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From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
Subject:	Proposal for a Regulation of the European Parliament and of the Council on specific requirements regarding statutory audit of public-interest entities **(first reading)** - Adoption of the legislative act **(LA + S)** = Statements

Statement by Latvia

Latvia supports adoption of the draft Regulation of the European Parliament and of the Council on specific requirements regarding statutory audit of public-interest entities in general. Latvia fully shares the aim of the proposed Regulation to clarify the role of the public interest entities' auditors and introduce more stringent rules for the audit sector aimed in particular at strengthening the independence of auditors as well as greater diversity into the current highly-concentrated audit market. However, Latvia maintains its concerns that the proposed measure, namely cap on 70% fees from non-audit services is likely to negatively impact the access of smaller public interest entities to non-audit services and could cause additional administrative and financial burdens. It is usually smaller listed companies which use their auditors for a greater proportion particularly of compliance related services both because they lack that expertise in house and the cost effectiveness and efficiency of a single supplier is proportionately greater.

Statement by Portugal

Portugal entende que a adoção deste pacote legislativo representa um avanço na reforma dos mercados financeiros e acentua a independência dos auditores, como elementos que podem restabelecer a confiança nos e dos mercados. Neste sentido, e num espírito de compromisso, Portugal apoia o resultado final desta negociação.

Contudo, no que diz respeito à supervisão das autoridades de auditoria, Portugal manifestou, ao longo de toda a negociação, preferência pela atribuição de competência em matéria de auditoria à ESMA, que assumiria as funções anteriormente desempenhadas pelo Grupo Europeu dos Órgãos de Supervisão dos Auditores (EGAOB), conforme constava da proposta inicial da Comissão Europeia.