatives with a presentation of the Committee and its ongoing projects.

The PCAOB representatives provided members with an overview of PCAOB's new strategies and initiatives, and the ongoing cooperation between the PCAOB and European national competent authorities was also covered in the discussion.

Presentations were followed by a Q&A session with the members.

8.5. Presentation by a representative of the International Forum of Independent Audit Regulators (IFIAR) followed by Q&A and internal discussion

The CEAOB Chair provided the IFIAR representative with a presentation of the Committee and its ongoing projects.

The IFIAR representative provided members with an overview of IFIAR's current projects.

The presentation was followed by a Q&A session with the members.

9. Member reporting (IE, EE, BG)

The purpose of the members' presentations is to present the main characteristics of their oversight systems, how they carry out their work and what kind of challenges they face, with an overall objective to encourage information sharing and dialogue between competent authorities.

This time the presentations were given by Ireland, Estonia and Bulgaria.

10. Adoption of a short summary for publication on the webpage

Several members suggested some changes and additions in the summary document. The updated version of the document will be published.

11. Any other business

The dates for CEAOB's next plenary meeting are 27 (the afternoon) and 28 (the whole day) November 2019.