

## **Statutory Audit EC Consultations: Liability and non-EU Auditors/EU Listed Markets A Policy Roundtable: 1 March 2006**

**Venue  
CEPS  
1, Place du Congrès**

The 2006 Statutory Audit Directive constitutes a major step for the European Internal Market. The Directive marks a new era for the audit profession but is of much broader significance given its relationship to the financial reporting and corporate governance environment in the European Union and consequently the overall development of capital markets. The Directive also encompasses EU regulatory relations with non-EU jurisdictions.

Organized jointly by the **European Capital Markets Institute (ECMI)**, the **Centre for European Policy Studies (CEPS)** and the **Institute of Chartered Accountants in England and Wales (ICAEW)**, the Roundtable on 1 March seeks to promote a policy dialogue on the two on-going EC public consultations under the framework of the new Directive:

- **Auditors' liability:** In 2006, the independent study by London Economics noted the imbalance arising from the risks of auditing against the lack of adequate insurance coverage and capital resources for the firms. The EC consultation exercise seeks to promote discussion on policy options raised in the study and will play a role in determining whether the Commission issues recommendations to Member States in this area. Liability has undoubtedly become one of the major policy debates in the Internal Market concerning not just auditors, but also the wider European investor, business and insurance communities, among others.
- **Non-EU auditors and listed regulated markets:** This consultation directly concerns the approval and oversight of non-EU auditors when auditing companies listed on regulated EU markets. Its significance is however much wider, given that the provisions in the Directive ultimately impact on the validity of audit reports and thereby the stability of European markets. According to Commission estimates, there are approximately 220 third country audit firms currently engaged with issuers from 63 third countries listed on regulated EU markets.

The Roundtable aims to promote a policy discussion in these areas, encompassing views from the investor, business and insurance communities, as well as from the legal profession and regulators, in addition to the audit profession. The format of the debate will be to have a limited number of discussants leading the discussions and participants will be invited to contribute with comments and questions.



## PROGRAMME AND LEAD DISCUSSANTS

**13:15** Registration and sandwich lunch

**14:00** **Policy Debate**

***Karel Lannoo***, Chief Executive Officer, CEPS (Chairman)

***Jürgen Tiedje***, Head of Auditing Unit, DG Internal Market, European Commission

***Wolf Klinz***, Member of the European Parliament, Committee on Monetary and Economic Affairs

***Michael Izza***, Chief Executive Officer, Institute of Chartered Accountants in England and Wales (ICAEW)

**15:30** End of Roundtable