



26th plenary meeting of the Committee of European Auditing Oversight Bodies (CEAOB)

Room 4.A

Centre de Conférences Albert Borschette

Summary of operational conclusions

Chair: Panos Prodromides, Director General, Cyprus Public Audit Oversight Board (CyPAOB)

Vice-Chair: Martin Merlin, Director Financial Markets, DG FISMA

Petr Wagner, Deputy Head of Unit 'Corporate Reporting, Audit and Credit Rating Agencies', DG FISMA replacing Director of Financial Markets, DG FISMA

19 November 2024

1. Welcome of participants, introduction and approval of the agenda

The Chair welcomed the participants to the 26th plenary meeting of the CEAOB.

Decision: The agenda was adopted without changes. The minutes and the summary of operational conclusions of the previous meeting held on 18 and 19 June 2024 were approved.

2. Updates from Chair and Vice-Chair

The Chair updated members on the following topics: upcoming plenary meetings, the Consultative Group composition, other meetings held with Sub-Group Chairs, College facilitators and members as well as the list of completed and upcoming presentations and panel discussions where the Chair was invited.

The Chair also updated members on developments since the latest plenary meeting in the following areas: sustainability assurance and CSRD implementation, stakeholder outreach activities and visibility of CEAOB.

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

The presentations were followed by a questions and answers session with the members.

3. Update from PANA (Poland) about the cooperation with APOB (Ukraine)

Representatives of PANA provided members with an update of their ongoing bilateral cooperation with the Ukrainian audit oversight body (APOB).

4. CEAOB observership at EFRAG

Members were reminded about the history of CEAOB's observership at EFRAG Sustainability Reporting Board and Technical Expert Group and a description of the tasks of this workstream was provided.

Given that one of the current observers will not be able to continue its involvement in these tasks, a proposal was made to offer the possibility to new candidates to apply and take over the role of observer at EFRAG meetings. Members willing to present candidates to this role were encouraged to inform the Chair.

5. Stakeholder outreach session with Accountancy Europe (AE)

AE representative discussed with members several topics of common interest, focusing mainly on: i) CSRD; ii) automation; iii) AQIs; iv) attractiveness of audit profession and v) private equity (PE) investment in audit firms.

6. Debriefing on the outreach session with AE

Members exchanged views on the outreach session held with AE.

7. Session with the AFM (Netherlands)

AFM representative presented on the topic of exam fraud.

The presentation was followed by a discussion among the members.

20 November 2024

8. CEAOB ARD TASK FORCE

A presentation was provided to the members on a recap of the work done previously by the ARD Task Force established in March 2022. Its objective was to identify issues and problems, where possible, to assess the impact of these issues and problems, and is to propose improvements to the ARD.

The presentation was followed about a discussion among members as regards potential next steps on this topic as well as major issues that need to be addressed by a potential review of the ARD.

Decision: The Chair will send letters to the EP and Commission presidents highlighting the need for such a review with a focus on increased resources and powers for audit oversight and the CEAOB.

9. Joint Meeting of CEAOB and ESRB

The Chair provided members with a presentation on the main discussions held during the annual CEAOB ESRB meeting held beginning of November in Frankfurt.

The presentation was followed by a discussion among members.

10. Updates from the Sub-Group Chairs

The Inspections sub-group Chair reported on the sub-group meeting held in Chania (EL) in October. A meeting was held with PwC and another joint meeting with the Standards sub-group, IAASB and IESBA. Several topics were presented and discussed with the members, among which the Insight Paper on the challenges and applications of advanced technologies in audit firms. The plenary was requested approval for the paper’s publication on CEAOB’s website.

Decision: members agreed with the publication of the paper. The sub-group’s work plan was approved.

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, state of play of the CSRD implementation, dialogue with the international standard setters and PIOB and the publication of the guidelines on limited assurance of sustainability reporting. The work to be performed for the preparation of the technical advice on assurance of sustainability reporting to be submitted to the Commission was also presented together with the next steps.

Decision: The sub-group’s work plan was approved with one objection.

The Market Monitoring sub-group Chair presented the main activities of the sub-group: the development of a training session on 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.

Decision: the sub-group’s work plan was approved.

The Enforcement sub-group Chair presented the activities of the sub-group: a webinar to be held on 26 November and a couple of meetings held in October. Other topics included the key outcomes of the 2024 Enforcement Report and an update was also provided on two ongoing Enforcement surveys.

Decision: the sub-group’s work plan was approved.

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 and registration and supervision of third country auditors.

A technical assessment of a third country was presented to the members and their approval was requested.

Decision: the technical assessment and the sub-group’s work plan were approved.

11. CEAOB work programme 2025 & Subgroups’ work plans 2025

The voting for the approval of the subgroups’ work plans took place during the previous agenda point and the decisions taken are reflected above.

Decision: the 2025 CEAOB work programme was discussed and approved with a few minor changes.

12. Activities of the Colleges (only CEAOB members)

College facilitators provided members with a presentation to update them on the coordinated efforts of the Big4 Colleges, the composition of the Colleges, the activities performed in 2024 and the workplans for 2025.

13. Audit Quality Indicators (AQIs) in practice – Portugal

This agenda point was postponed to the next plenary meeting scheduled in March 2025 due to lack of time.

14. AQIs in practice – Denmark

This agenda point was postponed to the next plenary meeting scheduled in March 2025 due to lack of time.

15. Stakeholder's outreach selection & coordination

This agenda point was postponed to the next plenary meeting scheduled in March 2025 due to lack of time.

16. 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.

17. Any other business. Dates and locations for the 2025 plenary meetings

The dates and location of the 2025 plenary meetings were presented to the members:

- 18 - 19 March, Brussels
- 1 - 2 July, Brussels
- 18 - 19 November, Brussels.