

ARMENIA

Reform Progress

Brussels, 28 March 2017


STAREP Senior Officials Workshop

CFRR 
**Centre for Financial
Reporting Reform**




 **STAREP**
Strengthening Auditing and Reporting in
the Countries of the Eastern Partnership

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 LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Ministère des Finances



Key Achievements (Background)

- » Development of Armenia's Strategy and Action Plan for corporate financial reporting: November 2014
- » Analysis and identification of the main problems, as well as specific reform actions were identified, in line with the best international experience;
- » Drafting:
 - » Accounting Law
 - » Audit Law
 - » Public Audit Oversight Law



Key Achievements (Current)

- » Reform concept in A&A recognized as a priority objective of the Government of the Republic of Armenia in 2017;
- » Concept drafted and is open for public discussion;
- » Draft bills updated to reflect recent developments since their initial development



Key Challenges

- » Effective and even distribution of *regulatory* and *supervisory* functions (while strengthening the link between the government and professional community)
- » Timely development of legislation in A&A reform (before January 1, 2019)
- » Funding of A&A reforms implementation



How STAREP has helped Armenia in reform progress

- » New draft Laws are largely in line with EU directives;
- » Cooperation and experience exchange between countries create opportunities to develop legislation in line with good practices in financial reporting, and increasing business transparency and improving business environment.



Main expectations of STAREP for 2017-2018

- » Support of the audit regulatory authority (Chamber of Accountants and Auditors of Armenia) and new supervision authority established by law (Public Supervision Council under the Ministry of Finance), in the following areas:
 - » Technical assistance in implementation of new audit quality control system;
 - » Translation of updates to IFRS and ISA;
 - » Experience exchange and assistance in drafting of internal policies;
 - » Training for staff.



Topics to be raised at April 29 Roundtable

- » Armenia's progress and plans in further reforms in A&A areas
- » Transfer of qualification process to the Chamber (self-regulatory organization)
- » Elimination of licensing of auditing activities and launch of the register
- » Effective distribution of regulatory and supervisory functions between the state and the professional community

The background is a low-poly, faceted orange pattern. The polygons are of various sizes and orientations, creating a textured, crystalline appearance. The colors range from a light, pale orange to a darker, more saturated orange, with some areas appearing slightly darker due to the shading of the facets.

Thank you