

STAREP

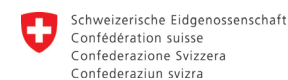
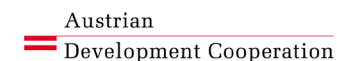
Regional Activities, Results and Plans: 2016-2017

Brussels, 28 March 2017

STAREP Senior Officials Workshop



STAREP is co-funded by:



Overview STAREP

STAREP Objective: Enhanced approximation with EU norms and application of international standards for corporate financial reporting in Eastern Partnership countries by building relevant practitioners', policymakers' and stakeholders' capacity.

Support Reform Momentum

Accounting Education Reform

Accounting & Audit Standards

Financial Regulators Practice Forum

Country Level Support

6 Participating Countries:

- » Armenia
- » Azerbaijan
- » Belarus
- » Georgia
- » Moldova
- » Ukraine



5 Years Duration:

- » Mid 2013 - 2018

» Mid 2013 - 2018

Component 1: Reform Momentum and Regional Cooperation

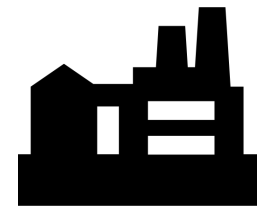
What we all completed:

- 2 Ministerial Conferences: April 2016 and June 2014 in Vienna
- 4 Senior Officials Workshops: every year 2013-2016
- Connecting Voices Magazine: April 2016
- Regular Website Updated and Newsletters (*please subscribe!*)



What we are working on:

- SOE FACT Regional Survey



Component 1: Reform Momentum and Regional Cooperation

Upcoming events:

- Ministerial Conference: 2018
- **New** Website
- Newsletters



Component 2: Accounting Education Reform

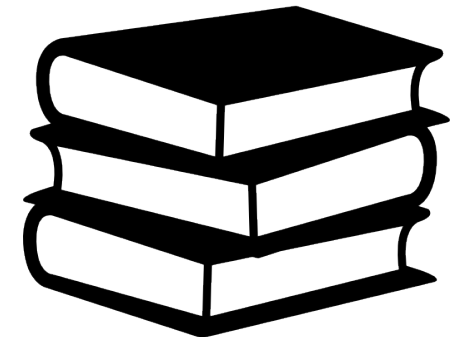
What we all completed:

- » 2 Regional PAO Forums (2014 & 2016)
- » Series of IFRS and IFRS for SME ToT workshops
 - » November 2015 (Kiev-2 day face to face workshop)
 - » April 2016 (Vienna-2 day face to face workshop & 2 virtual seminars)
- » EDUCOP meetings (2 per year) in **every STAREP country**
 - » Diagnostic: Accounting Education Profiling Tool (2 Univ-s in 6 countries)
 - » “Sample Regional Curriculum” on Accounting and Auditing
 - » Assistance with international accreditation
 - » Capacity-building on achieving greater compliance with IES
 - » Initiation of “national education initiatives” for 6 Countries

Component 2: Accounting Education Reform

What we are working on:

- » Finalization of the National Education Initiatives for each Country through consultation with stakeholders (replication events and workshops)
 - » Moldova & Ukraine (in progress)
 - » Armenia (June 2017)
 - » Georgia, Azerbaijan, Belarus (July-Dec 2017)
- » Development of a “Competency-Based Accounting Education Good Practices Guide”.
- » Publication of a study incorporating
 - » Results of the Diagnostic tool for all STAREP Countries
 - » National Education Initiatives
 - » Sample Regional Curriculum





Component 2: Accounting Education Reform

Upcoming events:

- » Country replication events
 - » Kiev, 5th April 2017 & 6th April 2017
 - » Area of focus: National initiatives for strengthening accounting education
- » STAREP Education Community of Practice meeting
 - » Vienna, 30th May 2017
 - » Area of focus: IFAC International Education Pronouncements
 - » Key note speaker: Chair, International Accounting Education Standards Board
- » IFAC Regional SMP Forum
 - » Vienna, 31st May 2017
 - » Area of focus: Challenges facing small and medium-sized practices (SMPs) and small and medium-sized entities (SMEs) as well as the opportunities available to them
 - » Keynote speaker, Chair, IFAC Small and Medium Practices Committee



Component 3: Accounting & Auditing Standards

What we all completed:

- » A&A CoP meetings (2 per year) with > 300 participants
- » Series of 5 Digital Outreach featuring guest speakers from the European Commission
- » The A&ACoP is now well established, committed and enthusiastic group of participants and regular learning events
- » Enhanced capacity of policy makers to develop and promote suitable legal frameworks in the field of accounting and auditing for small/medium entities and practices in line with EU *acquis*
- » New legislation adopted in Georgia
- » Draft new laws on accounting and auditing - near completion in Armenia, Azerbaijan, Moldova and Ukraine - introducing or improving public oversight and differentiated financial reporting and disclosure requirements.

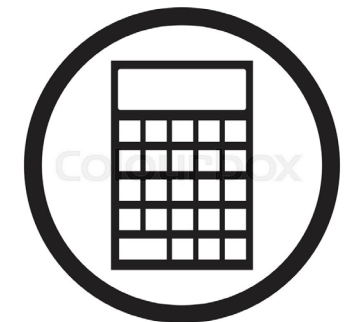
Component 3: Accounting & Auditing Standards

What we are working on:

- » Research in audit oversight and quality assurance (incl. funding arrangements) among selected EU member states

Upcoming events:

- » Upcoming - “Keeping Financial Reporting Relevant: Focus on Micro, Small and Medium Enterprises”. April 26-27 in Kyiv, Ukraine





Component 4: Financial Regulators Practice Forum

What we all completed:

- » The Supervisors Forum held annually for all countries in cooperation with the IASB and the IFRS Foundation
- » Enhanced relationship between auditors and supervisors: workshops and conferences
- » Virtual seminars
- » Replication events for local supervisors (Ukraine 2015-2016)
- » Policy note on developing cooperation between auditors and supervisors (2016)
- » Guide: 'Banking Supervisors and External Auditors: Building a Constructive Relationship' (2016)
- » Survey on the relationship between auditors and supervisors and how they can contribute to each other work (2015)

Component 4: Financial Regulators Practice Forum

What we are working on:

- » Developing capacity towards better monitoring of financial information in financial sector, contributing to financial stability
- » Training and updates on developing or recently issued IFRS
- » Better understand linkages between accounting and prudential reporting
- » Share experience of implementation of IFRS and prudential regulation linked to financial instruments accounting

Upcoming events:

- » Complementary activities with replication at the national level (Belarus)





Component 5: Country-level Implementation Support

- » Intensive work at the country level
- » Average 3-4 events per year in Georgia, Moldova and Ukraine
- » Average 1-2 events per year in Armenia, Azerbaijan, Belarus
- » Continuous support on the ground
- » Policy work and drafting assistance
- » Reach out events, public consultations etc

Component 5: Armenia update



Legal Framework

- » The government has embarked on an ambitious and comprehensive reform program with the introduction of the three key new pieces of legislation:
 - » A new Accounting Law;
 - » A new Audit Law;
 - » A Law on Regulation and Public Oversight of Accounting and Auditing.
- » The draft legislation was first developed a year ago, and the World Bank's CFRR has provided feedback on an ongoing basis.

Current collaboration with CFRR

- » Assistance with translation of key updates of ISA

Upcoming

- » Roundtable with key stakeholders on strategy to reform accounting education (June 2017).
- » More assistance for implementation of the revised accounting and audit laws.

Component 5: Azerbaijan update

Legal Framework

- » Drafting of a new Accounting Law in process
- » Establishment and development a Professional Accounting Organization
- » Increased collaboration between Government and the profession

Current collaboration with CFRR

- » Assistance to PAO
- » Assistance on SOE Governance

Upcoming

- » Workshop on SOE Corporate Governance (June 2017).
- » More assistance for implementation of the revised accounting and audit laws.



Component 5: Belarus update



Legal Framework

- » New Law on Accounting is in effect (IFRS for PIEs, Chief Accountants Qualification)

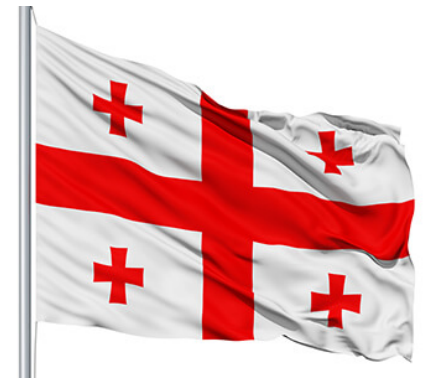
Current collaboration with CFRR

- » Ongoing policy dialogue between the in-country stakeholders on strengthening A&A curricula in universities;
- » More Accounting Education support – roundtable held April 2016

Upcoming

- » IFRS and connection with prudential supervision workshop for Central Bank (September 2017)
- » Ongoing support to PAO

Component 5: Georgia update



Legal Framework

- » The new Accounting & Audit Law was approved by Parliament on 8 June 2016 (IFRS for PIEs, IFRS for SMEs, audit quality)
- » SARAS established in summer 2016

Current collaboration with CFRR

- » A&A Law implementation
- » TA to SARAS
- » Peer to peer learning
- » Supporting communication with the European Commission (twinning)

Upcoming

- » EduCoP workshop on credential recognition: June 2017

Component 5: Moldova update



Legal Framework

- » Concept on new A&A legislation developed and published by the MOF
- » Draft A&A Laws developed and published for public comments (exp to be adopted by September 2017)
- » Significant parts of amendments to the national accounting standards developed

Current collaboration with CFRR

- » Continuous support on accounting education
- » Increased number of universities accredited by internationally recognized professional association (ACCA). In addition to earlier exemptions by ASEM (7 exemptions: F1-F7), USM recently obtained 8 exemptions: F1-F8)
- » Technical description for the proposed model for improving functionality of the Public Register of financial statements is developed and partially agreed with beneficiary

Component 5: Ukraine update



Legal Framework

- » Draft A&A Laws developed, approved and submitted to the Parliament (introducing Audit Oversight)
- » National accounting standards developed (for bachelor level)

Current collaboration with CFRR

- » Continuous support on A&A reform: workshops, public consultations etc
- » Accounting education reform support

Upcoming

- » EduCoP workshop replication: April 2017

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