



European Commission recognises the quality of Jersey's auditor oversight regime

Jersey has secured the maximum recognition from the European Union (EU) for a 'third country' for its oversight regime for auditors.

Administered by the Jersey Financial Services Commission (JFSC), the oversight regime is responsible for auditors who audit the financial statements of listed Jersey companies; for example companies which have shares or other securities traded on an EU regulated market such as the London Stock Exchange.

The European Commission confirmed it was satisfied with the JFSC's information confidentiality provisions in relation to auditors in its recently published legislation, referred to as an Adequacy Decision.

The Adequacy Decision also recognised that the JFSC's ability to co-operate with EU audit oversight bodies is equivalent to that required under the EU's Statutory Audit Directive.

John Harris, Director General of the JFSC commented:

"The European Commission's Adequacy Decision is a welcome external endorsement of the quality of Jersey's auditor oversight regime. As a consequence of the Adequacy Decision, audit supervisors in EU Member States are now permitted to enter into bilateral co-operation agreements with the JFSC to allow the exchange of audit working papers and other audit related documents, falling within the scope of the Statutory Audit Directive, in appropriate circumstances. This will assist in the cross-border supervision of auditors."

As a non-EU country, Jersey previously attained "equivalence" status under Article 46 of the Statutory Audit Directive in 2013 ([See equivalence Decision](#)).

The European Commission's Adequacy Decision can be viewed [here](#).

Ends.

Notes to Editor

Adequacy Decision – a decision adopted by the European Commission under Article 47(3) of the Statutory Audit Directive, which establishes that an audit supervisor in a non-EU country (a 'third country') has confidentiality provisions and co-operation powers that will adequately protect audit-related information exchanged between it and audit supervisors in EU member states.

Statutory Audit Directive – the main legislation governing statutory audit in the European Union.