

Republic of Kosovo

Reforms status and highlights

Gem Maloku, Chairman of KCFR

Brussels, 28 March 2017

EU-REPARIS Senior Officials Workshop



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.



Summary of alignment status

- » Alignment of legal framework with EU Directives, law and administrative orders.
- » Public Oversight as the major challenge.



Success Story

Alignment of the legal framework with the EU directives, introduction of IFRS (SME) and best practices on the field of audit:

- The law on accounting and audit was aligned with the EU directives and best practices
- Administrative orders in the field of audit were also aligned with the EU audit directive
- Initial steps towards QA were over taken
- Enhancement of the financial reporting cycle (explanatory decisions issued of requirements for financial reporting, MOA with Tax administration ext.)

Summary of alignment status

	Transposition tables prepared	Laws drafted	Public consultations	Law passed
Accounting Directive	No	Yes	No	Draft
IAS Regulation	No	Yes	Yes	Yes
Audit Directive	No	Yes	No	Draft
Audit Regulation	No	Yes	No	Draft

GENERAL COMPLIANCE WITH EU FRAMEWORK

- Definition of SMEs harmonized with the NEW accounting directive: Yes
- Accounting standards used for SMEs: Yes
- Format of financial statements aligned with EU accounting directive: Yes
- Adoption of a micro-regime: No
- Audit Standards used: Yes

	Legal requirement	System established	Built capacity?	Institution effective?
Public Oversight	Yes	Partially	In Progress	Regularly operating
Quality Assurance	Yes	POB	Partially	Regularly operating

Quality Assurance (QA)

- Capacity building to ensure implementation of QA activities within existing legal framework.
- Legal framework enabling sustainable POB, alignment with best practices embedding local specifics.
- Aiming towards implementation of the administrative order of quality review and on-site review by mid 2018.

Thank you.