

**CFRR**   
Centre for Financial  
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**WORLD BANK GROUP**  
Finance, Competitiveness & Innovation  
Financial Sector Advisory Center (FinSAC)



# **IFRS FINANCIAL INFORMATION FOR SUPERVISORY PRACTICES**

5-7 December 2018, National Bank of Moldova

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**WORLD BANK GROUP**

Centre for Financial Reporting Reform (CFRR)  
Governance Global Practice, The World Bank

Address: Praterstrasse 31, 1020 Vienna, Austria

Web: [www.worldbank.org/cfrr](http://www.worldbank.org/cfrr)

Email: [cfrr@worldbank.org](mailto:cfrr@worldbank.org)

Phone: +43-1-217-0700



## **IFRS FINANCIAL INFORMATION FOR SUPERVISORY PRACTICES**

5-7 December 2018, National Bank of Moldova

This workshop is designed for banking supervisory staff responsible for supervising banks and drafting accounting and prudential regulations. The workshop combines:

- (i) training on new IFRS Standards and Interpretations the application of which is mandatory from 1 January 2018: IFRS 9 *Financial Instruments*, IFRS 15 *Revenue from Contracts with Customers* and IFRIC 22 *Foreign Currency Transactions and Advance Consideration*;
- (ii) training on forthcoming IFRS Standards and Interpretations the application of which will become mandatory from 1 January 2019: IFRS 16 *Leases* and IFRIC 23 *Uncertainty over Income Tax Treatments*; and
- (iii) discussion on corporate governance focusing on the role of audit committees and external auditors, and how to implement a strong dialogue between regulators, those in charge of governance and auditors for better supervision of the banking sector.

The workshop includes interactive discussions on IFRS 9 implementation experience in the banking sector, examples illustrating the requirements of IFRS 9, IFRS 15 and IFRS 16.

Speakers and panellists will include World Bank senior staff and leading financial reporting experts and representatives of commercial banks and audit firms.

It is essential that supervisors can confidently engage with financial information prepared in accordance with IFRS and understand its role in monitoring and supervision. This three-day workshop will prepare participants for better regulating IFRS and will enhance their understanding of accounting for financial instruments and other items in accordance with new IFRSs.

Participants will:

- (i) gain a better understanding of the scope of IFRS 9;
- (ii) get information on challenges in implementing IFRS 9 in the banking sector;
- (iii) deepen their understanding of the expected credit loss model specified in IFRS 9 for those financial instruments measured at amortised cost;
- (iv) gain an understanding of other new Standards such as IFRS 15 in the context of banks;
- (v) gain an understanding of forthcoming Standards such as IFRS 16 in the context of banks; and
- (vi) obtain insights into how supervisors can benefit from the work of bank auditors and discussions with audit committees.

## AGENDA | DAY 1 | WEDNESDAY, 5 DECEMBER 2018

**08:00** Registration

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### Welcoming Remarks

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**08:30** **Ion Sturzu** | Deputy Governor, National Bank of Moldova  
**Anna Akhalkatsi** | Country Manager for Moldova, The World Bank

### Putting it all together: Accounting and Prudential Regulation, Presentation and Disclosures

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**9:00** Understand the importance of IFRS-based financial information for regulatory purpose and the importance of monitoring the application IFRS by banks.  
**Pascal Frerejacque** | Senior Operations Officer, CFRR, the World Bank

**10:15** Coffee Break

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### Open Discussion with Banks and Auditors: Implementation Challenges of IFRS 9

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Understand the current state of implementation of IFRS 9 by Moldova's banking sector and of their implementation challenges  
**Pascal Frerejacque** | Senior Operations Officer, CFRR, the World Bank  
**Michael Wells** | Consultant, CFRR, the World Bank  
Invitees: (3 banks and 3 auditors)  
**Vitalie Lungu** | CFO, „MOLDOVA - AGROINDBANK”  
**Vitalie Corniciuc** | CFO, “Victoriabank”  
**Andrei Suruceanu** | CFO, „MOBIASBANCA - Groupe Societe Generale”  
**Constantin Barbaros** | PWC  
**Lilia Colin** | EY  
**Igor Genunchi** | KPMG

**12:15** Lunch Break

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## **IFRS 9 Scope and Transition**

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**13:30**

Understand:

- the scope of IFRS 9;
- the transition from IAS 39 to IFRS 9;
- the required disclosures about the implementation of IFRS 9.

**Michael Wells** | Consultant, CFRR, the World Bank

**Pascal Frerejacque** | Senior Operations Officer, CFRR, the World Bank

**14:30**

Coffee Break

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## **IFRS 9 Financial Instruments: Classification and Measurement**

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**15:00**

Understand the IFRS 9 financial asset classification and measurement model.

**Pascal Frerejacque** | Senior Operations Officer, CFRR, the World Bank

**Michael Wells** | Consultant, CFRR, the World Bank

**16:15**

End of Day 1

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## AGENDA | DAY 2 | THURSDAY, 6 DECEMBER 2018

### IFRS 9 Financial Instruments: Impairment, Significant Increase in Credit Risk

09:00

Understand how to identify a significant increase in credit risk under IFRS 9 and the consequence of a significant increase in credit risk.

**Michael Wells** | Consultant, CFRR, the World Bank

**Pascal Frerejacque** | Senior Operations Officer, CFRR, the World Bank

10:30

Coffee Break

### IFRS 9 Financial Instruments: Impairment, Measuring Expected Credit Losses

11:00

Understand how expected credit losses are measured in accordance with IFRS 9.

**Pascal Frerejacque** | Senior Operations Officer, CFRR, the World Bank

**Michael Wells** | Consultant, CFRR, the World Bank

12:15

Lunch Break

### Implementing new IFRS requirements

13:30

Understand the implications for banks of IFRS 15 *Revenue from Contracts with Customers*; and IFRIC 22 *Foreign Currency Transactions and Advance Consideration*.

**Michael Wells** | Consultant, CFRR, the World Bank

15:00

Coffee Break

### Implementing forthcoming IFRS requirements

15:30

Understand the implications for banks of new and forthcoming IFRS requirements, including IFRS 16 *Leases* and IFRIC 23 *Uncertainty over Income Tax Treatments*.

**Michael Wells** | Consultant, CFRR, the World Bank

16:30

End of Day 2

## AGENDA | DAY 3 | FRIDAY, 7 DECEMBER 2018

### **The Critical Role of Audit Committees in Transparency and Accountability**

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**09:00**

Understand how audit committees operate and how they can play a critical role in quality reporting, including in the hiring of external auditors.

**Andrei Busuioc** | Senior Financial Management Specialist, CFRR, the World Bank  
**Blanka Vezjak** | Former Audit Committee Member of Banks (Slovenia)

**10:30**

Coffee Break

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### **Supervisors and External Auditors: Enhancing Quality of Audit and Banking Supervision**

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**10:45**

Understand how a better understanding of the work performed by auditors and a closer collaboration can inform better supervision of banks and audit performance. Review the roles and practices of banking supervisors around auditors' appointment; this would include guidance to appoint the central bank auditor.

**Pascal Frerejacque** | Senior Operations Officer, CFRR, the World Bank

**12:15**

End of the workshop

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## BIOS OF SPEAKERS



### **PASCAL FRÈREJACQUE**

Senior Operations Officer, CFRR, World Bank

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Pascal Frèrejacque advises countries on enhancing their financial reporting, corporate governance, and auditing practices, and leads activities for the financial supervisors across the CFRR regional programs, EU-REPARIS and STAREP. He has led the delivery of country programs on accounting and auditing reform and SOE monitoring in Croatia, the Czech Republic, and Serbia. At the CFRR, Pascal led the publication of several ROSCs, and other knowledge products: Corporate Sector Accounting and Auditing in the EU (2015), Banking Supervisors and Auditors: Building a Constructive Relationship (2016), Guides to reviewing financial statements for supervisors (2017), Croatia' EU Accession: case studies on accounting and auditing reform (2017).



### **MICHAEL WELLS**

Consultant, CFRR, World Bank

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Michael Wells CA(SA) is Professor of Practice at Imperial College Business School and a World Bank consultant, working to deepen understanding of international financial reporting requirements and fostering capacity to make/audit/regulate the judgments necessary to apply them. For over a decade, he led the IASB's Education Initiative. He serves on the American Accounting Association (AAA) Membership Advisory Committee. Before that he served the on the AAA Education Committee and the AAA Innovation in Accounting Education Award Committee. For nearly a decade he served as a member of the IFAC IAESB Consultative Advisory Group and the IAAER Board of Advisors



### **ANDREI BUSUIOC**

Senior Financial Management Specialist, CFRR, World Bank

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Andrei Busuioc has over 20 years' experience of accounting and auditing in both the private and public sectors. He joined the World Bank Centre for Financial Reporting Reform (CFRR) in Vienna, Austria in 2008 and has been working on financial reporting reform agenda in a range of countries. He has contributed significantly to and led several Reports on the Observance of Standards and Codes (ROSC) Accounting and Auditing, and has expertise



in the thematic areas of audit regulation and state-owned enterprises (SOEs) governance. Andrei is a fellow member of the UK Association of Chartered Certified Accountants (ACCA).



**BLANKA VEŽJAK**

Former Audit Committee Member of Banks (Slovenia)

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Blanka Vežjak has extensive working experiences in corporate accounting and reporting, external and internal auditing and corporate governance, leading assurance and consulting projects in Big 4 for thirteen years and in her own company for the last eleven years.

She has been involved in the preparation of recommendations for audit committees as a member of the Slovenian Directors' Association and ecoDa working groups. Blanka has also practical experiences as an external independent professional member of audit committees (in twelve companies since 2008, including four banks: Nova Kreditna banka Maribor, SID banka, Raiffeisen banka, Banka Celje, and three insurance companies).

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