



Press release

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Subject	BDO welcomes opportunity for public debate of European Commission audit proposals	

BDO welcomes opportunity for public debate of European Commission audit proposals

BDO, the world's fifth largest accountancy network, welcomes today's publication of the European Commission's Regulation on audit reform, which follows the issue of the EU Green Paper: *'Audit Policy: Lessons from the Crisis'* at the end of last year.

BDO has consistently and constructively called for more choice for public companies requiring audit services, and welcomes the European Commission's proposals, particularly those to address the issue of market concentration and to rebuild trust in auditing.

BDO do not intend to comment in detail for the moment on the proposals issued earlier today. "At this stage, it is not possible to issue a detailed commentary, as it will take time to review the text and assess the ramifications for the audit profession and for BDO", said Noel Clehane, the network's Global Head of Regulatory & Public Policy Affairs. "We look forward to analysing the formal proposals adopted by the Commission and will issue BDO's response to them in due course. This is the start of a lengthy but very important process to ensure we can deliver real change for our industry. BDO will continue to participate fully and constructively in that process".

CEO Martin van Roekel earlier this week joined with networks from across the accountancy profession to call on the European Commission to stand firm with its proposals and to convey their unanimous objection to the likely watering down of the potential reform package. Mr van Roekel expressed regret at the powerful lobbying in some quarters that has sought to restrict the debate in this way.

He comments: "It is extremely unfortunate that certain of the draft proposals relating to the reform of the market structure, including joint audit and other measures that would strengthen the independence of the auditor, have been removed or watered down.

"BDO continues to support an ambitious and forward-looking review of the structural aspects of the audit profession, which are vital to both enhance the quality of audits and to restore trust in our profession. The dilution of these important proposals before they have been democratically and publicly debated simply serves to maintain the status quo, and does not serve the public interest well.

"We need now to devote the necessary time to conduct a valid analysis of the current proposals for our network and for the profession as a whole. It is likely, however, that we will be strongly recommending that the European Parliament restores the progressive proposals that have been deleted, both in the interests of investors and in order to ensure the enactment of game-changing policies, rather than half-hearted ones."

Note to editors

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