

Introduction to the Enhancing Accounting, Auditing, and Sustainability Reporting Program EAASURE

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Knowledge-sharing Event: Responding to New Requirements and Challenges in Corporate Financial and Sustainability Reporting



EAASURE is co-funded by:

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The program objective

to enhance corporate financial reporting practices; and support the adoption and roll out of sustainability reporting in the ECA region

Program Scope

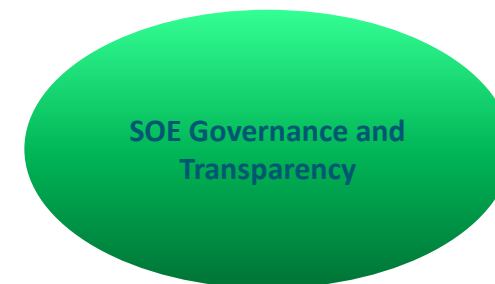
Achievement main areas



Still requiring support



New areas to be supported





Introduction to EAASURE

» Program Beneficiaries

Direct program beneficiaries are the participating countries' policy makers, regulators, state-owned enterprises (SOEs), professional accountancy organizations (PAOs), academia, students, and other stakeholders who contribute to development and enhancement of institutional framework for corporate financial and non-financial (sustainability) reporting, aligned with international standards and good practices for accounting, auditing, accounting-education and sustainability reporting

» Program Geographical Coverage

11 countries from Western Balkans (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, and Serbia) and EU Eastern Partnership (Armenian, Azerbaijan, Georgia, Moldova and Ukraine).

» Program Duration – 2024-2028

» **Jointly funded** by Austrian Ministry of Finance and SECO

» **EAASURE is designed as a set of regional activities complemented by country-specific programs.**



Program Overview

- » **Component 1: Regulatory Frameworks**
- » **Component 2: Sustainability Reporting**
- » **Component 3: Monitoring and Enforcement Systems**
- » **Component 4: Institutional Capacity Building**
- » **Component 5: State-Owned Enterprises Governance**



Program Components

» Component 1: Regulatory Frameworks

- Implement robust diagnostics, including A&A ROSCs, in selected countries to identify country specific further support areas in CFR reforms. Diagnostics can be extended to cover sustainability reporting institutional frameworks, practices, and recommendations.
- Support the adoption of regulatory and policy improvements that align corporate financial reporting and auditing frameworks in the participating countries with good international practices and EU relevant norms through the implementation of country-specific actions and regional activities.
- Support beneficiary countries' corporate financial reporting reforms through regional and country-specific knowledge and experience sharing events, including organizing high-level regional events with participation of countries policy makers to discuss the country specific reforms and promote country commitment in continuation of the reforms.



Program Components

» Component 2: Sustainability Reporting

- Promote reform momentum and support regulatory reforms needed to meet the requirements of the provision of the EU CSRD and changes to accounting, auditing, and transparency regulations.
- Support development and/or update of national Country Action Plans (CAPs) for the establishment of institutional and regulatory frameworks for sustainability reporting, aligned with the requirements of EU legislation and/or good international practices and standards.
- Provide technical assistance to selected countries in the adoption and implementation of sustainability reporting standards.
- Establish and/or continue the support to an ECA regional or country specific Best Annual Report and Transparency Award (BARTA) for enterprises to raise awareness of and promote good non-financial (sustainability) reporting practices.



Program Components

» Component 3: Monitoring and Enforcement Systems

- Support the development of public oversight and quality assurance systems for statutory audits, and the enforcement of the international auditing (including sustainability assurance) and financial and sustainability reporting standards.
- Support to improve the transparency of financial and non-financial information through implementation of Inline eXtensible Business Reporting Language (iXBRL) technologies or their functional equivalents; development and application of taxonomies for financial and non-financial reporting (sustainability) in selected countries; support for training materials.
- Provide technical assistance to help regulators to contribute to the enhancement of the monitoring and enforcement systems and to be delivered at both regional and in-country levels.



Program Components

» Component 4: Institutional Capacity Building

- Support the development and implementation of sustainable initial or continuous professional education,
- Support for regional exchange of peer experience and knowledge as well as knowledge exchanges with European countries.

- Deliver capacity building knowledge or trainings events for PAOs and/or universities tailored specifically to the countries, or the region needs; such as trainings on updates on international accounting, auditing and sustainability reporting standards, and forensic accounting.



Program Components

» Component 5: State-Owned Enterprises Governance

- Undertake benchmarking of leading and peer European countries' corporate governance codes for Public Interest Entities (PIE) and State-Owned Enterprises (SOE), including the provisions on financial and non-financial / sustainability accounting, reporting and oversight, on internal and external controls and debt transparency.
- Provide technical assistance to central policy setting institutions including MoF and Ministry of Economy and State ownership entities, Supreme Audit Institutions, to mainstream sustainability and strengthen the monitoring and oversight of SOEs, the quality assurance of SOEs financial and nonfinancial reporting, and the disclosure of quality and timely aggregate reports;
- Undertake a survey of SOE audit committees to identify the beneficiary countries' audit committees needs for guidance in following good international practice.
- Conduct and/update SOE diagnostics (including iSOEF), reform assessments and provide policy options to client countries on improving SOE governance systems, financial management and debt transparency systems.
- Provide training and knowledge exchange for SOE ownership entities and SOE leadership to enhance implementation of financial reporting standards and adopt the new sustainability reporting requirements.
- EAASURE may support rollout of the SOE governance leadership course developed by the Bank and IFC for SOE management, board members, audit committees and relevant staff from ownership entities; the training covers areas of corporate governance, strategy risk and performance, and control environment, transparency, and disclosure.



Examples of Project Activities

- Diagnostics and support in updating of EU transposition tables.
- Support in Adoption of new or revision of existing laws, by-laws, regulations, and standards
- Knowledge sharing and training events on CFR, sustainability reporting, Training of Trainers
- Technical assistance for regulations, monitoring and enforcement systems, including XBRL feasibility studies,
- Development of learning materials, certification schemes, including national or regional certification scheme in sustainability reporting.
- Awareness raising and analytical products to inform sustainability reporting reforms.
- Development of Country Action Plans for sustainability reporting. Technical assistance for adoption and implementation of sustainability standards.
- Technical assistance for selected SOE on implementation of governance reforms.
- Establishment of regional SOE Community of Practice, Knowledge sharing and CoP training events on SOEs.



Examples of Country Needs

- Technical Assistance and support for MOF to review national accounting standards for a better alignment to EU acquis
- Support for the implementation of A&A ROSC recommendations, particularly regarding improvements/updates of laws and regulations.
- A&A ROSC update
- Technical assistance to develop a Country Action Plan (CAP) and/or a concept Note for the establishment of institutional and regulatory frameworks for sustainability reporting, aligned with the requirements of EU legislation.
- Support in translation of ESRS and ISSB Sustainability Standards into local languages
- Technical assistance and support for PAOs to update and translate learning materials, supporting the existing professional accounting qualification for auditors and accountants.
- A country specific Training for Trainers on the upcoming update of IFRS for SMEs.
- Capacity building for the regulator's processes for financial statements quality review.
- Conducting a pilot project with involvement of the leading universities to align their curricula with a model curriculum
- Assessment of current status and needs of the attestation center to develop up-to-day system of online examination.
- Conducting tailored training for members of Audit Committees of SOEs.
- Capacity building programs for POB
- Support in developing the structure and main requirements for depositary for publication of financial statements



Round table discussions on the country needs



Reflections

- » Do you think that this program fits the demands of your country?
- » How well does EAASURE Program design fit into your own country CFR's and Sustainability Reporting reform agenda?



Q&A



Thank you!