

ROUNDTABLE

Strengthening Corporate Financial Reporting in Kosovo and Introducing Sustainability Reporting Requirements

July 04, 2023, Pristina, Kosovo

CFRR»»

**Centre for Financial
Reporting Reform**



WORLD BANK GROUP

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July 04, 2023, Pristina, Kosovo
Swiss Diamond Hotel Pristina (Sheshi Nëna Terezë No.3)
Diamond Club meeting room

FOREWORD

The Road to Europe Program of Accounting Reform and Institutional Strengthening for Small and Medium Enterprises (REPARIS for SMEs) aims to support: (i) further improving access of SMEs in the Western Balkans to professional accounting and financial management services, and (ii) alignment of Western Balkans corporate financial reporting frameworks with relevant directives and regulations of the European Union (EU). Program beneficiaries are Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia.

REPARIS for SMEs builds on progress made under the completed EU-REPARIS Program (2015-2019). It is delivered by the **World Bank Centre for Financial Reporting Reform (CFRR)** based in Vienna, Austria in close cooperation with World Bank Country Offices in the beneficiary countries. Program activities include training, learning events, and technical assistance provided to public officials, regulators, accountants, auditors, professional accounting organizations, business support organizations, and chambers of commerce. The main components of the program are:

- (A) Supporting the development and implementation of sustainable education and training programs.
- (B) Supporting the transposition and alignment of national legal frameworks and practices in financial reporting and auditing with the EU requirements.
- (C) Encouraging a regional approach to the implementation of completed accounting and audit reforms.
- (D) Landscape assessments of accounting advisory services and the Accounting and Auditing Reports on the Observance of Standards and Codes (A&A ROSCs).

Under component (B), REPARIS for SMEs provides technical assistance targeted to the implementation of the EU *acquis communautaire*. This supports the transposition and

alignment of national legal frameworks and practices in financial reporting and auditing with the EU requirements.

A key finding in the European Commission's 2022 Report on Kosovo,¹ is that the Law on Accounting, Financial Reporting and Audit has been only partly implemented and that further alignment with the EU *acquis* is required, including on non-financial reporting (i.e., sustainability reporting requirements).

The report recommends that in the coming year, Kosovo should further align with the *acquis* on corporate accounting and statutory audit and should strengthen the institutional audit oversight structures and the professional independence and objectivity of auditors and audit firms. Kosovo needs to ensure sufficient funding for the Public Audit Oversight Board (PAOB) to function as the competent authority for oversight in this sector, free from any undue influence by statutory auditors or audit firms.

This Roundtable event, organized in cooperation with the Council for Financial Reporting of Kosovo and the Public Audit Oversight Board, will discuss key areas that are part of the process to improve approximation to the EU *acquis* in the field of accounting and auditing and will consider various potential funding arrangements for the public oversight system.

The language of the event is English with simultaneous interpretation into Albanian.

¹ <https://neighbourhood-enlargement.ec.europa.eu/system/files/2022-10/Kosovo%20Report%202022.pdf>

AGENDA | TUESDAY, JULY 04, 2023 | 12:30 - 17:00

12:30 Welcome Coffee and Snacks

Welcome Remarks

13:00 **Elene Imnadze** | Senior Operations Officer, The World Bank
Blirind Danjoli | Advisor to the Minister, Ministry of Finance, Labor and Transfers of Kosovo

Improving Auditing and Accounting Legislation Alignment with the EU

13:30 This session will outline key issues and gaps in national legislation as compared to the EU *acquis* in the field of accounting and auditing (based on draft Transposition Tables). It will also provide examples of funding arrangements for public oversight system based on the international good practice and will highlight the tasks and conditions for delegation of tasks by a competent authority to a professional accounting association.

The presentation will be followed by a panel discussion and a Q&A session.

Andrei Busuioc | Senior Financial Management Specialist, The World Bank
Svetlana Platon | Financial Management Consultant, The World Bank

14:30 Coffee break

Panel Discussion – Way Forward

15:00 The panel will discuss amending the current accounting and auditing legislation in Kosovo to better align with EU requirements, including the potential impacts and related challenges. Topics will include: (i) transposing sustainability reporting requirements; (ii) securing sufficient funding to make the PAOB fully operational; and (iii) the role of professional accounting associations in public oversight and quality assurance systems.

Panelists:

Sokol Shasivari | Acting Chairman of the Kosovo Council for Financial Reporting
Faton Ahmetaj | Chairman of the Public Audit Oversight Board
Edona Perjuci | Assistant Professor and Secretary of Accounting Department at Economic Faculty, University of Pristina “Hasan Pristina”

Nazmi Pllana | Chairman of the Board of Society of Certified Accountants and Auditors of Kosovo

Sylejman Macastena | Board Member of the AAB Institute for Chartered Accountants and Auditors

Imri Semetishti | Institute for Accounting, Auditing and Finance

Moderator: **Andrei Busuioc** | Senior Financial Management Specialist, The World Bank

Wrap-up and Closing Remarks

16:30

Sokol Shasivari | Acting Chairman of the Kosovo Council for Financial Reporting

Andrei Busuioc | Senior Financial Management Specialist, The World Bank

17:00

End of the Roundtable

