

REPARIS MULTI-DONOR TRUST FUND

(Centre for Financial Reporting Reform, Vienna; updated on 28 September 2010)

Key Dates:

Effective: October 2008

Closing: December 2013

Financing from external financiers, million US dollars:

<i>Financier</i>	<i>Financing</i>
Austrian Development Agency	13.2
Government of Luxembourg	0.5
Total Project Cost	13.7

Note: Financing has currently been provided to December 2011. Total indicative budget of the program to Dec 2013 is USD 13.7m.



An effective system of financial reporting encourages investment by making it easier for businesses to access external sources of finance. It therefore acts as an important foundation for economic growth. For the countries of south-east Europe which have a medium-term objective of joining the EU, adopting the EU's *acquis communautaire* is a necessary condition for EU membership.

The objective of the REPARIS program (Road to Europe Program of Accounting Reform and Institutional Strengthening) is to assist the participating countries (Albania, Bosnia and Herzegovina, Croatia, Kosovo, Macedonia, Moldova, Montenegro and Serbia) in designing, setting up and then operating effective systems of financial reporting which are aligned with the requirements of the EU *acquis*. These countries face many common challenges in making progress in financial reporting reforms. The Bank's support is therefore based on a combination of regional activities through the REPARIS program (already underway) and Country Action Plans (mostly currently being drawn up). The regional program is based on a combination of analytical studies, technical assistance and, more innovatively, collaboration between the participating countries through the establishment of communities of practice (CoPs) in the areas of financial reporting, accounting education, and auditing and oversight. The CoPs bring together practitioners from the participant countries in order to help them learn from each other's experience, spread good practice and keep up to date with the latest developments in financial reporting at the EU and international level. Frequent contact with Senior Officials from REPARIS countries and the hosting of a biennial Ministerial Conference facilitates high-level commitment to both national reforms and regional co-operation.

Results achieved:

The program has been strongly endorsed by REPARIS country Ministers of Finance and their Senior Officials. 9 Community of Practice (CoP) workshops have been delivered together with 3 GDLN events, with very high participation levels and feedback scores. The Communities have established a strong consensus on the thematic areas to be addressed, and have already contributed to specific improvements in the Draft Law on Financial Reporting for Kosovo through a case clinic, as well as providing guidance to Universities and professional bodies on the implementation of accounting education programs. Involvement in the program has assisted some countries in agreeing translation arrangements for IFRS with the International Financial Reporting Standards Foundation, and has also helped two countries to obtain updated customizable education materials from an international publisher. Through the CoPs the Centre has facilitated knowledge and experience transfer from Croatia and Slovenia to their peers, and has enabled participants to familiarize themselves with the work of the European Commission and other international institutions with a role in financial reporting. A series of seminars on IFRS and prudential requirements for Financial Sector supervisors has been launched and delivery is ongoing.

Key Partners:

The Bank's Centre for Financial Reporting Reform (CFRR) is working closely with a wide range of partners to deliver the REPARIS program. From outside the region, the European Commission, the setters of international reporting standards (IASB, IAASB) and financial regulators in both established and more recent EU member states are all important partners. Within the participating countries, partners include the setters of national reporting standards, financial regulators, the local professional bodies for accountants and auditors and the Universities engaged in accounting education.

Key Development Partners include the Austrian Development Agency and the Government of Luxembourg, who are currently funding the project. The Government of Switzerland, through its Secretariat for Economic Affairs (SECO) has expressed interest in contributing to some projects under REPARIS.