



15th plenary meeting of the Committee of European Auditing Oversight Bodies (CEAOB)

Webex call

Summary of operational conclusions

Chair: Patrick Parent, Senior Advisor to the Chair of H3C, France's Audit Oversight Body (H3C)

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

16 March 2021

1. Welcome

The Chair welcomed the participants to the 15th plenary meeting of the CEOB.

2. Adoption of the agenda

Decision: The agenda was adopted.

3. 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 call held on 24 and 25 November 2020 were approved.

4. Chair's introductory remarks

The Chair thanked the members for their work performed in the various sub-groups and task forces. He briefly updated the CEOB members on developments since the latest CEOB plenary meeting and provided them with an overview of the main topics included in the plenary's agenda.

5. 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.

6. Update on the CEOB Ad-Hoc Task Force, and discussion on proposals presented by the task force

The Chair as well as chairs of the Ad-Hoc Task Force working groups provided members with an update on the outcome of the work and discussions held by their members. Members provided input on the suggestions brought forward by the Task Force. Their input will be further discussed before final proposals are presented for adoption at the June Plenary meeting.

7. Discussion on DORA (update from the Commission and views/questions from members)

Commission representatives provided members with the state of play of the DORA proposal. Several members provided feedback to the Commission representatives on the proposal.

8. Adoption of CEAOB comment letter on DORA initiative

Following the discussion in the previous agenda point, members adopted a comment letter to be shared with representatives of the European Commission, Council and European Parliament stating CEAOB's position on the DORA initiative, especially as regards the inclusion of statutory auditors and audit firms in the scope of the proposal.

9. Discussion on third country developments

Three topics were discussed under this agenda point: update on the work of the Data Protection Task Force, state of play of inspection activities performed with third country competent authorities and CEAOB input for the audit equivalence and adequacy decisions expiring in 2022.

10. Update on Brexit

The Vice-Chair provided an update on Brexit and potential UK audit equivalence and adequacy decisions.

11. Adoption of the 2020 CEAOB Annual Report

Rules of Procedure 3 (6) require the CEAOB to adopt an annual report in the first plenary meeting of each year. The Chair did a brief presentation of the draft version of the CEAOB annual report 2020 submitted for approval and thanked the members for their contribution to the report. According to Rules of Procedure 17.2, the annual report will be published on the CEAOB webpage once approved.

Decision: The report was adopted and it will be published on the CEAOB webpage.

12. Reports of the sub-group Chairs

The Enforcement sub-group Chair made a presentation of the main activities since the previous plenary meeting: sending out the 5th enforcement questionnaire to members and the organisation of the first video enforcement workshop on 25 March 2021.

The International Adequacy and Equivalence sub-group Chair presented the main priorities for the next period.

The International Auditing Standards sub-group Chair reported on the main workflows since the latest plenary meeting, mainly input provided to IAASB and IESBA on exposure drafts, organising the dialogue with the PIOB and further discussions on several ongoing initiatives of the Commission.

The Inspections sub-group Chair reported on the sub-group's work on interactions with third country competent authorities (discussed under agenda point 9 above) and the organisation of the next virtual meeting of the sub-group on 15, 16 and 17 June.

The Market Monitoring sub-group Chair reported on the ongoing work and activities on the revision of the market monitoring indicators to be used for the next market monitoring reports.

13. Presentation from two members on coordinated inspections

Representatives from one Member State and one observer provided members with a presentation on a coordinated inspection performed between their respective national competent authorities together with another Member State national competent authority.

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

14. Report from the Commission on developments in the EU market for statutory audit services to PIEs – feedback from the members

Some members provided the Vice-Chair with feedback and asked questions on the second report from the Commission on developments in the EU market for statutory audit services to PIEs adopted in January 2021.

15. Adoption of non-binding guidelines on Art.16 Audit Regulation (AR)

The updated version of the guidelines proposed for adoption were discussed among the members.

Decision: The guidelines were adopted with some minor changes. They will be published on the CEAOB webpage.

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

A few changes were suggested in the summary document. The updated version of the document will be published on CEAOB's website following the meeting.

17. Any other business

The dates for the next 2021 CEAOB plenary meetings are:

- 22 June PM and 23 June (most probably a virtual meeting)
- 23 November PM and 24 November.