

Paul Smith
Corporate Frameworks, Accountability and
Governance Team
Department for Business, Innovation and Skills
1 Victoria Street
London
SW1H 0ET

From: Adam Land
Senior Director, Remedies,
Business and Financial Analysis

Direct line: 020 3738 6172

Thursday 19th November 2015

Dear Paul

Auditor regulation: Consultation on the technical legislative implementation of the EU Audit Directive and Regulation

The Competition and Markets Authority (CMA) is grateful for the opportunity to comment formally upon the proposed implementation of the EU Audit Directive.

The CMA supports the proposed implementation by BIS of the EU Audit Directive. In particular we recognise that BIS has sought to make the implementation consistent with our [Order](#) following the Competition Commission's (CC) Market Investigation into the supply of statutory audit services to large companies.

Although the scope of the CC's Investigation was limited to FTSE 350 companies, we consider that the measures introduced for all PIEs by the Directive will promote competition and audit quality in the statutory audit market, and will deliver benefits to companies, shareholders and investors.

Once BIS concludes on the final implementation the CMA will establish whether a review of our Order is appropriate to identify any measures which can be relaxed or removed.

We are not in a position to comment in detail on the proposed implementation and the specific questions asked in the consultation but please do not hesitate to contact me if you consider that the CMA would be able to offer further assistance.

Yours sincerely,

A handwritten signature in grey ink, appearing to read 'Adam Land', followed by a period.

Adam Land

Senior Director, Remedies, Business and Financial Analysis

Adam.Land@cma.gsi.gov.uk