

## **BACKGROUND NOTE ON ACTION PLANS**

SMO Action Plans are developed by IFAC Members and Associates to demonstrate fulfillment of IFAC Statements of Membership Obligations (SMOs). SMOs require IFAC Members and Associates to support the adoption<sup>1</sup> and implementation<sup>2</sup> of international standards and other pronouncements issued by independent standard-setting boards under the auspices of IFAC as well as by the International Accounting Standards Board (IASB); and to establish a Quality Assurance (QA) review and Investigation and Disciplinary (I&D) systems.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where improvements are needed. Based on the results of the assessment, Members and Associates develop an SMO Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs and (b) where some requirements are not yet addressed, to present plans towards their fulfillment.

SMO Action Plans are designed to be ever-green documents that provide a comprehensive description of the accountancy profession and its legislative and regulatory environment in the jurisdiction as well as the actions undertaken by IFAC Members or Associates to support adoption and implementation of international standards and best practices.

Regular updates of the SMO Action Plans are required as part of the IFAC Member Compliance Program.

### **Use of Information**

Please refer to the [Disclaimer](#) published on the Compliance Program website.

## **ACTION PLAN**

<b>IFAC Member:</b>	Society of Certified Accountants and Auditors of Kosovo (SCAAK)
<b>Approved by Governing Body:</b>	SCAAK council (elected by Assembly) on November 27, 2015
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<sup>1</sup> *Adoption* is concerned with the decision that international standards are appropriate for use in specific national financial reporting environments and with the actions necessary to effect those decisions, including incorporation into national requirements or requiring the use of international standards through law. Adoption may include a process to review draft international standards, translation, public exposure of proposed standards, approval, incorporation into national requirements as necessary, and promulgation of final standards, and, where applicable, a convergence process to eliminate or minimize differences between international and national standards.

<sup>2</sup> *Implementation* may include a process to build awareness of the adopted standards, provide relevant education and training, develop or disseminate implementation guidance and any other activities that promote proper understanding and use of the standards in practice.

## GLOSSARY

<b>AICPA</b>	American Institute of Certified Public Accountants
<b>CBK</b>	Central Bank of Kosovo
<b>CPD</b>	Continuing Professional Development
<b>EU</b>	European Union
<b>IAASB</b>	International Auditing and Assurance Standards Board
<b>IAESB</b>	International Accounting Education Standards Board
<b>IES</b>	International Education Standard
<b>IEKA</b>	Institute of Authorized Chartered Auditors of Albania
<b>IFRSs</b>	International Financial Reporting Standards
<b>IFRS for SME</b>	International Financial Reporting Standard for Small and Medium-Sized Enterprises
<b>IPSASB</b>	International Public Sector Accounting Standards Board
<b>ISAs</b>	International Standard on Auditing
<b>ISQC 1</b>	International Standard on Quality Control 1
<b>KAS</b>	Kosovo Accounting Standards
<b>KBSFR</b>	Kosovo Board for Standards in Financial Reporting
<b>KCFR</b>	Kosovo Council for Financial Reporting (successor to KBSFR since 2011)
<b>MF</b>	Ministry of Finance
<b>NQA</b>	National Qualifications Authority
<b>OAG</b>	Office of the Auditor General
<b>PAO</b>	Professional Accounting Organizations
<b>POB</b>	Professional Oversight Body
<b>QA</b>	Quality Assurance
<b>QC</b>	Quality Control
<b>SCAAK</b>	Society of Certified Accountants and Auditors of Kosovo
<b>SMO</b>	Statement of Membership Obligations
<b>SMP</b>	Small and Medium Practices

**Action Plan Subject:** SMO 1–Quality Assurance

**Action Plan Objective:** To use SCAAK’s best endeavors to promote the adoption of a Quality Assurance Review scheme for the audits of public interest entities in the Republic of Kosovo among Council for Financial Reporting (KCFR), the Central Bank of Kosovo (CBK), and the Ministry of Finance (MF), and assist in its implementation.

**Background:**

The regulatory framework for the Statutory Audit in Kosovo is based on the [Law No.04/L-014](#) on Accounting, Financial Reporting and Audit of 2011 which supersedes the law promulgated in 2001 (UNMIK Regulation 2001/30 on the Establishment of the Kosovo Board for Standards for Financial Reporting, KBSFR and a Regime for Financial Reporting of Business Organizations). Current law aims to implement the EU *acquis communautaire* in accounting and auditing, and provides a legal basis for the implementation of SMO 1.

However, the 2011 Law fell short on mandating an Independent Audit Regulatory Authority, as the law lacked clarity on the scope, funding and role of the Kosovo Council for Financial Reporting (KCFR) and also of Professional Accounting Organizations (PAOs) in the QA system. Based on the current Law, the responsible body for implementation of Quality Assurance system for statutory auditors and firms is KCFR.

SCAAK is lobbying with Kosovo Government, related parties and donor community to promote amendments to the 2011 Law to better harmonize it with the EU requirements, consistent with its obligation to use its best endeavors to promote SMO 1.

In order to improve the climate for the adoption of a law to underpin the implementation of quality assurance, SCAAK organized a pilot limited- scope QA review system for the audits of certain public interest entities since 2008, the purpose of which was to facilitate dissemination of the nature, scope, review and public interest benefits of SMO 1. SCAAK continuously in cooperation with PUM Netherlands senior experts has been organizing site visits to local Small and Medium Practices (SMPs). Based on the findings from these visits, SCAAK organized Continuous Professional Development (CPD) courses for all statutory auditors regarding implementation of the quality control (QC) systems.

SCAAK in cooperation with PUM Netherlands senior experts and Royal NBA will continue to perform quality assurance reviews/program for its statutory auditor members and will also develop and deliver CPD courses for quality assurance systems which are required under the current law. SCAAK will continue to assist audit firms on implementation of requirements on QC and will cooperate with KCFR on the program for QCR in Kosovo. For educational purposes the general findings of the QA reviews are shared with all statutory auditors.

SCAAK in its 2015-2019 Strategic Plan has put great focus on developing QA system. Thus it has established a QA department within the Executive Office. To improve QA System in Kosovo QA Department and Committee in 2016 have conducted and published a research for compliance of audit reports with ISAs and compliance of financial statements with IAS/IFRS. This report has been brought to attention of Kosovo decision makers and Ministry of Finance has requested SCAAK to be part of the working group on drafting the amendments of the law.

In 2016 SCAAK has put a great effort on awareness of the businesses on the importance of financial reporting and auditing, taking into account that informal economy in an obstacle to an economic growth which can only be overcome through a transparent, true and fair financial reporting system.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Assist CBK and KCFR in the Development and Design of a Quality Assurance Review System for the Audits of Public Interest Entities in Kosovo</i>					
1.	Ongoing	Actively contribute to the ongoing dialog with the MF of Kosovo and other stakeholders, organize CPDs regarding the disseminating of the EU <i>Acquis Communautaire</i> in relation to International Financial Reporting Standards (IFRSs) and the establishment of a Stock Exchange with a view to ensuring that enabling laws and requirements will mandate QA obligations that are in accordance with SMO 1 and EU directives.	Ongoing with regard to CPDs on dissemination of EU <i>acquis</i> , and training on IFRSs, but completion not expected before second half of this decade (re: establishment of capital market)	Executive Director, SCAAK	SCAAK Council Members, ad-hoc working groups established by Council as deemed necessary or requested by Ministry of Finance (MF).
2.	Ongoing	Actively promote adoption of the Corporate Financial Reporting Law through participation in the Law Drafting Working Group and meetings with MF officials (which envisages an Oversight Board modeled on the EU 8 <sup>th</sup> Company Law Directive requirements requiring independent public oversight mechanism that will monitor the quality of auditing of public interest entities).  SCAAK specifically prepared proposals on the draft Law for developing QA System in Kosovo which was submitted to the government.	The Law No.04/L-014 on Accounting, Financial Reporting and Audit has been passed and published in official gazette in August 2011.  Completed- Submitted in November 2016  Efforts ongoing.	SCAAK Executive director and Head of QA Department and QA Committee	SCAAK Council Members.
3.	2008	Based on the requirements of the 2011 Law, SCAAK in cooperation with KCFR will determine the approach to QA suitable for Kosovo circumstances; propose an exposure draft for the QA review system and communicate on exposure draft through SCAAK-KCFR seminars and SCAAK's website.  Update April 2017: KCFR has published an Administrative Instruction N0.03/2014 on Procedures for supervision and Quality Control on	Completed.	Head of QA Department SCAAK QA Committee, KCFR QA committee.	KCFR QA Committee, SCAAK QA Committee and Department, SCAAK Council Members and technical assistance provided by PUM Project

#	Start Date	Actions	Completion Date	Responsibility	Resource
		the work of the licensed associations, audit firms and statutory auditors <sup>3</sup> and SCAAK has developed and disseminated to its members a QA Regulation and also conducted CPDs regarding these requirements for all the members.			
4.	2015	Based on SCAAK strategy 2015-2019, establish quality assurance department within the executive office of SCAAK, whose primary task will be the performance of QA reviews, education of statutory auditors and firms and cooperation with related parties for improvement of QA system in Kosovo.	The department was established during 2015.  Completed  Further developments ongoing	SCAAK QA Committee and.  Head of QA Department.	SCAAK resources.  Technical assistance was provided from PUM and Royal NBA.
5.	Current	Organize QA review system for the audits of statutory auditors and firms. The purpose of this program is to facilitate dissemination of the nature, scope, review and public interest benefits of SMO 1.	Completed in 2009 for Big 4 (PIEs).  Completed for local SMPs in 2011.  Completed for individual statutory auditors in 2015. 15 audit firms were reviewed.  Ongoing during 2016-2017.	Head of QA Department	SCAAK resources.  Additional assistance from PUM/Royal NBA. SCAAK QA Committee and KCFR QA committee.
6.	Current	Design and publish the QA review system for Kosovo. The QA review system will include the mandatory requirements established in SMO 1.	Completed 2016	Quality Assurance Department, QA Committee SCAAK and KCFR	SCAAK and KCFR' staff supported by PUM Netherland /Royal NBA, EU and CBK technical assistance and external funding.

<sup>3</sup> <http://mf.rks-gov.net/desk/inc/media/DC385876-9308-4817-BE42-7EB2F18C8EA4.pdf>

#	Start Date	Actions	Completion Date	Responsibility	Resource
7.	2008	Design an implementing model for QA that includes a retention policy for QA evidence, requirements and procedures relating to the selection of QA teams, confidentiality requirements, reporting, regulation, and sanctions.  Reviewers are independent, qualified, experienced.  Though a model has been agreed in principle with KCFR, KCFR has issued and Administrative Instruction on QA to provide a solid legal basis and institutional arrangements for effective implementation.	Completed  Completed  Completed	Head of Quality Assurance Department, QA Committee SCAAK and KCFR	SCAAK and KCFR' staff supported by PUM Netherland /Royal NBA, EU and CBK technical assistance and external funding.
8.	2008	Organize seminars and training on QA review system for QA teams and team leaders.  Organize seminars and training on QA review for QA teams and team leaders annually.	Ongoing.	SCAAK Head of QA department	SCAAK resources.  External expertise is provided by PUM Netherland, Royal NBA and CFRR World Bank.
9.	Current	Promote the QA review system to SCAAK Members.	Ongoing annually.	SCAAK Head of QA department.  SCAAK members services department.	SCAAK, KCFR, MF, CBK to participate in accordance with requirements of agreed published scheme
10.	Current	Prepare a report of of QA reviews findings and establish follow-up procedures.	Annually.	SCAAK Council and SCAAK QA committee.	SCAAK QA Department and PUM/NBA Royal Nivra.
11.	Current	Cooperation with IEKA-Albania with regards to developing a QA system in both countries.	Ongoing.	SCAAK QA Committee and IEKA QA Committee	SCAAK QA Committee and IEKA QA Committee and PUM/Royal NBA.
12.	Current	Developing simplified guidance for SMPs with IEKA and Royal NBA and dissemination to SCAAK members.  Monitoring of implementation of guides for SMPs.	Completed 2014.  Ongoing.	SCAAK Head of QA department.	SCAAK QA Committee and IEKA QA Committee and PUM/Royal NBA.

#	Start Date	Actions	Completion Date	Responsibility	Resource
13.	2012	In the process of education and preparation of statutory auditors for implementation of quality control requirements, SCAAK will organize site visits to local SMPs, with PUM and Royal Nivra experts. These educational visits are expected to continue until the initial QA reviews conducted by KCFR take place, according to current Law on Accounting, Financial Reporting and Audit. Update April 2017: SCAAK and KCFR from 2017 will conduct QA Reviews and will issue individual reports for each review and based on findings will take necessary measures.	Ongoing.	SCAAK Head of QA department.	SCAAK experts, PUM Netherlands and Royal NBA
<i>Promotion of SMO 1 Principles and Requirements, and ISQC 1 for Audit Firms</i>					
14.	2008	Support MF, KCFR and other stakeholders in translating ISQC 1 and the Second Edition of the IFAC Small and Medium Practices Committee's <i>Guide to Quality Control for Small- and Medium-Sized Practices</i> into Albanian.	Completed.	SCAAK translations unit	SCAAK staff
15.	2008	Persuade KCFR and the CBK to adopt (administrative instruction) and implement (enforcement) quality control standards for auditors in accordance with ISQC 1 and EU regulation.	Completed.	SCAAK Executive Director	SCAAK staff
16.	Current	Organize seminars with SCAAK members, KCFR and other related parties to promote the adoption of QA administrative instruction issued by KCFR.	Completed 2015.	QA Department - SCAAK. Head of QA Committee of KCFR.	SCAAK and KCFR.
17.	2008	Provide information on SMO 1 and ISQC 1 on SCAAK's website and in our social media in Albanian Language. URL: <a href="http://www.scaak.org">www.scaak.org</a> FB: <a href="https://www.facebook.com/scaak.org/?fref=ts">www.facebook.com/scaak.org/?fref=ts</a>	Completed.	QA Department.	SCAAK staff
18.	2008	Assist KCFR and CBK in developing guidance and provide CPD to support the implementation of quality control standards and requirements.	Completed in December 2010. Ongoing support.	Quality Assurance Department, QA Committee	SCAAK council and SCAAK staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
19.	2008	Prepare and provide CPD to support embedding a culture of compliance and proper enforcement of SMO 1. This includes relevant support like public outreach and field coaching to assist members in practice to implement ISQC 1.	Ongoing CPDs and QA reviews	QA Department	SCAAK education and members services department.
20.	2016	In order to have a better view of the compliance of financial statements with IFRS and audit reports with ISAs in Kosovo, SCAAK has made a decision to conduct a research every two year.  In 2016 this research was done and published for the financial statements of 2013 and 2014 year, submitted to KCFR.	Completed  Next one expected in 2018	Head of QA Department	SCAAK QA Departments and SCAAK Committee
21.	2010	Continue to actively participate in World Bank Center for Financial Reporting Reform, Auditing Community of Practice and exchange the experience with other PAOs of the region, regarding the implementation of SMO 1.  (SCAAK is part of WB CFRR REPARIS program since 2010).	Ongoing.	SCAAK Executive Director and Head of QA Department	SCAAK QA Department
<i>Maintaining Ongoing Processes</i>					
22.	Current	Continue to promote the need for KCFR to ensure that KCFR's QA system is operating effectively and continue to be in line with SMO 1 requirements. This includes assistance in building capacity, fundraising, periodic review of the operation of the QA system and updating the Action Plan for further activities where necessary.	Ongoing.	QA department, QA committee.	SCAAK, KCFR, CBK
23.	Current	SCAAK will review the requirements of SMO 1, and take actions to ensure that the QA review system to be established is developed in line with the revised requirements.	Ongoing.	Executive Director SCAAK	SCAAK, QA Committee.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Review of SCAAk's Compliance Information</i>					
24.	Current	Perform periodic review of SCAAk response to SMO 1 part of the Action Plan.	April 2017 and ongoing.	Executive Director SCAAk	SCAAk professional department with information provided by the other stakeholders (KCFR, CBK, MF)
25.	2014	AICPA has reviewed the work of SCAAk on the implementation of IFAC SMOs, according to the paragraph 2 of Article 22 of the Law for monitoring the work of PAOs.  (Report from AICPA was sent to KCFR).	Completed.	Executive Director SCAAk	SCCAK Executive staff, AICPA representatives. Additional information on SCAAk's work and development was provided by IFAC, World Bank CFRR, AGO, PUM Royal NBA, etc.
26.	2015	KCFR continuously monitors implementation of SMO1 by SCAAk through their Committee.	Completed in June 2016 and ongoing	Executive Director	SCAAk QA Department and Council members

**Action Plan Subject:** SMO 2–International Education Standards for Professional Accountants and Other Pronouncements issued by the IAESB

**Action Plan Objective:** Full incorporation of International Education Standards (IESs) issued by the International Accounting Education Standards Board (IAESB) and guidance into SCAAK program, and use of best endeavors to promote and assist in adoption of IESs in the Republic of Kosovo

**Background:**

SCAAK is responsible for developing an educational program for certified accountants and auditors in line with IESs as required by Article 20 of the Law No.04/L-014, which states that “professional education for certified accountant and auditors should be in compliance with International Accounting Education Standards of IFAC as well as with relevant directives of the European Commission for this purpose”. Based on requirement of this Law, KCFR is responsible for supervision of implementation of Initial Professional Development (IPD) and CPD.

SCAAK’s professional education program was fundamentally redesigned in 2008, and continually updated since then, to ensure both the quality and relevance of IPD and CPD, in accordance with the standards and guidance of the IAESB. In this regard, in 2008 SCAAK signed an agreement with a leading global provider of professional accounting education textbooks BPP Learning Media, under which SCAAK has exclusivity to use and translate educational materials into Albanian, in the core subjects including accounting and financial reporting (in accordance with IFRSs), Auditing (in accordance with ISAs), financial management and management accounting. The publisher updates its textbooks annually. Based on this agreement, SCAAK updates its educational materials and syllabus for accounting and auditing regularly in order to reflect the latest changes and updates to IESs as well.

SCAAKs entry requirements to the program of professional education for accountants and auditors are in compliance with IES 1. From 2008 SCAAK permitted persons without a University Degree to complete the Certified Accounting Technician (CAT) program, but the requirement for a University Degree is enshrined in the law so candidates who chose to qualify through the CAT route, and who do not have a degree, are required to complete a recognized degree as an exit requirement (rather than as a pre-condition to gaining access to the further education and subjects needed to qualify as accountants).

The professional training program is designed to meet the requirements of IESs 1-7, and in respect of Auditors, the relevant sections of Statutory Audit Directive, and the complementary requirements of IES 8.

SCAAK Certification Program for Private Sector Auditors is comprised of three stages, which covers in total 12 subjects as presented in the following table:

SCAAK training curriculum

Certified Accounting Technician	Certified Accountant	Certified Auditor
P1-Financial Accounting	P5-Financial Reporting	P9-Advanced Financial Reporting

P2-Cost & Management Accounting	P6-Auditing	P10-Advanced Auditing & Assurance
P3-Accountant in business	P7-Financial Management	P11-Business Analysis
P4-Kosovo Tax & Law	P8-Management Accounting Applications	P12-Professional Practice

From 2016 SCAAk has developed a certification program for Internal Auditors, based on the materials and syllabus of Institute of Internal Auditors, which is comprised of the papers as described below:

**Certified Internal Auditor**  
**B1/Internal Audit Knowledge Elements**  
**B2/Internal Audit Basics**  
**B3/Internal Audit Practice**

SCAAK implements a Combination Approach regarding CPDs, which allows members to combine the traditional structure of a specified number of hours being spent on CPD activities, with the new system of focusing on the output or benefit of CPD activities based on the development of skills, and ability to perform competently in a current role. Our members need to ensure that the combination of number of hours attributed to CPD combined with other CPD activities satisfy training and development needs and result in having the necessary knowledge and expertise to fulfill member's roles and responsibilities.

SCAAK implemented a 40-hour minimum requirement of CPD hours for accountants and auditors. The policy distinguishes between structured and unstructured CPD, and verifiable and unverifiable CPD. Auditors are required to complete at least 24 hours of verifiable CPD and not less than 40 hours of CPD in total. Accountants have a minimum of 18 verifiable hours and annual total hours of 40.

SCAAK examination process is based on IES 6 and comprises of independent and capable examiners, confidentiality of exams and safeguarding genuine diplomas.

SCAAK's practical experience requirements require a balance of assist and perform levels. At CAT level, we expect a candidate for certification to have at least 12 months' experience in accounting, finance, implementation of internal control, or in audit positions. For Certified Accountants, SCAAK expects applicants for membership to have at least at least 36 months within the last 5 years until the moment they apply for the designation, experience in accounting, finance, internal control implementation, or in auditor position. Candidates must fulfill at least 7 competences, 6 from competences in specific key areas and 1 competence from optional specific areas. Key specific areas are: Ethics and professional behavior, Business managing, Personal development, Accounting and Financial Reporting, Taxes.

Optional specific areas are Financial Management and Managerial Accounting.

Experience gained as a Certified Accounting Technician counts towards the 3-year requirement. Candidates for Certified Auditor must have at least 12 months (out of 36 months) of experience undertaken in an audit practice under supervision of certified auditor and fulfill 3 competences in Specific Area – Audit and Assurance. After receiving a Certified Auditor designation, a candidate is required by the Law to fulfill 3-year work

<p>experience under the supervision of a licensed Auditor, in order to become licensed auditor (statutory auditor).</p> <p>SCAAK aims to assist the University sector to implement complimentary programs of IPD, and define the relationships between University and the professional body program using accreditation/exemption strategies. By assisting the University and higher education sector to incorporate a greater focus on accounting, SCAAK will attract a greater number of quality graduates, and thus help to contribute to expanding opportunity in university and professional education in Kosovo.</p> <p>SCAAK cooperates with regional and global PAOs in regard to implementation of IESs.</p> <p>All SCAAK Certification Programs are accredited by National Qualification Authority in Kosovo.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Align Entry Requirements to the Program of Professional Education to Meet the Requirements of IES 1</i>					
1.	Current	Review revised IES 1 (2017) and align SCAAK entry requirements with the revised standard.	Ongoing	SCAAK Education Committee and Education Department	SCAAK Education and training staff
2.	Current	SCAAK is developing a strategic marketing plan to attract and promote the accountancy and auditing profession within new generation of students.	Ongoing	SCAAK Education Committee	SCAAK Student Department, Education Department
<i>Complete Implementation of SCAAK Professional Education Program That Meets the Requirements of IESs</i>					
3.	2008	<p>Complete implementation of SCAAK curriculum and examination program based on the content requirements of IES 2, IES 4, IES 8 and the relevant sections of IES 6. Continue review and update through examination processes, feedback from students and trainers.</p> <p>(Note: The current certification program was introduced in 2008. A post implementation review was undertaken from which a programme of continuous improvements was implemented. Iterative changes are made annually thereafter following feedback from regulator's, members and employers, as well as updating to ensure compliance with latest tax, law and financial reporting.)</p>	<p>Completed</p> <p>Ongoing annually.</p>	SCAAK Head of Education Department	SCAAK Education committee and SCAAK staff.

#	Start Date	Actions	Completion Date	Responsibility	Resource
4.	2015	<p>Review, translate and incorporate the updated educational material provided under SCAAK – BPP royalty agreement and translation/incorporation of the updated sections relating to updated standards and guidance. The publisher updates its textbooks annually to reflect changes in the framework of accounting and auditing, including new/changed standards and guidance.</p> <p>Renew exclusivity for using text books and materials from publisher.</p> <p>Update materials based on BPP 2017 updates.</p> <p>(Note: SCAAK has an MOU signed in 2015 with Deloitte Kosovo, to update the Tax and Law book, in order to reflect the necessary changes and updates of laws in Kosovo.)</p>	<p>Completed</p> <p>Ongoing</p> <p>2015</p> <p>January 2017- December 2017-</p>	<p>Head of Education Department, SCAAK</p>	<p>SCAAK education committee and staff. Updated translations – SCAAK funds.</p>
5.	Current	<p>Ensure on an ongoing basis that IAASB (audit standards) and IESBA (ethics) pronouncements are incorporated into education programs and training programs on a timely basis.</p> <p>SCAAK will adopt and translate three new course materials with the BPP Learning Media license.</p>	<p>Completed</p> <p>Completed</p> <p>New updates ongoing 2015-2018</p>	<p>SCAAK Education Department</p>	<p>SCAAK Education committee and SCAAK staff.</p>
6.	Current	<p>Engage professionals in Kosovo as SCAAK Trainers and develop capacities through the SCAAK training of trainers' program for those who meet the requirements under the SCAAK procedures.</p>	<p>Ongoing</p>	<p>Head of Education Department</p>	<p>SCAAK Education Department and Consultants</p>
7.	Current	<p>Develop tools and methods to help students and members throughout the certification programme. To better serve the needs for professional development of its members, SCAAK has put a great focus and effort on the information technology.</p>	<p>Ongoing</p>	<p>SCAAK Education Department</p>	<p>SCAAK Student Department and Education Department</p>
8.	2008	<p>Provide input to Working Group of Ministry of Finance for legislation on accounting and auditing that clarifies the regulatory framework of accounting and auditing in Kosovo and recognizes SCAAK and KCFR's responsibility for adopting the latest international (incl.</p>	<p>Completed 2011.</p> <p>Ongoing.</p>	<p>SCAAK Executive Director, SCAAK Council</p>	<p>SCAAK, KCFR, MF and other stakeholders.</p>

#	Start Date	Actions	Completion Date	Responsibility	Resource
		IFAC) standards, guidance and best practice, the professional accountancy education program based upon the standards of International Accounting Education Standards Board (IAESB) and the requirements of the EU 8th Company Law directive.			
9.	2012	Cooperate with KCFR in implementing the World Bank ROSC Report recommendations and findings on SMO 2.	Completed	SCAAK Executive Director	SCAAK Education Department and Education Committee
10.	2015	Participate in World Bank Benchmarking Educational Study for PAOs of the region.	Completed in 2016	SCAAK Head of Education Department, Education Committee	SCAAK Education Department and Education Committee
11.	2010	Continue to actively participate in World Bank Center for Financial Reporting Reform, Education Community of Practice and exchange the experience with other PAOs of the region, regarding the implementation of SMO 2.	Ongoing. SCAAK is part of World Bank Workshops since 2006 and on.	SCAAK Executive Director and Head of Education Department	SCAAK Education Department
12.	2013	Cooperate with ACCA in our mutual recognitions of syllabuses and papers. Accreditation for most of the papers is gained in 2014 and two other papers during 2016.	Further Developments Ongoing 2015-2018	Head of Education Department	SCAAK Education Department and Education Committee
13.	2016	Cooperate with AAT England in mutual certification of members.	MOU signed with AAT in December 2016 Further cooperation ongoing	Head of Education Department	SCAAK Education Department and Education Committee
14.	2016	Based on SCAAKs' strategic plan 2015-2019, SCAAK is planning to establish a certification scheme for Internal Auditors in compliance with IIA Standards.	Completed SCAAK from 2016 has started delivering certification scheme for internal auditors	Head of Education Department	SCAAK Education Department and Education Committee

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Assist University Sector in Adoption of New Curriculum</i>					
15.	Ongoing	Continue intensive efforts with Public University of Pristina, University of Prizren and University of Peja, Government and other stakeholders to implement revised structures and programs for University students in accordance with IESs and with proper linkages to the SCAAK professional education program. Provide assistance in the development of an Accounting Department at University of Pristina with the support of special MSc Accounting programs at Arizona State University (US and EU donor facilities).	Completed in 2010. MOUs signed with universities public and private in Kosovo  Further developments ongoing	Executive Director, SCAAK	SCAAK Education Committee, Council
16.	2013	Publish procedures for recognition of university accounting and auditing curricula for accreditation purposes within SCAAK qualification program.	Completed. Updates ongoing	ED/Professional Department, Education Committee	SCAAK Education committee and SCAAK staff.
17.	2013	Accreditation Team has reviewed the content of the curriculum and assessment methods of each subject / module which is considered to be relevant to any of the first-level modules (pre-professional stage of SCAAK) and determined whether syllabuses are in accordance with the requirements of International Education Standard 2 (IES 2) - "Content of Professional Education Programs in Accounting".  SCAAK will continue monitoring the implementation of universities programs which are accredited by SCAAK.	Ongoing annually.	SCAAK Education Committee, SCAAK professional department	SCAAK Education Committee, SCAAK professional department
18.	Current	Performing policy dialogues on SMO 2 requirements with the universities and other education stakeholders in Kosovo. SCAAK will continuously promote the need for universities in Kosovo to implement the framework for education in accounting and auditing with international standards. This framework would serve as a benchmark for improving education in the accountancy field in Kosovo.	Ongoing	SCAAK Executive Director and Head of Education Department	SCAAK Education committee and SCAAK staff.

#	Start Date	Actions	Completion Date	Responsibility	Resource
19.	2012	SCAAK has signed an MOU with Public University of Prishtina, Accounting Department for recognition of university diploma as equivalent with SCAAK Accounting Technician level. SCAAK has also signed an MOU with Public University of Prizren, Finance and Banking Department, for exemptions from CAT level.  Other MOUs were signed with two private colleges in Prishtina.  Monitoring of implementation of MOUs annually.	Completed.  Ongoing	SCAAK Education Committee, SCAAK professional department	SCAAK Education Committee, SCAAK professional department
20.	Current	SCAAK will continue to work with all the universities and related parties, to develop and enhance the accounting and auditing profession in Kosovo.	Ongoing annually	SCAAK Executive Director and Head of Education Department	SCAAK Education committee and SCAAK staff.
21.	2008	Continue participation in National Qualifications Authority (NQA) Steering meetings to ensure that IFAC and the international standard setting boards' pronouncements and standards in the area of accounting, auditing, financial management and ethics represent the benchmark for the profession in Kosovo, and that the professional education and the institute as a concept are accepted to play a role in the further development of the NQA framework (Kosovo has embarked upon establishing a comprehensive framework for vocational education and training, with the assistance of the EU).	Ongoing	Executive Director SCAAK, SCAAK Council	SCAAK Education Committee and Department
22.	2016	Gain accreditation of certification programs from National Qualification Authority, which is authority that accredits all professional designations in Kosovo.  Meet and implement requirements of the NQA.  Reviewing and monitoring process from NQA to SCAAK is performed every three years.	January 2017  Monitoring process ongoing	SCAAK Executive Director and Head of Education Department	SCAAK Education Committee and SCAAK staff.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Implementation of Revised Practical Experience Requirements</i>					
23.	2008	Review of new practical experience requirements for accounting technicians, certified accountants and certified auditor designed to meet the minimum requirements of the 2015 IES 5.  SCAAK liaises with employers in all sectors, and the KCFR to implement the requirements for licensed auditors.	New practical experience requirements completed in 2016.  Ongoing review	Head of QA Department and Head of SCAAK professional department	SCAAK Professional Standards Committee, QA Committee, SCAAK Staff and Royal NBA experience staff in work experience assessment.
24.	2008	Assist KCFR in implementing the new practical experience requirements for auditors as KCFR has a specific responsibility for licensing auditors (only). This action specifically relates to assisting the KCFR to implement new requirements for audit license renewal and this includes providing assistance in building KCFR capacity.	Ongoing	SCAAK member representative in KCFR	SCAAK Professional Standards Committee, SCAAK staff, and KCFR.
<i>Implementation of New Mandatory Continuing Professional Education (CPE) Requirements</i>					
25.	Current	Expand the range of CPD programs to be available for the members, and work in collaboration with other stakeholders. (CPD programs on IFRSs, ISAs, SMO 1 and ISQC1 are provided annually).  CPD will also be focused on topics which are relevant for statutory auditors / engagement partners as required by IES 8.	Further developments ongoing	SCAAK Education Dept	SCAAK organizes CPD sessions with the assistance of international experts, Big-4 firms and Kosovo experts, as well as SCAAK's own resources.)
26.	Current	Review compliance by SCAAK members with CPD requirements, and in particular, work with KCFR to monitor compliance on the part of licensed auditors, making any adjustments to the scheme as needed to encourage and mandate participation. (Effective monitoring system in place since 2009 when new program has started).  SCAAK's information system updates member's records when they attend a SCAAK organized CPD event. Members are required to complete an annual return, either online or via a form, for their compliance with the CPD requirements.	Ongoing monitoring annually.	SCAAK Members services department	SCAAK and KCFR co-operate in enforcing CPD as part of audit licensing and renewal.

#	Start Date	Actions	Completion Date	Responsibility	Resource
27.	2015	SCAAK as a member of Chambers of Commerce in Kosovo, will work intensively in education employers in introducing a greater outcome based CPD delivery mechanism, consistent with the proposed revised IES 7.	Ongoing	SCAAK Executive Director and Head of ED Department	SCAAK Staff
28.	Current	Continue cooperation with IEKA-Albania to provide mutual CPD sessions for members of both PAOs.	Ongoing	SCAAK Education Committee, IEKA Education Committee	SCAAK Lecturers and IEKA Lecturers.
<i>Promotion of International Accountancy Education Standards (SMO 2)</i>					
29.	Current	Continue to actively promote IAESB standards through participation in different working groups within the government, Central Bank, Supreme Audit Institution, and other stakeholders.	Ongoing	Executive Director, SCAAK	SCAAK Council Members and staff, SCAAK Education Committee.
30.	Current	Continue translation and dissemination of IAESB pronouncements. SCAAK provides information and translations to KCFR, University and Governmental sectors.	Ongoing	SCAAK education department	SCAAK translation unit
31.	Current	Publish news of IESs, IEPs and IEIPs in SCAAK's monthly journal. (SCAAKs Monthly Journal is published in web page and social media).	Ongoing	SCAAK Executive Director	SCAAK Member Service Department
32.	Current	Translate and use the IFAC Guides: 1. "Finding Your Voice: PAOs, Advocacy, and Public Policy" and 2. "Establishing Governance: A Guide for Professional Accountancy Organizations" as a reference point for development of SCAAK.	Completed	SCAAK Executive Director and SCAAK Council	SCAAK staff
<i>Maintaining Ongoing Processes</i>					
33.	Current	As part of the 5 year strategy 2015-2019 adopted by SCAAK Assembly in June 2015, SCAAK continues to implement to the fullest extent possible the requirements of SMOs by SCAAK, and to use best endeavors to promote national recognition. In addition, continue to support implementation of the	Ongoing	SCAAK Executive Director	SCAAK staff, SCAAK committees and Council

#	Start Date	Actions	Completion Date	Responsibility	Resource
		international education requirements with regards to SCAAK's pre-qualification and CPD programs. The new updated strategy 2015-2019 includes all of the above actions.  These activities also include ongoing monitoring of standard-setting activities of the International Accounting Education Standards Board and updating the Action Plan for further activities where necessary.			
34.	Current	SCAAK will review the requirements of IESs revised in 2015/2016, and take actions to ensure that the Education System is updated in line with the revised requirements.	Ongoing.	Executive Director SCAAK	SCAAK Education Committee.
35.	Current	SCAAK will review the requirements of SMO 2, and take actions to ensure that the QA review system to be established is developed in line with the revised requirements.	Ongoing	Head of Education Department, Executive Director	SCAAK Council, SCAAK Education Committee
<i>Review of SCAAK' Compliance Information</i>					
36.	Current	Perform periodic review of SCAAK response to SMO 2 part of the Action Plan.	April 2017 and ongoing	SCAAK Executive Director	SCAAK Education department
37.	2014	AICPA has reviewed the work of SCAAK on the implementation of IFAC SMOs, according to the paragraph 2 of Article 22 of the Law for monitoring the work of PAOs.  (Report from AICPA was sent to KCFR).	Completed.	Executive Director SCAAK	SCAAK Executive staff, AICPA representatives. Additional information on SCAAK's work and development was provided by IFAC, World Bank CFRR,OAG, PUM Royal Nivra, etc.
38.	2015	KCFR continuously monitors implementation of SMO 2 by SCAAK through their Committee.	Completed in June 2016	Executive Director	SCAAK staff and Council members

**Action Plan Subject:** SMO 3–International Standards and Other Pronouncements Issued by the IAASB  
**Action Plan Objective:** Full adoption, dissemination, and compliance of IAASB standards, guidance and other pronouncements in Kosovo

**Background:**

Based on the Law No.04/L-014 on Accounting, Financial Reporting and Audit, the KCFR adopts all standards and pronouncements issued by the IAASB relating to audits of historical financial information (financial statements). The financial statements referred to Article 4 paragraph 1 sub- paragraph 1.1. and 1.2. (large business organizations and medium business organizations<sup>4</sup>) of the Law No.04/L-014 on Accounting, Financial Reporting and Audit of 2011, shall be audited by statutory audit firms and licensed auditors<sup>5</sup> that are licensed to carry out statutory audits by the competent authorities as defined in the law. SCAAK has responsibility for ensuring that its members are informed of the latest pronouncements of the IAASB.

SCAAK liaises with IEKA (Institute of Authorized Chartered Auditors of Albania) to ensure that updated approved translations of IAASB standards continue to be made available to SCAAK members and other stakeholders in Kosovo. SCAAK in cooperation with IEKA has disseminated to its members the Albanian version of Handbook of International Quality Control, Auditing, Review, Other assurance and related services pronouncements (2015 version). During 2016 SCAAK and IEKA have translated and disseminated to its members the latest new and revised ISAs related to audit opinion (ISA 700, 701, 705, 706, 720) 2015 version as published by IAASB.

Though the standards, guidance and pronouncements of the IAASB are implemented on a de-facto basis in Kosovo, the climate of enforcement and clarity of scope of application will improve with the adoption of the law, referred to in the notes to SMO 1. During 2014 and 2015, SCAAK in collaboration with IEKA translated and disseminated to its members the Albanian Version of the IFAC Small and Medium Practices Committee's "*Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities, Third Edition (both volumes)*" (*ISA Guide*). In this regard, SCAAK, IEKA and IFAC have signed triple agreement on translation and publication of IFAC Guide.

SCAAK in cooperation with IEKA plans to further develop the ongoing process for review, translation, and adoption of the revised ISAs and other IFAC pronouncements. A joint committee is set up between IEKA Albania and SCAAK Kosovo will work actively with the main objective to oversee the translation process, as new or subsequent revisions of ISAs are adopted by IAASB.

During 2016, the Law on Financial Reporting is expected be amended in order to include all requirements arising from the standards and pronouncements issued by IAASB, and requirements of EU directives related to accounting and auditing profession. SCAAK will use its best

<sup>4</sup> Business Organizations for the purposes of financial reporting according to the Law No.04/L-014 are classified as follows:

Paragraph 1.1.: large business organizations fulfill two out of three criteria: (1) Annual turnover (neto): higher than € four million (4.000.000, 00); (2) Gross Assets at balance sheet: higher than € two million (2.000.000, 00); (3) Average number of employees during the financial year: higher than fifty (50).

Paragrap1.2.: medium business organizations fulfill two out of three of the following criteria: (1) Annual turnover (neto): higher than two million € (2.000.000,00) but lesser than € four million (4.000.000, 00); (2) Gross Assets at balance sheet: higher than one million € (1.000.000,00) and less than € two million (2.000.000, 00); (3) Average number of employees during the financial year: higher than ten (10) but smaller than fifty (50).

<sup>5</sup> Licensed auditors are eligible to audit only medium business organizations.

endeavors with all stakeholders to ensure that the changes in the current law reflect all the requirements arising from the revised IFAC SMOs.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Translation and Dissemination</i>					
1.	2008	Formalize Agreement with IEKA (IFAC member in Albania) and Government of Kosovo on co-operation to ensure timely availability of translated pronouncements of the IAASB to SCAAK members, KCFR, MF, University, and other stakeholders in Kosovo.	Completed in 2012.	SCAAK Executive Director	SCAAK staff, KCFR staff
2.	Current	Publish IFAC “Guide to Using International Standards on Auditing in the Audits of Small- and Medium-Sized Entities” – volume 1 & 2 (in cooperation with IEKA Albania), in Albanian language.	Completed	Head of Education Department and Head of QA Department	SCAAK Council, SCAAK Professional Standards and SCAAK Education Committee
3.	Current	Initiate working group with IEKA, KCFR, CBK, University, to produce an official common vocabulary for accounting and audit terminology which will be published and used in Kosovo.	Ongoing	SCAAK Executive Director	Expert group include all stakeholders.
4.	Current	Work with KCFR to ensure that translations carried out in Kosovo are set in accordance with the IFAC translation policy.	Ongoing	SCAAK translation unit.	SCAAK and KCFR
5.	Ongoing	Provide translated IAASB pronouncements to SCAAK members and incorporate them into IPD certification program. (clarified ISAs incorporated into education program 2017 through BPP Learning Media license) During 2016 SCAAK and IEKA have translated and disseminated to its members the latest revised ISAs related to audit opinion (ISA 700, 701, 705, 706, 720) 2015 version as published by IAASB.	Completed.  Further development ongoing.	SCAAK Educational Department. Education Committee	SCAAK staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption and Enforcement of IAASB Standards</i>					
6.	Current	Continue active input to the development of the amendments of Corporate Financial Law regarding the Audit and Assurance standards framework that is applicable in Kosovo, thus providing a legal basis and a national authority for improved enforcement.	Ongoing	Executive Director SCAAK	SCAAK staff
7.	Current	Monitor pronouncements and updates provided by IAASB, and develop update briefings for members.	Ongoing	Head of Education department and professional standards committee of SCAAK	SCAAK professional standards committee and SCAAK staff
8.	Current	Ensure that updated approved translations of IAASB standards continue to be made available to SCAAK members and other stakeholders in Kosovo.	Ongoing	SCAAK professional standards committee	SCAAK staff
9.	Current	Review CPD program to ensure sufficient ongoing coverage of IAASB updates, pronouncements and developments.	Ongoing	SCAAK Members services Department, Education Department, QA Department	SCAAK professional and education department, SCAAK education committee and Council members, KCFR board members
10.	Current	Disseminate new Exposure Drafts to SCAAK members and take into account their input & provide comments on new Exposure Drafts to the IAASB.	Ongoing	SCAAK Members services Department	SCAAK Council, Professional Standards Committee and SCAAK staff
11.	Current	Continue to participate in World Bank CFRR EU-REPARIS Audit Train of Trainers (Audit ToT) in order to develop capacities of SCAAK trainers regarding IAASB pronouncements.	Ongoing	Executive Director	SCAAK Trainers

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Maintaining Ongoing Processes</i>					
12.	Current	Include updates in IAASB pronouncements in SCAAK continuing professional education and pre-qualification programs, largely through the use of annual updates of education programs in collaboration with BPP by agreement.	Ongoing	SCAAK Education Department, QA Department	SCAAK Council, SCAAK Education and QA Committee
13.	Current	SCAAK will review the revised requirements of SMO 3, and take actions to ensure that the revised requirements are adopted and complied with.	Ongoing.	Executive Director, SCAAK departments	SCAAK Professional Standards Committee and SCAAK Education department.
<i>Review of SCAAK's Compliance Information</i>					
14.	Current	Perform periodic review of SCAAK response to SMO 3 part of Action Plan.	April 2017 and ongoing	Executive Director SCAAK departments	SCAAK Council and Committees
15.	2014	AICPA has reviewed the work of SCAAK on the implementation of IFAC SMOs, according to the paragraph 2 of Article 22 of the Law for monitoring the work of PAOs.  (Report from AICPA was sent to KCFR).	Completed.	Executive Director SCAAK	SCAAK Executive staff, AICPA representatives. Additional information on SCAAK's work and development was provided by IFAC, World Bank CFRR, OAG, PUM Royal Nivra, etc.
16.	2015	KCFR continuously monitors implementation of SMO3 by SCAAK through their Committee.	Completed in June 2016 Further monitoring ongoing	Executive Director	SCAAK staff and Council members

**Action Plan Subject:** SMO 4–IESBA Code of Ethics for Professional Accountants  
**Action Plan Objective:** Further improve compliance on part of all members with IESBA Code of Ethics

<b>Background:</b>					
<p>From its establishment, SCAAK has been fully committed in promoting and implementing the Code of Ethics and making all its members aware that Code of Ethics is one of main pillars in developing profession and providing quality services in public interest. Based on the Law, SCAAK is responsible for adopting and disseminating to its members the IFAC Code of Ethics for Professional Accountants. KCFR is responsible to supervise whether SCAAK members are in compliance with IFAC Code of Ethics.</p> <p>SCAAK has included sections of Code of Ethics in teaching materials in all levels of certification program as well as in CPD program.</p> <p>SCAAK has translated Code of Ethics in accordance with IFAC Translation policy in 2009. It has been disseminated to students, members and the wider community. 2015 Handbook of the Code of Ethics for Professional Accountants was translated based on the agreement with IEKA-Albania.</p>					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Translation and Dissemination of the IESBA Code of Ethics</i>					
1.	Current	Translate and disseminate the 2015 Handbook of the Code of Ethics for Professional Accountants.	Completed	SCAAK Executive Director	SCAAK staff
2.	Current	Organize CPD for the members on Code of Ethics requirements. Every year SCAAK organizes at minimum 8 hours of verifiable CPD for all of its members. Also, ethics is covered during IPD program as part of Audit courses.	Ongoing	SCAAK Education Department	Education Committee and Professional Standards Committee.
3.	Current	Organize CPD courses to include exhaustive coverage of Ethical requirements including areas of potential conflict and challenges that are unique in Kosovo.	Ongoing	SCAAK Education Department	Education Committee and Professional Standards Committee.
4.	Current	Discuss and promote the IESBA Code with KCFR and other parties to establish the Code as the basis for a national code of ethics.	Ongoing	SCAAK Council	SCAAK staff and Council members
5.	2017	Translate and disseminate the 2016 Handbook of the Code of Ethics for Professional Accountants.	2018-2019	SCAAK Executive Director	SCAAK staff

#	Start Date	Actions	Completion Date	Responsibility	Resource
6.	2016	Organize CPD on 'NOCLAR - Responding to Non-compliance with Laws and Regulations'.	Completed partially 2016. 2017 – ongoing.	SCAAK Council	SCAAK staff and Council members
<i>Clarify Roles of SCAAK and KCFR in Implementation and Enforcement of Ethical Requirements</i>					
7.	Current	Cooperate with KCFR to clarify and communicate the respective roles of SCAAK and the KCFR in enforcement of the Code of Ethics for statutory auditors.	Ongoing	SCAAK Executive Director	SCAAK staff , committees and council members
8.	Current	Public outreach activities (seminars, media coverage) to ensure that public and business community are aware that SCAAK members are operating for the public interest under a mandatory code of ethics. SCAAK being a member of Chambers of Commerce in Kosovo, promotes to the business community the importance of enforcement of the Code requirements.	Ongoing	SCAAK Executive Director	SCAAK Council and Committees
<i>Maintaining Ongoing Processes</i>					
9.	Current	Monitor and review new and amended standards from the IESBA, in an ongoing basis. (Include updates in IESBA pronouncements in SCAAK continuing professional education and pre-qualification programs).	Ongoing	Head of Education Department and Professional Standards Committee SCAAK	SCAAK council and committees
10.	Ongoing	Review and respond to IESBA/IFAC requests for feedback from IFAC member bodies.	Ongoing	SCAAK Executive Director	SCAAK council and committees.
11.	Current	SCAAK will review the requirements of SMO 4, and take actions to ensure that the revised requirements are adopted and complied with.	Ongoing	Executive Director, SCAAK departments	SCAAK QA Committee and Professional Standards Committee
<i>Review of SCAAK's Compliance Information</i>					
12.	Ongoing	Perform periodic review of SCAAK response to SMO 4 part of the Action Plan.	April 2017 and ongoing	Executive Director SCAAK	SCAAK Professional department

#	Start Date	Actions	Completion Date	Responsibility	Resource
13.	2014	AICPA has reviewed the work of SCAAK on the implementation of IFAC SMOs, according to the paragraph 2 of Article 22 of the Law for monitoring the work of PAOs.  (Report from AICPA was sent to KCFR).	Completed.	Executive Director SCAAK	SCAAK Executive staff, AICPA representatives. Additional information on SCAAK`s work and development was provided by IFAC, World Bank CFRR, OAG, PUM Royal Nivra, etc.
14.	2015	KCFR continuously monitors implementation of SMO4 by SCAAK through their Committee.	Completed in June 2016 Further monitoring ongoing	Executive Director	SCAAK staff and Council members

**Action Plan Subject:** SMO 5—International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB  
**Action Plan Objective:** Maintain SCAAK’s efforts to promote adoption of International Public Sector Accounting Standards (IPSASs) in Kosovo, and effectively support and disseminate the work of the International Public Sector Accounting Standards Board (IPSASB)

**Background:**

According to the Law No. 03/L-048 on Public Financial Management and Accountability the responsible body for setting Public Sector Accounting in Kosovo is Ministry of Finance, Treasury Department. Rules of Financial Management and Control (FMC) are consistent with (i) Principles of Public Internal Financial Control (PIFC) set by the European Commission, (ii) International Public Sector Accounting Standards set by IFAC, and (iii) the provisions of the present law, the Law on Public Procurement, and any other law of Kosovo governing such matters.

Having adopted the cash-basis IPSASs in 2004, the Republic of Kosovo was among the first countries in the region to issue financial statements complying with the cash-basis IPSASs. In 2008, SCAAK established an expert group to review Albanian translation of IPSASs (2007 version) carried out under agreement between MF Kosovo and Government of Albania, to comprehend whether this has been carried out in accordance with the IFAC Translation policy.

Since 2008, SCAAK has developed and provided trainings in IPSASs for MF senior staff to improve IPSAS knowledge of senior officials. In 2008 SCAAK commenced delivery of the CIPFA diploma in public sector accounting in collaboration with the Slovenian Centre of Excellence, under a program funded by the World Bank.

In 2009 SCAAK signed an MoU with the Ministry of Finances for certification of civil servants and according to this memorandum SCAAK received the right of exclusivity as the sole authorized body to train, organize exams and to certify candidates for qualification in the field of public sector accounting in Kosovo. In 2009-2011, SCAAK and MF established the Public Financial Management Training Program with the aim of equipping financial officers in the public sector with necessary skills to improve the financial management and reporting in the public sector of Republic of Kosovo. In 2012, SCAAK has trained finance officers in municipalities of Kosovo in collaboration with USAID and in coordination with CIPFA in order to improve their capacities. During 2016-2017 SCAAK has organized meetings for increasing the awareness of public sector financial management. SCAAK had a positive response from some Municipalities to be part of SCAAK certification for public sector.

For Kosovo to ensure long and sustainable development capacities in the public sector, it will have to move at the next level by integrating the profession into internationally recognized certification program. International approach in developing the profession it will ensure that these professionals are up-to-date with latest developments and at same time ensure that they are part of continuing education program. In this regard, SCAAK has taken the initiative for **founding a sustainable certification scheme for Public Financial Management**, which is aligned with CIPFA program. This certification program developed during 2015 for public sector accountant with internationally recognized certificates is itself long term project which will set the bases for future accountants that will pursue this carrier. During 2016 SCAAK-CIPFA have implemented this certification program and first Kosovars have become full members of CIPFA. Kosovo will be among the first countries in South East Europe that will provide such kind of certification and will greatly contribute to increased transparency and better corporate governance in public sector.

This certification program consists of two levels as described below:

Accounting Technician	Public Sector Certified Auditor
P1/ Financial Accounting	S1/ Financial Management and Budgeting
P2/ Management Accounting	S2/ Public Sector Financial Reporting
P3/ Accountant in business	S3/ Public Finances and Information System
P4/ Laws and Taxes in Kosovo (National Laws)	S4/ Strategic Planning and Policy Development
	S5/ Governance, Risk and Control
	S6/ The Audit Methodology

Since the revised SMO 5 emphasizes that PAOs operate under different national regulatory frameworks, and are comprised of professionals working in different sectors of the accountancy profession, as OAG Staff have gone through the SCAAK Private Sector Certification Program, SCAAK considered it necessary to develop a new certification scheme for public sector auditors. In this regards, SCAAK and the Supreme Audit Institution in Kosovo-OAG have worked together in designing and establishing a new certification scheme for public sector auditors. This certification program is based on the International Standards of Supreme Audit Institutions (ISSAI's) set by International Organizations of Supreme Audit Institutions (INTOSAI). The purpose of this mutual project in incubating and developing a new, innovative (and first of its type) certification is to address the development of professional capacity to achieve both improved fiscal stability and economic growth in Kosovo.

SCAAK Certification Program for Public Sector Auditors of National Audit Office (formerly Office of the Auditor General) is comprised of three levels, as shown in a table below:

Public Sector Auditor	Public Sector Senior Auditor	Public Sector Certified Auditor
<b>M1: Financial Reporting</b>	M4: Procedures and Techniques of Public Finance Management in Kosovo	M7: The Audit Methodology II
<b>M2: Planning and Budgeting</b>	M5: Governance, Risk and Control	M8: Financial Management
<b>M3: National Laws</b>	M6: The Audit Methodology I	

The development of the public sector certification program has attracted the attention of countries in the region. One of the first Memorandums of Understanding for this purpose was signed in 2013 between SCAAK and Albanian State Supreme Audit Institution (ALSAI). This cooperation will play an important role for the certification of ALSAI auditors in the public sector program.

SCAAK will continue to promote the adoption of IPSASs in Kosovo through regular dialog with the MF, KCFR, Office of the Auditor General (OAG), Department of Internal Audit, and other stakeholders.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Translation, Dissemination and Promotion of IPSASs</i>					
1.	Current	Continue to promote the adoption of IPSASs in Kosovo through regular dialog with the MF, KCFR, Office of the Audit General, Department of Internal Audit and other stakeholders. Develop and provide training in IPSASs for OAG, MF senior staff to improve IPSAS knowledge of senior officials.	Further promotion ongoing.	Executive Director SCAAK	SCAAK staff and council members
2.	Current	In cooperation with OAG and ALSAI, SCAAK uses translated IPSASs. Provide IPSASB pronouncements to members via SCAAK web site and social media.	Ongoing	SCAAK Public Sector Department	SCAAK council members and staff, OAG, ALSAI and MF
3.	Current	SCAAKs' strategic plan 2015-2019, foresees the establishment of Public Sector department which will develop Public Sector certification program.	Completed Further developments ongoing	SCAAK executive Director and SCAAK council	SCAAK Council and Committees
4.	2014	Establish a certification scheme for Public Financial Management, SCAAK-CIPFA Joint Certification Program PFM, to strengthen public financial management capacity in Kosovo.  (The Parties will work together to develop and implement a co-branded professional training programme for public servants in Kosovo and new generation of interested students to become professionally qualified members with both SCAAK and CIPFA).	Completed 2016	SCAAK Executive Director, SCAAK Public Sector Department	SCAAK Council and Committees, CIPFA and donor funds.
5.	2015	MOU for joint PFM certification with CIPFA.	Completed. MOU signed in November 2015	SCAAK President and Executive Director	SCAAK Council, Education Department; CIPFA Education Department.
6.	2016	Organize train of trainers with CIPFA for new PFM certification program.	Completed	Head of Public Sector Department	SCAAK Education Department, SCAAK lecturers and SCAAK funds

#	Start Date	Actions	Completion Date	Responsibility	Resource
7.	Current	Translate trainings materials for new PFM certification program.	2017	Head of Public Sector Department and SCAAK translation unit.	SCAAK education committee and staff. SCAAK translation unit.
8.	Current	Outreach activities to attract new generation interested in the public finance area.	Ongoing	Head of Public Sector Department and Student Services Department	SCAAK Education Committee, SCAAK student services department and Education Department
9.	2013	Continue implementation of the certification scheme for the Office of Auditor General (OAG) of Kosovo.	Completed, November 2016. First 100 certified public sector auditor.	SCAAK Executive Director, Auditor General of Kosovo	SCAAK education department and education committee
10.	2013	Cooperate with OAG in defining the Practical Experience Requirements (PER) for achieving the designation "Certified Public Sector Auditor" according to the applicable laws in Kosovo.	Completed	SCAAK Executive Director, Auditor General of Kosovo	SCAAK education department and education committee
11.	2015	SCAAK has done its best endeavors to include international standards in Law listed below. During 2016, Kosovo Parliament has approved a new law for Supreme Audit Institution. Link of the new Law: <a href="#">"Law No. 05/L-055 on the Auditor General and the National Audit Office of the Republic of Kosovo"</a>	Completed	SCAAK Executive Director	SCAAK Council and SCAAK staff
12.	Current	Initiate the implementation of certification of public sector auditors with Albanian SAI.  (SCAAK and Albania Supreme Audit Institution are currently working on developing a strategy for the implementation of certification scheme for AL-SAI auditors, develop training materials according to local	2017	Head of Public Sector Department	SCAAK education committee and SCAAK education department, OAG

#	Start Date	Actions	Completion Date	Responsibility	Resource
		legislation in Albania, defining membership criteria, training of trainers program, etc.).			
13.	2016	Gain accreditation of certification programs from National Qualification Authority, which is authority that accredits all professional designations in Kosovo. Meet and implement requirements of the NQA. Reviewing and monitoring process from NQA to SCAAK is performed every three years.	January 2017 Monitoring process ongoing	SCAAK Executive Director and Head of Education Department	SCAAK Education Committee and SCAAK staff.
<i>Maintaining Ongoing Processes</i>					
14.	Current	Monitor publication of new and amended IPSASB pronouncements and update SCAAK continuing professional education program in accordance with these pronouncements.	Ongoing	SCAAK professional department	SCAAK in collaboration with KCFR and MF
15.	Current	Review and respond to IPSASB/IFAC requests for feedback (including exposure drafts).	Ongoing	SCAAK Executive Director	SCAAK council and committees
<i>Review of SCAAK's Compliance Information</i>					
16.	Ongoing	Perform periodic review of SCAAK response to SMO 5 part of the Action Plan.	April 2017 and ongoing	Executive Director SCAAK	SCAAK Professional department
17.	2014	AICPA has reviewed the work of SCAAK on the implementation of IFAC SMOs, according to the paragraph 2 of Article 22 of the Law for monitoring the work of PAOs. (report from AICPA was sent to KCFR).	Completed.	Executive Director SCAAK	SCCAK Executive staff, AICPA representatives. Additional information on SCAAK's work and development was provided by IFAC, World Bank CFRR, AGO, PUM Royal Nivra, etc.
18.	2015	KCFR continuously monitors implementation of SMO5 by SCAAK through their Committee.	Completed in June 2016 Further monitoring ongoing	Executive Director	SCAAK staff and Council members

**Action Plan Subject:** SMO 6–Investigation and Discipline  
**Action Plan Objective:** Strengthen compliance with standards and codes through the adoption of an investigative and disciplinary regime that meets the requirements established in SMO 6.

**Background:**

Law No.04/L-014 on Accounting, Financial Reporting and Audit requires report in relation to the results of the investigation and discipline in the professional association. SCAAK as a professional association from the very beginning of its foundation has been fully committed on creating an environment where is a minimum possibility of breaching the main principles of the profession. Consequent application of the principles and requirements arising from SMO 6 certainly create an environment in which the profession, its members and the public interest would be safeguarded and developed on the basis of professionalism.

Development of Investigation and Disciplinary procedures within SCAAK is conducted by the Committee on Investigation and Discipline, established by the Assembly of members. Disciplinary procedures and current practice of developing these procedures are performed in accordance with SCAAK Statute and Regulation of the Committee on Investigation and Discipline. This Committee cooperates closely with other committees within SCAAK and the main goal of this cooperation is to ensure that its members while performing their professional tasks are showing professional values and offering assurance of their delivered services.

In other hand, KCFR as the oversight body has established the Committee on Investigation and has issued the Administrative Instruction 2012/06 on Investigation and Disciplinary procedures which requires development of investigation and disciplinary procedures for professional associations.

Despite that SCAAK since its foundation considering the importance of compliance with the Code of ethics, professional conduct of its members and prevention of potential violations, has constantly updated disciplinary procedures, in particular relying on requirements arising from SMO 6. During 2016 there were no cases proceeded to the I&D Committee.

SCAAK will continue to give its best endeavors on implementation of requirements for investigation and discipline taking into consideration protection of public interest and closely cooperate with KCFR.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Strengthen SCAAK Capacity to Monitor Compliance by Members with Standards and Codes</i>					
1.	2012	Develop with KCFR a revised investigation and disciplinary scheme that meets the requirements of SMO 6. This includes assistance for building KCFR capacity and promoting the reform in the law and administrative instruction to provide a solid legal foundation for I & D.	Ongoing	SCAAK Executive Director	SCAAK Council, SCAAK Disciplinary Committee and KCFR.

#	Start Date	Actions	Completion Date	Responsibility	Resource
2.	Ongoing	Communicate requirements of improved system of investigation and discipline to all members.	Ongoing	I&D Committee and member's services department.	SCAAK staff and KCFR
3.	Current	Promote the principles, features and requirements of SMO 6 by offering assistance to the relevant institution with comments on the process of amending the Law on Financial Reporting.	Ongoing	Executive Director	SCAAK Council, I&D Committee
<i>Maintaining Ongoing Processes</i>					
4.	Current	Continue to promote the importance of standards and codes through CPD and public outreach activities, and clearly communicate the consequences of non-compliance.	Ongoing	SCAAK Educational Department	SCAAK Council and Committees
5.	Current	Review implementation of investigations and disciplinary system to ensure it functions as intended.	Ongoing	SCAAK Executive Director, I&D Committee	SCAAK Council and SCAAK staff
6.	Current	SCAAK will review the requirements of SMO 6, and take actions to ensure that the revised requirements are adopted and complied with.	2015 and ongoing.	Executive Director, SCAAK departments	SCAAK Investigation and Discipline Committee and SCAAK staff
7.	Current	Raising the members awareness through webpage, seminars, regarding the functioning of the Investigation & Disciplinary mechanisms to further ensure that the complaints raised are forwarded to the relevant body.	Ongoing	SCAAK I&D Committee	SCAAK Council and Staff
8.	Current	Review the existing SCAAK Policies and Procedures on I&D and make all necessary updates in accordance with SMO 6 and applicable laws in Kosovo.	Ongoing	SCAAK Legal department and I&D committee	SCAAK Council and SCAAK Investigation and Discipline Committee
<i>Review of SCAAK's Compliance Information</i>					
9.	Current	Perform periodic review of SCAAK response to SMO 6 part of the Action Plan.	April 2017 and ongoing	Executive Director SCAAK	SCAAK Professional department

#	Start Date	Actions	Completion Date	Responsibility	Resource
10.	2014	AICPA has reviewed the work of SCAAK on the implementation of IFAC SMOs, according to the paragraph 2 of Article 22 of the Law for monitoring the work of PAOs.  (Report from AICPA was sent to KCFR).	Completed.	Executive Director SCAAK	SCCAK Executive staff, AICPA representatives. Additional information on SCAAK's work and development was provided by IFAC, World Bank CFRR,AGO, PUM Royal Nivra, etc.
11.	2015	KCFR continuously monitors implementation of SMO 6 by SCAAK through their Committee.	Completed in June 2016 Further monitoring ongoing	Executive Director	SCAAK staff and Council members

#### Main Requirements of SMO 6

Requirements	Y	N	Partially	Comments
<b>Scope of the System</b> 1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	X			SCAAK has Investigation and Disciplinary Committee which is working according to the SCAAK Statute and Regulation. These documents include investigation disciplinary and appeal procedures.
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	X			Types of misconduct are set in the Statute of SCAAK and are publicly available.  A Member shall be liable to disciplinary action if:  (i) in the course of carrying out his professional duties or otherwise is guilty of misconduct;  (ii) in connection with his professional duties has performed his work, or conducted himself or conducted his practice erroneously, inadequately, inefficiently or incompetently;  (iii) he has committed any breach of these Statutes,

Requirements	Y	N	Partially	Comments
				administrative directions, bye-laws, or other regulations to which he undertook to be bound by; or  (iv) he has been disciplined by another professional body or pursuant to some other disciplinary process.
<b>Initiation of Proceedings</b>				
3. Both a “complaints-based” and an “information-based” approach are adopted.	X			
4. Link with the results of QA reviews has been established.	X			There is a clear link between QA reviews and I&D proceedings.
<b>Investigative Process</b>				
5. A committee or similar body exists for performing investigations.	X			When the cases are brought to the Disciplinary Committee, committee will appoint one member as investigator.
6. Members of a committee are independent of the subject of the investigation and other related parties.	X			Any conflict of interest between committee members and the subject of investigation is resolved before the initiation of the process.  Investigator will conduct the investigation process and submit the report to the Disciplinary Committee. The investigator will be excluded from the voting process for decision.
<b>Disciplinary Process</b>				
7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.			X	Disciplinary Committee takes the decision based on the investigation report submitted by the Investigator.  After the disciplinary decision is made, the case is sent to KCFR Investigation and Disciplinary Committee.
8. Members of the committee/entity include professional accountants as well as non-accountants.			X	Members of the Committee are professionals elected by the Assembly. SCAAK does not have non-accountants in this committee.

Requirements	Y	N	Partially	Comments
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	X			Exercising the disciplinary procedures and investigation is fully independent.
<b>Sanctions</b> 10. The disciplinary system allows imposing an extensive range of penalties. It is particularly important to include (a) loss of professional designation; (b) restriction and removal of practicing rights; and (c) exclusion from membership.	X			The disciplinary committee can issue the following measures as a single measure or in combination against a Member:  warning and/or  suspension and/or  expulsion
<b>Rights of Representation and Appeal</b> 11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	X			SCAAK has an appeal panel which will be conducted from three members of SCAAK Council. This is set in SCAAK Statute and in Regulation of the Committee and is described as below:  <ul style="list-style-type: none"> <li>• An aggrieved party may file an appeal against the Decision of the Disciplinary Committee within 15 days of receipt of the Decision.</li> <li>• The Appeal should be addressed to the Chairman of the Council and upon receipt of an appeal the Chairman will establish an Appeal Panel composed of three members of the Council, including him and the vice-president.</li> <li>• Members of the Disciplinary Council will not be eligible to sit on the Appeals Panel.</li> <li>• Composition of the Appeals Panel should be in compliance with the Statute.</li> </ul>
<b>Administrative Processes</b> 12. Timeframe targets for disposal of all cases are set.	X			In the Regulation of Disciplinary proceedings is set timeframe for disposal of cases. Maximum timeframe consists of 80 days from complaint to the decision of the Appeals Panel.

Requirements	Y	N	Partially	Comments
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	X			SCAAK legal office is responsible to track the whole process of I&D in accordance with the established procedures.
14. Records of investigations and disciplinary processes are established.	X			Cases conducted by the Committee will be kept in the separate file, from initiation of proceeding to the decision of the committee.
<b>Public Interest Considerations</b>				
15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	X			
16. A process for the independent review of complaints on which there was no follow-up established	X			
17. The results of the investigative and disciplinary proceedings are made available to the public.		X		Based on the regulation the SCAAK council may decide to publish or not the decision.
<b>Liaison with Outside Bodies</b>				
18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	X			SCAAK has very close cooperation with all related bodies regarding this issue (i.e. Financial Intelligence Unit, Commercial Crime Unit in Kosovo Police, Courts, state prosecutors).
<b>Regular Review of Implementation and Effectiveness</b>				
19. Regular review of implementation and effectiveness of the system are performed and corrective actions are implemented.	X			According to the Statute of SCAAK, the Council reviews all regulations and procedures on annual basis. The latest update in procedures and regulations are approved by the Council on May 2016.

**Action Plan Subject:** SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB  
**Action Plan Objective:** This action plan aims to achieve adoption of IFRSs in Kosovo for Public Interest Entities, and an appropriate accounting framework for non public-interest entities, and compliance by SCAAK with its commitments under this SMO.

**Background:**

The responsible body for adoption and implementation of financial reporting standards in Kosovo is KCFR in accordance with the Law No. 04/L-014 on Accounting, Financial Reporting and Audit (Article 4, point 1.2 and 1.3). Until September 2011 financial reporting framework in Kosovo for business entities excluding financial institutions was based in Kosovo Accounting Standards issued by KBSFR, the predecessor of the KCFR. Law No. 04/L-014 on Accounting, Financial Reporting and Audit replaced KAS with IAS/IFRS. KCFR also issued Administrative Instructions No 02/2014 on “Implementations of IFRS for Small and Medium Enterprise” to be applied for reporting periods beginning on 01 January 2015.

Article 5 of the Law No.04/L-014 on Accounting, Financial Reporting and Audit requires large, medium & small business organizations in Kosovo registered as limited liability companies or shareholder companies, to apply IASs/IFRSs as well as interpretations, recommendations and necessary guidance as issued by International Accounting Standard Board. KCFR has an agreement with National Accounting Council of Albania (NACA) for using the Albanian translated version of official IFRS as published by IASB. Currently the 2016 edition of IFRSs are translated into Albanian which can be found in the link below:

<http://www.kkk.gov.al/faqe.php?id=1&l2=135&gj=sh>

IFRSs are also mandated by the Central Bank (regulator for banks and insurance companies) whose Banking Supervision Unit monitors compliance with same. There are no listed companies in Kosovo, though since the declaration of independence in 2008, the Ministry of Finance is examining structures for integrating Kosovo into the European capital market. CBK is responsible for setting financial reporting requirements for the banking and insurance sectors. CBK requires the use of full IFRS for financial reporting of banks and insurance companies whereas KCFR is responsible for adoption and enforcement of accounting standards for other enterprises.

SCAAK will continue the implementation of the pre-qualification and CPD programs that incorporate financial reporting courses based on IAS/IFRSs, IFRS for SMEs, IASB guidance, interpretations and other pronouncements.

SCAAK promotes the adoption of an appropriate financial reporting framework for entities taking into account the public interest considerations. SCAAK has translated and disseminated the IFRS for SMEs, as a basis for a longer term framework for non PIEs and as well has organized a regional seminar on IFRS for SME in cooperation with IFRS Foundation.

The current Law on Accounting, Financial Reporting and Auditing is expected to be amended, and SCAAK through its working group has prepared proposed changes on the scope and applicability of IFRS in Kosovo through definition of Public Interest Entity.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Promoting IASB Standards, Guidance and Pronouncements in Kosovo Provide Support to KCFR in Adoption and Implementation of IFRS and IFRS for SMEs</i>					
1.	Current	Continue dialog and work closely with KCRF to update approved translation of IFRS in Albanian and provide translations to members and other stakeholders.	Ongoing	Professional Standards Committee	Professional Standards Committee
2.	Current	Assist Corporate Financial Law working group to make changes in the scope and applicability of IFRS in Kosovo (through definition of Public Interest Entity) and recommend appropriate accounting framework for non-public interest entities.	New amendments to the law expected in 2017	SCAAK Council	SCAAK, KCFR
3.	Current	Initiate study on compliance with existing financial reporting requirements in collaboration KCFR to address compliance gap with standards.  Promote reform of law to provide a solid legal foundation for IFRS requirements and enforcement.	2018  Completed in 2011.	SCAAK QA Department and Professionals Standards Committee	SCAAK Council, Professional Standards Committee, CBK, KCFR and PUM / Royal NBA
4.	Current	Supporting KCFR in newly adopted IFRS for SMEs to be applied for the reporting period beginning 01 January 2015 through organizing regional conference on IFRS for SMEs.	Completed	SCAAK Executive Director and Educational Department	SCAAK Council, Professional Standards Committee, World Bank CFRR, IFRS Foundation
5.	Current	Providing expertise through SCAAK representative at the KCFR in drafting administrative instructions for implementation of IFRS and IFRS for SMEs.	Completed November 2015	SCAAK Executive Director and Professional Standards Committee	SCAAK Council and Educational Department
<i>Maintaining Ongoing Processes</i>					
6.	Current	Timely information to members on the latest IASB pronouncements, standards and exposure drafts.	Ongoing	Members services department	SCAAK member's services department.
7.	Current	Continuous update of the SCAAK pre-qualification program with new IASB pronouncements and standards and CPD programs that incorporate	Ongoing	SCAAK education department	SCAAK Professional Standards Committee and Education

#	Start Date	Actions	Completion Date	Responsibility	Resource
		financial reporting courses based on IFRS and IFRS for SMEs.			Committee
8.	Current	SCAAK will review requirements of SMO 7, and take actions to ensure that these requirements are adopted and complied with.	Ongoing	Executive Director, SCAAK departments	SCAAK Professional Department Committee and SCAAK Education department.
<i>Review of SCAAK's Compliance Information</i>					
9.	Ongoing	Perform periodic review of SCAAK response to SMO 7 part of the Action Plan.	April 2017 and ongoing	Executive Director SCAAK	SCAAK Professional Department
10.	2014	AICPA has reviewed the work of SCAAK on the implementation of IFAC SMOs, according to the paragraph 2 of Article 22 of the Law for monitoring the work of PAOs.  (Report from AICPA was sent to KCFR).	Completed.	Executive Director SCAAK	SCCAK Executive staff, AICPA representatives. Additional information on SCAAK's work and development was provided by IFAC, World Bank CFRR,AGO, PUM Royal Nivra, etc.
11.	2015	KCFR continuously monitors implementation of SMO 7 by SCAAK through their Committee.	Completed in June 2016 Further monitoring ongoing	Executive Director	SCAAK staff and Council members

Date 7 June 2017

Name: Nazmi Pllana

Title: President of the Council

Company: Society of Certified Accountants and Auditors of Kosovo(SCAAK)

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Dear Ms. Prinsloo,

**Subject: Letter to Confirm Institutional Support for the SMO Action Plan**

This letter is to confirm that the leadership of the Society of Certified Accountants and Auditors of Kosovo(SCAAK) has reviewed the information contained in the SMO Action Plan prepared by Society of Certified Accountants and Auditors of Kosovo(SCAAK) as part of the IFAC Member Compliance Program and will provide institutional support for its implementation.

On behalf of the leadership of the Society of Certified Accountants and Auditors of Kosovo(SCAAK), I endorse publication of the SMO Action Plan on the IFAC website in the interests of transparency and to demonstrate our commitment to enhancing the quality and credibility of the accountancy profession worldwide.

Sincerely,

Nazmi Pllana

President of the Council



Society of Certified Accountants and Auditors of Kosovo(SCAAK)

7 June 2017