

ACCOUNTING
AND AUDITING



EDUCATION



STRATEGIES FOR IMPROVEMENT
MOLDOVA

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ACCOUNTING AND AUDITING EDUCATION:
STRATEGIES FOR IMPROVEMENT

MOLDOVA

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LIST OF ACRONYMS

ACAP	Association of Professional Accountants and Auditors of the Republic of Moldova
AFAM	Association of Auditors and Auditing Firms of Moldova
ANACEC	National Agency for Quality Assurance in Research and Education
ASEM	Academy of Economic Studies of Moldova
EC	European Commission
CFRR	Centre for Financial Reporting Reform
AOC	Audit Oversight Council
Ecofin-Consult	Association of Auditors and Management Consultants
IAESB	International Accounting Education Standards Board
IES	International Education Standards
IFAC	International Federation of Accountants
IFRS	International Financial Reporting Standards
ISA	International Standards on Auditing
MECR	Ministry of Education, Culture and Research
MF	Ministry of Finance
SMO	Statement of Membership Obligations
NAS	National Accounting Standards
EU	European Union
USM	Moldova State University

EXECUTIVE SUMMARY

This concept note states the objectives and goals of accounting and auditing education development in the Republic of Moldova and defines the trends and priority development directions aligned with the European Union (EU) standards and international good practices. This concept note is developed within the regional project 'Strengthening Auditing and Reporting in the Countries of the Eastern Partnership' (STAREP) by the representatives of the Republic of Moldova in the accounting education community of practice. Moldova participates in this community through the representatives of the Moldova State University, Academy of Economic Studies of Moldova and the Association of Professional Accountants and Auditors of the Republic of Moldova. The Accounting Education Community of Practice (EduCoP) has the goal to promote the accounting and auditing education development in line with the EU standards and international good practices at university, professional and continuing professional development levels.

The concept note provisions have been correlated with relevant policy documents (Code of Education, Law on Accounting and Financial Reporting, Law on Audits of Financial Statements, Education Development Strategy Education-2020, International Education Standards, etc.) with reforms in transposing the corporate financial reporting provisions of the *acquis communautaire*, and other reforms, including in the education system.

An efficient accounting and auditing educational system in line with the international good practices will contribute to the development of professional skills of the accountants and auditors, and respectively, increase the level of public trust in the quality and utility of the services provided.

The analysis of the current situation in the accounting and auditing education field, conducted based on available public information, current legal framework, and knowledge of authors, brings out a number of challenges such as: (i) although there is a national framework to assess the accounting and auditing programmes provided by higher education institutions, colleges, centres of excellence and authorized training courses, this is not fully based on learning outcomes in accordance with the International Education Standards (IES); (ii) general framework regarding professional skills necessary to an accountant and auditor at different stages of education should be improved for a better alignment with the IES; (iii) the methodological support, such as teaching materials, accounting and auditing practical applications and manuals tailored to the most recent amendments in the national legislation, is limited and the authors are not really motivated to develop such materials; the digital methodological support is practically missing, hence, the students' online communication platforms are promoted very scarcely; (iv) lack of educational software leads to reduced digital skills of students studying in the accounting and auditing field, thus, these are incompatible with the labour market requirements and European standards; (v) lack of an efficient education institutions' graduates employment tracking system; (vi) limited

transparency of the examination process for obtaining professional qualifications of auditors: the examination tests and answers are not made public, and their quality could be improved; (vii) neither auditors nor accountants are obliged by law to become members of a professional association. Moreover, the legislation in force does not give a clear definition of a professional association of auditors and accountants or criteria to delegate certain functions within public regulation and oversight process.

Following the analysis of the current situation and from the perspective of the international good practices and knowledge acquired during the regional STAREP programme, the following reform and development directions in the accounting and auditing education have been identified:

- A. Ensure better synergy between the accounting and auditing education at university and professional levels to improve the quality of and access to the profession.
- B. Enhance the role of the profession by promoting accounting and auditing education.
- C. Ensure methodological support necessary to develop and enhance the accounting and auditing education at university and professional levels.

The list of suggested reform priorities and actions can be taken into account by interested parties, however, the recommendations will be efficient, if there is a wider consensus between the parties and political commitment for reforms. This requires a participatory process, when all parties affected by these changes, including the general public, could contribute to their development. Also, some of the identified priorities and implementing actions can be achieved directly by relevant institutions, but some require common efforts and would be implemented more efficiently in a national project on strengthening the profession and financial reporting.

INTRODUCTION

Promoting sustainable economic growth is essential in poverty reduction and fostering society's wellbeing. Economic growth contributes to job development, generates revenues, produces social benefits and attracts investments. It is of vital importance for countries with developing economies which strategic development goals include significant business environment development efforts for increased access to finance and a strong financial sector. The fact that viable and credible financial information is vital for a better and efficient market activity and economic growth, is widely recognized and accepted. The provision of high-quality financial information is possible through strong accounting and auditing education systems that develop professional skills of accountants and auditors.

According to international good practices, the educational programmes for professional accountants and auditors include technical skills, abilities, professional values and ethics.

Normally, the initial education includes all types of development and training necessary to start the career of a professional accountant/auditor: **general education** (for instance, university, high school), **initial professional education** (as a rule, by professional organizations; in Moldova the certification of auditors is currently conducted solely by the Ministry of Finance), **accumulation of practical experience** (to accumulate practical experience and on-the-job training abilities under the guidance of a professional), and ultimately, **assessment of technical skills**, abilities, professional values and ethics. Continuing professional education includes maintaining technical skills, abilities, professional values and ethics acquired during the entire career. These education programmes are essential not only to ensure the abilities of professional accountants/auditors, but also to strengthen public trust in their job.

This concept note is developed within the regional project Strengthening Auditing and Reporting in the Countries of the Eastern Partnership (STAREP¹) by the representatives of the Republic of Moldova in the accounting education community of practice. STAREP is a regional programme aimed at creating a transparent policy environment and effective institutional framework for corporate reporting within Eastern Partnership (EaP) countries: Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine. The project aims at assisting the participating countries in adopting and implementing international standards, and promoting the alignment of financial reporting framework with international best practices and European Union (EU) standards. STAREP was launched in the middle of 2013 and is due by 2019. This project is managed by the Centre for Financial Reporting Reform (CFRR), part of the World Bank's Governance Global Practice in Europe and Central Asia.

¹<http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/ECAEXT/EXTCENFINREPREF/0,,contentMDK:23468684~menuPK:9341783~pagePK:64168445~piPK:64168309~theSitePK:4152118,00.html>

Accounting Education Community of Practice (EduCoP) focuses on promoting the accounting and auditing education development in line with the EU standards and international best practices both at university, professional and continuing professional development levels. Moldova participates in this community through its representatives of Moldova State University, Academy of Economic Studies of Moldova and the Association of Professional Accountants and Auditors of the Republic of Moldova. This concept note is based on the knowledge and experience of mentioned representatives. The Association of Professional Accountants and Auditors has accepted the role of the coordinator to facilitate the discussions and further debates nationwide.

GOAL AND OBJECTIVES

The goal of this concept note is to become a discussion platform for the stakeholders in improving accounting and auditing education at both university and professional levels. The moment is determined also by the substantial amendment of the accounting and auditing legislation in line with the commitment of the Moldovan Government to transpose the corporate financial reporting provisions of the *acquis*. Hence, the Law on Accounting and Financial Reporting² and Law on Audits of Financial Statements³ were passed and further amendments of the National Accounting Standards (NAS) and other by-laws will be operated in the near future.

The specific objectives include the following:

- a) **Upgrade national quality assurance and management system and develop an attractive accounting and auditing education system** to provide quality educational and training services to react rapidly and relevantly to the requirements of the market and economy.
- b) **Promote cooperation between accounting education institutions at different levels (e.g., universities, colleges) and those offering professional qualification (Ministry of Finance).** Accounting and auditing education can be considered multi-level and starts in universities, focusing on aligning the university programmes with the market's and profession's needs. The understanding of the need to align and integrate the university accounting and auditing education programmes with the professional education programmes is a precondition for good development of a solid education system in this field and to ensure efficient use of resources.
- c) **Promote a learning outcome-based approach in the accounting and auditing education at the university and professional level.** International good practices in this field pay high attention to the 'learning outcome-based approach' in developing professional and continuing professional development programmes and identifying occupational skills to be acquired from practical experience. The International Accounting Education Standards Board (IAESB), responsible for International Education Standards (IES) development, focuses on the fact that the experience accumulated during the learning and continuing professional development process is more efficient if based on learning outcomes at a specific level of competence, proved by every person rather than on the learning process itself. The brief description of the IES is provided in Annex A.⁴

² <http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=373601>

³ <http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=373727>

⁴ Translation of IES into Russian can be accessed at:

http://siteresources.worldbank.org/EXTCENFINREPREF/Resources/4152117-1380634652337/2017_Handbook_RU.pdf

- d) **Enhance the profession's role in accounting and auditing education development** by creating necessary incentives, so the accountants and auditors want to become members of a professional organisation, and the latter want to become full-fledged members of International Federation of Accountants (IFAC).

CURRENT SITUATION

Currently there are 13 higher education institutions that prepare specialists in the accounting field: 6 public and 7 private institutions. The respective institutions are at different phases of the Bologna Process integration. Since 2005, the specialists in the field of accounting have been trained in two phases: three years in cycle I: License and two years in cycle II: Master's Degree. Detailed information on the specialisms offered by the higher education institutions is presented in Annex B. Applicable law does not require a master's degree in order to become employed as an accountant or to be admitted to the auditor's qualification exam.

The Code of Education does not clearly differentiate among the training outcomes for level 4 (post-secondary school vocational technical education), level 5 (non-tertiary post-secondary school vocational technical education) and levels 6 and 7 (higher education, respectively Cycle I: License Degree and Cycle II: Master's Degree). In practice, the employers do not have sufficient information on how to differentiate the competences of young specialists by levels of education, thus blaming the education institutions for skill incompatibility with employers' requirements. Or, the regulation framework of the qualifications is confused and as a result, the employers cannot see the difference between the competences of a cycle I license graduate and a cycle II Master's Degree graduate, or a college graduate. The skills specific for the Accounting specialism are described in Annex C respectively for Cycle I: License and Cycle II: Master's Degree according to the provisions of National Legal Framework on Qualifications (Higher Education).⁵ Annex D presents the principal job functions and tasks for the vocational training level: Accounting (training level 4).

Not all higher education institutions publish the curricula of disciplines on their websites (or only short versions are published), so their content cannot be compared with advanced practices and the IES. As a rule, the curricula for the accounting specialism in higher education institutions includes financial accounting courses in accordance with the NASs, principles of accounting, management accounting, financial reporting in accordance with IFRS, audit, and sector and branch particularities of accounting. Annex E presents the indicative course units for students training to become accountants and auditors (according to the National Legal Framework on Qualifications), respectively for Cycle I: License and Cycle II: Master's Degree. For example, professional ethics lacks in the list of recommended disciplines and few higher education establishments actually include this discipline in the list of those mandatory for studying. No national level-approved indicative course units were identified for the colleges.

Two of the higher education institutions have initiated procedures to match some courses with the requirements of the Association of Chartered Certified Accountants (ACCA) from

⁵ https://mecc.gov.md/sites/default/files/cnc_36_812-stiinte_economice.pdf

the United Kingdom and have registered important results. Hence, the ASEM graduates of cycle I Accounting, Accounting Faculty, benefit from 7 exemptions and the USM graduates of cycle I Accounting, Economic Sciences Faculty, benefit from 8 exemptions. More details are shown in the table below (Table 1).

Table 1: Equivalence of cycle I license courses in accounting with the ACCA⁶ requirements for ASEM and USM graduates

ACCA module	ASEM (Cycle I: License for Specialism: Accounting)	USM (Cycle I: License for Specialism: Accounting)
F1 Accountant in Business	Upon program completion	
F2 Management Accounting	Upon program completion	
F3 Financial Accounting	Upon program completion	
F4 Corporate and Business Law	Upon program completion	
F5 Performance Management	Management control and performance management (optional course)	Performance management tools
F6 Taxation	Tax accounting	Tax accounting
F7 Financial Reporting	Financial accounting according to IFRS - Financial statement analysis	Accounting and financial reporting according to IFRS
F8 Audit and Assurance	-	Financial audit
F9 Financial Management	-	-

Accounting education can also be obtained within the framework of post-secondary school and non-tertiary post-secondary school vocational technical education in colleges⁷ (for instance, National College of Commerce of ASEM) or centres of excellence (for instance, Economy and Finance Centre of Excellence). As a rule, the studies take 4-5 years of integrated programmes based on secondary education (of 9 years) or 2-3 years based on the lyceum

⁶ <http://www.accaglobal.com/gb/en/help/exemptions-calculator.html>

⁷ http://mecc.gov.md/sites/default/files/colegii_1.pdf

education (of 12 years) and are completed by taking voluntarily the national baccalaureate exam and qualification exam and/or diploma paper by issuing the professional study diploma which confers the right to be employed according to the qualification obtained. For students enrolled in colleges based on secondary education, the learning programme for the first three years of education, as a rule, stipulates the learning of post-secondary/high school subjects alongside with the specialty subjects, in accordance with the profile (real or humanitarian). At the end of the 3rd year of studies, this category of pupils can enrol for the baccalaureate exams. The specialty subjects are studied in the 4th year of education. According to Code of Education provisions,⁸ the Centre of Excellence represents a vocational education institution with enhanced potential and tasks both in organising combined professional education and capacity development in the vocational education system. Students graduated after completion of their studies within the framework of post-secondary school and non-tertiary post-secondary school vocational technical education may be employed as an accountant or a chief accountant (other than in public interest entities). Moreover, graduates who are willing may continue their education (in a higher education establishment) in Cycle I: License according to the general conditions for acceptance of students (some universities have introduced special conditions in this sense by decreasing the total number of years of studies as well as exemption from certain disciplines studied in college). Annex F presents schematically the structure of the system of education in the Republic of Moldova.

One of the issues faced by the education institutions and their students is internship places and necessary support from the accounting departments of enterprises. Consequently, no adequate practical training is provided to students that would allow them to apply the theory in real situations and develop essential professional skills. Although the internship is included in the study programme for cycle I License (as well as in colleges and centres of excellence), its availability is still a problem: either the entities are not willing to provide time for the students or there are no sufficient arrangements in the education institutions to verify whether the students are completing their internship in accordance with the schedule of the respective entity and in compliance with the regulations of the concerned educational establishment on internship.

The National Agency for Quality Assurance in Professional Education (ANACIP)⁹ was created in 2015, and recently has been reorganised into the National Agency for Quality Assurance in Education and Research (ANACEC) which is responsible for external assessment and accreditation of institutions and curricula in the vocational, higher and continuing professional education in the Republic of Moldova. Annex G presents in summary the functions, authority and responsibilities of this agency. ANACEC has external quality assessment methodology to provide temporary activity and accreditation of study programmes and vocational, higher and continuing professional education institutions, as

⁸ <http://lex.justice.md/md/355156/>

⁹ <http://anacip.md/index.php/ro/home-ro-ro/misiune>

well as external assessment guidelines of study programmes and institutions,¹⁰ based on the national normative framework and best international and European practices in the field. However, the agency does not perform assessments of the offered programmes in terms of their content, and respectively there is no assessment benchmarking specific to the accounting field, such as *IES 2 Initial Professional Development – Technical Competence*. Although the ANACIP was created in 2015, the activity of the institution was acknowledged only in 2017, when the study programme/curricula accreditation procedure was initiated.

Furthermore, the applicants can obtain accounting knowledge during the training courses provided by the continuing professional development institutions, authorized accordingly by the Ministry of Education, Culture and Research. The training courses have an average number of 120 hours delivered during 2.5-3 months. The legislation in force does not prohibit the employment of a certificate holder as an accountant. Although the activity of the institutions is authorized by the Ministry of Education, Culture and Research there are no clear and transparent procedures to monitor and verify the quality of delivered training courses in the field of accounting.

Application of the current general framework (National Qualifications Framework¹¹), of professional qualifications required by an accountant at different stages of education, such as studies in colleges or centres of excellence, university or master's degree studies creates confusions regarding the obtained qualification. In most cases, accounting is taught in colleges and centres of excellence based on analytical programmes similar to those in universities, even if the candidate receives a lower qualification upon graduation. That can be seen from the description of the skills obtained by graduates with different qualification levels, which is presented in Annexes C and D.

The legislation in force imposes certain restrictions towards the studies of a Chief Accountant, or, the application of legal provisions creates confusions regarding practical application. Hence, in accordance with art. 18(6) of the Law on Accounting and Financial reporting,¹² the Chief Accountant (or another person authorized to keep the books and accounting) of an entity must have higher economic education or post-secondary vocational studies, or specialized secondary studies, and a Chief Accountant in an entity of public interest (or another person authorized to keep the books and accounting) must have compulsorily relevant economic higher education. Hence, there is an impression that the persons who obtain different professional qualifications, in accordance with the National Qualifications Framework depending on the education they receive (higher or vocational economic education) will have similar responsibilities as a Chief Accountant in an entity. Relevant stakeholders have to identify a necessary final solution, providing for more options such as, compulsory certification (including the continuous professional development requirement) of

¹⁰ <http://anacip.md/index.php/ro/legislatie/anacip/ghiduri>

¹¹ <http://mecc.gov.md/ro/content/cadrul-national-al-calificarilor-1>

¹² <http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=373601>

Chief Accountants who work in entities of public interest and possibly large entities, the requirement for higher education in the field of accounting for Chief Accountants who work in large and medium enterprises. In addition, it should be mentioned that the legislation does not envisage any restrictions regarding the studies of the accountants when the entity subcontracts a third company to keep the books.

The methodological support, such as teaching materials, practical applications and manuals in accounting and auditing, tailored to the most recent amendments in the national legislation, is limited, and digital practices are not really used. There is a lack of methodological support harmonized with provisions of IFRS, ISA and NAS, which were recently amended. Among invoked reasons are mentioned the amendment of legal framework (two new laws were adopted recently in this field: Law on Accounting and Financial Reporting and Law on Audits of Financial Statements, and the Ministry of Finance has announced the amendment of NAS; last significant amendments of NAS were published in August 2013), as well as lack of adequate motivation for authors of manuals. Moreover, the digitalisation of the methodological support and encouraging communication on online platforms would make the educational process more accessible and appreciated by the students (for instance, develop digital manuals, draft practice notebooks and annual theses, etc.). Insufficient educational software leads to low digital skills of accounting and auditing students, which hence, are incompatible with the labour market requirements and uncompetitive with European studies. Some universities use limited number of international titles of specialised literature in their teaching process. The disciplines practically do not have titles of specialised literature published internationally. The existing methodology support consists for the most part of lecture notes and presentations emailed to the students or accessible in the university's local area network (LAN) (such as Moodle), local manuals and some translations of works by foreign authors that are already obsolete. Some educational establishments still practice "dictations" during lectures.

Although many efforts are undertaken recently in organising the individual activity of the student within the university, however, in some education institutions there are no clear procedures for organising and assessing this activity. In addition, only a limited number of universities have consolidated approaches to fight against academic plagiarism. The individual study time is compulsory in the curricula and study plan, and contributes with a score to the final mark. Each institution applies its own assessment mechanism, which differs extremely from one university to another, and from one teaching staff to another, but often, these assessments are either formal or the student has to submit huge paper-based reports. As a result, in the absence of clear and transparent procedures of individual activity assessment of the student, he/she cannot obtain all required professional skills. Not all universities who train specialists in accounting have consolidated and systemic approaches to fight academic plagiarism and identify possibilities to make the students aware of plagiarism and promote academic ethics. Very few universities who train specialists in accounting have developed and implemented anti-plagiarism programmes and software.

The cooperation between local universities who train specialists in accounting and the Ministry of Finance/Audit Oversight Council could be enhanced to facilitate the access to professional qualifications of an auditor. Currently, only the holders of certain certificates that prove professional qualifications in accounting and auditing obtained in other countries can be exempted from the qualification exam of an auditor in the Republic of Moldova. Similar benefits are not envisaged for graduates of Accounting Faculties, even if some programmes are partly matched with the ACCA programmes. According to the provisions of the Qualification Assessment Norms of international certificates in accounting and auditing,¹³ the holders of the following qualifications and certificates can be partly exempted: ACCA qualification (Association of Chartered Certified Accountants), CIPA (Certified International Professional Accountant), CAP (Certified Accounting Practitioner), DipIFR (Diploma in International Financial Reporting) as well as statutory auditors authorized in the EU Member States. For instance, the holders of the ACCA certificates have to pass the exam on taxation and local legislation, while the CIPA certificate is entirely recognized, because the exams on taxation and legislation are based on Moldovan legislation. Annex H presents the general requirements for obtaining of the professional qualification of an auditor in accordance with Law 27 on audit of the financial statements (enacted on 01.01.2018).

The quality and transparency of the student examination process and the quality of the examination tests could be improved in higher educational establishments as well as for obtaining professional qualifications of an auditor. The model examinations and the case studies for students focus frequently more on testing their knowledge of theory rather than on assessment of their skills. Moreover, the specimen examination tests or selective tests from prior professional qualification exams for auditors are not published, and the general perception is that the assessment (examination tests) is based mostly on testing theoretic knowledge rather than skills. Also, the Auditors Certification Commission does not publish the examiners' reports. Therefore, these aspects should be taken into account when developing the activity Regulations of Audit Oversight Council and of the Certification Commission in accordance with the provisions of Law on Audits of Financial Statements (in force since 01 January 2019).

Neither auditors nor accountants have legal obligation to become members of a professional association, and legislation in force does not provide a clear definition of the professional association of auditors and accountants. As of 01 January 2018, there were 297 auditors registered in the Public Registry: including 41 with suspended activity, 113 audit firms and 4 independent auditors-entrepreneurs. Based on the number of entities subject to compulsory auditing - about 362 companies – an audit firm conducts on average 3 audits a year. However, the Law on Audits of Financial Statements foresees an increase in the number of entities subject to mandatory audit, along with the requirement to have at least 2 certified auditors for the audit of entities of public interest, large companies, state enterprises and

¹³ <http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=334485>

joint-stock companies where the state's share does not exceed 50% of the share capital. According to data from the Public Registry of auditors, some auditors are members of one or two professional associations. There are three associations – Association of Professional Accountants and Auditors¹⁴ (ACAP), Association of Auditors and Auditing Firms of Moldova¹⁵ (AFAM) and the Association of Auditors and Management Consultants¹⁶ (EcoFin-Consult), and 81 auditors are not members of any association. Although all three professional associations have the same objectives, they do not really cooperate, and hence, there is room for improvement in their role in representing the interests of their members in the relations with the regulator. Not all mentioned associations publish information about the membership requirements and the number of members. The register of members and the requirements to ACAP members are available on the association's website.¹⁷ The web pages of other associations are not updated.

The Law on Audits of Financial Statements stipulates the possibility to delegate some tasks to professional associations, while the criteria for such delegation were only established recently by Regulation 807 of 20.08.2018¹⁸ on Activities of the Public Board for Audit Supervision. The provisions regarding delegation of the function to control quality will take effect on 01.01.2021. However, the above-mentioned Regulation provides for delegation of the external audit quality control function to members of professional organisations – audit entities auditing companies other than public interest entities - for a term of three years starting on the date of selection of the professional organisation. The selection criteria include: (i) the number of audit entities that are members of the professional organisation in the area of auditing – not less than 30 entities; (ii) the existence of an external audit quality control subdivision; (iii) an auditor qualification certificate held by the experts on external audit quality control who must also have a service record of at least five years in audit of financial statements. Only professional auditing organisations may be selected that satisfy all of the following criteria in the aggregate: (i) they have not performed any audits of public interest entities during the last six years; (ii) they have two or more auditors on their staff; (iii) they have conducted at least five engagements to audit annual financial statements during the last three years. At the same time, laws and regulations applicable currently do not impose an obligation on auditors and accountants to be members of a professional association. Good international practices suggest that a simple association of auditors and accountants may not be considered a professional association because the latter must have clear criteria regarding joining the profession, governance, policies and adequate internal regulations. Professional associations that operate in accordance with the IFAC Statements of Membership Organisations (SMOs)¹⁹ and focus on the development of their capacity offer

¹⁴ <http://www.acap.md/>

¹⁵ <http://www.afamaudit.md/>

¹⁶ <http://www.ecofinconsult.md/>

¹⁷ http://acap.md/rom/members_acap

¹⁸ <http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=376972>

¹⁹ <http://www.ifac.org/system/files/publications/files/Statements-of-Membership-Obligations-1-7-Revised.pdf>

the governments in the country concerned more regulation options by ensuring that qualified professionals in the sphere of auditing and accounting obtain and maintain relevant skills adequate for their role, and that those who act to the detriment of public interests and do not respect the provisions of the Code of Ethics are excluded from the profession.

ACAP is the only member of the IFAC from Moldova and is the professional organisation with the highest number of certified auditors. As of 01.01.18 ACAP registered 1057 members: including 3 members of honour, 399 members with full rights, **including 141 auditors**, 572 associated members, 17 student members and 23 inactive members. The full-fledged membership is given to the person who holds the auditor's certificate or professional qualification certificate, or a scientific title. The associated membership is open to practicing accountants or who have a related activity, as well as interns in auditing. The student membership is provided to students of Economics and Business Faculties of higher education institutions, specialised in accounting, auditing or related professions. ACAP is a member of regional initiatives, such as the Eurasian Council of Certified Accountants and Auditors (ECCAA) and International Federation of Francophone Accountants (FIDEF). ACAP facilitates the delivery of ECCAA-based certification programme for Certified Accounting Practitioner (CAP) and International Certified Professional Accountant (ICPA), a certification in accounting in Russian language. ACAP has a Board of Directors and five subordinated committees: Membership and Professional Ethics Committee, Finance and Budget Committee, Public Relations and Relations with Public Authorities Committee, Audit Development and Quality Control, Professional Training and Certification Committee. Members of Board of Directors are elected for 4 years and can elect the President of the ACAP. The President is elected for 4 years and may hold 2 consecutive mandates. Currently, ACAP implements the Action Plan to implement the IFAC Statement of Membership Obligations and conducts quality controls for its members in accordance with a detailed methodology and described procedure.

Only auditors are obliged by Law on Audits of Financial Statements to strengthen their skills by taking part in continuing professional development (CPD) programmes; there are no similar legal requirements for accountants. The structure, content and organisation of CPD programmes are provided in the Regulation on auditors' certification.²⁰ CPD annual minimal requirement for auditors is 40 hours and may include the participation in trainings, seminars, conferences, publication of specialised materials. Minimum 20 hours have to be covered by participating in courses organised by continuing professional training organisations and institutions of the Republic of Moldova or international organisations and institutions in the field to enhance the level of qualification. Annually, every certified auditor should provide the Certification Commission Secretariat with proof of formal training, such as certificates and a confirmation of other types of CPD; however, the process of monitoring compliance with the requirements regarding continuous professional development could be improved in order to

²⁰ <http://lex.justice.md/index.php?action=view&view=doc&lang=1&id=326428>

reduce the number of occasions where final evaluation is mostly formalistic on completion of the training courses.

Some professional associations require their members to demonstrate continuing professional development, but this information is not published on the websites of the associations and hence, it is difficult to compare these requirements with the ones imposed by the Ministry of Finance or if these refer to all members or just auditors. For instance, CPD requirements for ACAP members include proof of 40 hours a year for auditors and 120 hours in three years for members with CAP/ICPA certificates. The observance of these requirements is monitored by the Training Department of ACAP. The ACAP CPD programme for auditors is approved annually by the Ministry of Finance and Ministry of Education, Culture and Research. Only two organisations are currently authorised to offer training courses for CPD: Professional Training Centre for auditors by CIPAM SRL and ACAP²¹.

²¹ <http://csaa.mf.gov.md/node/55>

PRIORITIES IN ACCOUNTING AND AUDITING EDUCATION DEVELOPMENT

The key challenges identified during the development of this concept note based on the current situation and existing legal framework are as follows:

- a) although there is a national assessment system of accounting and auditing programmes provided by the higher education institutions, colleges, centres of excellence, and authorised courses, it is not based on learning outcomes, in accordance with the IES (in the field of accounting and auditing);
- b) there is no cooperation between local universities that train specialists in accounting and the Ministry of Finance/Audit Oversight Council to facilitate the access to acquiring the professional qualification of the auditor;
- c) the existing general framework regarding professional competences required by an accountant at different levels of education should be improved for a better alignment with the IES;
- d) ensuring internship places as well as the necessary support from the accounting departments of enterprises is a problem faced by both the education institutions and its students, sometimes this internship provides only limited training benefits for students or is formalistic in nature;
- e) employment as accountant can be done based on certificate of graduated authorised courses in accordance with the Ministry of Education, Culture and Research (average duration 120 hours), at the same time, there are no clear and transparent quality monitoring and verification procedures of taught courses;
- f) practical application of legal requirements regarding the studies of the Chief Accountant generate confusions; it is believed that the persons who obtained different professional competences in accordance with the National Qualifications Framework depending on their studies (economic higher or post-secondary education) have similar responsibilities as Chief Accountant of an entity;
- g) the methodological support, such as teaching materials, practical applications and manuals in accounting and auditing tailored to the most recent amendments to the national legislation is limited, and the authors are not sufficiently motivated to develop such materials;
- h) digital methodological support is practically missing, and the online communication with students is not promoted sufficiently in some education institutions;
- i) only a limited number of universities apply consolidated academic anti-plagiarism approaches;
- j) the quality of tests and case studies used by the educational establishments could be improved by orienting them towards testing of skills and competences rather than knowledge of theory;

- k) limited transparency of professional qualification examination of auditor; no specimen of examination tests are made public, and their quality could be improved;
- l) neither auditors nor accountants are legally obliged to become members of a professional accounting association;
- m) applicable laws do not provide a clear definition of the professional association of auditors and accountants.

The recommendations and proposals will become efficient when there is a wider consensus between parties and a political commitment for reforms. This requires a participatory process, where all parties affected by these changes, including general public, could contribute to their development. Depending on decisions made at a certain phase, the reform actions could have a different succession, thus, each identified priority is followed by the most important hypotheses that affect the implementation. Also, some of the identified priorities and implementation actions can be achieved directly in the institutions, and some other require common efforts; the implementation could be more efficient within a national project on strengthening the profession and corporate financial reporting. Identified reform priorities and possible actions are presented in the table below (Table 2).

Table 2: Identified reform priorities and possible actions for the development of accounting and auditing education

Priorities and actions	Agents of change
I. Ensure better synergy between the accounting and auditing education at university and professional levels to enhance the quality and access to the profession	
1. Improve a common framework of technical professional skills with a differentiation according to the level of education (higher, secondary, vocational) based on <i>IES 2: Initial Professional Development – Technical Competence</i> provisions, which would allow the education institutions to incorporate the learning outcomes into the study programmes, and thus facilitate the access to professional accounting and auditing qualification.	Universities, MECR
2. Develop the assessment mechanism of university programmes and curricula standards to provide the graduates with exemption from some exams to obtain professional qualifications of the auditor.	Universities, AOC

Priorities and actions	Agents of change
3. Implement mechanisms that would ensure student-centered education to develop skills necessary on the labor market and continuous and efficient communication with employers from private and public sectors to decrease the risk of disconnecting from taught skills and skills needed in practice, enhancing the correspondence of skills of future graduates with the requirements of potential employers.	Universities
4. Initiate cooperation protocols between universities and internship partners from private sector and professional associations to facilitate the cooperation with business environment.	Universities, PAOs
5. Encourage universities to obtain and maintain the accreditation of international professional organizations for the accounting and auditing education.	Universities
6. Develop a detailed Guide on drafting/content of exam tests to obtain professional skills of the auditor (applied in universities who train accountants and auditors), directed to testing the skill-based objectives and not theoretical knowledge.	Universities, AOC, PAOs
7. Facilitate the exchange of experience between the EU Member States in cooperation between universities, professional associations and regulators.	Universities, AOC, PAOs, development partners
II. Enhance the role of the profession in promoting accounting and auditing education	
1. Agree on the definition of professional association in accounting and auditing and initiate the amendment of legal framework (for instance, law on non-for-profit organizations).	PAOs
2. Implement international practices regarding good governance in professional accounting associations.	PAOs
3. Develop and implement a certification programme for accountants, in accordance with the IES (based on accumulated experience of the ACAP in managing CAP and CIPA certificates).	PAOs

Priorities and actions	Agents of change
4. Enhance/develop and implement quality control methodologies of the members of professional accounting associations, based on risk analysis.	PAOs, AOC
5. Enhance/develop and implement the compulsory monitoring framework of continuing professional development requirements for members of professional accounting associations based on learning outcomes assessment.	PAOs, AOC
6. Encourage existing professional accounting associations to become members of IFAC.	PAOs
7. Initiate voluntary consolidation actions of existing professional accounting associations.	PAOs
8. Identify development partners to organize trainings for practical application of IFRS, ISA and new national regulations in accordance with the <i>acquis communautaire</i> in corporate financial reporting.	PAOs, universities, AOC, MF
9. Organize public discussions and debates with representatives of the profession, regulators and existing professional accounting organizations.	PAOs, universities, AOC, MF
10. Facilitate the exchange of experience with the EU Member States to study relevant experience, especially regarding the cooperation between professional accounting organizations, cooperation between universities, professional associations and regulators.	PAOs, universities, AOC, MF
11. Enhance the tracking mechanism of graduates' employment in higher education institutions.	Universities
III. Ensure methodological support necessary to the accounting and auditing education development and strengthening at university and professional levels	
1. Identify methodological support relevant to auditor's qualifications in the EU Member States published by well-known international publishing houses and translate into Romanian language (with the support of development partners).	Universities, PAOs, AOC, MF

Priorities and actions	Agents of change
2. Regular organization of Training of Trainers courses at different levels (university, professional accounting organizations, continuing professional development courses) to ensure a quality approach in teaching IFRS, ISA, Code of Ethics, NASs and other subjects related to continuing professional development necessary in the field of accounting and auditing qualifications (with the support of development partners).	Universities, PAOs, AOC, MF
3. Develop a detailed training methodology, which would lead to development and maintenance of professional skills necessary for high quality service provision in accounting.	Universities, PAOs
4. Develop manuals on practical application of new national regulations, <i>acquis communautaire</i> requirements.	Universities, PAOs
5. Develop practical applications for IFRS, ISA, Code of Ethics, NASs understanding and implementation.	Universities, PAOs
6. Develop and implement applications that could facilitate the online communication with students as well as digital methodological support development.	Universities, PAOs
7. Implement e-learning platforms both in higher education and continuing professional development.	Universities, PAOs

APPENDIX 1. INTERNATIONAL EDUCATION STANDARDS: SHORT DESCRIPTION²²

IES	Description
IES 1, Entry Requirements to Professional Accounting Education Programs (2014)	This IES establishes the principles to be followed when setting and communicating educational requirements for entry to professional accountancy education programs. Such programs should have suitable entry requirements which are neither too high by posing unnecessary barriers to entry, nor too low. Candidates should have a reasonable chance of successfully completing the program. For example, some programs require completion of a degree from a university or equivalent higher education institution.
IES 1, Entry Requirements to Professional Accounting Education Programs (2014)	This IES establishes the principles to be followed when setting and communicating educational requirements for entry to professional accountancy education programs. Such programs should have suitable entry requirements which are neither too high by posing unnecessary barriers to entry, nor too low. Candidates should have a reasonable chance of successfully completing the program. For example, some programs require completion of a degree from a university or equivalent higher education institution.
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²² <http://www.ifac.org/publications-resources/2015-handbook-international-education-pronouncements>

IES	Description
IES 1, Entry Requirements to Professional Accounting Education Programs (2014)	This IES establishes the principles to be followed when setting and communicating educational requirements for entry to professional accountancy education programs. Such programs should have suitable entry requirements which are neither too high by posing unnecessary barriers to entry, nor too low. Candidates should have a reasonable chance of successfully completing the program. For example, some programs require completion of a degree from a university or equivalent higher education institution.
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APPENDIX 2. HIGHER EDUCATIONAL ESTABLISHMENTS²³ THAT OFFER TRAINING IN ACCOUNTING AND AUDITING²⁴

Academy of Economic Studies of Moldova (ASEM) ²⁵	
Public/private education	Public education
Faculty	Faculty of accounting
Offered programmes	<p>Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance)</p> <p>Cycle II (Master Degree) Accounting and audit (2 years) Financial audit (2 years)</p> <p>Cycle III (Doctor Degree) Accounting, audit, economic analysis (3 years with full-time attendance; 4 years with reduced-time attendance)</p>
Moldova State University (MSU) ²⁶	
Public/private education	Public education
Faculty	Faculty of economic sciences
Offered programmes	<p>Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance)</p> <p>Cycle II (Master Degree) Audit and financial expert reviews (2 years) Accounting in enterprises (2 years) Finance management and accounting in business (2 years) Accounting and management information (2 years)</p> <p>Cycle III (Doctor Degree) Accounting, audit, economic analysis</p>

²³ <http://www.edu.gov.md/ro/content/institutiile-de-invataman-superior>

²⁴ Prepared based on publicly available information

²⁵ <http://ase.md/en/>

²⁶ <http://usm.md/?lang=en>

State Agrarian University of Moldova (UASM) ²⁷	
Public/private education	Public education
Faculty	Faculty of economics
Offered programmes	<p>Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance)</p> <p>Cycle II (Master Degree) Accounting and audit in agribusiness (2 years) Accounting of enterprises in agribusiness (2 years) Audit of enterprises in agribusiness (2 years)</p> <p>Cycle III (Doctor Degree) -</p>
A. Russo State University in Balti ²⁸	
Public/private education	Public education
Offered programmes	<p>Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance)</p> <p>Cycle II (Master Degree) Accounting (2 years)</p> <p>Cycle III (Doctor Degree) -</p>
Free International University of Moldova (ULIM) ²⁹	
Public/private education	Private education
Faculty	Faculty of economic studies
Offered programmes	<p>Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance)</p> <p>Cycle II (Master Degree) Accounting management, expert review and auditing (2 years) International Finance and Accounting (2 years) Finance, Taxes and Accounting (2 years)</p>

²⁷ <http://www.uasm.md/>

²⁸ <http://usarb.md/>

²⁹ <http://ulim.md/en/>

	Cycle III (Doctor Degree) Accounting, audit, economic analysis
Bogdan Petriceicu Haşdeu State University in Cahul³⁰	
Public/private education	Public education
Faculty	Faculty of economics, engineering and applied sciences
Offered programmes	Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance) Cycle II (Master Degree) Financial and accounting business management (2 years) Cycle III (Doctor Degree) -
State University in Comrat³¹	
Public/private education	Public education
Faculty	Faculty of economics
Offered programmes	Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance) Cycle II (Master Degree) Accounting in sectors of economy (2 years with full-time attendance; 2.5 years with part-time attendance) Cycle III (Doctor Degree) -
Trade Co-operative University of Moldova (UCCM)³²	
Public/private education	Private education
Faculty	Faculty of commerce, finance and accounting
Offered programmes	Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance) Cycle II (Master Degree) Accounting in trade (2 years) Financial tax law, control and audit (2 years)

³⁰ <http://usch.md/>

³¹ <http://www.kdu.md/>

³² <http://www.uccm.md/en/>

	Cycle III (Doctor Degree) Accounting, audit, economic analysis
University of European Studies of Moldova³³	
Public/private education	Private education
Faculty	Faculty of economic sciences
Offered programmes	Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance) Cycle II (Master Degree) - Cycle III (Doctor Degree) -
IMI-NOVA International Management Institute³⁴	
Public/private education	Private education
Offered programmes	Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance) Cycle II (Master Degree) Accounting (2 years) Cycle III (Doctor Degree) -
Slavonic University³⁵	
Public/private education	Private education
Offered programmes	Cycle I (License): specialism: Accounting (3 years with full-time attendance) Cycle II (Master Degree) Accounting (2 years) Cycle III (Doctor Degree) -

³³ <http://www.usem.md/>

³⁴ <http://imi-nova.md/>

³⁵ <http://surm.md/>

American University of Moldova ³⁶	
Public/private education	Private education
Offered programmes	<p>Cycle I (License): specialism: Accounting (4 years with full-time attendance)</p> <p>Cycle II (Master Degree)</p> <p>-</p> <p>Cycle III (Doctor Degree)</p> <p>-</p>
Perspectiva-INT University ³⁷	
Public/private education	Private education
Offered programmes	<p>Cycle I (License): specialism: Accounting (3 years with full-time attendance; 4 years with part-time attendance)</p> <p>Cycle II (Master Degree)</p> <p>-</p> <p>Cycle III (Doctor Degree)</p> <p>-</p>

³⁶ <http://surm.md/>

³⁷ <http://perspectiva.md/en/>

APPENDIX 3. SKILLS AND COMPETENCES SPECIFIC TO THE ACCOUNTING SPECIALISM ACCORDING TO THE NATIONAL QUALIFICATION FRAMEWORK (HIGHER EDUCATION)³⁸

HIGHER EDUCATION CYCLE I: LICENSE

Importance rating	Area	Upon completion of training the student must:
1	Knowledge	<ol style="list-style-type: none"> 1. Demonstrate knowledge and comprehension of the following areas: <ol style="list-style-type: none"> 1.1. Accounting – organization of accounting in an economic entity; 1.2. Internal audit – conducting in a team and internal audit activities; 1.3. Finance – accounting for finance; 1.4. Information systems – development thereof, accounting based on use of up-to-date information systems; 1.5. IT and communication technologies – knowledge and use of IT and communication technologies in business and accounting; 1.6. Accounting policies – development of accounting policies for achievement of more effective results; 1.7. Innovations in accounting – IFRS application in companies;
2	Own actions	<ol style="list-style-type: none"> 2. Establish daily priorities in correlation with the indications received from authorized sources; 3. Plan activity stages in logical sequence depending on the complexity of the tasks to be performed; 4. To review accounting action plans, to identify reasons for non-fulfilment of individual tasks;

³⁸ https://mecc.gov.md/sites/default/files/cnc_36_812-stiinte_economice.pdf

Importance rating	Area	Upon completion of training the student must:
3	Documentation	<ol style="list-style-type: none"> 5. Fill in primary accounting documents correctly and legibly, using the specialized terminology; 6. Verify whether produced/filled in documents are in compliance with applicable statutory requirements;
4	Team work	<ol style="list-style-type: none"> 7. Establish ways of communication and collaboration with the team established in accordance with its type; 8. Transmit/receive promptly the information structured in accordance with the specifics of each individual situation; 9. Analyze the received information promptly and responsibly;
5	Asset and liability valuation	<ol style="list-style-type: none"> 10. Perform asset and liability valuations in compliance with the rules of recognition and measurement of items of assets and liabilities established in the process of economic activities;
6	Organization of accounting	<ol style="list-style-type: none"> 11. Determine corresponding accounts on the basis of the chart of accounts; 12. Produce accounting formulas for asset and liability items through association of accounting symbols, ensuring correct accounting for assets;
7	Maintenance of accounting registers	<ol style="list-style-type: none"> 13. Verify concordance of the accounting registers in terms of their form and content with the models included in the applicable laws and regulations; 14. Maintain accounting registers in chronological order for ongoing identification and control of performed transactions;

Importance rating	Area	Upon completion of training the student must:
8	Information management	<p>15. Select a specific programme depending on the goal pursued, in correlation with the type of documents to be developed;</p> <p>16. Introduce primary data in totality and with sufficient accuracy to satisfy all requirements of the information synthesis software;</p> <p>17. Verify professionally the introduced data to ensure specific final accuracy;</p>
9	Compilation of financial statements	<p>18. Introduce data in totality in the report form to ensure correct and complete reflection of the financial situation and the financial result;</p> <p>19. Verify correlation among the indicators in different reports, develop annexes and notes in accordance with the applicable methodology requirements, depending on the indicator type.</p>

HIGHER EDUCATION CYCLE II: MASTER DEGREE

Importance rating	Area	Upon completion of training the student must:
1	Knowledge	<p>1. Demonstrate ability to apply, transfer and combine knowledge and skills in diverse situations and working environments for the discharge of the required job duties with adequate quality;</p>
2	Own actions	<p>2. Be able to determine daily priorities established in correlation with the indications received from authorized sources;</p> <p>3. To review non-fulfilled tasks and to modify plans promptly in order to meet pre-established deadlines;</p>

Importance rating	Area	Upon completion of training the student must:
3	Team work	<ul style="list-style-type: none"> 4. Demonstrate the capacity needed by an accountant to communicate efficiently with the team of which the accountant forms part and with representatives of the institutions the accountant contacts; 5. Participate in professional discussions, defend opinions responsibly and with pertinent arguments;
4	Information management	<ul style="list-style-type: none"> 6. Know the requirements for operating the software; 7. Know specialized terminology (language); know the accounting principles; 8. Demonstrate the capacity to use specialized software of diverse types;
5	Documentation	<ul style="list-style-type: none"> 9. Demonstrate knowledge of the contents of primary documents and be able to develop and process them;
6	Organization of accounting	<ul style="list-style-type: none"> 10. Identify economic transactions and asset and liability items; 11. Register economic transactions correctly on the basis of the chart of accounts, ensuring correct presentation of the information on assets and liabilities; 12. Be able to verify correctness of registering economic and financial transactions;
7	Maintenance of accounting registers	<ul style="list-style-type: none"> 13. Know how analytical and synthetic accounting registers should be produced and maintained; 14. Verify correctness of the data in accounting registers; 15. Identify errors and misstatements and ensure their adjustment in accordance with statutory requirements;

Importance rating	Area	Upon completion of training the student must:
8	Compilation of financial statements	<p>16. Know specific laws and regulations in financial and accounting sphere, the role of financial reporting;</p> <p>17. Demonstrate the ability to systematize accounting data during compilation of financial reports;</p> <p>18. Verify the correctness of compilation of the reports, suggest solutions if an error or misstatement is detected;</p> <p>19. Demonstrate the ability to analyze financial statements and to adjust economic and management decisions.</p>

APPENDIX 4. FUNCTIONS OF AN ACCOUNTING PROFESSIONAL AFTER LEVEL 4 TRAINING (POST-SECONDARY SCHOOL VOCATIONAL TECHNICAL TRAINING)

- 1** Documenting promptly and correctly of the economic events and transactions associated with the company's activities;
 - 2** Performing in a correct and timely manner front office transactions in Moldovan Lei and in foreign currency based on customer requests and using adequate information tools, equipment and resources;
 - 3** Accounting for the economic events and transactions in conformity with the applicable laws and regulations;
 - 4** Performing specific calculations to determine the costs of finished products, performed work and delivered services;
 - 5** Maintaining accounting registers and generating accounting reports; verifying the correlation thereof and presentation thereof to internal and external users;
 - 6** Participating in the organization and conducting of counts of inventories, accounts receivable and liabilities of the company;
 - 7** Valuating the company's assets and liabilities to obtain an accurate picture of the company as a whole;
 - 8** Controlling compliance with the statutory requirements relevant for maintenance of accounting registers for efficient management of the company.
-

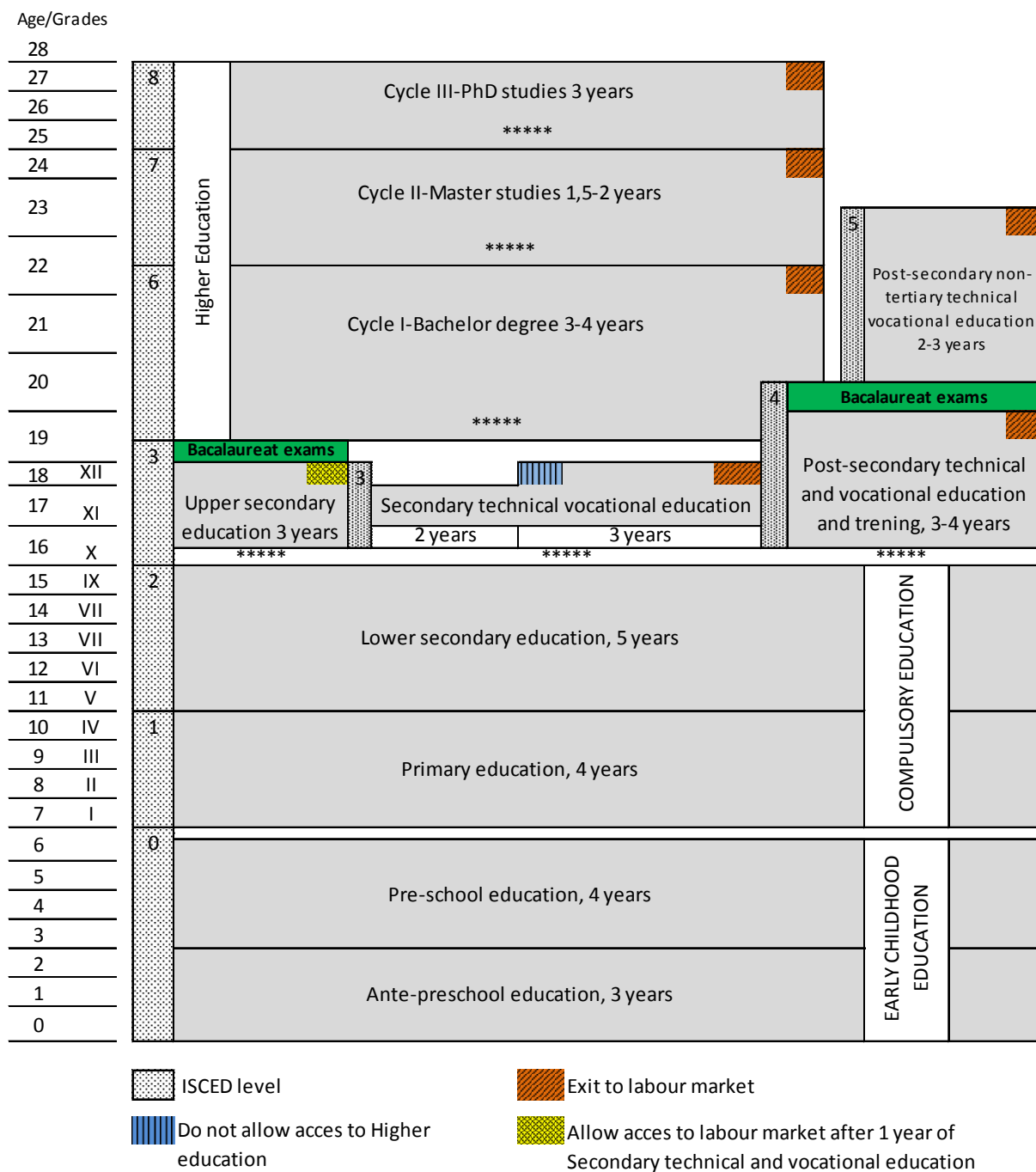
APPENDIX 5. INDICATIVE COURSE UNITS FOR THE ACCOUNTING AND AUDIT STUDENTS IN THE HIGHER EDUCATION SYSTEM (ACCORDING TO THE NATIONAL QUALIFICATION FRAMEWORK)

Higher education cycle I: License	Higher education cycle II: Master degree
FUNDAMENTALS	YEAR I
Economic theory (micro and macro-economy)	Economic research methodology
Economic maths	HR management
Statistics	Financial diagnostics
Currency and lending	Other/Optional
Finance	
Management	YEAR II/ACCOUNTING AND AUDIT
Marketing	Audit
GENERAL	Compilation of financial statements
Economic IT	IT systems in accounting
Foreign language I and II	Internship
SOCIO-HUMANITARIAN	Master degree thesis
Philosophy	Optional
Business law	
Basics of economic analysis	YEAR II/FINANCIAL AUDIT
Taxes	In-depth financial accounting
FOR SPECIALISM: ACCOUNTING	Managerial accounting
Basics of accounting	Advanced financial audit

Higher education cycle I: License	Higher education cycle II: Master degree
Financial accounting I and II ³⁹	Master degree thesis and internship
Managerial accounting	Optional
Tax accounting	
Accounting in commerce	YEAR II/ACCOUNTING IN COMMERCE
Bank accounting	In-depth financial accounting
Management analysis	Accounting in commerce
Analysis of financial statements	Managerial accounting
Financial audit	Master degree thesis and internship
ORIENTATION TOWARDS OTHER AREAS	Optional
Accounting project	
Internship in an enterprise	
License internship	
License thesis and license exam	

³⁹ In some universities, financial accounting is taught based on NAS as well as on IFRS

APPENDIX 6. EDUCATION SYSTEM IN THE REPUBLIC OF MOLDOVA



***** Competition based enrolment

APPENDIX 7. ANACEC FUNCTIONS, RESPONSIBILITIES AND AUTHORITY⁴⁰

ANACEC has the following functions and responsibilities:

- to implement government policies in the field of ensuring the quality of vocational technical training, higher education and continuous professional development training;
- to develop in accordance with the relevant European standards and to publish own methodologies for assessment and accreditation of the institutions offering professional development programmes and of their programmes submitted for approval thereof by the government;
- to establish and review, based on good European and international practices, from time to time, accreditation standards, national reference standards and performance indicators to be used in evaluation and quality assurance in vocational technical training, higher education and continuous professional development training;
- to evaluate, on contractual basis, the institutions offering professional development programmes and educational services as well as their programmes for issuance of provisional authorisations to operate, accreditations and repeated accreditations in vocational technical training, higher education and continuous professional development training;
- to develop authorisation procedures for provisional operation and for accreditation of common higher education programmes;
- to develop and approve the Methodology for ranking of higher educational establishments;
- to evaluate, on contractual basis, on request of the Ministry of Education, the quality of particular programmes and institutions offering professional development programmes in the field of vocational technical training, higher education and continuous professional development training;
- to ensure objectivity and validity of the results obtained in external evaluations of the institutions offering educational programmes and of their programmes;
- to ensure transparency of external evaluations, including publication of the evaluation results;
- to develop and publish papers in the field of evaluation and accreditation of educational establishments, of institutions offering educational programmes and of their programmes;
- to publish manuals, methodology guidelines, synthesis papers on good practices of

⁴⁰ <http://www.anacip.md/index.php/ro/home-ro-ro/atributii>

- internal and external quality evaluation and quality assurance;
- to develop and approve the Agency's Code of Professional Ethics, including in the matters concerning expert valuers;
- to appoint representatives to the Ethics and Management Council;
- to present annual activity reports to the Government and to publish these reports on the Agency's official website;
- to produce reports from time to time on self-valuation of the quality of own activities for external evaluation by similar agencies in other countries;
- to collaborate with similar agencies in other countries for development and application of efficient measures to improve the quality of professional development programmes;
- to make the necessary arrangements in order to be included, maximum within three years of its establishment, in the European Register for Quality Assurance in Higher Education;
- to make the necessary arrangements in order to become a member of the European Network for Quality Assurance in VET (ENQA-VET);
- to perform other functions prescribed by the applicable laws and regulations.

The agency has the authority and the right to:

- train expert valuers in the sphere of its activities;
- maintain, in accordance with a transparent methodology and using certain competence and competitiveness criteria, an own register of expert valuers trained by the agency from the methodology perspective, and send them on external quality evaluation missions;
- delegate expert valuers on external quality evaluation engagements;
- verify, at conclusion of the evaluation engagement, compliance with the valuation methodology applied by expert valuers;
- grant own employees the entitlement and authority to unrestricted access to the educational establishment subject to evaluation – for the duration of that evaluation;
- inform the evaluated establishment and the Ministry of Education about the external valuation results;
- operate according to self-management principle and establish the size of remuneration payable to employees and of the fees payable to service providers in accordance with the applicable laws and regulations;
- suggest the size of fee rates for the provided services to the Government based on the decision of the Management Board;
- exercise other rights granted by the applicable laws and regulations.

APPENDIX 8. GENERAL REQUIREMENTS FOR OBTAINING PROFESSIONAL QUALIFICATIONS OF AN AUDITOR⁴¹

Individuals who may be admitted to the exam to obtain the professional qualifications of an auditor must satisfy, as of the date of submission of the admission application, the following criteria:

- a) hold a higher education diploma in economy or in law;
- b) have a service record of at least three years in an economic or legal sphere, including at least two years as an auditor in internship;
- c) have no criminal record;
- d) master Romanian.

In deviation from the foregoing rules, individuals may be admitted to the exam if they have a service record of at least 15 years in an economic or legal sphere. The experience gained by such individuals and entitling them from an exemption from internship in auditing shall be examined in advance by the Audit Supervision Committee.

To be admitted to the exam, the applicant shall submit to the Auditor Certification Committee the following:

- a) application for admission to the qualification exam;
- b) curriculum vitae;
- c) two photos sized 3×4 cm;
- d) certificate of the absence of criminal record;
- e) written letter of reference from the audit firm where the applicant was an intern, if applicable;
- f) higher education diploma (license cycle) acknowledged and equated by the Ministry of Education, Culture and Research of the Republic of Moldova, if the applicant received training abroad;
- g) document confirming the applicant's activities in the Republic of Moldova, authenticated in due course, if applicable, or document confirming the applicant's activities outside the Republic of Moldova, accompanied with its Romanian translation and legalised according to the statutory procedure and confirming a service record of at least three years or of at least 15 years in an economic or legal sphere;

⁴¹ Conform prevederilor Legii nr. 271 privind Auditul Situațiilor Financiare

- h) Moldovan domestic ID or residence permit, as the case may be, issued by a competent authority of the Republic of Moldova;
- i) international accounting and audit qualification certificate together with a list of passed exams, accompanied with its Romanian translation and legalised according to the statutory, as the case may be.

The examination is held by the Auditor Certification Committee established within the Public Audit Supervision Board.

The exam consists of written tests in the following disciplines:

- a) audit:
 - statutory requirements in the field of auditing;
 - standards of auditing;
 - quality control standards;
 - Code of Ethics;
- b) financial accounting:
 - accounting principles and foundations;
 - statutory requirements regarding financial accounting and reporting;
 - accounting standards;
- c) managerial accounting:
 - cost accounting;
 - basic company management principles;
- d) Financial management:
 - financial analysis;
 - risk management and internal controls;
 - business economy, general and financial economy;
 - maths and statistics;
- e) law:
 - labour law, social insurance and health insurance law;
 - tax law, civil law, business law;
 - laws on insolvency and similar procedures;
- f) IT and computer system management.

The person who has failed an exam in a particular discipline may only be admitted to a repeat exam in six months' time for the first time and in one year's time for the second time, in each case after the preceding attempt, within the limitation period of three years which starts on the day of the exam in the first discipline.

The person who failed to pass the exam for the professional auditor qualification within three years of the date of admission to the exam in the first discipline may be admitted for a new exam in conformity with the statutory provisions.

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