



The European Federation
of Accountants

[Search FEE Website](#)

► **About FEE**

- [Introduction to FEE](#)
- [Press Releases](#)
- [Newsletters & Reports](#)
- [Position Papers & Letters](#)
- [Contact Us](#)
- [What's New...](#)
- [Vacancies](#)

► **Member Bodies**

► **Current FEE Issues**

► **FEE Publications**

► **European Union**

[Restricted Access](#)

► **Council & Working Parties**

FEE

Avenue d'Auderghem 22-28
1040 Brussels
Belgium

Tel: +32 (2) 285 40 85
Fax: +32 (2) 231 11 12
Email: secretariat@fee.be



PRESS RELEASE
20th December 2001

LEADING THE DEBATE ON ISAs IN EUROPE

The access to capital market benefits envisaged by the Lamfalussy vision of integrating European securities markets has seen unprecedented coordination of the European Commission's work under the FSAP, (Financial Services Action Plan), and has been driven by the ambitious 2005 deadline, established at the Lisbon European Council. However these advantages will be significantly reduced if audit reports only refer to national auditing standards. Which is why FEE is now leading the debate about the future of auditing standards in Europe with the launch of its new paper.

This insightful FEE discussion paper is the first such paper from a major stakeholder in the financial markets arena. Entitled **"Proposal on International Standards on Auditing in the EU"**, the paper provides clear evidence of the European accounting profession's commitment to harmonised auditing standards for all audits.

Currently, differences in Member States' national auditing standards are neither transparent nor clearly identifiable. As a result, users of audit reports have to invest extra resources to understand the precise nature of the assurance that is being given. This contributes to the fragmentation of Europe's markets and raises the cost of doing business. By enhancing cross-border confidence in audited financial statements, the proposal will better facilitate cross-border capital flows, and promote the internal market for goods and services across all sectors.

This proposal to enhance audit quality also supports the Lamfalussy Report's vision for the swift integration of European capital markets and the adoption of International Accounting Standards, or IAS, by all EU listed companies from 2005.

It is envisaged that implementation of this proposal on International Standards on Auditing (ISAs) in the EU will be possible without new legislation. It could be co-ordinated by a forum of European national auditing standard setters. Such a forum would allow key stakeholders to provide input.

Robert Hodgkinson, Vice-President & Chairman of FEE's Auditing Working Party, presented the discussion paper to the November meeting of the European Commission's Committee on Auditing. This was the first public airing of the FEE proposal. Commenting on the meeting and the reaction to the FEE proposal, Mr Hodgkinson stated:

"Auditing standards have now become a major priority on the European internal market agenda. FEE has developed the discussion paper to provide a practical vision for the future of auditing standards in Europe."

FEE will continue to consult actively on its proposal prior to the next European Commission Committee on Auditing meeting in March 2002. Written comments would be welcome by Friday 8th of March, 2002.

- Ends -

[Click here to read the paper](#)

For more information contact:

Robert Hodgkinson
Vice-President & Chairman Auditing Working Party
Tel. + 44 (20) 74 38 32 68
Fax: + 44 (20) 74 38 23 99

Email: robert.hodgkinson@uk.arthurandersen.com