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Answer given by Commissioner Mairead McGuinness
on behalf of the European Commission
(22.12.2020)

The Commission is closely monitoring the developments of the Wirecard case, which is still under investigation. The Commission will also carry out an evaluation of the EU audit framework in line with its better regulation commitment. The Wirecard case raises serious questions about corporate governance, statutory audit and supervision of financial information, which are the three lines of defence to ensure that financial reports issued by listed companies present a true and fair view of a company's financial position.

The Commission intends to publish its second audit market monitoring report by the end of January 2021.

As part of its evaluation of the Audit Directive and Regulation, the Commission has launched a study, which will help assess the effectiveness of the audit framework. This study, the market monitoring report, the outcome of the national investigations and of the fast track peer review of the German Federal Financial Supervisory Authority (BaFin) published by the European Securities and Markets Authority (ESMA), will bring relevant information in order to decide upon a potential review of the audit framework. If the analyses conclude that EU requirements about supervision of auditors should be strengthened, a review of the audit framework could include strengthening the powers of national supervisors and/or of relevant European-level bodies.