

ALBANIA - STRENGTHENING QUALITY OF AUDITING AND REPORTING PROJECT

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CFRR 

**Centre for Financial
Reporting Reform**



SQARP

SQARP is funded by:

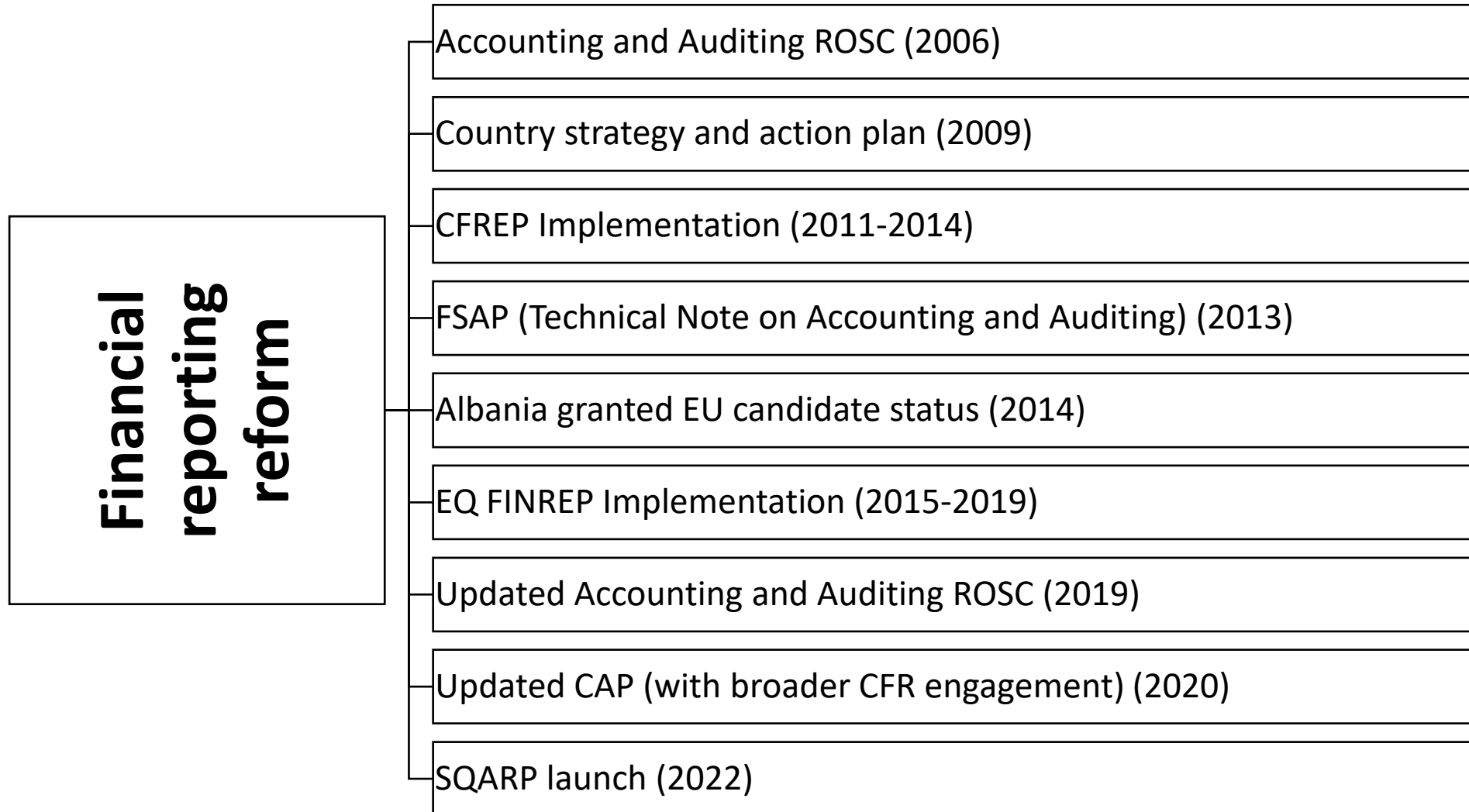


Schweizerische Eidgenossenschaft
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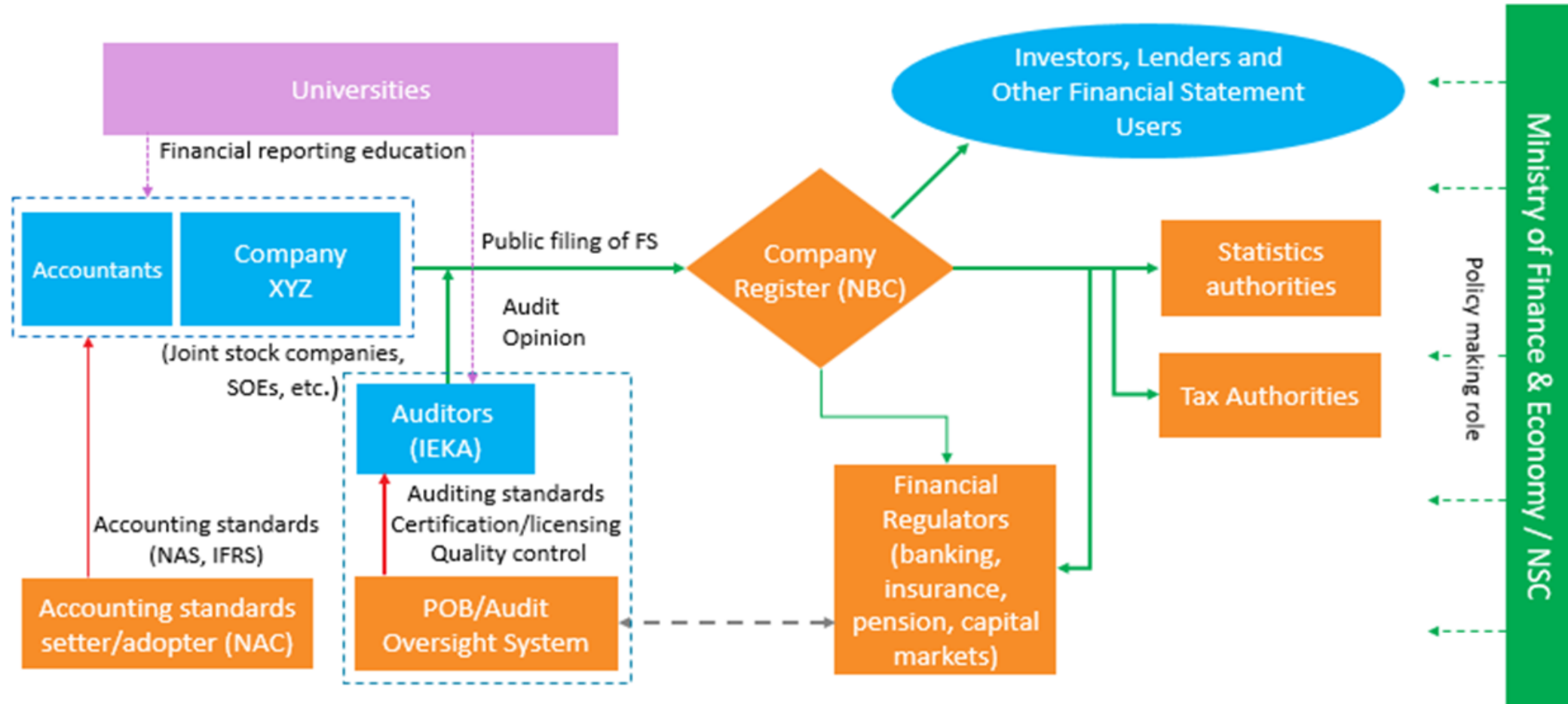
Swiss Confederation

Federal Department of Economic Affairs,
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Albania - Important milestones



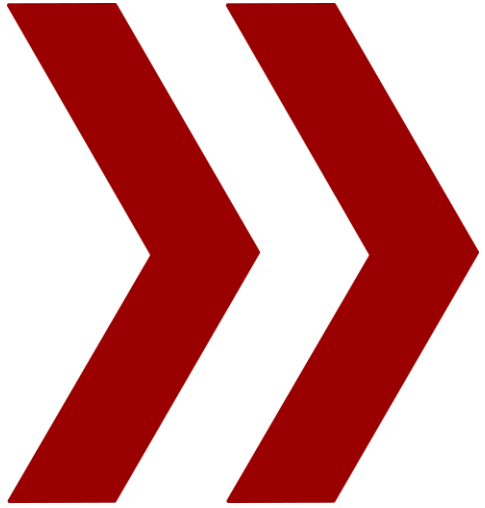
CFR ecosystem in Albania





SQARP - Key information

The development objective of the SQARP is to **strengthen** the relevant stakeholder's capacity to **improve, apply** and **enforce** corporate financial reporting in line with good international standards and practices in Albania



Recipient-Executed Components



Component 1: Strengthening Standards Setting, Oversight and Enforcement

Component 1 will focus on:

- »Strengthening standard setting and increasing capacity of financial regulators on financial reporting;
- »Strengthening oversight and enforcement;
- »Research on improving the transparency of the Financial Statements based on IFRS.



Component 2: Improving Capacity to Comply with CFR Requirements, Development of Accountancy Services and Public Awareness

Component 2 will focus on:

- » Improving of professional qualification and examination process for accountancy profession;
- » Development of accountancy services and public awareness.



Component 3: Strengthening Accountancy Profession and Capacity Building in the Judicial System

Component 3 will focus on:

- » Provide technical assistance to selected professional accounting organizations to build their capacity to develop forensic accounting as a separate service area for accounting organizations in Albania;
- » Support the Albanian courts (district, appeal, supreme/high), general prosecutor office, and officers of judicial police on accounting techniques, legislation, and standards.



Component 4: Project Management, Strengthening Reform Capacity, and Monitoring and Evaluation

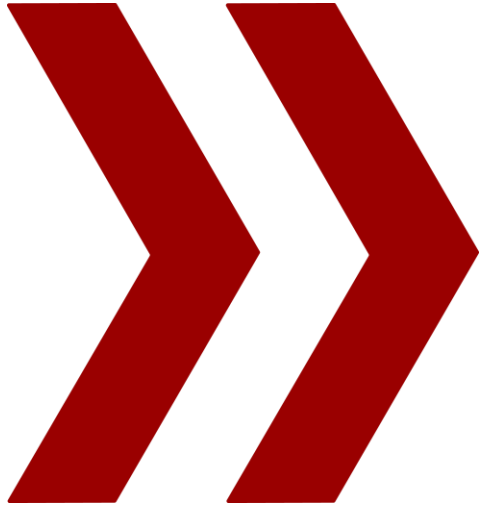
Component 4 will focus on:

- » Providing technical assistance to the MoFE and National Steering committee on Project management;
- » Monitoring and evaluation activities;
- » CFR reform capacity.



Deliverables and Results

- » Staff at NAC and POB are better and adequately **equipped** with knowledge and tools, including e-tools where applicable, and able to satisfactorily perform their duties required by the new legislation and EU standards and practices in the area of standards setting, monitoring and audit oversight;
- » The Albanian accountancy profession is **better equipped** to compete internationally in exporting accountancy services;
- » Capacities of justice sector stakeholders to manage CFR related cases is **strengthened**;
- » Key actors involved in Albania's CFR ecosystem are able to continue reforms on sustainable basis after 2025.



Bank-Executed Component



General information

- » The Bank-executed activities will provide implementation support to the Recipient-executed activities and conduct of knowledge-related activities;
- » Activities include providing policy advice, support and capacity building activities on improving monitoring of SOEs' financial performance; reviewing the project outputs and offering guidance and support on a needs basis.



Sub-component 1: Support on improving SOEs financial reporting practices and monitoring of financial performance

- » Sub-component 1 will focus on:
 - » Development of a methodology to monitoring SOE's financial performance, to be implemented by MoFE and MoEI;
 - » Development of benchmark accounting guidelines and template financial statements for those SOEs that apply national accounting standards;
 - » TA and capacity building for SOE's, MoFE and MoIE relevant staff and management on applicable accounting and financial reporting framework (NAS and IFRS) and issues related to governance, financial accountability, controls and transparency.



Sub-component 2: Supervision and implementation support

- » Sub-component 2 will focus on:
 - » Project design and preparation in coordination with the Government of Albania and donor;
 - » Project management and administration at the trustee level;
 - » Implementation support for all project components;
 - » Providing strategic advice on international practices;
 - » Providing policy advice on emerging areas of CFR reforms;



Deliverables and Results

- » Methodologies and tools for review and analysis of SOE's audited financial statements **developed and provided** to MoFE and MoIE;
- » Template accounting policy and financial statements **prepared and made available** to SOEs;
- » SOEs' management, and MoFE's and MoIE's relevant staff are **equipped** with adequate knowledge and tools to perform financial statement monitoring (at least 80 people trained);
- » SOEs' accountants and finance staff and relevant staff from MoFE and MoIE are **equipped** with adequate knowledge on NAS and IFRS application (at least 50 people trained);
- » Annual company reports (i.e., management report and financial statements) **prepared for at least 2 selected pilot SOEs** (for new accounting policy and financial statements template).



»Faleminderit!

»Thank you!