

Regional Survey Highlights

Exploring the Case for Regional Integration of Professional Education in the Western Balkans

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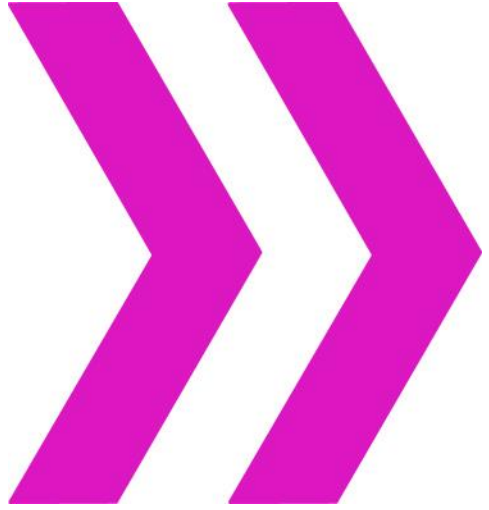
CFRR-IFAC Joint Regional EduCop



Road to Europe: Program of Accounting Reform and Institutional Strengthening



EU-REPARIS is funded by the European Union and is a part of WB EDIF.



Context & Background

The Profession in the Western Balkans

- » Former socialist systems; 5 of 6 are former Yugoslav Republic States
- » Similarities in culture, language, and cross-border connections
- » All countries are part of the EU enlargement process; either candidate or potential candidate countries
- » Memberships with PAO is often a legal requirement for auditors
- » International Standards (ISA, IAS/IFRS) implemented in a “Bing bang approach” (from zero to 100 almost overnight; from tax based rules to principle based standards)
- » Mixed PAO membership models; 3 of 6 have Chambers / Institutes with exclusive membership of auditors



Accountancy Education Benchmarking Study

- » The Study identified opportunities that can be explored in future regional education reforms
- » The Study also found challenges with IES implementation:
 - » Practical experience
 - » Professional values, ethics and attitudes
 - » CPD
 - » Keeping up with change



Opportunity # 1

Integrate academic and professional accountancy education



Opportunity # 2

Achieve greater international integration of programs



Opportunity #3

Expand the offerings of public sector education



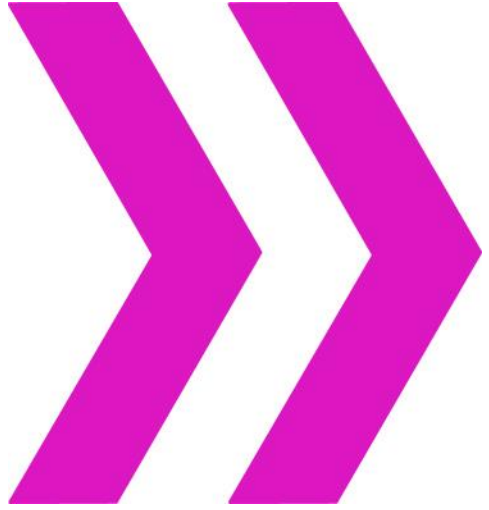
Opportunity # 4

Enhance CPD systems and training programs



Opportunity # 5

Improve practical experience requirements and workplace assessments



Regional Survey: Highlights

Regional PAO Survey: Snapshot

6

Countries



21,000

Certified
Members



9 out of 10

IFAC Members
(Full or Associate)



10

Professional
Accountancy
Organizations



34%

Practicing
Members



73

Partnership
Agreements



16

Designations
(Private and
Public Sector)



2,800

New Students
each Year



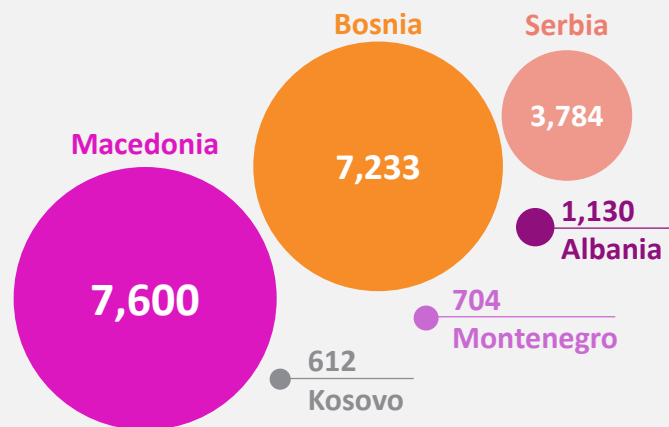
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Agreements for
Bilateral
Cooperation

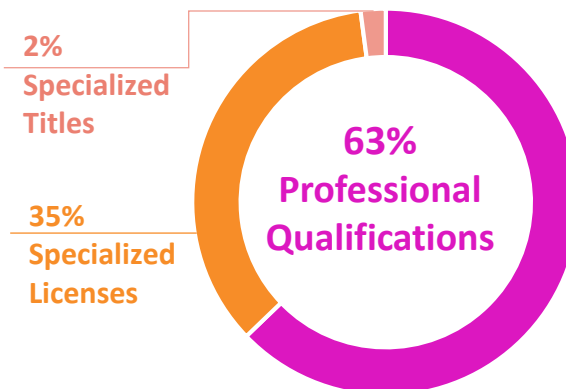


Members: Key Statistics

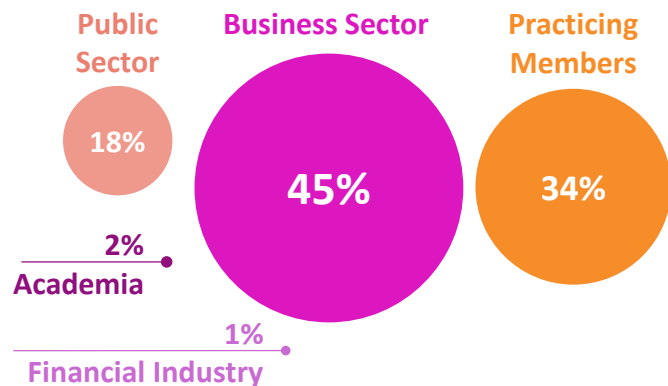
Members: Countries



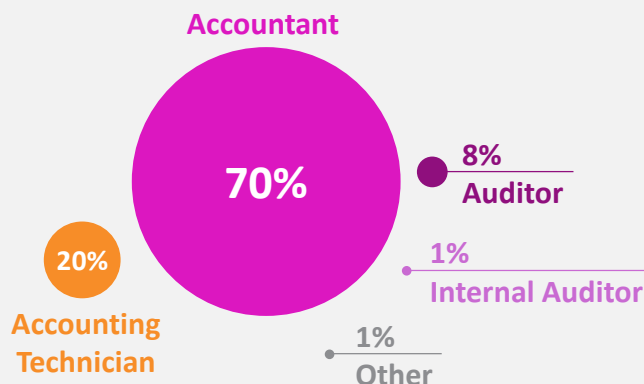
Members: Qualifications



Members: Sectors



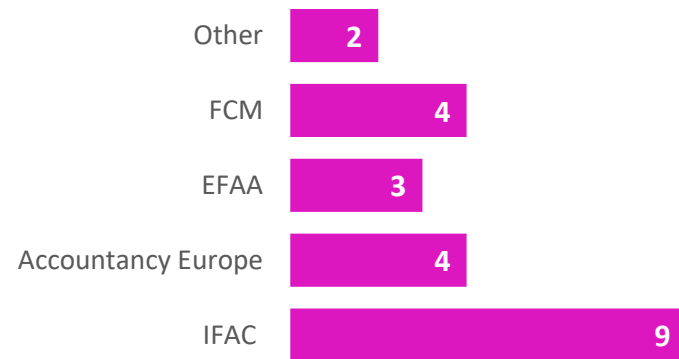
Members: Designations



- » 34% Practicing members; majority concentrated in Macedonia (43%)
- » 63% hold professional qualifications & have completed a professional education program
- » 18% Members with public sector

Memberships & Partnerships

Global & Regional Memberships



» Key benefits:

- » Access to know-how and current developments
- » Knowledge and experience sharing
- » Focus on best practices and International Standards
- » Credibility to influence national debates / policy
- » Strengthening of national profession

Partnerships & Cooperation

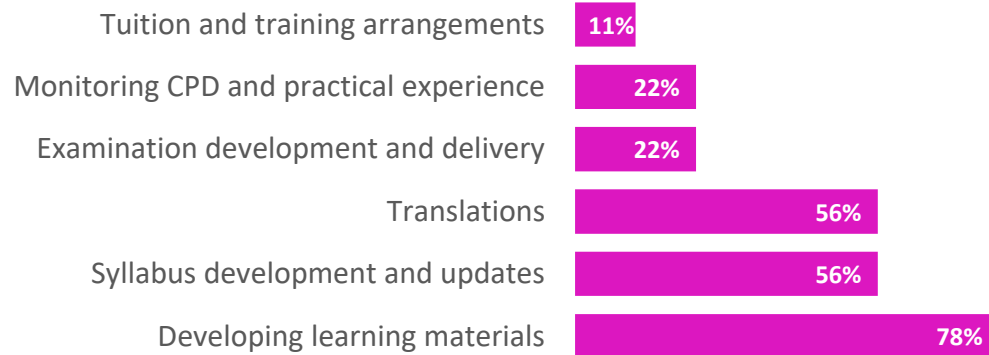


» Key benefits:

- » Experience sharing and good practice exchange
- » Joint initiatives, Harmonization of attitudes
- » Cost sharing: translations, joint CPD and training
- » Professional Development: conferences, seminars
- » Reciprocity agreements & recognition of qualifications

Education: Key Challenges

Major Challenges with Education



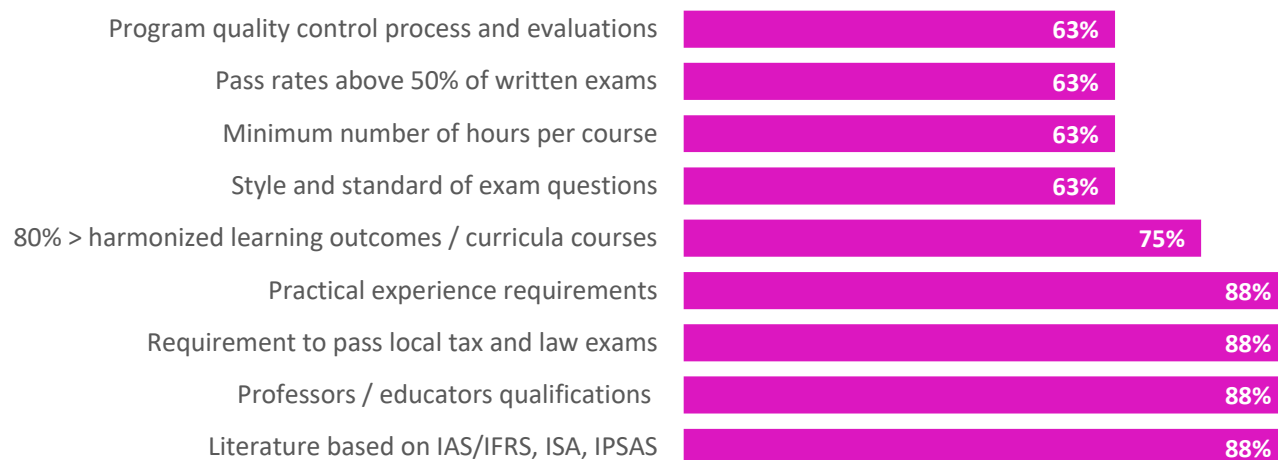
Average Costs per Qualification



- » 59% of staff are engaged in education, majority of which are part-time
- » On average it costs app. €470 to certify as an accountant
- » There are app. 2,900 new candidates / students each year and 950 finalists
- » Challenges – major reasons:
 - » Costs vs demand for qualification; lack of economy of scale
 - » Keeping up with change vs frequency of syllabus updates
 - » Unfavorable legislation and un-loyal competition

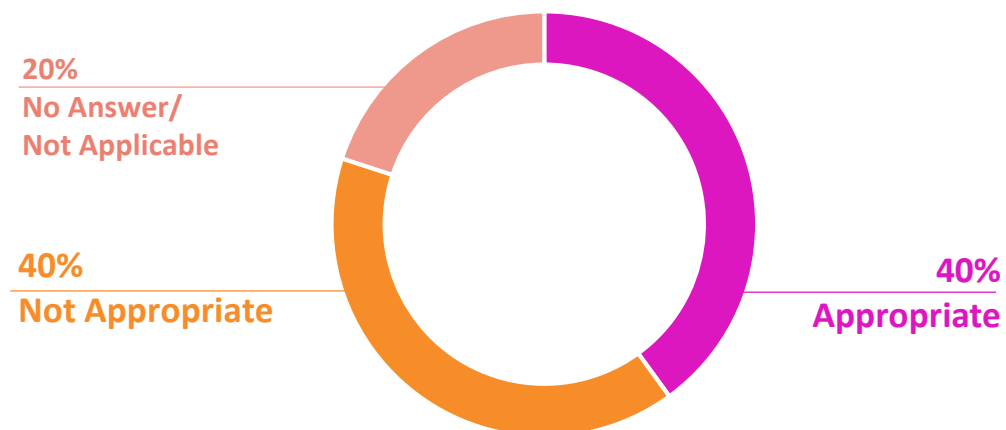
Reciprocity & Recognitions

Accreditation criteria



- » 80% of PAOs have in place recognition criteria & agreements
- » Most common types of recognitions:
 - » Exemptions (with academic institutions, between national PAOs);
 - » Reciprocity agreements for blanket recognition;
 - » Accreditations (case by case assessment)

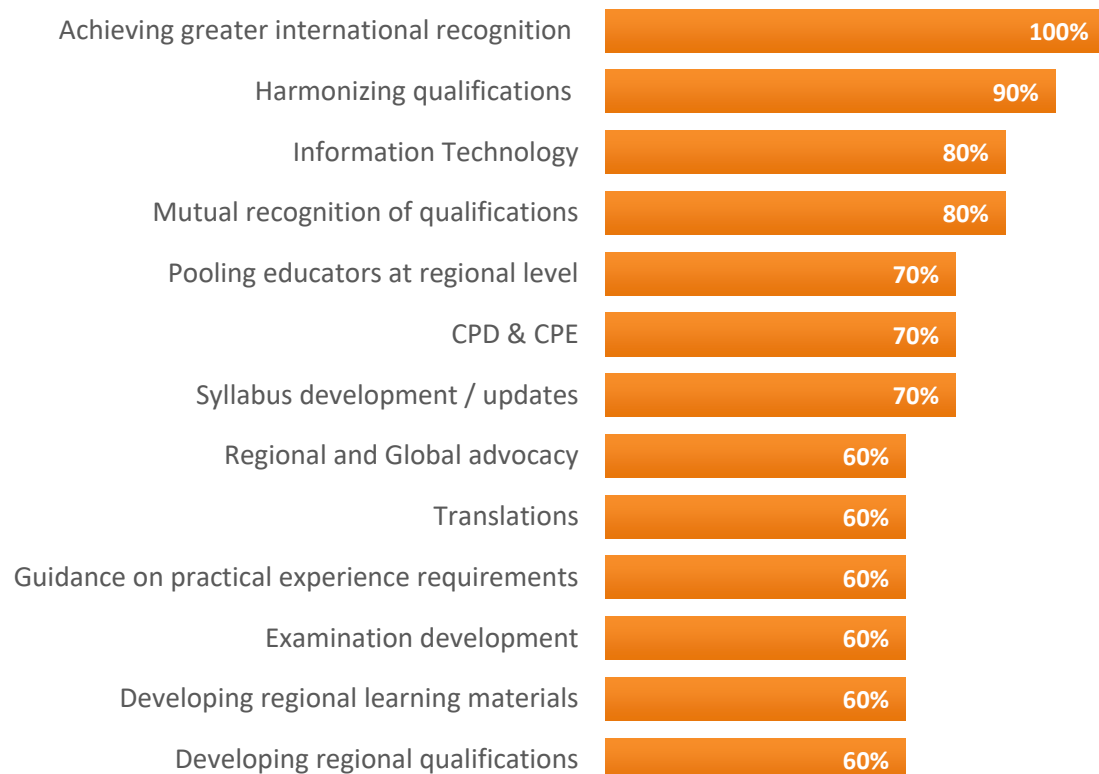
Recognitions and exemptions



- » Mixed results: 40% think more can be done:
 - » Developing regional modules;
 - » Make syllabus comparable;
 - » Improve quality of qualifications;
 - » More bilateral and international recognitions

Regional Cooperation

Critical Areas for Closer Regional Cooperation



» All 10 PAOs agree that there is a need and benefit for closer regional integration of professional accountancy education in the Western Balkans

» Top rated areas:

- » Greater international recognition of qualifications
- » Harmonizing qualifications
- » Mutual recognition of qualifications
- » Cooperation in regards of Information Technology

The background features a repeating pattern of stylized lightbulbs and circles. The colors transition from a warm orange at the top to a vibrant pink at the bottom. The lightbulbs are depicted in various shades of the gradient, with some having a textured, ribbed base. The circles are solid and vary in size, creating a dynamic, abstract composition.

THANK YOU!