



Road to Europe – Program of Accounting Reform and Institutional Strengthening

Program Plan 2018/19

This project is funded by the European Union



and is an integral part of WB EDIF



WORLD BANK GROUP

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List of Abbreviations and Acronyms

ACCA	Association of Chartered Certified Accountants (UK)
ADA	Austrian Development Agency
A&A	Accounting and Auditing
A&ACoP	Accounting and Auditing Community of Practice
AO	Audit and Oversight
CFR	Corporate Financial Reporting
CFRR	Centre for Financial Reporting Reform
CoP	Community of Practice
CPD	Continuing Professional Development
DAC	Donor Advisory Council
EaP	EU Eastern Partnership
EBRD	European Bank for Reconstruction and Development
ECA	Europe and Central Asia
ECAFM	Financial Management Unit of the ECA
EduCoP	Accounting Education Community of Practice
EU	European Union
EPI	Economic Prosperity Initiative of USAID
FR	Financial Reporting
FSB	Financial Stability Board
GDLN	Global Development Learning Network
IASB	International Accounting Standards Board
IAESB	International Accounting Education Standards Board
ICE	In-Country Engagement
IDF	Institutional Development Fund (World Bank)
IES	International Education Standards (for Professional Accountants)
ESBA	International Ethics Standards Board for Accountancy (IFAC Board)
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
ISA	International Standards on Auditing
KM	Knowledge Management
MDTF	Multi-Donor Trust Fund
M&E	Monitoring and Evaluation
MoF	Ministry of Finance
MSMEs	Micro, Small and Medium-sized Enterprises
PAO	Professional Accountancy Organization
PB	Professional Body
PIE	Public Interest Entity

POB	Public Oversight Board
POS	Public Oversight System
QAS	Quality Assurance System
REPARIS	Road to Europe: Program of Accounting Reform and Institutional Strengthening
ROSC	Report on the Observance of Standards and Codes
SAD	Statutory Audit Directive
SOE	State-owned enterprise
SME	Small and Medium-sized Enterprise
SMP	Small or Medium-sized Practice
SOW	Senior Officials' Workshop
STAREP	Strengthening Auditing and Reporting in the Eastern Partnership
TA	Technical Assistance
USAID	United States Agency for International Development
WB	World Bank

Executive Summary

The Road to Europe: Program of Accounting Reform and Institutional Strengthening (EU-REPARIS) was launched in May 2015 to provide support for Western Balkan countries in financial reporting, in particular to promote enhanced availability, transparency and reliability of financial information as a means to help SMEs grow and access finance. The program focuses on:

- Addressing the need for improved institutional capacity and better statutory frameworks, aligned with the acquis and harmonized regionally;
- Supporting the accounting profession to offer enterprises, especially SMEs, effective business support services, and advice on accessing finance and complying with regulatory requirements;
- Improving financial literacy, raising awareness and promoting the role of sound financial reporting for business management, access to finance and to meet regulatory requirements;
- Improving accounting education systems at all levels; and
- Developing supportive networks of institutions among the countries of Southeast Europe, building sustainability and improving awareness of the benefits and successful approaches to corporate financial reporting reform.

Funded by the EU, and an integral part of the Western Balkans Enterprise Development and Innovation Facility (WB EDIF), the program pursues an approach that combines capacity building and technical assistance. Through communities of practices, train-the trainer courses, and technical workshops key stakeholder groups undergo a rigorous skill enhancement program which lays the ground work for reforms at the institutional level. Events are in principle organized on a regional level allowing for joint learning and regional experience sharing. Complementary to these capacity building efforts, the program offers analytical work as well as targeted technical assistance on institutional and statutory reform.

The program is now in its third year. Key development results to date include:

- Enabling sustainable regional coordination and potential regional sharing of resources and functions, as stakeholders from participating countries, particularly in the area of audit oversight and quality assurance, have built connections and trust through their joint work in the program and now have asked the Bank for help in furthering cooperation and possible regional integration of their work;
- Mobilizing resources for additional, country-level technical assistance projects in Montenegro, Kosovo, and Serbia as well as twinning arrangements for Albania, Macedonia and Kosovo;

- The establishment of regulatory institutions in several countries including public oversight boards that help improve the quality and reliability of accounting and auditing;
- More modernized and advanced accounting and auditing laws aligned with EU requirements in most countries and improved implementation practices;
- The introduction of international financial reporting (IFRS) and auditing (ISA) standards in all countries and improved capacity in their application
- Nationally recognized professional accountancy organizations (PAOs) have been established in all countries, with much improved practices in fulfilling their accreditation and education mandate. More PAOs participate as members in international associations such as IFAC and follow international good practices such as international education standards (IES);
- A much-improved in-depth understanding and capacity among senior decisions makers as well as working level participants to determine effective ways of implementing reform in line with international good practice and EU requirements.

The current schedule of EU-REPARIS activities is planned to last until February 2019. Highlights of the coming program period include:

- A Ministerial Conference and senior officials workshop in November 2018;
- Financial Reporting Community of Practice Workshop on alignment with EU requirements in April (on Croatia's transposition experience) and November;
- Education Community of Practice workshop and Audit ToT in April;
- IFRS Executive Seminar for Supervisors in November;
- Several country-level activities related to SMPs/SMEs, accounting and auditing legislation, public oversight, EU alignment;
- Research and publications include:
 - Towards Regional Integration of Professional Accountancy Education in Western Balkan countries;
 - Case Study: SME Client Trainers Guide Volume 3;
 - Policy Note on the steps to enhance effective collaboration between banking auditors and supervisors;
 - Empirical study on the linkages between quality financial reporting and cost of finance;
 - SME survey/technical assistance product;
- Policy dialogue continues through technical assistance missions in all countries.

Program Plan by Component

Component 1a – Corporate Financial Reporting Reform Community of Practice (FRCoP)

Activities Overview

Activity	Topic	Date	Location
Workshop	Critical path for the successful implementation of the acquis: The example of Croatia	March/April	Zagreb
	Progress in the implementation of the new accounting and auditing directives	November	Vienna

Description of Activities

This program year will be devoted to promoting, discussing and evaluating the status of alignment of legal frameworks and practices with the EU acquis. The workshops will build on research and studies published recently by the CFRR and financed under the program.

Two workshops will be delivered to:

- Showcase the experience of Croatia in transposing and implementing the EU *acquis communautaire* in both its legislation and practices; and
- Identify and share good practices in implementing the acquis.

Expected Outcomes

Continued capacity building, knowledge transfer, clarification of questions, and learning from good practices to strengthen the alignment process.

Component 1b – In-Country Implementation Support

The in-country implementation program will have three priorities: (i) supporting the finalization of draft accounting and auditing laws to be in-enhanced compliance with the accounting directive and the auditing directive and the audit regulation; (ii) building up cooperation and capacity for the public oversight and quality assurance; and (iii) piloting baseline assessments to see how much SMEs are supported in effectively managing their finances and making informed business decisions by accounting small and medium practices.

Albania	
Activity/Topic	<ul style="list-style-type: none"> Assessment of small and medium-sized accounting practices current and future role in supporting SMEs in their growth beyond compliance duties; Activities under the separate country project will continue (documentation available upon request).
Expected Outcomes	Refer to documentation of separate country project (available upon request).
Bosnia and Herzegovina	
Activity/Topic	<ul style="list-style-type: none"> Policy dialogue, mission travels; Support to the drafting of a MOU for better cooperation between the two entities in developing their respective legislation on A&A
Expected Outcomes	<ul style="list-style-type: none"> Greater coordination between the Federation of Bosnia and Herzegovina and Republika Srpska in building capacity to implement revised laws on accounting and auditing; Better understanding of audit oversight among key stakeholders.
Kosovo	
Activity/Topic	<p>Funding from the FIRST Initiative was secured and a separate project launched mid 2017 which aims to provide targeted assistance to the Kosovo Financial Reporting Council (KFRC) in increasing capacity in respect of public oversight and quality assurance. Separate documentation of this project is available upon request. In summary, activities focus on:</p> <ul style="list-style-type: none"> Delivery of reports and strategies for optimal funding model of the Public Oversight in Kosovo as well as delegation principles for quality assurance; Workshop planned for June 2018 to disseminate the recommendations of the optimal funding strategy and model of delegation principles; At least two technical support missions planned during 2018; Delivery of manuals and methodologies for off and on site quality assurance inspections based on international good practices and IFIAR principles;

	<ul style="list-style-type: none"> • Training provided to KFRC on the quality assurance and public oversight methodologies; • Continued assistance regarding new legislation.
Expected Outcomes	<p>See documentation of separate country project. In summary, outcomes of the engagement through the separate project include:</p> <ul style="list-style-type: none"> • Amendments to the Law on Accounting, Financial Reporting and Auditing to align closer with EU acquis requirements expected to be passed during 2018; • Published strategies to improve Public Oversight and Quality Assurance; • Increased capacity of KFRC to perform quality assurance and public oversight; • Awareness raised of best international practices regarding Public Oversight and Quality Assurance.
Macedonia	
Activity/Topic	<ul style="list-style-type: none"> • Policy dialogue, mission travels and just-in-time technical assistance to Ministry of Finance regarding ongoing law amendments; • Provide support to the Council for Advancement and Oversight over Audit (CAOA) regarding application for IFIAR membership; • Roundtable with profession and CAOAs on audit quality and quality assurance arrangements – June 2018; • Assessment of small and medium-sized accounting practices current and future role in supporting SMEs in their growth beyond compliance duties.
Expected Outcomes	<ul style="list-style-type: none"> • Greater alignment of legislation with EU requirements through legislation amendments and improvements; • The Council for Advancement and Oversight over Audit (CAOA) nears (or realizes) IFIAR membership; • Newly consolidated accountancy body provided with knowledge among professional bodies regarding IFAC SMOs and IES; • Progress in implementing standards compliant with the EU Auditing Directive and increased readiness to implement the process for audit quality assurance.

Montenegro	
Activity/Topic	<ul style="list-style-type: none"> Policy dialogue, mission travels and just-in-time technical assistance; Support and mentoring to the Council for Audit Oversight to build capacity for quality assurance (launching the first cycle of quality assurance inspections)
Expected Outcomes	<ul style="list-style-type: none"> Increased capacity to implement legislation consistent with EU requirements; Progress in implementing standards compliant with the EU Auditing Directive and increased readiness to implement the process for audit quality assurance.
Serbia	
Activity/Topic	No further activities due to a separate country project (available upon request).
Expected Outcomes	See documentation of the separate country project (available upon request).

Component 2a – Education Community of Practice (EduCoP)

Activities Overview

Activity	Topic	Date	Location
Workshop/ Event	SMO 2 Workshop with emphasis on regional integration of Western Balkan PAOs: Joint event with IFAC	April 11	Vienna
	Representatives of PAOs will participate in the Ministerial Conference and FRCoP	November	Vienna
Research/ Publication	Towards Regional Integration of Professional Accountancy Education in Western Balkan Countries – Regional Publication and Practical / Good Practice Examples	April	N/A

Description of Activities

The program this year will seek to enhance the regional cooperation among the Western Balkan PAOs in the area of education and professional development and to develop harmonized professional qualifications that achieve a high level of regional and international recognition. A joint workshop with IFAC is planned focusing on SMO 2 – *International Education Standards for Professional Accountants and Other Pronouncements Issued by the IAESB* and specific aspects, examples and practical approaches will be shared in a publication further exploring international good practice how regional integration may evolve in practice.

Expected Outcomes

- Increased capacity of professional bodies to comply with SMOs and IESs and, in particular, SMO 2 – that sets out the requirements of an IFAC member body with respect to adoption and implementation of education standards and pronouncements issued by the International Accounting Education Standards Board (IAESB);
- Increased commitment from PAOs to collaborate regionally in order to develop and maintain high quality accountancy education systems aligned with IES;
- Building awareness of the benefits that come with enhanced cooperation and international recognition of qualifications, including achieving higher quality education programs; having professional qualifications become more appealing to potential applicants as they become internationally marketable; accelerating the development of the accountancy profession in the Western Balkans and strengthen the regional profession voice within Europe and globally;
- Increased awareness on practical approaches, examples and best practice how regional integration should evolve and develop in the Western Balkans.

Component 2b – Training of Trainers (ToT)

Activities Overview

Activity	Topic	Date	Location
Workshop	ToT: Other engagements and services tailored for SMEs	April 12-13	Vienna
Virtual seminar	Updated standard (IAASB and Ethics) and scalability considerations for SMPs/SMEs	February	N/A
	Integrated Thinking – creating value for SMEs and their stakeholders	March	

Activity	Topic	Date	Location
Research/ Publication	Case Study: SME Client Trainers Guide Volume 3	January	N/A

Description of Activities

The program year will focus on training sessions and tools for PAOs to train accountants in providing effective financial management support to SMEs and private sector enterprises to create fundable business plans, raise finance, and generate credible financial information that meets the needs of investors, lenders and guarantors. Virtual seminars on integrated thinking and non-financial reporting will be delivered that present significant opportunities for professional accountants and SMPs to reemphasize their relevance and focus on creating value for SMEs and their stakeholders as well as updates on new standards focusing on scalability issues for SMPs.

Educational resources and case studies developed under this activity will help bridge the gap between theory and the practical application of international standards and help develop the wide-ranging set of soft skills essential for SMPs that go beyond technical competencies and, including competencies in communication, problem solving and business acumen skills necessary to appropriately serve their SME clients.

Expected Outcomes

- Strengthened capacity of SMPs to deliver a broader range of professional services more suitable to the SMEs (e.g. create fundable business plans, raise finance, and generate credible financial information that meets the needs of investors, lenders and guarantors);
- Raised capacity of professional bodies to comply with IES and, in particular, with: IES 7 – continuing professional development (CPD);
- Greater capacity of professional bodies to deliver high quality and sustainable training for SMPs and design CPD systems that comply with IFAC SMOs and IESs, including delivering training materials, practical teaching approaches and case studies for further local replication and use;
- Improved awareness and knowledge regarding integrated and non-financial reporting and how these create value for SMEs and updates on new standards and ethical requirements emphasizing scalability considerations for SMEs/SMPs.

Component 3a – Financial Reporting for Supervisors

Activities Overview

Activity	Topic	*	Date	Location
Seminar	IFRS Executive Seminar for Supervisors	Yes	November	Vienna
Research/ Publication	Policy note on the steps to enhance effective collaboration between banking auditors and supervisors.		May	N/A

Description of Activities

- The CFRR will organize the next IFRS Executive Seminar for Supervisors during the week of events which will include the Ministerial Conference 2018. The event will feature discussions on the implementation of standards on IFRS 9-financial instruments, IFRS 15-revenue, and future implementation IFRS 17 insurance contracts. It will also discuss specific initiatives for better collaboration of supervisors and auditors as practical steps for reviewing financial statements prepared under IFRS.
- A policy note on implementing better collaboration between auditors and supervisors will be published.

Expected Outcomes

- Continued capacity development of banking and insurance regulators and supervisors on IFRS as well as an enhanced ability to monitor the quality of financial statements;
- Further increase in cooperation facilitated between auditors and supervisors;
- Policy paper describing the path to ensuring a better relationship between auditors and supervisors, leading to enhanced supervision of the banking system to be published in 2018.

Component 3b – Pilot Project on SME Reporting

Activities

Activity	Topic	Date	Location
Publication/ Research	Empirical study on the linkages between quality financial reporting and cost of finance	February	N/A

Activity	Topic	Date	Location
	SME survey /Technical assistance product	November	N/A

Description of Activities

The empirical study will undergo a final review and be disseminated during 2018. The CFRR will collaborate with the Serbian Ministry of Finance and the Chamber of Commerce and banks to improve communication towards SMEs understanding of their loan application processes. SMEs inputs will be key to for banks to better understand how to enhance their communication around their lending processes All deliverables will be disseminated under the FRCoP to EU REPARIS countries.

Expected Outputs

- Delivery of the conclusions of a quantitative model linking quality of financial statements and cost of finance;
- Building awareness of the importance of financial information to request financing from a bank and develop understanding of SMEs of their financing needs to facilitate both the demand for financing and the loan application process for SMEs.

Component 4 – Regional Cooperation and Knowledge Sharing

Activities

Activity	Topic	*	Date	Location
Ministerial Conference	Fostering regional cooperation in financial reporting reform and capacity development Specific theme to be determined	Yes	27 November	Vienna
Workshop	Senior Officials Workshop: TBD	Yes	26 November	Vienna
Knowledge Management	Website pages: topics, events, country Newsletter or similar product	Yes	Ongoing	N/A

Description of Activities

Ministerial Conference and Senior Officials Workshop to be held jointly with STAREP and PULSAR programs covering private and public sector reform and capacity building in financial reporting. Theme and key messages are TBD.

Expected Outcomes

- Sustained reform momentum through regional collaboration and active knowledge transfer
- High degree of commitment to reform and continued participation in program activities
- Higher awareness of how public and private sector financial transparency and accountability together can help transform economies
- Shared knowledge of program activities and outcomes with stakeholders

Program Administration and Budget

Program Governance and Partners

EU-REPARIS is managed by the Vienna-based World Bank Centre for Financial Reporting Reform (CFRR), with a core team of experts and a panel of short-term consultants. Each of the program's components is led by a senior specialist. The country dialogue is led by designated country relationship managers supported by World Bank colleagues in the local offices.

Senior Officials representing the governments of the program's participating countries, typically Deputy Ministers of Finance, meet at least annually to review progress of the program and to endorse the work-plan. A ministerial level conference is held every two years.

A group of stakeholders is consulted regularly. The group comprises market participants from the region, foreign investors and other stakeholders, and provides insights into improving the design and implementation of EU-REPARIS.

EU-REPARIS is an integral part of the Western Balkans Enterprise Development and Innovation (WB EDIF) Facility, an EC-led initiative to support the development and growth of SMEs in the Western Balkans region. The program is funded by the European Commission, Directorate General for European Neighbourhood Policy and Enlargement Negotiations, with which the CFRR partners closely throughout the implementation of this program. The CFRR drafts program plans and progress reports for discussion with the EC.

Management

Name	Position
Adenike Oyeyiola	Practice Manager
Jarett Decker	Head, CFRR

Country-relationship responsibilities

Country	CFRR	Country- based Support
Albania	Andrei Busuioc	Keler Gjika
Bosnia and Herzegovina	John Hodge	Lamija Marijanovic
Kosovo	Kalina Sukarova	-

Country	CFRR	Country- based Support
FYR Macedonia	Kalina Sukarova	Atanasko Atanasovski
Montenegro	Kalina Sukarova	-
Serbia	Alfred Borgonovo	Aleksandar Crnomarkovic

Activity responsibilities

Overall program oversight		CFRR Head, Jarett Decker
Component 1	Corporate Financial Reporting Reform	Pascal Frerejacque
Component 2	Education and Capacity Development	Kalina Sukarova
Component 3	Access to Finance and Financial Sector	Pascal Frerejacque
Component 4	Regional Cooperation and Knowledge Sharing	John Hodge
Program Management		Reinhard Haslinger

Budget

Financial information can be made available upon request.

Annex 1: Program Background

Program Structure

The program is structured along three thematic components, and one cross cutting component:

- Corporate Financial Reporting Reform: To support the implementation of a framework for accounting and auditing that meets international standards. Key themes include the specific reporting needs of SMEs, the application of International Financial Reporting Standards (IFRS), the enforcement of financial reporting requirements, and the introduction of public oversight and quality assurance arrangements for statutory audit. The component includes two sub-activity streams with the following objectives:
 - Financial Reporting Community of Practice: To provide direct technical assistance for the alignment of company law with the *acquis communautaire*, and for candidate countries to transpose the *acquis communautaire*, drawing on the experience of countries that have completed this process, especially Croatia. Ensuring increased transparency and confidence, this activity promotes and supports the enforcement of high standards of financial reporting that meet the needs of business management as well as potential investors, thus contributing to an improved business environment and investment climate fostering private sector and particularly SME development. The focus of this activity is on peer learning, seminars, facilitated knowledge exchange with relevant EU and global bodies, and the identification of common solutions to shared challenges. Technical assistance is provided to the community of practice to address challenges in the financial reporting needs of SMEs, the application of IFRS, the enforcement of financial reporting requirements, and the introduction of public oversight and quality assurance systems.
 - In-Country and Implementation Support: To help create effective links between the regional program and country-level implementation of national activities. Tailored to the needs of individual countries, help-desk type of assistance and on-demand technical assistance is being provided and addresses country or institutional specific needs/requests. Assistance allows for trouble-shooting specific technical issues during the program delivery phase, as well as providing individual and specific institutions with tailored technical advice, as appropriate. The activity is also intended to facilitate monitoring and evaluation of progress made in financial reporting reforms and related capacity development in beneficiary countries.

- Education and Capacity Development: To promote the development of accounting education aligned with International Accounting Education Standards and the educational requirements of the EU's Statutory Audit Directive: (i) at university level; (ii) for professional qualifications; and (iii) for CPD of those already qualified. The component includes two main activity streams with the following objectives:
 - Education Community of Practice: Supporting the educating and training of individuals to become and remain highly qualified accountants, this activity contributes to the development of internationally compatible accounting education for professional qualification, CPD, and at university level. There is substantial commonality of curriculum content, qualification systems, and lifelong learning requirements which are being addressed on a regional basis by the community of practice. Topics include the implementation of International Accounting Education Standards, application of the education requirements of the EU Statutory Audit Directive, and identification and replication of the experiences of EU universities in accounting education.
 - Training of Trainers: To provide training sessions and tools for professional accounting organizations to train accountants in delivering effective financial reporting support to SMEs and private sector enterprises. This helps accounting organizations provide assistance to the private sector, particularly high-potential SMEs, to create fundable business plans, raise finance, take advantage of fiscal and other incentives, and generate credible financial information that meets the needs of investors, lenders and guarantors. This also includes support for the implementation of international auditing standards and the quality assurance of auditors that are necessary for a credible information infrastructure underpinning SME private sector financing.
- Access to Finance and Financial Sector to: (i) provide practical guidance and solutions to facilitate easier access to finance, and (ii) build capacity among financial sector regulators in the use of financial reporting standards to effectively monitor the financial sector, particularly the bank and insurance sectors. The component includes two activity streams with the following objectives:
 - Pilot Project on SME Reporting: To support an ongoing dialogue with banks, chambers of commerce, and business associations to develop a common understanding of the financial information required for a loan application and the relevance of financial statement audits. Workshops will discuss and benchmark financial information required from SMEs in existing loan applications, which will be used to develop a set of financial information to be tested during focus groups. The activity will also build on the experience of EU countries and best practices in other regions.

- Financial Reporting for Supervisors: To help financial regulators acquire the skills necessary to analyze financial statements of banks prepared under IFRS and explore regulations that would require banks to obtain audited financial statements or other type of assurance for loans over certain thresholds. It also gives financial regulators a better understanding of the work of auditors, and the various types of assurance and types of opinion that an auditor can issue on financial statements.
- The cross-cutting component, Regional Cooperation and Knowledge Sharing: (i) helps maintain the momentum for accounting and audit reform among policy makers, including ministers of finance, their deputies and other senior officials; and (ii) facilitates knowledge capturing and sharing through an online information portal and other knowledge management activities. It aims to nurture continued reform momentum and facilitate greater regional cooperation and regulatory coordination. Activities seek to ensure decision makers are fully aware of the issues at hand, have a solid financial reporting knowledge base, are up-to-date with regard to requirements and developments at the EU and international level, and are in a position to master the much needed financial reporting reform agenda. Additionally, a range of knowledge sharing activities, such as a comprehensive online information portal, are supported.

Results Framework

Program Development Objective	Outcome Indicators	Means of Verification	Institutional Constraints and Assumptions
The objective of EU-REPARIS is to support the implementation of corporate financial reporting frameworks in line with the EU <i>acquis communautaire</i> in the countries of Southeast Europe with a view to promoting enhanced availability, transparency and reliability of financial information.	<ul style="list-style-type: none"> Progress in aligning existing frameworks with the <i>acquis</i>; Enhanced capacity of the profession for applying international and EU standards of corporate financial reporting; Presence of a functional audit quality assurance system. 	<ul style="list-style-type: none"> Transposition tables; EC Country Progress Reports; Surveys; Reports and statistic published by the International Federation of Accountants (IFAC) Official Gazettes; A&A ROSC reports; Regulatory and oversight agencies' annual reports. 	<ul style="list-style-type: none"> Continuing support of the beneficiary countries to corporate financial reporting reforms; Commitment to collaboration and regional harmonization by the beneficiaries; Support for reforms and capacity development efforts by the beneficiary countries' business communities.
Intermediate Outcomes	Outcome Indicators	Means of Verification	Institutional Constraints and Assumptions
Statutory frameworks for corporate financial reporting more effective and aligned with the <i>acquis</i> .	<ul style="list-style-type: none"> Progress in implementing standards compliant with the EU Accounting Directive, including financial reporting standards and process for audit quality assurance; Published strategies to improve corporate financial reporting frameworks and practices; International Financial Reporting and Auditing Standards (IFRS and ISA) available in local languages. 	<ul style="list-style-type: none"> Official Gazettes, government websites and other official communications; EC Country Progress Reports; Transposition tables; A&A ROSC reports; Government and PAO websites; Published financial statements; Independent auditor reports; Regulators' enforcement reports; Financial Sector Stability Assessment (FSSA) reports; Perception surveys. 	<ul style="list-style-type: none"> Efforts to sustain reform momentum can help overcome resistance by vested interests to modernizing the statutory framework and mobilize support of national parliaments.

Intermediate Outcomes	Outcome Indicators	Means of Verification	Institutional Constraints and Assumptions
Improved accounting education systems and capacity of the accounting profession.	<ul style="list-style-type: none"> Professional bodies comply with IFAC statements of membership obligations; Accounting education systems comply with International IES; Academic qualification of local universities are recognized by EU-based universities and professional accountancy bodies. 	<ul style="list-style-type: none"> IFAC website and publications Analytical reports and published research on accounting education systems; A&A ROSC reports. 	<ul style="list-style-type: none"> Tertiary and professional education institutions in EU countries willing to cooperate with peers in beneficiary countries; Accounting organizations and regulatory agencies cooperate to develop audit quality assurance systems.
Enhanced reporting practices in the financial sector and improved understanding of how IFRS and financial reporting can facilitate access to finance.	<ul style="list-style-type: none"> Capacity of financial supervisors to monitor quality of financial statements; Application of reconciliation approach using prudential filters; Financial institutions using accounting information for credit decisions and risk monitoring. 	<ul style="list-style-type: none"> Participation in technical workshops and training courses; Central bank and banking supervisory body reports; Surveys of SMEs and banks. 	<ul style="list-style-type: none"> Continued commitment of financial supervisory authorities to building their capacity for monitoring and enforcing IFRS.
Sustained reform momentum, regional collaboration and active knowledge transfer.	<ul style="list-style-type: none"> Continued commitment to peer exchange Translations of international standards and education materials shared by relevant countries Participation of Ministers and other senior officials in program events 	<ul style="list-style-type: none"> Government, professional accounting organizations, CFRR and IFAC websites; REPARIS Progress Reports; Website and newsletter traffic monitoring tools; Surveys; Self-assessment; Degree of participation in meetings and seminars. 	Beneficiary countries commit to achieving single economic space through collaboration and harmonization of their corporate financial reporting systems.

