



CONFERENCE

Challenges and Achievements of Public Oversight in Improving Audit Quality and Financial Reporting

19 November 2024 Tirana, Albania

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19 November 2024, Jeronim De Rada Hall, Hotel Plaza
Tirana, Albania

BACKGROUND

This conference is organized by the Public Oversight Board (POB) of Albania as part of the Strengthening Quality of Auditing and Reporting Project ([SQARP](#)), funded by the Swiss State Secretariat for Economic Affairs (SECO) and implemented with the support of the World Bank. The SQARP's objective 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. Developed based on a programmatic approach to improve the enforcement of corporate financial reporting in Albania, SQARP is providing the necessary underpinning for the continued reform in this area and reinforcing previous reform work. It follows on previous Projects: Corporate Financial Reporting Enhancement Project ([CFREP](#), phase I) and Enhancing the Quality of Financial Reporting Project ([EQFINREP](#), phase II).

The ongoing exercise to amend the Auditing Law for better alignment to EU acquis, including the introduction of sustainability assurance of sustainability reporting is currently supported under the EU-funded regional program Road to Europe Program of Accounting Reform and Institutional Strengthening for Small and Medium Enterprises ([REPARIS for SMEs](#)). Also, Albania is a beneficiary country of the regional program Enhancing Accounting, Auditing, and Sustainability Reporting Program ([EAASURE](#)) co-funded by the Austrian Ministry of Finance and SECO. One of the aims of this program is to support the sustainability reform agenda in the beneficiary countries by 2028. Both regional programs are coordinated by the World Bank Centre for Financial Reporting Reform ([CFRR](#)).

Public awareness about the benefits and impact of good corporate financial reporting in the economy and dissemination of SQARP results in improving both the institutional framework and the performance of the relevant organizations in the financial reporting area are an integral part of the project activities.

The conference highlights the ongoing reforms in Albania aimed at improving financial reporting in accordance with international standards and good international practices. The reform initiative focuses on enhancing the legal framework, improving the profession of accountants and statutory auditors, and strengthening the quality of financial reporting. By

fostering better governance and transparency, this effort ensures that financial reporting aligns with international benchmarks, thereby elevating the overall financial ecosystem in the country.

Throughout this conference we will explore the main developments regarding the activities foreseen in the Project, with particular focus on the impact of oversight and quality assurance inspections in 2018-2023 undertaken by POB, with the objective of ensuring that statutory audits are conducted in a controlled, transparent, and prudent environment that serves the public interest.

Additionally, a special attention will be given to the requirements on assurance in sustainability reporting introduced in the new audit law, as a key component of the project of the harmonization with the EU Audit Directive. The latest developments in ethics requirements and considerations in sustainability reporting and assurance will also be addressed, aiming at further awareness of the market with international standards on sustainability reporting and assurance requirements.

AGENDA | TUESDAY, 19 NOVEMBER 2024

08:45 Participants registration

09:10 Greeting remarks

Mr. Dritan Fino, PhD | Chairman of Public Oversight Board

TBC | Representative of the World Bank

Ms. Brigitte Bruhin | Program Manager | Private Sector Development | Swiss State Secretariat for Economic Affairs SECO

Mr. Petrit Malaj | Minister of Finance

10:00 SQARP Project presentation – achievements to-date

The Ministry of Finance (MF), in collaboration with other project beneficiaries, is leading the implementation of the reform to improve the financial reporting of corporate sector companies in accordance with international standards and good practices, through the ongoing implementation of SQARP project (funded by Swiss SECO and implemented with the support of the World Bank). This panel will highlight the ongoing project activities and results achieved.

Panelists:

Erjola Vejzati | Executive Director, Public Oversight Board (POB); Activities related to strengthening audit oversight system and impact on audit and financial reporting quality

Prof.Dr. Sotirag Dhamo | Institute of Certified Accountants (ICA) | Presentation of activities related to increasing the capacities of the accounting profession in Albania to export/contract accounting services internationally and the development of the forensic accounting profession

Sean Sweeney | Exporting Accounting Services | Presentation of the findings and research conducted regarding market opportunities, costs and benefits of exporting accounting services by members of professional organizations

Marsela Vaska | Director, Directorate of Insurance Market Supervision Financial Supervisory Authority (FSA)| Presentation on the strategy of the Financial Supervision Authority in the implementation of IFRS 17

Ela Qokaj | Chancellor, School of Magistrates | Presentation on the activities of the project to increase the capacities of prosecutors and judges with knowledge in the field of financial reporting, accounting, auditing and related areas

- Q&A

Moderators:

Andrei Busuioc | Senior Financial Management Specialist, The World Bank

Vasilika Vjero | Deputy Minister of Finance

11:30 Coffee Break

12:00 Evolving landscape of sustainability reporting and assurance

This panel will focus on the evolving landscape of sustainability reporting and assurance, with a specific emphasis on ethical requirements, regulatory frameworks, and national developments. The session will begin with a presentation on the latest ethical considerations in sustainability reporting and assurance, featuring insights into the International Ethics Standards Board for Accountants (IESBA) guidelines and their relevance to the growing demands for transparency in sustainability practices.

A representative from the Albanian MoF will continue the panel with a presentation of the provisions introduced as part of the changes on the audit law with focus on assurance on sustainability reporting and the near future of sustainability reporting in Albania.

A representative from one of the large international network audit firms will conclude the session with an overview of challenges and opportunities of Albanian market in transitioning toward sustainability reporting and audit and assurance.

Christelle Martin | IESBA Board Member, Chair of the Ethics in Sustainability Reporting and Assurance workstream - presentation on the latest development on the relevant ethical requirements and the Ethics Considerations in Sustainability Reporting and Assurance

Erisa Rodhani | Head of Sector, Directory of Harmonization on Financial Management, Control and Accounting, General Directorate of Harmonization of Public Internal Financial Control - presentation on the regulatory framework related with the sustainability reporting

Enida Cara | Audit and Assurance Partner, Deloitte Albania – presentation on the overview of challenges and opportunities of Albanian market in transitioning toward sustainability reporting and audit and assurance

- Q&A

Guest speaker:

Eduard Shalsi | Chairman of the Committee for Economy and Finance, Parliament of Albania

Moderator:

Dritan Fino, PhD | Chairman of the Public Oversight Board

13:15 Lunch

14:15 Challenges and advancements in the audit sector

This session aims to provide a thorough understanding of both the challenges and advancements in the audit sector, with a particular focus on the impact of oversight and quality assurance inspections undertaken by the POB from 2018 to 2023. It will underscore the critical role of ethical behavior, firm culture, and effective oversight in maintaining and enhancing audit quality. Achievements in transparency, auditor independence, and oversight effectiveness will also be highlighted, providing insights into the progress made in strengthening audit quality during this period.

Following this, a presentation will provide an in-depth overview of the present situation regarding audit quality, examining its root causes and systemic factors that influence auditor performance. The discussion will emphasize the importance of inspection and disciplinary (I&D) mechanisms, ethics, and the role of firm culture in shaping audit quality. Additionally, the presentation will focus on the significance of conducting root cause analysis to identify and address recurring issues in audit practices. Current developments in the audit sector, including emerging trends as lack of talent, PE investments, use of technology, etc.

Erjola Vejzati | Executive Director, Public Oversight Board - presentation of challenges and achievements in audit oversight

Janine van Diggelen | SQARP Project International consultant - presentation to give an overview of the present situation on audit quality and their root causes, the importance of I&D, ethics and firm culture and root cause analysis and current developments in the audit sector

- Q&A

Moderator:

Erjola Vejzati | Executive Director, Public Oversight Board

15:45 Closing remarks

16:00 End of conference

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