



REPARIS
FOR SMEs

THE STAREP AND REPARIS FOR SMEs
PROGRAMS ARE MANAGED BY

CFRR»

Centre for Financial
Reporting Reform



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THE STAREP PROGRAM
IS CO-FUNDED BY

THE REPARIS FOR SMEs
PROGRAM IS FUNDED BY

Austrian
Development
Cooperation



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Joint STAREP/REPARIS for SMEs Community of Practice

REPARIS for SMEs: Opportunities for Further Enhancement of Corporate Financial Reporting

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REPARIS for SMEs: brief overview of activities

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Introduction

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- » The REPARIS initiative for the Western Balkans
- » An incomplete regional transition aggravated by the Covid pandemic
- » Competitiveness of SMEs is paramount to increase standards of living
- » Equipping SMEs with new skills and enhancing the business environment
- » A program aligned with WB and EU Commission priorities
- » Sustainability reporting – rapid response
- » REPARIS for SMEs – Key Elements
- » Program components

Equipping SMEs with new skills and enhancing the business environment

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- » Growth in the SME sector will be key in accelerating convergence of incomes in the Western Balkans with the EU.
- » Lack of investment readiness related to the lack of skills in SMEs is a key constraint to growth that needs to be addressed.
- » Further alignment with the EU acquis and international standards of financial transparency across the Western Balkans will help spur growth of national and regional financial markets.
- » In addition to broadening skills in SMEs and aligning laws and standards with the EU acquis, there is a need to lay groundwork for deeper and more diverse financial markets for better access to finance.
- » Accountancy development fosters efficient resource allocation, foreign direct investment, and growth.
- » Sustainability reporting – response to the market and investors demand, SMEs in the value chain, opportunity and challenges

Project Development Objective

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Improve access of SMEs in the Western Balkans to professional accounting and financial management services

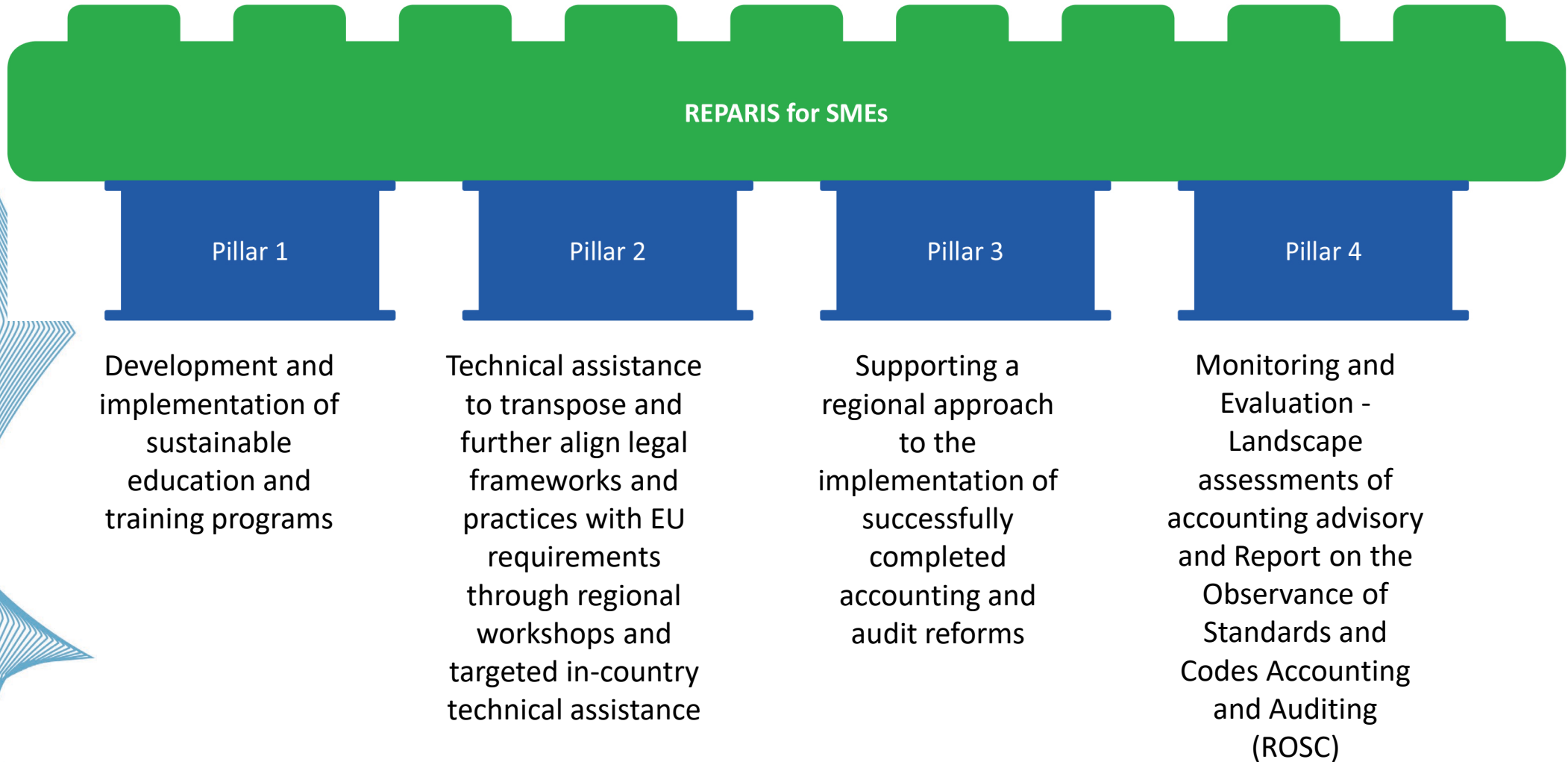
(a)

Support the alignment of Western Balkan corporate financial reporting frameworks with relevant EU directives and regulations

(b)

4 Project pillars

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REPARIS for SMEs Components

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Development Objectives
Improve access of SMEs in
the Western Balkans to
professional accounting
and financial management
services

b

Support the alignment
of Western Balkan
corporate financial
reporting frameworks
with relevant EU
directives and
regulations

Activities according to the Administration Agreement

A. Development and implementation of sustainable
education and training programs

B. Technical assistance to transpose and further align legal
frameworks and practices with the EU requirements through
regional workshops and targeted in-country technical

C. Supporting a regional approach to the
implementation of successfully completed accounting
and audit reforms

D. Landscape assessments of accounting advisory and
ROSC A&A

E. Website, Communication for Donor and
Management

Activity A: Sustainable Education and Training Program

Activities and timeline

- » **A1:** In-country Financial Management continuing professional development capacity building activities to SMEs and SMPs
- » **A2:** Training provided to Professional Accountancy Organizations (PAOs) and Chambers of Commerce (CoCs) Regional Network
- » **A3:** Capacity building and tools for promoting the use of new technologies for financial reporting and financial management in SMEs

Inputs:

- ✓ Policy discussion
- ✓ Train-the-trainers workshop
- ✓ Preparation and dissemination of knowledge products and best training practices
- ✓ Promotion of technology solution
- ✓ Support to develop regional solutions

Activity objective:

- ✓ Build capacity for SMPs/accountants, Professional Accounting Organizations and Chambers of Commerce to deliver professional and advisory services to promote transparency and enhance the credibility of SMEs.
- ✓ By developing tools, providing training, and empowering sustainable provision of training services, the project will equip the PAOs and CoCs to support their members that advise or are employed in accounting and financial management roles to serve as trusted advisors.
- ✓ SMEs to overcome common challenges to growth by being supported by SMPs and COCs

Activity B: TA to transpose and further align legal frameworks and practices with the EU requirements

Activities and timeline

- » **B1:** Workshops on in-country Audit Committees, Corporate Governance and Non-Financial Reporting Conference Series
- » **B2:** Regional Knowledge Exchange Workshops on Accounting and Auditing
- » **B3:** Technical assistance provided in connection with the draft legal frameworks prepared beneficiary countries

Inputs:

- ✓ Regional Policy discussion workshops
- ✓ Knowledge exchange with EU Member states
- ✓ Preparation and dissemination of publications on accounting and auditing
- ✓ Country level conference on corporate governance and non-financial reporting
- ✓ Just in time country assistance

Activity objective:

- ✓ SMEs are part of the value chains that exist in the private and public sectors overall. When these value chains expand and grow, SMEs also benefit. A key element to this growth is investment, and investors gain more confidence when financial reporting and auditing systems are following international standards.
- ✓ This can be done by creating a conducive regional business environment through
 - Finalizing approximation of the EU acquis at country level with good harmonization
 - Promoting NFR governance good practices

Activity C: Regional approach to further implementation of completed accounting and auditing reform

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Activities and timeline

- » **C1:** Support to the organization of a Regional Audit Quality Assurance and Public Oversight Forum
- » **C2:** Regulators' Exchange Forum Seminar Series and associated publications
- » **C3:** Organization of a Reform Momentum Conference

Inputs:

- ✓ Knowledge exchange with EU Member states
- ✓ Preparation and dissemination of publications on Audit Quality Assurance
- ✓ Regional Policy discussion workshops F2F and virtual
- ✓ Support for the organization of the regional quality assurance workshop, F2F events, in country roundtables
- ✓ Ministerial Conference every 2 years

Activity objective:

- ✓ Support various institutions to join forces, for example in the area of quality assurance of audit, and in implementing the EU Acquis Communautaire reforms in the areas of accounting and auditing.
- ✓ Support to financial regulators with IFRS and reviewing financial statements
- ✓ Regional cooperation for the six covered countries will aim to improve the implementation capability of the provision of the EU acquis.

Activity D: Landscape assessments of accounting advisory and ROSC A&A

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Activities and timeline

- » **D1:** Series of landscape assessments of the advisory function to SMPs to SMEs
- » **D2:** ROSC A&A Updates Series and Indicators
- » **D3:** Final Report including lessons learned

Inputs:

- ✓ ROSC A&A baseline and update at the end of the program
- ✓ Landscape Assessment baselines and update at the end of the program
- ✓ Set up ROSC indicators
- ✓ Activities supported by pre-existing studies (review of education in the EU REPARIS, countries, transposition tables...)

Activity objective:

- ✓ Use the landscape assessments of accounting advisory and ROSC Accounting and Auditing indicators and methodology to serve as a basis for the reform implementation and identifying gaps
- ✓ Have these assessments as part of the M&E of the project
- ✓ ROSC and landscape assessments will be performed in countries that did not have a recent: BiH, Kosovo, Macedonia, Montenegro. Landscape assessment performed in 2018 for Albania and Serbia
- ✓ Assessment of the A&A framework, accounting and auditing education, and assurance and oversight to build on recent work performed under EU REPARIS

Activity E: Website, Communication for Donors and Management

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Activities and timeline

- » **E1** – Website maintenance, editing and management
- » **E2** – TF 2020 management
- » **E3** – Overall coordination and communication with management and donor for the program

Inputs:

- ✓ IT platform support
- ✓ EU 2020 TF management Team
- ✓ Editor
- ✓ Web design and manager
- ✓ Annual Program Review
- ✓ Annual Program Plan and Reporting
- ✓ Communication plan

Activity objective:

- ✓ Overall communication with the donors and with management on the activities of the program
- ✓ Website for REPARIS for SMEs
- ✓ TF Management

Please contact us for more information:

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