

WRITTEN QUESTION E-1150/04
by Giovanni Pittella (PSE)
to the Commission

Subject: Collapse of Parmalat

The financial crash of the Italian multinational Parmalat, following on from the collapse of the LTCM Fund, Enron, Vivendi, Argentine bonds and Cirio, is the umpteenth financial scandal involving thousands of savers (80 000 bondholders and 40 000 shareholders).

The current situation calls for further measures at European level to restore investor confidence in EU capital markets.

In its communication on reinforcing the statutory audit in the EU (COM(2003) 0286 final¹) the Commission says that it intends to bring forward a proposal to modernise Council Directive 84/253/EEC² (8th directive).

This proposal sets out a plan of action designed to strengthen the regulatory infrastructure in the EU by creating an audit regulatory committee; define a coordination mechanism at EU level to link up national systems of public oversight into an efficient EU network; impose the use of International Standards on Auditing (ISAs) for all EU statutory audits from 2005; introduce appropriate and effective systems of sanctions; make auditing firms and their networks transparent; strengthen the audit committee and internal control as part of corporate governance; and strengthen auditor independence.

Can the Commission indicate the stage reached and likely timetable for follow-up to the proposals outlined in the above communication?

¹ OJ C 236, 2.10.2003, p. 2.

² OJ L 126, 12.5.1984, p. 20.