

IFIAR 2026 Member Profile – CPOSA

1. Jurisdiction	1.1 Insert the name of the jurisdiction in English: Republic of Bulgaria
2. Member¹	2.1 Insert the name of the Member, both in the local language and in English: Commission for Public Oversight of Statutory Auditors (CPOSA) (Комисия за публичен надзор над регистрираните одитори)
	2.2 Include relevant contact information, including postal address, telephone number(s), a general email address (if any) and a link to the Member's website: Sofia 1000, Bulgaria, 22 Serdika Str., fl. 7 <u>Tel.:</u> 003592 983 55 39; 003592 489 72 60 <u>E-mail:</u> office@cposa.bg <u>Website:</u> http://www.cposa.bg/
	2.3 Include the basis for establishment of the Member, as well as the legislation or regulations which provide the Member the authority/mandate with respect to audit regulation. Please describe with an appropriate level of detail the mission and responsibilities of the Member with respect to audit regulation: The Commission for Public Oversight of Statutory Auditors (CPOSA) is established in 2008 following the amendments of the Independent Financial Audit Act, adopted by the National Assembly in June 2008 (repealed on 2nd December 2016). An important amendment of the Independent Financial Audit Act was adopted - effective from 17.09.2024 with which the requirements for assurance of sustainability is introduced. This new function brought change also in the name of the act - Independent Financial Audit and Assurance of Sustainability Reporting Act . It regulates the establishment and functioning of a public oversight of statutory auditors' system in Bulgaria, including the assurance of the sustainability. The public oversight of statutory auditors is exercised by CPOSA: Public oversight of registered auditors – <i>extract from the Independent Financial Audit and Assurance of Sustainability Reporting Act (IFAASRA)</i> <u>Art. 12.</u>

¹ In the case where there are two or more regulators from the same jurisdiction that have been approved according to Section 2.3 of the IFIAR Charter, they together are considered as one Member. In that case, regulators are requested to include information for both organizations in the Member Profile.

(1) Public oversight of registered auditors shall be carried out by the Commission.

(2) The oversight under paragraph 1 shall be carried out in accordance with the requirements of this Act and Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (OJ, L 158/77 of 27 May 2014), hereinafter referred to as “Regulation (EU) No 537/2014”, over:

1. the professional activities of registered auditors;
2. the activities of ICPA in the cases referred to in this Act;

3. The Commission shall perform ongoing monitoring on the developments in the market for providing the services in accordance with the requirements of Art. 27 of Regulation (EU) No 537/2014, as well as in the market for providing sustainability assurance services to public-interest entities.

4. The Commission shall be the competent authority for the regulation and oversight of registered auditors in the Republic of Bulgaria.

Responsibilities and functions of the Commission

Art. 71. (1) The Commission shall bear ultimate responsibility for the oversight of:

1. the acquiring the right to practice as a registered auditor, registering auditors, including other European Union Member State and third-country auditors and the temporary suspension of the right to pursue activities as a registered auditor;
2. the adoption of standards for professional ethics, for quality management of the statutory auditors’ activities and for carrying out statutory financial audits, statutory sustainability assurance engagements and performing audit-related services;
3. the continuing professional development of registered auditors;
4. the registered auditors’ professional activity quality assurance system;
5. the application of coercive administrative measures and imposing administrative sanctions.

2.4 Please indicate whether the Member has responsibility for the following tasks within the area of Audit Oversight:

- Licensing**
- Registration**
- Audit and/or Ethics Standard Setting**
- Permanent Education / Continuous Training of Auditors**
- Inspection**
- Enforcement**
- Other: *Statutory sustainability assurance engagements***

3. Governing Body Composition and members	<p>3.1 Describe with an appropriate level of detail the current composition of the Member’s governing body, including, where possible, the names, the organization they represent (if any) and brief backgrounds of the governing body members, or provide a link to a page on your website where this information is provided.</p> <p>The Commission (the governing body of CPOSA) is a collective body and has the following composition: a Chairperson and 4 Members. In the absence of the Chairperson, his or her functions are performed by a Member of the Commission appointed by the Chairperson on a case-by-case basis.</p> <p>The Chairman and the Members are elected by the National Assembly.</p> <ul style="list-style-type: none"> - One Member was nominated by the Minister of Finance; - One Member was nominated by the Governor of Bulgarian National Bank; - One Member was nominated by the Chairman of the Financial Supervision Commission; - One Member was nominated by the Managing Board of the Institute of Certified Public Accountants (ICPA). This Member is also a member of ICPA, which is the national professional organization for all Certified Public Accountants in Bulgaria. <p>The Chairman and the Members (including the one who is a member of ICPA) comply with the independence requirements of Art. 21 of Regulation (EU) № 537/2014.</p> <p>3.2 What are the eligibility criteria / requirements and composition requirements for the members of the governing body? E.g. Does national legislation require representatives on the governing body from certain organizations, or with specific experience, etc.</p> <p>According to Article 72 and 73 of IFAASRA, the election and composition requirements for the Chairperson and the Members of the Commission are as follows:</p> <p>Art. 72</p> <p>(1) The Commission is a body acting as a college and shall consist of a chairperson and 4 members. When the Chairperson is absent, his/her functions shall be performed by a member of the Commission designated by the Chairperson on a case by case basis. If the Chairperson is objectively unable to perform his/her functions for more than one month and no member has been designated to perform the functions of the Chairperson in accordance with the second sentence, the members of the Commission shall elect a member to perform the functions of the Chairperson until the return of the incumbent.</p>

	<p>(2) The Chairperson and the members of the Commission can only be Bulgarian citizens who meet the following requirements:</p> <ol style="list-style-type: none"> 1. have diploma of completed higher education in law or economics with a master’s degree; 2. have knowledge in the subjects relevant to financial audit and/or providing sustainability assurance, and have at least 5 years of professional experience in these subjects; 3. have not been convicted of premeditated publicly prosecuted offences; 4. meet the independence requirements set out in Article 21 of Regulation (EU) No 537/2014. <p>Art. 73 The Chairperson of the Commission shall be elected by the National Assembly following a public procedure.</p> <p>(2) Within a one-month period from the election of the Chairperson of the Commission, he or she shall hold consultations for nomination of Commission Member candidates complying with the following principle:</p> <ol style="list-style-type: none"> 1. one person shall be proposed by the Minister of Finance; 2. one person shall be proposed by the Governor of the Bulgarian National Bank; 3. one person shall be proposed by the Chairperson of the Financial Supervision Commission; 4. one person shall be proposed by the Management Board of ICPA following an election by its General Assembly. <p>(3) Members of the Commission shall be elected by the National Assembly on a proposal made by the Chairperson of the Commission.</p> <p>3.3 Is there a restriction or recusal process that is applicable to members of the governing body of the Member who are current or former auditors/practitioners?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Does this include a “cooling-off” period for former auditors?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes to either of the above, please describe:</p> <p>The applicable cooling-off period is three years in accordance with Article 21 sub-paragraph 3 of the Regulation (EU) No. 537/2014.</p>
4. Independence safeguards	4.1 Please describe the national independence requirements for the governing body and its members, and legal or regulatory

	<p>requirements/provisions in place that safeguard their independence from the audit profession.</p> <p>The requirements of Art. 21 of Regulation (EU) No 537/2014 state the following:</p> <p>“The competent authorities shall be independent of statutory auditors and audit firms.... A person shall not be a member of the governing body, or responsible for the decision-making, of those authorities if during his or her involvement or in the course of the three previous years that person:</p> <p>(a) has carried out statutory audits;</p> <p>(b) held voting rights in an audit firm;</p> <p>(c) was member of the administrative, management or supervisory body of an audit firm;</p> <p>(d) was a partner, employee of, or otherwise contracted by, an audit firm. The funding of those authorities shall be secure and free from undue influence by statutory auditors and audit firms.”</p> <p>Are employees of the Member covered by the same or separate set of independence requirements?</p> <p><input checked="" type="checkbox"/> Same set of requirements <input type="checkbox"/> Different set of requirements</p> <p>If there are separate independence requirements for employees, please describe:</p>
<p>5. Funding Arrangements</p>	<p>4.2 Are there any additional safeguards in place that provide for the Member’s overall independence from the audit profession? E.g. through the appointment process, specific Board actions, etc.</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, please describe:</p> <hr/> <p>5.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget:</p> <p>The Commission is an independent body, a legal entity which is supported by the state budget only. The annual budget is due to an approval by the National Assembly. No fees are collected.</p> <hr/> <p>5.2 Is the funding free from undue influence by the profession?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:</p>

	<ul style="list-style-type: none"> - The annual budget is due to an approval by the National Assembly; - The Chairman and the Members of the Commission are elected by the National Assembly - Art. 70, paragraph 3 of the IFAASRA states that: “In conducting its activities under this Act and Regulation (EU) No 537/2014, the Commission shall be independent and shall not receive instructions from any other authorities, institutions or persons.” 																												
6. Audit Market																													
6. Audit Market	<p>6.1 Provide the number of audit firms subject to inspections. Include an indication of the number of public interest audits (PIEs) and other audits that fall under the Member’s oversight or mandate.</p> <p>The number of registered auditors (31.12.2025) is as follows: natural persons - 713 and legal persons - 89. This is a total of 802. This number includes: 90 auditors of PIEs for the period 01.01.2025-31.12.2025. For the same period a total of 11 101 statutory audits have been reported, of which 791 audit engagements of Bulgarian PIEs - joint audit and consolidations included.</p> <p>6.2 Please describe the sizes (in terms of revenue / number of listed entity clients / number of partners and audit staff / etc. – whichever measure is commonly used and available in your jurisdiction) and market shares of each of the largest audit firms in the Member’s jurisdiction.</p> <p>Market share of the largest audit firms based on the revenue from audit services:</p> <table border="1" data-bbox="544 1379 1434 1751"> <tr><td>PricewaterhouseCoopers Audit LTD</td><td>13.47%</td></tr> <tr><td>Grant Thornton Bulgaria LTD</td><td>8.95%</td></tr> <tr><td>Ernst & Young Audit LTD</td><td>8.19%</td></tr> <tr><td>Deloitte Audit LTD</td><td>7.75%</td></tr> <tr><td>KPMG Bulgaria LTD</td><td>7.36%</td></tr> <tr><td>BDO AFA LTD</td><td>3.06%</td></tr> <tr><td>Baker Tilly Klitou & Partners Limited</td><td>2.25%</td></tr> <tr><td>RSM BG LTD</td><td>2.25%</td></tr> <tr><td>Crowe Bulgaria Audit LTD</td><td>1.72%</td></tr> <tr><td>Forvis Mazars LTD</td><td>1.61%</td></tr> </table> <p>Market share of the largest audit firms based on the number of statutory audit engagement carried out:</p> <table border="1" data-bbox="544 1895 1434 2038"> <tr><td>Grant Thornton Bulgaria LTD</td><td>4.04%</td></tr> <tr><td>PricewaterhouseCoopers Audit LTD</td><td>2.13%</td></tr> <tr><td>Ernst & Young Audit LTD</td><td>1.92%</td></tr> <tr><td>Primorska Audit Company LTD</td><td>1.86%</td></tr> </table>	PricewaterhouseCoopers Audit LTD	13.47%	Grant Thornton Bulgaria LTD	8.95%	Ernst & Young Audit LTD	8.19%	Deloitte Audit LTD	7.75%	KPMG Bulgaria LTD	7.36%	BDO AFA LTD	3.06%	Baker Tilly Klitou & Partners Limited	2.25%	RSM BG LTD	2.25%	Crowe Bulgaria Audit LTD	1.72%	Forvis Mazars LTD	1.61%	Grant Thornton Bulgaria LTD	4.04%	PricewaterhouseCoopers Audit LTD	2.13%	Ernst & Young Audit LTD	1.92%	Primorska Audit Company LTD	1.86%
PricewaterhouseCoopers Audit LTD	13.47%																												
Grant Thornton Bulgaria LTD	8.95%																												
Ernst & Young Audit LTD	8.19%																												
Deloitte Audit LTD	7.75%																												
KPMG Bulgaria LTD	7.36%																												
BDO AFA LTD	3.06%																												
Baker Tilly Klitou & Partners Limited	2.25%																												
RSM BG LTD	2.25%																												
Crowe Bulgaria Audit LTD	1.72%																												
Forvis Mazars LTD	1.61%																												
Grant Thornton Bulgaria LTD	4.04%																												
PricewaterhouseCoopers Audit LTD	2.13%																												
Ernst & Young Audit LTD	1.92%																												
Primorska Audit Company LTD	1.86%																												

	<table border="1"> <tr> <td>Deloitte Audit LTD</td> <td>1.68%</td> </tr> <tr> <td>Ecovis Audit Bulgaria LTD</td> <td>1.51%</td> </tr> <tr> <td>KPMG Bulgaria LTD</td> <td>1.47%</td> </tr> <tr> <td>Baker Tilly Klitou & Partners Limited</td> <td>1.44%</td> </tr> <tr> <td>BDO AFA LTD</td> <td>1.36%</td> </tr> <tr> <td>Active LTD</td> <td>1.17%</td> </tr> </table>	Deloitte Audit LTD	1.68%	Ecovis Audit Bulgaria LTD	1.51%	KPMG Bulgaria LTD	1.47%	Baker Tilly Klitou & Partners Limited	1.44%	BDO AFA LTD	1.36%	Active LTD	1.17%	
Deloitte Audit LTD	1.68%													
Ecovis Audit Bulgaria LTD	1.51%													
KPMG Bulgaria LTD	1.47%													
Baker Tilly Klitou & Partners Limited	1.44%													
BDO AFA LTD	1.36%													
Active LTD	1.17%													
7. Inspection System	<p>7.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <hr/> <p>7.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including the follow-up and reporting process, and the regulatory measures available to be taken as a result of inspections (if described in Question 12 Enforcement, please reference that section for details on such measures).</p> <p>If through oversight of another organization, please describe with an appropriate level of detail the other organization, its relation to the Member, its role, and the arrangements for oversight by the Member:</p> <p>For conducting the inspections there is created a special unit: "Directorate Inspections and Investigations". Currently, there are 13 inspectors, including the head of the unit. It carries out the inspections, thematic reviews and the investigations in accordance with the decisions of the Commission (the governing body). The scope of the audit quality control inspections is in compliance with the requirements of Article 26(6) of the Audit Regulation.</p> <hr/> <p>7.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections:</p> <p>The frequency of inspections of PIE-s auditors is at least once in 3 years on the basis of risk assessment. Since 2021 the big four are inspected annually.</p> <hr/> <p>7.4 Does the Member have its own inspection staff, use reviewers from the professional body or sub-contract to third parties, independent contractors, etc. for the conduct of inspections? Please tick the boxes that apply: (multiple responses allowed) Note that there is no need to tick a box if non-employee reviewers are used very occasionally and are not a core staffing approach.</p> <p><input checked="" type="checkbox"/> Employees of the Member <input type="checkbox"/> Professional body</p>													

	<p><input type="checkbox"/> Third Parties <input type="checkbox"/> Other</p> <p>Please explain below:</p> <p>Cited from the Bulgarian IFAASRA:</p> <p>Art. 87. (1) states that “full-scope inspections shall be carried out at least every three years on the basis of risk assessment. Thematic inspections shall be carried out at the discretion of the Commission.</p> <p>Paragraph (2) stipulates that Inspections and investigations shall be performed by teams with the participation of Commission’s inspectors.</p> <p>(3) In the case of an inspection of an audit firm, the audit engagements for statutory financial audits, respectively the sustainability assurance engagements, carried out by each statutory auditor who performed an activity on the firm’s behalf shall be inspected.</p> <p>(4) In the course of inspections and investigations, other audit-related services or services relating to providing sustainability assurance provided by the statutory auditors can be inspected as well.</p> <p>In Article 88 (3) – (6) there is a further description of the options which CPOSA may use during an inspection or investigation:</p> <p>(3) CPOSA shall have the right, where necessary for the purposes of an inspection or investigation, to engage external experts to perform specific tasks. In such cases, the experts shall not take part in making the decisions by the inspecting/investigating teams and the Commission.</p> <p>(4) Experts participating in inspections shall have appropriate professional education and experience in the field of financial audit and financial reporting, as well as, where relevant, in the field of sustainability reporting and providing sustainability assurance or in the field of other services relating to sustainability, must have completed quality assurance training, and there should be no conflict of interest between them and the statutory auditors subject to the inspections.</p> <p>(5) Experts participating in investigations shall have appropriate professional education and experience in the field of financial audit and financial reporting, as well as, where relevant, in the field of sustainability reporting and providing sustainability assurance or in the field of other services relating to sustainability, and there should be no conflict of interest between them and the statutory auditors subject to the investigations.</p> <p>(6) The information which the experts create or obtain when, or in relation to, participating in inspections or investigations shall be covered by a professional secrecy. The experts shall be under the obligation of professional secrecy, including even after the completion of the relevant inspections or investigations for which they were engaged.</p>
--	--

8. Licensing	<p>8.1 If the Member has the responsibility for <u>Licensing</u>, please indicate whether this responsibility is undertaken directly or through oversight of Licensing conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition. Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</p> <p>The Rules and Procedures for examinations to become certified public accountants and for acquiring a qualification of a statutory sustainability auditor are approved by CPOSA (Art. 36, paragraph 1, point 6 of the IFAASRA), which are then organised and conducted by ICPA. Upon completion of all the exams and after 3 years of practical training, a request to be a registered auditor can be made with CPOSA.</p> <p>According to Article 91 of the IFAASRA: The Commission shall carry out reviews in respect of ICPA’s activities for the lawful and effective exercising of the functions referred to in Art. 36, paragraph 1, points from 1 to 6 concerning registration/licensing (point 4 is repealed).</p>
9. Registration	<p>9.1 If the Member has the responsibility for <u>Registration</u>, please indicate whether this responsibility is undertaken directly or through oversight of Registration conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.</p> <p>Since 28.02.2020, the CPOSA is responsible for the registration of certified auditors in accordance with the requirements under IFAASRA (Art. 20 - 27 of the IFAASRA);</p> <p>According to Article 91 of the IFAASRA: The Commission shall perform inspections of the activity of the ICPA as to the lawful and effective implementation of the functions set out in subparagraphs 1—3 and 5 of Article 36(1) (concerning</p>

	<p>registration/licensing) and in Article 85(3) (delegated functions on assuring the quality of the professional activity of statutory auditors for statutory financial audits and statutory sustainability assurance engagements of audited entities that are not public-interest entities).</p>
<p>10. Audits and/or Ethics Standard Setting</p>	<p>10.1 If the Member has the responsibility for <u>Audit and/or Ethics Standard Setting</u>, please indicate whether this responsibility is undertaken directly or through oversight of Audit and/or Ethics Standard Setting conducted by another organization?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Oversight</p> <p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>Under Art. 71, paragraph 1, point 2 of the IFAASRA, CPOSA has the ultimate responsibility for the oversight of the adoption of standards for professional ethics, for quality management of the statutory auditors' activities and for carrying out statutory financial audits, statutory sustainability assurance engagements and performing audit-related services;</p> <p>In Art. 9, paragraph 1 of IFAASRA: Statutory auditors shall practice their professional activity on the territory of the country, while applying the principles and requirements of the professional standards applicable as of the date of undertaking the respective audit engagement.</p> <p>(2) states that the Applicable professional standards shall be the European standards adopted by the European Commission in accordance with Article 26 and Article 26a of Directive 2006/43/EC. (please see additional explanation below)</p> <p>(3) Statutory auditors can perform services other than statutory financial audits and audit-related services, and apply the requirements of other professional standards where the audit engagement has been undertaken in application of these other standards.</p> <p>(4) Statutory auditors can perform services other than statutory sustainability assurance engagements, apply the requirements of other professional standards for providing assurance where the audit engagement has been undertaken in application of these other standards.</p> <p>Art. 10 of IFAASRA states that: "When practicing their profession, statutory auditors shall apply the principles and requirements laid down in the International Code of Ethics for Professional Accountants (Including</p>

	<p>International Independence Standards) as set out in the Handbook of the International Code of Ethics for Professional Accountants (Including International Independence Standards) issued by the International Federation of Accountants through the International Ethics Standards Board for Accountants and adopted by the ICPA, hereinafter referred to as “Code of Ethics”.”</p> <p><i>Abstract from Transitional and final provisions of the IFAASRA regarding applicable standards:</i></p> <p><i>§ 93. Until the European Commission adopts the standards referred to in Article 9(2), the International Auditing Standards, International Standards on Quality Control 1 and 2 and the other international standards issued by the International Federation of Accountants through the International Auditing and Assurance Standards Board shall apply.</i></p> <p><i>§ 94. Within three months of the entry into force of this Act, the International Auditing Standards, International Standards on Quality Control 1 and 2 and the other international standards issued by the International Federation of Accountants through the International Auditing and Assurance Standards Board shall be published in the State Gazette. The standards shall be published by an ordinance adopted by the Commission on the proposal of the Institute of Certified Public Accountants on the basis of an agreement between the Institute and the International Federation of Accountants.</i></p> <p><i>§ 95. Within three months of the entry into force of this Act, the Handbook of the International Code of Ethics for Professional Accountants (Including International Independence Standards) issued by the International Federation of Accountants through the International Ethics Standards Board for Accountants shall be published in the State Gazette. The Handbook shall be published by an ordinance adopted by the Commission on the proposal of the Institute of Certified Public Accountants on the basis of an agreement between the Institute and the International Federation of Accountants.</i></p> <p><i>§ 96. Until the European Commission adopts the European Standards on Sustainability Assurance referred to in Article 3a(4), statutory engagements for providing limited assurance on the sustainability reports of undertakings shall be carried out, unless an undertaking requests an engagement for providing a reasonable assurance to be carried out in respect of its sustainability report.</i></p>
11. Permanent Education / Continuous Training of Auditors	<p>11.1 If the Member has the responsibility for <u>Permanent Education / Continuous Training of Auditors</u>, please indicate whether this responsibility is undertaken directly or through oversight of Permanent Education / Continuous Training of Auditors conducted by another organization?</p> <p><input type="checkbox"/> Directly <input checked="" type="checkbox"/> Through Oversight</p>

	<p>If directly, please describe the responsibility, including any changes, with an appropriate level of detail.</p> <p>If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p> <p>The Institute of Certified Public Accountants (ICPA) organises and conducts training of the applicants for certified public accountants and for statutory sustainability auditors, for raising the professional qualification of its members and for the continuing professional development of statutory auditors (Art. 36, paragraph 1, point 3 of the IFAASRA)</p> <p>According to Article 91 of IFAASRA: The Commission shall carry out reviews in respect of ICPA’s activities for the lawful and effective exercising of the functions referred to in Art. 36, paragraph 1 point 3 – concerning permanent education.</p> <p>According to Article 30 of IFAASRA: (1) Each statutory auditor who is a natural person shall participate in recognised forms of training for maintaining and developing their professional qualification, and such training shall have a duration of not less than 40 hours per calendar year. Statutory auditors entered in the register referred to in Article 20 with legal capacity to carry out sustainability assurance engagements shall furthermore participate in forms of training recognised by the ICPA with a duration of not less than 20 hours per calendar year. (2) The terms and procedure for conducting of recognised forms of training for maintaining and developing the professional qualification of statutory auditors and for reporting of participation in such forms of training shall be stipulated in the rules referred to in Article 71(3)(4).</p>
12. Enforcement	<p>12.1 If the Member has the responsibility for <u>Enforcement</u>, please indicate whether this responsibility is undertaken directly or through referral to other organization(s)?</p> <p><input checked="" type="checkbox"/> Directly <input type="checkbox"/> Through Referral</p> <p>If directly, please describe the responsibility and procedures applied (including investigations, disciplinary actions or sanctions), as well as the reporting process for disciplinary action.</p> <p>If through referral, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the enforcement powers of the other organization and procedures applied, as well as the role of the Member in these procedures.</p>

According to Article 71, paragraph 1, point 5 of IFAASRA the Commission has the ultimate responsibility for the oversight of applying coercive administrative measures and imposing administrative sanctions.

The Commission applies supervisory measures (Article 89 of IFAASRA) where there are deficiencies or infringements in the activities of a registered auditor in relation to the quality assurance system, or for a failure to comply with the legal obligations (set out in Article 31 of IFAASRA and with the provisions of Regulation (EU) No 537/2014), as well as for a failure to provide assistance or impeding in some other manner the oversight by the Commission.

To address the above the Commission may issue mandatory guidelines to a registered auditor to discontinue or correct the infringements made. The Commission may also impose temporary prohibitions on a registered auditor's right to conduct a statutory financial audit to any entity or to public-interest entities, or to perform quality assurance reviews of statutory financial audit engagements (from 1 to 3 years). CPOSA also has the right to deprive a statutory auditor of the right to practice the auditor's profession (for up to 5 years). The Commission may propose to a competent authority supervising the activities of a public-interest entity to impose a temporary prohibition on a member of the management body of the entity to perform his or her functions. The relevant supervisory authority is required within a reasonable period to notify the Commission about the actions undertaken.

Additionally, the Commission may impose a financial or property sanction on a registered auditor in the cases described in Article 110 of IFAASRA.

The Commission publishes on its website all imposed administrative sanctions and supervisory measures which have entered into force, providing information about the type and nature of the infringement and the identity of the natural or legal person on whom those sanctions have been imposed. (extract from Article 111 of IFAASRA)

CPOSA also has the possibility to sanction the Audit Committees if they do not inform CPOSA for approving an additional service by the auditor of the PIE where they are established, or for omitting to communicate a change that should be entered into the register of the Audit Committees, or if they have not submitted an annual report for their activities to CPOSA (Article 110 IFAASRA); An option for an agreement to terminate the administrative and penal proceedings except for in the cases of repeated violations or where the act constitutes a criminal offence (Articles 110A, 110b and 110c of IFAASRA);

13. Other Responsibilities in Audit Oversight or Audit Regulation	<p>13.1 If the Member has the responsibility for <u>other tasks within the area of Audit Oversight or Audit Regulation</u>, please describe with an appropriate level of detail:</p> <p>CPOSA is also responsible for performing an ongoing monitoring on the developments in the market for providing the services in accordance with the requirements of Art. 27 of Regulation (EU) No 537/2014, as well as for providing sustainability assurance services to public-interest entities.</p>
14. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight or Audit Regulation	<p>14.1 Please describe with an appropriate level of detail, the responsibility of the Member for <u>tasks outside the area of audit oversight or audit regulation</u> such as supervision of financial reporting or securities regulation:</p> <p style="text-align: center;">N/A</p>
15. Member Update for public information (if any)	<p>15.1 Are there any major news, activities, events or updates (on audit matters, the Member's organization, the governing legislation or the authority/responsibilities) that you wish to keep the public informed of since completing last year's Member Profile?</p> <p><input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>If yes, please describe these changes with an appropriate level of detail:</p>