

Press release from the enforcement panel of the FREP

The FREP emphasizes that its examinations comply with the relevant requirements – including the Wirecard examination

Berlin, 1 July 2020. The German Financial Reporting Enforcement Panel (FREP) asserts that there were no deficiencies in the Wirecard examination process at any point in time and that the requirements of the Federal Ministry of Justice and Consumer Protection (*Bundesministerium der Justiz und für Verbraucherschutz – BMJV*) and the Federal Ministry of Finance (*Bundesministerium der Finanzen – BMF*) were strictly complied with throughout the examination. Similarly, the FREP communicated with the BaFin to the usual extent and in the established frequency.

The FREP examines the financial reports of German companies, as its name states. This means that it examines whether the financial statements were prepared in accordance with financial reporting principles. Detecting and investigating financial statement fraud is not part of its mandate. In addition, given its nature as a private organization as opposed to a government body, the FREP does not have the same enforcement powers as for instance a public prosecutor. Rather, it must always rely on the company's cooperation.

The FREP plans to hold constructive discussions with the Federal Ministries regarding the future structure of the enforcement system in Germany to enable it to react more swiftly and more specifically to cases of financial statement fraud in the future.

Facts, questions, and answers for the press

A detailed Q&A document regarding the FREP's work and its mandate as well as details of the Wirecard case is available on our website under https://www.frep.info/presse/pressemitteilungen_en.php. We are also happy to send you the document upon request.

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