Press release: Activity Report 2018

The FREP completed 84 examinations (prior year: 99), including 80 unlimited scope examinations, three indication-based examinations, and one examination performed at the request of the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – Federal Financial Supervisory Authority) in 2018.

The 15% error rate for 2018 was in line with prior years. The error rate for index companies is especially noteworthy – it has increased considerably from previous years (16%). In contrast, the error rate for non-index companies has decreased significantly and amounts to 15%. The normalized error rate, which only required adjustments for examinations confirming previously identified errors in 2018, was 12%.

The outcome of the follow-up on 2017 was once again encouraging since the errors identified were corrected and, to the extent determinable, recommendations made were implemented in subsequent financial statements.

At the European level, the cooperation of national enforcers with the European Securities and Markets Authority (ESMA) expanded significantly. Members of the FREP actively participate in several working groups on corporate reporting that ESMA has established in addition to the European Enforcers Coordination Sessions (EECS).

Along with continuing its error prevention activities, the FREP’s focus for the 2019 round of examinations will be on the common European enforcement priorities and the national enforcement priorities – the group management report and segment information.

Further information about the FREP is available under www.frep.info.