

BACKGROUND NOTE ON ACTION PLANS

The SMO Action Plan is intended to provide a summary of:

- The legal and regulatory environment for the profession.
- The status of adoption of international standards and best practices in the jurisdiction; and
- The activities of a Member or Associate related to fulfilling the IFAC membership requirements.

IFAC [Statements of Membership Obligations](#) (SMOs) require IFAC Members and Associates to support the adoption¹ and implementation² 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. The SMOs are recognized as the international benchmarks for credible and high-quality PAOs that are focused on and have the necessary expertise to serve the public interest and meet the market demands of their respective jurisdictions.

IFAC Members and Associates conduct a self-assessment against the requirements of SMOs and identify areas where, if any, improvements are needed. Members and Associates should develop an Action Plan to (a) demonstrate how they fulfill the requirements of the SMOs (revised in 2012), and (b) where some requirements are not yet addressed, to present plans towards their fulfillment. Action Plans are designed to be **ever-green** documents that take into consideration IFAC recommendations. Depending on the PAO's level of fulfillment (see *IFAC's Summary Assessment* – page 2), an Action Plan may not be necessary for each SMO section and instead the '*Attestation of Ongoing SMO Compliance*' is used to confirm their ongoing commitments. However, PAOs may wish and are welcome to utilize the Action Plan as a tool to demonstrate how they are using 'best endeavors' and going beyond their mandate with innovative approaches to fulfilling the SMOs and strengthening the national profession.

The specific details of each organization's actions will vary even where two PAOs are involved in the same SMO area. Each PAO operates in its own unique regulatory and standard-setting framework and has different operating, technical, and resource capacities. Moreover, in deciding when and how a particular SMO requirement is to be addressed, PAOs might have differing timeframes and objectives to achieve. Notwithstanding these inevitable differences, seeking the advice and assistance of other PAOs who have already faced and dealt with similar challenges can save significant time and resources. IFAC staff will offer assistance as needed.

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 IFAC website.















¹ *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 affect 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.

² *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.

ACTION PLAN

IFAC Member: Albanian Institute of Certified Accountants
Approved by Governing Body: **Managing Council**
Date Approved: September 2019
Date Published: October 2019

IFAC's Summary Assessment: *IFAC staff will complete this section at the conclusion of each SMO Action Plan review and update process. PAOs are encouraged to take staff's recommendation into consideration as part of future strategic planning conversations at the PAO. For more information on [IFAC Member Compliance Program](#) and the legends used to describe the status of adoption of international standards, best practices, and fulfillment of SMO requirements, please refer to the Status of Adoption [methodology](#) and SMO Fulfillment [methodology](#).*

	PAO Level of Responsibility for Adoption of Standards	Jurisdiction Adoption Status as of 2022	Level of SMO Fulfillment as of 2022
QA / SMO 1	No Direct	 Adopted	 Sustain
IES / SMO 2	Shared	 Partially Adopted	 Review & Improve
ISA / SMO 3	No Direct	 Adopted	 Sustain
IESBA / SMO 4	Shared	 Partially Adopted	 Review & Improve
IPSAS / SMO 5	No Direct	 Not Adopted	 Sustain
I&D / SMO 6	Shared	 Partially Adopted	 Review & Improve
IFRS / SMO 7	No Direct	 Partially Adopted	 Sustain

Attestation of SMO Compliance

The **IKM** has developed an Action Plan to demonstrate how it fulfills the requirements of the SMOs. The abovementioned [Governing Body](#) has reviewed the information contained within the SMO Action Plan and affirms that the **IKM** continues to undertake these and other relevant actions to maintain ongoing compliance and fulfillment of the membership obligations where IFAC's assessments are at *Review & Improve* and/or *Sustain*. In areas where IFAC's assessments are at *Execute, Plan, Consider, or Not Active* the **IKM** has updated the Action Plan to reflect the specific actions to adopt or support adoption and support implementation that must be taken to achieve the improvement accompanied by a timeline.

On behalf of the **IKM**, the *Governing Body* endorses the information contained within the SMO Action Plan as of the publication date and its publication 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.

Glossary

CMCQC	Council Member in Charge of Quality Control
CPD	Continuing Professional Development
CA	Certified Accountant
IAASB	International Auditing and Assurance Standards Board
IAESB	International Accounting Education Standards Board
IASs	International Accounting Standards
IASB	International Accounting Standards Board
IESs	International Education Standards
I&D	Investigation and Discipline
IESBA	International Ethics Standards Board for Accountants
IFRSs	International Financial Reporting Standards
IPD	Initial professional Development
IPSASs	International Public Sector Accounting Standards
ISQC	International Standard on Quality Control
ISAs	International Standards on Auditing
MoF	Ministry of Finance
NAC	National Accounting Council
NASs	National Accounting Standards
POB	Public Oversight Board
QA	Quality Assurance
QCC	Quality Control Committee
SMO	Statement of Membership Obligations
SMPs	Small and Medium Practices

General Information:

The mission of IKM is to ensure that members (Certified Accountants, CAs), and candidates for CA are duly organized, perform their professional activity based on the best professional practice, act in the capacity of an important stakeholder while accounting and related issues are publicly discussed, coordinating with the National Accounting Council (NAC), Ministry of Finance (MoF), Public Oversight Board (POB) business organizations and other stakeholders in relation to issues covering the accounting regulations and the related application in the business environment, issues related to accounting documentation, studies and works aiming to improve the accounting provisions for accounting standards, professional standards, regulations for the profession, ensuring all our members have the necessary competences, independence, are professionally updated, act with professional care, establish and maintain cooperation with homologue institutions and organizations, both local and foreign, supervise the quality of service offered by its members, give an assurance in relation to the adherence of our members with the Code of Ethics and professional discipline. As of July 2019, after the compliance process started by the POB, IKM is the only recognized PAO in Albania.

As of January 2022, the total membership of IKM is 1,134 members, of which: 612 are active practitioners and are employed in other capacities. In accordance with the new regulation and the ongoing compliance process started by the POB since 2019, IKM has updated its Registration and Licensing Regulation to be fully compliant with the new legal and regulatory requirements. All IKM members that fulfill the statutory, legal, and ethical requirements and have successfully passed the compliance, have been listed in the Public Registry of Certified Accountants. IKM, in compliance with the new regulations, from December 2020, has started the compliance process of its members. This is an annual process to determine the compliance of IKM's members with the statutory, legal, and ethical requirements, thus allowing IKM to maintain and update the Public Registry of Certified Accountants.

Action Plan Subject: SMO 1–Quality Assurance
Action Plan Objective: Adopt ISQC 1 and improve the existing regulatory requirements for audit firms so as to comply with ISQC1 and review the functioning of the Quality Assurance Review System.

Background:

According to the Law No. 10091/2009 updated with the law 47/2016 On Statutory Auditing and Organization of the Accounting Profession, a mandatory QA system is in place in Albania and the Public Oversight Board (POB), an independent body established according to this Law, is responsible for monitoring the activities of accounting and auditing professional bodies as well as public oversight of the audit profession and audit regulations in Albania.

The auditors chamber (IEKA) established a Quality Assurance (QA) review system and reviews the quality of all audit engagements undertaken by its members. In addition to IEKA's system of QA, the POB has developed its own regulations and system of quality control review for audits of public interest entities. In 2012, the POB started the activities of quality control reviews on the audits of these entities and from 2018 the new POB has started the quality control for PIE using its own inspector not members of IEKA.

The accounting body (IKM) even though it is not mandatory by the law, established a Quality Control Committee as an independent body in the General Assembly in September 2010. Only the practitioners, members of IKM are subject to the quality control review. IKM has improved in the current year and has adopted quality control regulations in-line with International Standards on Quality Control (ISQC 1) and in line with the POB regulations. The function of Quality Control Committee (QCC) as an independent committee elected by the general Assembly of IKM, is based on the IKM regulation and the manual for quality control approved by the Managing Council. Information on the results of the QA reviews is provided to the Managing Council and ultimately to the General Assembly. The results are analyzed and taken into consideration in developing CPD training programs. There is also a link between the QA reviews and the Investigation & Discipline systems. The Quality Control Committee, based on the QA manual, organize the process of selection of the QA reviewers within the IKM membership and their training. The practitioner's members of IKM declare at the beginning of every year the services performed during the year and the reviewers selected by the Quality Control Committee carried out a review of the QC checklist and according to a cycle based and/or risk-based model the selected practitioner's member activity is being reviewed. IKM considers that the system is sufficiently adopted to the requirements of SMO 1. The main reason in the adoption of the procedures for QA in accountants non carrying audit activity, is that QA system was not considered as mandatory to the accountants after the amendments made to the law no 10091, on professions. POB is currently supporting IKM in establishing a QA system for its members even though it is not mandatory by the law. IKM has improved and enhance the practical implementation of the review QA system in accordance with the new ISQM 1.

IKM as a key participant in the discussions for the amendment of the law on Professions no 10091 asked the revision of the paragraph related to the QA for the accounting profession and required the QA for the accounting services to be mandatory, but it was not accepted and postponed to another period, because the new amendments of the existing law on professions no 10091 were related to the role, function and the organization of POB.

During 2022 there have been discussions between the MoF, POB and WB representatives for a project that aims to revise or amend the Law No. 10091, dated 03.05.2009, IKM has requested to be part of the Work Group tasked with revision of the Law on the professions of Statutory Auditors and Certified Accountants. IKM plans on proposing and introducing revisions to the paragraphs related to the QA for the Accounting Profession.

The new and revised Quality Management standards have been translated by IEKA. Based on the translated material, IKM will revise its Quality Control Regulation and Manuals. The new Regulation and Manuals will require accounting firms to customize the design, implementation, and operation of its SOQM, as they perform related services engagements, and the shift to an integrated quality management approach as ISQM 1

may affect operational areas of the firm. IKM's objective is to promote the integration of quality management into the culture of the firm, the firm's strategy, operational activities, and business processes.					
#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Supporting the regulators, including IEKA and POB, with the implementation of the QA system and Promoting the Need for a Mandatory QA Reviews for Accountants</i>					
1.	2014	IKM president participated in the discussions of the law amendment on professions	April 2016 Completed	President and Managing Council	IKM
2.	2022	IKM President and CEO in the discussions with the WB representatives, POB and IEKA for the amendments on the Law that regulates the profession of Statutory Auditors and Certified Accountants.	June 2022 Completed	President and Executive Director	IKM
<i>Supporting IKM Members in Implementation of the Quality Control Standards</i>					
3.	September 2010	Quality Control Committee established	September 2010	General assembly	General Assembly
4.	September 2012	Produce materials and quality control checklist for controllers and those to be controlled. Make these materials available to membership on an on-going basis. The Materials related to QC can be downloaded following this URL: http://www.ikm.org.al/rreth-ikm/kontrolli-i-cilesise/	December 2018 Completed	Quality Control Committee	IKM Staff
5.	September 2012	Approval the content and the form of the permanent and actual file preparation.	September 2012	Quality Control Committee	IKM Staff

6.	December 2015	IKM conducts different online activities to support its members with the instructions for the implementation of quality control standards, especially in accounting services. During the month of December 2018, IKM organized specific Trainings for the QC Committee where the QC manuals and related materials were issued. During the yearly trainings three hours are reserved to lectures related to the QC Standards for all the participants. The Materials related to QC can be downloaded following this URL: http://www.ikm.org.al/rreth-ikm/kontrolli-i-cilesise/	ongoing	Quality Control Committee	IKM staff
7.	September 2017	IKM Managing Council approved the manual for Quality Control	September 2017	Managing Council	Quality Control Committee
8.	December 2016	The General Assembly approved the regulation of Quality Control Committee according to ISQC 1	December 2016 Completed	General Assembly	Managing Council
9.	September 2019	IKM organizes trainings on an annual basis for the Quality Control Reviewers, focusing on QC Standards and procedures.	Ongoing	Quality Control Committee	IKM Staff
10.	October 2019	Membership wide trainings and workshops to raise awareness on the new statutory, legal, and ethical requirements relating to Quality Assurance and Quality Control.	November 2019 Completed	Quality Control Committee	IKM Staff
11.	September 2021	Membership wide trainings and workshops to provide guidance on the implementation Quality Assurance Systems and the procedures of Quality Control reviews.	November 2021 Completed	Quality Control Committee	IKM Staff
12.	January 2022	Create awareness through webinars trainings on the new and revised Quality Management standards,	Ongoing	Quality Control Committee	IKM Staff
13.	May 2022	Provide guidance through the dissemination of the updated QC regulation and manuals that include the new Quality Management Standards, to IKM's members.	Ongoing	Quality Control Committee	IKM Staff

14.	June 2022	Discussion based workshops to guide firms in the development of a customized Quality Management manual.	Ongoing	Quality Control Committee	IKM Staff
<i>Maintaining Ongoing Processes</i>					
15.	Ongoing	Review the QC system in an ongoing manner to ensure it complies in full with the SMO 1 requirements and is fully implemented.	Ongoing	Managing Council	Quality Control Committee
16.	Ongoing	Review and revise the QC system, regulation, and manuals to include the new and revised Quality Management standards as to fully comply with the SMO 1 requirements	Ongoing	Managing Council	Quality Control Committee
17.	Ongoing	Monitor national and international developments and standard-setting activities in the area. IKM is considering participating in the regional initiative led by the ICAEW to establish effective and efficient QA review systems for accountants.	Ongoing	IKM executive staff	IKM executive staff
18.	December 2015	Designing a system for communicating new developments and changes in national and international guidance related to QA reviews to IKM membership and general public through publications, emails, or internet website.	December 2016 Completed	IKM executive	IKM executive staff
19.	January 2017	Maintaining a system for communicating new developments and changes in national and international guidance related to QA reviews to IKM membership and general public through publications emails or internet website	Ongoing	IKM executive	IKM executive staff
20.	October 2018	IKM Managing Council approved the amendments and improved manual for Quality Control and regulation of QCC	October 2018	Managing Council	Quality Control Committee
21.	September 2019	Collaboration Agreement with SCAAK which will lead to conjoined efforts to execute better QC in compliance with SMO 1.	Ongoing	CEO and IKM Managing Council	CEO and IKM Executive Staff

22.	May 2022	Amendments to the Quality Control regulation and manuals to include the new and revised Quality Management standards.	Ongoing	Managing Council	IKM executive staff
<i>Review of IKM Compliance Information</i>					
23.	Ongoing	Perform periodic review of IKM's response to SMO 1 Section of the IFAC SMO Action Plan and update the response as necessary.	Ongoing	Managing Council	IKM staff responsible for IFAC interrelations

Main Requirements of SMO 1 Self-Assessment Tool

Requirements	Yes	No	Partially	Comments
Scope of the System 1. At a minimum, mandatory QA reviews are required for all audits of financial statements.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Mandatory QA reviews are required for all accounting services performed by CA in public practice. They are conducted on annual basis.
Quality Control Standards and Other Quality Control Guidance 2. Firms are required to implement a system of quality control in accordance with the quality control standards.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Accounting firms are required to implement a system of quality control in accordance with the regulation of IKM quality control. Firms will be required to implement a system of quality management in compliance with the new Quality Control Regulation and Manuals.
3. Most up to date versions of ISQC 1 and other relevant ISA are adopted as the quality control standards.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Regulation of IKM is being revised to include the new Quality Management Standards, to be implemented by firms as they perform related services engagements, but also to promote the shift to an integrated quality management approach.. IKM is implemented ISQM 1 to the full extent that relates only to the accounting profession. The sections related to auditing services are not implemented. The current version in use is the International Standard on Quality Management (ISQM) 1, translated by IEKA.

Requirements	Yes	No	Partially	Comments
4. Member Body assists firms in understanding the objectives of quality control and in implementing and maintaining appropriate systems of quality control.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Review Cycle				
5. A cycle-based, risk-based, or a mixed approach for selecting firms for QA review is used.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A mixed approach has been chosen, where the main criteria for selecting firms for QA reviews is risk-based, and a cycle-based approach is used to include all members, where the main objective is to raise awareness on appropriate Quality Control systems.
6. For cycle-based approach, quality control reviews are required to take place at least every six years (and every three years for audits of public interest entities).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Quality control reviews are required to take place at least every five years
QA Review Team				
7. Independence of the QA Team is assessed and documented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. QA Team possesses appropriate levels of expertise.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	QA Team members are selected from experienced members of IKM and are trained at least on an annual basis.
Reporting				
9. Documentation of evidence supporting the quality control review report is required.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10. A written report is issued upon conclusion of the QA review and provided to the firm/partner reviewed.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Corrective and Disciplinary Actions				
11. Reviewed firms/partners are required to make timely adjustments to meet recommendations from the review report.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12. QA review system is linked to the Investigation and Discipline system.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Requirements	Yes	No	Partially	Comments
<p>Consideration of Public Oversight</p> <p>13. The body responsible for QA reviews cooperates with its oversight body and shares information on the functioning of the QA review system, as needed.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Even though it is not required by law, the regulation requires sharing information on the functioning of the QA review system with POB
<p>Regular Review of Implementation and Effectiveness</p> <p>14. Regular reviews of implementation and effectiveness of the system are performed.</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	A review of the system is currently being conducted, as to revise the Regulation and manuals to include the new Quality Management standards.

Action Plan Subject: SMO 2–International Education Standards for Professional Accountants and Other Pronouncements
Action Plan Objective: Ensure that IKM Albania education and training continues to comply with IES requirements and incorporate changes in standards on a timely basis.

Background:

In Albania, the government with the input of multiple stakeholders, such as Universities, Professional Accountancy Organizations (IKM & IEKA), Regulators (POB) establishes the requirements and provisions for the accountancy education. The Law No. 10091, dated 03.05.2009, revised in April 2016, “On Statutory Auditing, the organization of the Statutory Auditor and Certified Accountant profession” regulates the requirements and provisions relating to the accountancy education. According to the abovementioned law, individuals aspiring to become Certified Accountants, need to meet these requirements: a) A Master’s degree or Second Level Integrated Degree in accounting and/or finance or any related field; b) have at least three years of professional experience in accounting and/or finance, which must be documented; c) has successfully completed the National Accounting Standards and IFRS trainings organized by the PAO. Certified Accountants, after having successfully passed the three state exams, organized and monitored by the POB, in accordance with Law No. 10091, must be members of a recognized PAO in Albania, and then comply with the CPD requirements, in accordance with the relevant legal and regulatory requirements.

The academic education curricula are defined by the universities and the syllabus of the state exams is defined by the law. There are agreements between IKM, IEKA and the University of Tirana that encourage cooperation between the major stakeholders of the accountancy profession, to promote the implementation of the International Education Standards and prepare the accountancy education curriculum in line with the IES, in accordance with the CFRREP 1 and EQ-FINREP World Bank projects.

In cooperation with the University of Tirana and IEKA, supported by the WB through its project, IKM has worked closely to develop an accountancy education curriculum in line with the IES, thus establishing the technical competence, professional skills, values, and ethics that aspiring professional accountants need to develop and demonstrate, as well as the appropriate assessment activities to assess the abovementioned competencies. In line with the IES, IKM has set up a formal assessment of professional competencies. At the end of the IPD trainings all CA candidates have to pass a formal examination administered by IKM. After a thorough research, based on IKM’s examination regulations, an online examination platform has been chosen to deliver the exam, offering a high level of reliability, validity, transparency, and equity. The CA candidates need to achieve a passing grade to be awarded the IPD completion certificates, thus demonstrating an appropriate level of professional competence.

During 2022 there have been discussions between the MoF, POB and WB representatives for a project that aims to revise or amend the Law No. 10091, dated 03.05.2009. IKM has requested to be part of the Work Group tasked with revision of the Law on the professions of Statutory Auditors and Certified Accountants. IKM plans on proposing and introducing revisions relating to the IPD of CA candidates, the entry requirements, formal assessments of practical experience using either an output-based approach or a combination approach, practical experience supervision and monitoring for CA candidates, as well as IKM having a more prominent role in the development of the academic education curricula of the accountancy profession and State exams syllabuses in line with the IES.

The World Bank is starting a new project that aims to Strengthen the Quality of Auditing and Reporting in Albania (SQARP). IKM has been listed as a key stakeholder in three of the four components of this project. Some of the proposed activities of this project include: a) Building on new syllabi for

professional certification prepared under EQFINREP support, review and upgrade of learning program and preparation and delivery of a bank of questions and answers, and provision and implementation of a system comprising secure examination question and answer inventories; b) Delivery of training to examiners and moderators (as identified by POB), including implementation and training on extensive use of technology and e-tools; c) Design a tailored training program based on the finding of the research covering services, expertise models, technology and markets, and support Institute of Certified Accountants (IKM) in delivery of training program based on the findings of the research covering services, expertise models, technology and markets; d) Preparation of a manual covering the examination quality control processes including for security and integrity, and implementation of an e-examination system that can facilitate secure e-testing as part of future examination processes.

Certified Accountants must participate in appropriate programs of Continuous Professional Development trainings to maintain their theoretical knowledge, their professional skills, and their ethical values at a sufficiently high level. The Law No. 10091, dated 03.05.2009, revised in April 2016, "On Statutory Auditing, the organization of the Statutory Auditors and Certified Accountant profession", is responsible for establishing the CPD requirements for the Certified Accountant profession. IKM, in accordance with Regulation No. 9, dated 27.02.2019, issued by the POB, as well as in accordance with IKM's bylaws and Education Regulations, is responsible for monitoring the CPD requirements for Certified Accountants.

Certified Accountants are required by law and regulations to undertake at least 120 hours of CPD training over a period of 3 years (a minimum of 20 hours per year consisting in trainings delivered by IKM) with mandatory trainings in Accounting Standards, AML, Quality Assurance, Ethics, commercial law, tax, etc. IKM, requires documentary evidence enabling the identification of the training activities followed, their duration, their content, the organizing entity, and a certificate of attendance. In accordance with the IES, IKM has shifted to an output-based approach in the measurement and monitoring of CPD, through the mandatory trainings in areas that allow Certified Accountants to develop and maintain their professional competencies, through assessments during and after each training, and formal assessments administered as online examinations.

IKM has undertaken periodic reviews of our response to the Compliance Self-Assessment questionnaire and updates relevant sections as necessary.

As part of the World Bank project and with the support of the POB, IKM implemented a CPD strategy allowing the identification and recognition of CPD training activities undertaken with other recognized institutions and organizations.

IKM to achieve and execute its objectives related to IPD and CPD has set up an Education Committee that organizes and oversees every aspect of the trainings, from the program design, the selection of trainers, the formal exams, and the tests to be administered after every training. This committee reports to the Managing Council. The Education Committee designs the annual training program that has to be approved by the Managing Council. At each of the General Assembly meetings this committee reports about the organization, progress and future plans regarding IPD and CPD.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Align the Pre-Qualification and Post-Qualification Requirements for Professional Accountants with IESs</i>					
24.	May 2009	Prepare new regulations on professional training of candidates to complete the accountancy education program (IPD), and CPD for members. Improve relevant practical training procedures and assessments in accordance with IESs and the revised Law 10091 on Statutory Auditing and Organization of the Accounting Profession.	Completed June 2009 Revised and completed in September 2016 Revised and completed in March 2020	Managing Council	President and CEO
25.	March 2013	Working with WB consultant for improving the accountancy education curricula and professional training program.	Completed March 2014	Managing Council	President and CEO
26.	January 2014	Assist the WB consultants in determining the key issues to be covered by the new CFREP 2.	Completed in June 2016	President	President and CEO
27.	June 2016.	Assist WB consultants with the implementation of the CFREP 2, after approval of the project components.	Ongoing	IKM executive staff	IKM executive staff
28.	March 2014	Promoting the requirements of IESs to the Universities through activities like: <i>An Agreement with the Faculty of Economics of the University of Tirana, which states the level of engagement to implement a new Educational Curricula in line with the IES;</i> 2. <i>IKM has requested an evaluation regarding the level of implementation of IES from the Faculty of Economics of the University of Tirana and UBT (working together with the WB and MoF)</i>	Ongoing	Education Committee	President and CEO
29.	October 2014	Continue the development and provision of a wide range of training programs which focus on key updates and changes to national accounting standards, best	Completed in December 2018	Education Committee	IKM executive

		practices in the application of standards and key areas of challenge in the implementation of standards. IKM includes subjects about NAS and IFRS in its yearly trainings. In 2015 IKM conducted mass trainings as per the New updated NAS and IAS & IFRS. In 2016 specific training for the new NAS regarding NGOs. During 2017 and 2018, 8 trainings for NAS were held and 2 trainings for IAS & IFRS.			
30.	2014	A system for communicating new developments and changes in national and international standards is developed. The communication and information are disseminated through workshops, emails, or website.	September 2015	Education Committee and IT	IKM executive staff
31.	December 2016	Assist WB consultants with the implementation of the WB project The Enhancing the Quality of Financial Reporting Project (EQ-FINREP)	September 2018	IKM president, education committee and CEO	IKM president, education committee and CEO
32.	September 2017	Participate in the Training of trainers in the NAS session.	September 2017	IKM Trainers	IKM Trainers
33.	May 2018	Workshop with WB consultant in Tirana and with the participation of all PAO related to the accounting organizations SMOs of IFAC and activities proposed in the Action Plan.	May 2018	IKM president and CEO	IKM president and CEO
34.	September 2018	Preparing with the assistance of WB consultant a gap analysis for CPD program with the aim of enhancing CPD with QR and ethics related matters	December 2018	President, Education committee and WB Consultant	President, Education committee and IKM Staff
35.	September 2018	Assist and collaborate with WB consultants in determining the key areas of CPD process and preparing the CPD strategy for the development of CPD programs and managing	March 2019	Education Committee and President	President, IKM executive staff
36.	March 2019	Implemented the CPD strategy allowing the identification and recognition of CPD training activities undertaken with other recognized institutions and organizations.	April 2019	Education Committee and Managing Council	Education Committee and Managing Council

37.	June 2019	Membership wide mandatory trainings in Accounting Standards, AML, Quality Assurance, Ethics, commercial law, tax, etc.	May 2020	Education Committee and Managing Council	Education Committee and Managing Council
38.	November 2019	Workshop in collaboration with the National Accounting Council presenting the new CPD strategy, promoting the importance and commitment to CPD, enabling the recognition of training activities followed, as well as access to CPD opportunities and resources for all Cas, members of IKM.	November 2019	Education Committee and Executive Staff	Education Committee and Executive Staff
39.	December 2019	Added annual and periodic surveys seeking CA members feedback and suggestions on training delivery and programs.	December 2019	Education Committee and Managing Council	Education Committee and Managing Council
40.	January 2020	In line with the IES, IKM has set up a formal assessment of professional competencies. At the end of the IPD trainings aspiring CA have to achieve an appropriate level of professional competence.	March 2020	Education Committee and Managing Council	Education Committee and Managing Council
41.	January 2020	Design annual CPD training programs consisting of mandatory trainings in Accounting Standards, AML, QA, Ethics, commercial law, tax, as well as topics selected by IKM's members through questionnaires and surveys.	Ongoing	Education Committee and Managing Council	Education Committee and Managing Council
42.	January 2020	Added assessments during and after training sessions to assess the achievement of learning outcomes relevant to their profession as Cas.	Ongoing	Education Committee and Managing Council	Education Committee and Managing Council
43.	January 2020	Added an annual formal process for CPD declaration with documentary evidence to verify and monitor whether Cas meet the CPD requirements.	Ongoing	Education Committee and Managing Council	Education Committee and Managing Council

44.	October 2020	Added sanctions for failure to meet the CPD requirements to the bylaws and regulations.	Completed December 2020	Registration Committee, Education Committee and Managing Council	Registration Committee, Education Committee and Managing Council
45.	October 2020	Based on the translated Guide to Practice Management for Small- and Medium-Sized Practices, 4 th edition delivered training to all Cas members of IKM.	November 2020	Education Committee and Managing Council	Education Committee and Managing Council
46.	April 2021	In line with the IES, IKM has set up a formal assessment of professional competencies for all member Cas whether they have been able to develop and maintain their professional competence, based on the learning outcomes of the trainings delivered.	Completed June 2021 and December 2021	Education Committee and Managing Council	Education Committee and Managing Council
47.	June 2022	Discussions between the MoF, POB and WB representatives for the revision of law regulating the accountancy profession that plans to introduce revisions relating to the IPD of CA candidates, the entry requirements, formal assessments of practical experience, practical experience supervision and monitoring for CA candidates.	Ongoing	Managing Council and Executive Staff	Managing Council and Executive Staff
48.	June 2022	Listed as a key stakeholder in the SQARP World Bank Project that aims to bring a new syllabus for professional certification, as well as review and upgrade the learning program and preparation	Ongoing	Managing Council and Executive Staff	Managing Council and Executive Staff
<i>Maintaining Ongoing Processes</i>					
49.	Ongoing	Promote the adoption of IES requirements as the best international practice for the profession development. The adoption of the IES is promoted through: 1.Designing our programs in compliance with the IES	Ongoing	Managing Council	IKM executive staff

		2.Promoting the importance of IES through our agreement with the Faculty of Economics of the University of Tirana 3.Promoting the WB event in Albania (related to NAS and IFRS) to our Membership and Candidates.			
50.	October 2014	Review the system of pre- and post-qualification in an ongoing manner to ensure it complies with IES and implementing changes in Standards on a timely basis.	Ongoing	Education Committee	IKM executive staff
51.	October 2014	Monitor international developments and standard-setting activities in the area.	Ongoing	Education Committee	IKM executive staff
52.	May 2017	Study tour in the Nederland university and professional body to explore models of regulations for recognition of CPA subjects/modules taught and tested by universities or other professional bodies in Albania.	May 2017	Education Committee and President	Education Committee and President
53.	September 2017	Participating in the International standard setting process by responding to various IAESB documents, surveys, and other activities	Ongoing	Education Committee	IKM executive staff
54.	June 2018	Compilation of the questionnaire prepared by the WB consultant related to the self-assessment A4G (Accountants as growth catalyst)	June 2018	CEO and IKM Managing Council	CEO and IKM executive staff
55.	June 2018	Participation and compilation of self-assessment of PAO regarding the assistance to SMO development questionnaire prepared by the WB consultant	June 2018	CEO and IKM Managing Council	CEO and IKM executive staff
56.	August 2018	Translation of Guide to Practice Management for Small- and Medium-Sized Practices, 4 th edition which will delivered as part of the CPD training programs.	September 2019	Education Committee	IKM executive staff
57.	September 2019	Collaboration Agreement with SCAAK to promote the adoption of IES requirements as the best international practice and delivering CPD trainings in key areas.	Ongoing	CEO and IKM Managing Council	CEO and IKM executive staff

58.	December 2019	Annual and periodic surveys seeking CA members feedback and suggestions on training delivery and programs.	Ongoing	Education Committee and Managing Council	Education Committee and Managing Council
59.	March 2020	Formal assessment of professional competencies. At the end of the IPD trainings aspiring CA have to achieve an appropriate level of professional competence.	Ongoing	Education Committee and Managing Council	Education Committee and Managing Council
60.	January 2020	Annual CPD training programs consisting of mandatory trainings in Accounting Standards, AML, QA, Ethics, commercial law, tax, as well as topics selected by IKM's members through questionnaires and surveys.	Ongoing	Education Committee and Managing Council	Education Committee and Managing Council
61.	January 2020	Assessments during and after training sessions to assess the achievement of learning outcomes relevant to their profession as Cas.	Ongoing	Education Committee and Managing Council	Education Committee and Managing Council
62.	January 2020	Annual formal process for CPD declaration with documentary evidence to verify and monitor whether Cas meet the CPD requirements.	Ongoing	Education Committee and Managing Council	Education Committee and Managing Council
63.	December 2020	Sanctions for failure to meet the CPD requirements to the bylaws and regulations.	Ongoing	Registration Committee, Education Committee and Managing Council	Registration Committee, Education Committee and Managing Council
<i>Review of IKM Compliance Information</i>					
64.	Ongoing	Undertake periodic reviews of IKM's response to the SMO 2 Compliance Self-Assessment questionnaire and update the relevant sections as necessary.	Ongoing	Managing Council	IKM staff responsible for IFAC interrelations

Action Plan Subject: SMO 3–International Standards and other Pronouncements Issued by the IAASB
Action Plan Objective: Support an On-going Adoption of the IAASB Pronouncements.

Background:

Law No. 10091 of 2009, revised in April 2016, On Statutory Auditing and Organization of the Accounting Profession requires application of the International Standards on Auditing (ISAs) as issued by the IAASB and translated and adopted in Albania. IEKA is responsible for the translation and adoption of ISAs in Albania and has adopted the 2010 version of the Clarify standards and 2016 version for ISA for reporting (ISA 700-800). The 2016 version is currently applied. According to the Law, statutory audits are required for companies that apply International Financial Reporting Standards (IFRSs), joint stock companies that apply National Accounting Standards (NASs), and other limited liability entities except small entities as defined by using criteria of assets, revenues, and number of employees. At the moment IEKA is working on translating the revised ISA 220, and ISA 540.

IKM is a professional organization whose membership consists of Accountants performing only accounting services and other related services and therefore is not actively involved in auditing standard-setting and training. Although IKM is not involved in the auditing area, IKM should disseminate information about the national and international pronouncements to its membership to the extent that they might impact the work of IKM members.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Support the On-going Adoption of the International Standards on Auditing in Albania</i>					
65.	December 2008	Support IEKA in the process of an on-going adoption of ISAs and other pronouncements issued by the IAASB, through discussions for the implementation of laws related to auditing and the adoption of ISA, also by promoting the implementation of the Integration of Standards in the Curriculum of the Faculty of Economics.	Ongoing	President	President and CEO
66.	December 2008	Perform policy dialogues; participate in public consultations and roundtables on the financial reporting framework, including auditing requirements, with the government, regulators, and other stakeholders. We have participated in November 2015, on the round table for the discussions of the new amendments of the law no.10091 with the representatives of MoF, World Bank and Professional Organizations. IKM has planned to start from 2021 the training on the IAS and the auditing matters.	Ongoing	President	President and CEO

67.	September 2016 – June 2018	Participation in various trainings session organized by WB and IEKA. September 2017 have participated in the virtual training organized by World Bank for the Audit train of trainers. The president of IKM has participated invited by WB in the activity by Center For Financial Reporting Reform (CFRR) World Bank for Advance QA systems: trends and opportunities in Vienna in April 2018 Participation of some IKM members in the training of the trainer's session organized by IEKA and WB consultant as trainers in Auditing, Ethics and Corporate reporting during the May-June 2018. The purpose of participating in the CFRR trainings was to support members of IKM in understanding ISA-s, in application of ISA-s and on the necessity and the methodology of trainings in ISA-s. We are planning to participate in other training sessions organized by WB CFRR or IFAC in virtual or direct trainings. We have included in our CPD plan for next 3 years the trainings session or ISA-s for all our members to raise their awareness about auditing standards and their requirements	September 2016 – June 2018	President and Members of Education Committee	President and Members of Education Committee
68.	November 2019	Membership wide training where the main objective was to give a general knowledge on Statutory Auditing and ISA 700-800 closely related to Financial Statements.	December 2019	Managing Council and Education Committee	Members of Education Committee
69.	June 2021	Renewed the collaboration agreement between IKM and IEKA aims to promote the collaboration on specific matters such as the development of the audit and accountancy profession, bilateral recognition of CPD, exchange of trainers, translations of relevant materials, etc.	June 2021	Managing Council	Managing Council
70.	January 2022	Membership wide training on the International Standard on Related Services; International Standard on Review Engagements, with a focus on the Revised Agreed-Upon Procedures Engagements.	April 2022	Managing Council and Education Committee	Members of Education Committee

71.	June 2022	Discussions between the MoF, POB and WB representatives for the revision of law regulating the accountancy profession that plans to introduce revisions relating to the IPD of CA candidates, the entry requirements, formal assessments of practical experience, practical experience supervision and monitoring for CA candidates.	Ongoing	Managing Council and Executive Staff	Managing Council and Executive Staff
<i>Review of IKM Compliance Information</i>					
72.		Undertake periodic reviews of IKM's response to the SMO 3 section and update its response as necessary.	Ongoing	Managing Council	IKM staff responsible for IFAC interrelations

Action Plan Subject: SMO 4–IESBA Code of Ethics for Professional Accountants
Action Plan Objective: To communicate to IKM Members and Candidates the provisions of the IESBA Code of Ethics and pronouncements by IESBA and to incorporate the IESBA Code where appropriate.

Background:

Ethical requirements (referring to the IESBA code of Ethics) are settled in IKM charter according to the requirements of the Law No. 10091 of 2009 On Statutory Auditing and Organization of the Accounting Profession. From 24/09/2011 IKM has adopted the IESBA Code of Ethics (v. 2011) as issued without modifications. IKM used the translated version 2015 of IESBA Code of Ethics from IEKA which is currently being applied and IKM has adopted this IFAC Code of Ethics in its IKM Code of Ethics.

IKM adopted the IESBA Code of Ethics 2015 edition translated by IEKA for application for IKM membership. Based on this IESBA Code IKM has prepared its own Code of Ethics.

IKM has adopted the IESBA Code of Ethics 2018 edition translated by IEKA and based on this version IKM has revised its own Code of Ethics. As of 2022 IEKA and SCAAK have been granted the permission of translating the IESBA Code of Ethics 2020 edition, which has still to be fully translated. IKM has translated the relevant sections for the accountancy profession of the IESBA Code of Ethics 2021 edition effective in December 2022 and based on it has revised its own Code of Ethics to be in line with the latest revisions of the IESBA Code of Ethics.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Adoption of IFAC Code of Ethics for IKM membership</i>					
73.	September 2011	Adopting the IFAC Code of Ethics (2011) for our membership.	June 2012 Completed	General Assembly	Education Committee
74.	September 2014	Discussion with IKM membership for the adoption of the 2013 version of the Code.	September 2015 Completed	General Assembly	IKM staff
75.	December 2015	Adopting the revised IFAC Code of Ethics (2013 version) for our membership.	December 2015 Completed	General Assembly	Education Committee and Managing Council
76.	December 2016	Adopting the revised IFAC Code of Ethics (2015 version) for our membership.	December 2016 Completed	General Assembly	Education Committee and Managing Council

77.	September 2019	Adopting the revised IFAC Code of Ethics (2018 version) for our membership.	September 2019 Completed	General Assembly	Education Committee and Managing Council
78.	March 2022	Adopting the revised IFAC Code of Ethics (2021 version) for our membership.	August 2022 Completed	General Assembly	Education Committee and Managing Council
<i>Support IKM Members with the Implementation of the Code</i>					
79.	June 2012	Introduce courses on the Code of Ethics (the revised code also) in the CPD activities for IKM membership. Since 2015, in IKM yearly trainings a lecture regarding the implementation of the Code of Ethics Principles and threats posed to them is included in the CPD program. In addition to the lectures, practical cases are added to be discussed with the participants.	Ongoing	Education Committee	Education Committee
80.	January 2019	Mandatory annual trainings on the Code of Ethics and its revisions are included the CPD program. In addition to the lectures, practical cases are added to be discussed with the participants.	Ongoing	Education Committee	Education Committee
81.	May 2022	The link to the English version of the revised IESBA Code of Ethics (2021 edition) has been published on IKM's website. The revised edition of IKM Code of Ethics (based on the revised IESBA Code of Ethics 2021 edition) has been published on IKM's website.			
<i>Maintaining Ongoing Processes</i>					
82.	Ongoing	Monitor and review new and amended standards from the International Ethics Standards Board for Accountants (IESBA), discussions on the new and amended requirements.	Ongoing	Managing Council and CEO	IKM Staff
83.	September 2013	Monitor and Review new ethical requirements in an ongoing manner to ensure full compliance with the IESBA Code.	Ongoing	Managing Council and CEO	IKM Staff

84.	January-September 2018	Introduce courses on the application of the Code of Ethics (the revised code also) in the CPD activities for IKM membership using as the main literature translated by IEKA Code of Ethics and IESBA handbook for Code of Ethics. IKM will use and the IFAC Guide to Practice Management for Small and Medium –Sized Practices – 4th edition, which is translated in Albanian IKM will continue including in the training programs of its members the ethical matters.	January-September 2018 Ongoing	Education Committee	Education Committee and IKM staff
85.	September 2019	Collaboration Agreement with SCAAK to better translate and deliver in a timely manner the latest developments and changes in the IESBA Code of Ethics.	Ongoing	CEO and IKM Managing Council	CEO and IKM Executive Staff
86.	January 2022	Include the revised Code of Ethics 2021 Edition, effective in December of 2022 in the annual CPD program as soon as the translation is finished by IEKA and SCAAK. The revised edition of IKM Code of Ethics (based on the revised IESBA Code of Ethics 2021 edition) has been included in the CPD program of 2022.	Ongoing	Education Committee	Education Committee and IKM staff
<i>Review of IKM Compliance Information</i>					
87.	Ongoing	Undertake periodic reviews of IKM's response to the SMO 4 section and update its response as necessary.	Ongoing	Managing Council	IKM staff responsible for IFAC interrelations

Action Plan Subject: SMO 5–International Public Sector Accounting Standards and Other Pronouncements Issued by the IPSASB
Action Plan Objective: Undertake best efforts to support convergence with IPSASs and notify members of IPSAS guidelines and papers

Background:

The Albanian Ministry of Finance (MoF) oversees adopting public sector accounting standards according to the Law No. 9228 dated 26.04.2004 On Accounting and Financial Statements, changed with the law 25/2018 and requires application of the adjusted cash-based accounting rules (modified accrual bases approach) and other rules established by the MoF.

The Ministry of Finance has not yet adopted the International Public Sector Accounting Standards (IPSASs); however, it is planning to adopt the IPSASs to the full extent in the near future. Actually Albanian MoF supported by WB has started a project for the adoption of IPSAS for public sector. By 2010, the 2008 version of IPSASs had already been translated into Albanian by a Working Group that included representatives of IKM.

IKM is supporting and promoting the development of public sector accounting standards through its seat on the NAC which advises the MoF on public sector accounting standards. In the year 2018 there is a new project managed by WB regarding to the accrual-based accounting and reporting in public sector and application of IPSAS. The new national steering committee to manage this process was founded. IKM has a member in the steering committee that will coordinate the implementation of full IPSAS in the public sector of budget institutions in Albania.

IKM requested the adoption of IPSASs during the consultations with WB Consultants for the first component of CFREP 1 and 2. During the year 2018 IKM representatives have participated in different national and international workshops and activities organized by the MoF and WB for the accounting reform in the public sector. IKM has appointed one of its members as part of Steering Committee for the Development of Public Sector Accounting Project by the WB. This project also aims to implement and execute a training program on IPSAS for all accountants in the Public Sector. Members of IKM have been appointed as trainers to be part of the Training Mechanism (Part B.2) of the “Development of Professional Accounting Skills and Sustainable Public Sector Accounting” Project. IKM has been included in the future project of the World Bank and Ministry of Finance to develop and deliver CPD trainings for the accountants in the Public Sector.

IKM informs its members on the latest activities of the International Public Sector Accounting Standards Board (IPSASB) and the new IPSASs issued via IKM website. At the moment, IPSAS are yet to be published in Albanian, and are yet to be mandatory despite IKM efforts in requesting the adoption of these Standards. As such, IKM informs its memberships through email campaigns related to the emails received from IFAC and IPSASB. At the moments there is a link redirecting to the IPSASB website in IKM website. <http://www.ikm.org.al/rreth-ikm/partnere/>.

IKM's membership includes accountants that provide services in the public sector and has already included IPSASs related materials into CPD courses and other training and educational activities for the next years. Introductory Level Information on IPSAS is added in the 2018 and 2019 trainings programs.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Assist the Ministry of Finance in Translating, Adopting and Implementing IPSASs</i>					
88.	2009	Participating in the process of translating the existing version of IPSASs.	Completed 2010	Education Committee	Head of Education Committee
89.	June 2016	The president of IKM is selected a steering committee member in the MoF to coordinate the implementation of IPSAS in budgetary institutions.	Ongoing	President	President
90.	May 2018	IKM has appointed its member on the steering committee member in the MoF to coordinate the implementation of IPSAS in budgetary institutions	Ongoing	IKM member	IKM member
91.	July 2019	Dissemination and discussions on the Action Plan setting out the proposed strategy and clear program of activities to enhance the quality of public sector accounting and Financial Reporting of Albania as per the Development of Public Sector Accounting Project by the WB.	July 2019	IKM member	IKM member
92.	June 2020	IKM has appointed one of its members to be part of the Training Mechanism (Part B.2) of the "Development of Professional Accounting Skills and Sustainable Public Sector Accounting" Project.	Ongoing	IKM Member	IKM Member
93.	June 2020	Steering Committee meeting on the Technical Assistance needed for the implementation of the IPSAS and their translation. The e-tool has is ready to be implemented. The translators and editors have been chosen and approved.	Completed June 2020	IKM Member	IKM Member
94.	December 2020	Meeting with the Consultant contracted for the implementation of IPSAS and the design of the training programs to prepare the Inception Report.	Completed December 2020	Managing Council, IKM Member and Executive Staff	IKM Executive Staff

95.	December 2020	IKM has appointed two of its members to join the group of trainers that will deliver the trainings on the translated IPSAS.	Ongoing	Managing Council and IKM Member	Managing Council
96.	May 2021	Steering Committee meeting to discuss the Training Strategy and Capacity Development Plan.	Completed May 2021	IKM Member	IKM Member
97.	April 2022	The training sessions provided under Activity 2 of the project "Train the trainers programme on Public Sector Financial Reporting and Accounting based on IPSAS" have started.	July 2022	IKM Member	IKM Member
<i>Promote the Use of IPSASs to the Ministry of Finance</i>					
98.	Ongoing	Continue to provide information to the MoF on the latest activities of the IPSASB and the new IPSASs issued, and of the trends and developments occurring in the field of public sector accounting.	Ongoing	President	Members of the Council, Public Accounting Department at MoF.
99.	March 2013	Continue to engage the government in discussion on the benefits of adopting of IPSAS.	Ongoing	President	
100.	November, December 2018	IKM representative has participated in the Workshop organized by MoF and Economy regarding to the Accounting Reform on accrual bases on the public sector entities and was appointed as part of the Steering Committee set out to implement this project.	November, December 2018	IKM national steering committee member, IKM CEO	steering committee member, IKM CEO
<i>Support Members in Implementing Public Sector Accounting Standards</i>					
101.	January 2016	Members are informed about projects organized by the MoF. IKM conducts Mailing campaigns containing information about required knowledge for the implementation of current public sector accounting standards.	Ongoing	Education committee	IKM staff
102.	January 2016	Once the full IPSASs are adopted, develop implementation guidelines to assist members providing services in the public sector with their implementation.	Ongoing	Education committee	IKM staff

103.	2018	Once the IPSAS training program will start IKM will actively assist its member to participate in this program	2018	Education committee	IKM staff
104.	December 2019	Forwarding as part of the monthly newsletter all new publications, articles related to the IPSAS and their revisions to all members.	Ongoing	Executive Staff	Executive Staff
105.	January 2022	IKM's CA members employed in the Public Sector are to receive trainings on the translated IPSAS as part of the "Development of Professional Accounting Skills and Sustainable Public Sector Accounting" Project.	Ongoing	IKM Member	IKM Member
106.	January 2022	Discussions with the POB, MoFE and WB representative to add a Public Sector Accountant Certification, where IKM will manage the organization, exam administration and certification process.	Ongoing	Managing Council	Managing Council
<i>Maintaining Ongoing Processes</i>					
107.	Ongoing	Provide access to IPSASs and guidelines via the IFAC website, magazines, and publications.	Ongoing	CEO	IKM staff in charge of IFAC and other organizations interrelations
108.	January 2014	Monitor international developments and standard-setting activities in the area.	Ongoing	Education Committee	IKM executive staff
109.	January 2011	Participate in the international standard-setting by providing comments to the IPSASB Exposure Drafts and other public consultations. (Recently no)	Ongoing	Education Committee	IKM executive staff
<i>Review of IKM Compliance Information</i>					
110.	Ongoing	Undertake periodic reviews of IKM's response to the SMO 5 section and update its response as necessary.	Ongoing	Managing Council	IKM staff responsible for IFAC interrelations

Action Plan Subject: SMO 6–Investigation and Discipline

Action Plan Objective: To continue to foster IKM's best efforts to facilitate compliance with IFAC SMO 6 and for an effective I&D process

Background:

The initiation of the proceedings, investigation and disciplinary process of CAs members of IKM, is under IKM's responsibility according to its bylaws. In January 2015 a special committee under the supervision of the Managing Council was appointed to be responsible for the investigation and disciplinary process. As of 2019, the I&D Committee members are appointed by the Managing Council. Through a commission they conduct the investigative process, and a disciplinary committee hears the case and reports to the Managing Council about their findings and recommendations for the disciplinary action to be taken.

Unlike the auditing profession, when it comes to the accounting profession, there is no specific requirement, or any I&D system indicated in the Law on Statutory Auditing and Organization of the Accounting Profession in Albania. Nevertheless, IKM has set up its I&D system. As part of its ongoing activities IKM has reviewed the requirements of SMO 6 (revised 2012) and has developed an action plan to address the shortcomings in the existing I&D system. With this in consideration IKM made the necessary adjustment to its regulation of I&D in 2018 to bring it in line with the newly issued requirements of the POB's Investigation and Discipline Regulation, which includes CAs. The I&D regulation has been revised again in 2019, stating its new status as an independent committee, composed of Certified Accountants and non-accountants, and also addressing the gaps that have resulted from the self-assessment questionnaire.

As of 2020, a link with the results of QA reviews has been established, and Investigation proceedings have been initiated based on those results. As per the new I&D regulation, the Managing Council has decided to communicate the results of the I&D process to its members in the case of misconducts that result in reprimands; or to publish it on IKM's website in the case of misconducts the result in fines, restrictions or loss of practice rights/professional title, or suspension from membership. In that context, the process foresees the disciplinary measures of members for any misconduct, including breaches of the code of ethics and professional standards.

IKM has adopted both a complaints-based approach and an information-based approach to investigation and discipline. All the individuals involved in the investigative and disciplinary process have to sign a conflict-of-interest declaration to guarantee a fair process. After the completion of the investigative process, the committee decides if there is a case to pursue. If there's a case to pursue, the committee sets a hearing date with the member in question that the right to be represented by a lawyer or any other person chosen by them. To address the gaps from the SMO 6 self-assessment questionnaire, the investigation process is separate from the disciplinary one and no person is a member of the investigation commission and the disciplinary committee at the same time. The disciplinary committee reports to the Managing Council that either decides to approve the ruling or based on the committee's ruling refers the case to the POB for further sanctions.

The appeals process foresees the right that, the member appeals against the I&D decision to the IKM Managing Council which should take its own decision within one month from formal receipt of the appeal. The members that do not agree with the Managing Council's decision have the right to appeal to the POB and after this to the administrative Court of Tirana.

IKM is cooperating strongly with different institutions such as POB, Tax Authority, Investigation Authorities, Prosecution, Authority against Money Laundry, etc. in the fight against corruption, tax evasion, conflict of interest which are the legal institutions that treat the irregularities in the accounting profession, but not only.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Design I&D Process in line with SMO 6 Requirements</i>					
111.	September 2012	Adopting the IFAC Code of Ethics (2011 version) for our membership.	Completed June 2013	Membership Assemble	Education Committee
112.	December 2015	Adopting the revised IFAC Code of Ethics (2013 version) for our membership.	December 2015	Membership Assemble	Education Committee
113.	September 2013	Review the requirements of SMO 6 (revised 2012) and identify areas where improvements are needed. Present the findings to the IKM General Assembly in September 2014.	Completed	Managing Council	IKM staff
114.	September 2014	Develop a plan to address the shortcomings identified during the review.	December 2014 Completed	Managing Council	IKM staff
115.	January 2015	Discussions with the MoF for the need of inclusion of I&D system in the Law	March 2016 Completed	President and CEO	IKM
116.	June 2016	Participation in developing a regulation on investigation and discipline in accordance with the Audit Law and the requirements of SMO 6 as part of the revision of the Law on Statutory Auditing and Organization of the Accounting Profession.	February 2019	Managing Council, POB	Managing Council
117.	2018	Adjustments and improvements of the disciplinary regulation in accordance with the new regulation issued by POB.	September 2018 Completed	Managing Council, POB	Managing Council, QA committee
118.	2019	Adjustments and revisions to the I&D Regulation and Bylaws to restructure the Committee and include non-accountants as members of the I&D Committee.	September 2019	Managing Council and General Assembly	Managing Council

119.	January 2020	Undertook the periodic review of IKM's response to the SMO 6 Compliance Self-Assessment questionnaire and made the necessary adjustments to implement a complaint-based and an information-based approach.	March 2020	Managing Council and I&D Committee	I&D Committee
120.	February 2021	The system for communicating the I&D results and sanctions was updated to be in line with the requirements of the SMO 6	April 2021	Managing Council and I&D Committee	Managing Council and I&D Committee
121.	November 2021	Undertook the periodic review of IKM's response to the SMO 6 Compliance Self-Assessment questionnaire and made the necessary adjustments to ensure that the Investigative Commission and Disciplinary Committee are two separate entities.	June 2022	Managing Council and I&D Committee	Managing Council and I&D Committee
<i>Implement the Plan aimed at Developing I&D system in Line with the International Requirements.</i>					
122.	January 2015	Setting up the Investigation and Discipline Committee inside the Managing Council.	January 2015 Completed	Managing Council	IKM staff
123.	January 2015	Draft regulation of the I&D Committee.	February 2015 Completed	Managing Council	IKM staff
124.	February 2015	A system for communicating the results of I&D and changes in the I&D system to IKM membership is established and the communication and the information is disseminated through internet website. Changes in the I&D system are published in the Regulation section of IKM's website.	Ongoing	Managing Council	IKM staff
125.	2017	During 2017 and 2018 IKM has organized the CPD training with its CA members on the topics of the I&D system, the mandatory standards and other requirement to be applied by them.	2017, September 2018 Completed	Education Committee	Education Committee and IKM staff
126.	August 2019	The members of the Investigation & Discipline committee are now an independent entity, and its members are appointed by the Managing Council.	September 2019	Managing Council	Managing Council

127.	August 2019	Included non-accountants in the Investigation & Discipline Committee.	September 2019	Managing Council	Managing Council
128.	March 2020	Implemented the adoption of a complaint-based and an information-based approach to Investigation and Discipline.	June 2020	Managing Council and I&D Committee	Managing Council and I&D Committee
129.	August 2020	A link with the results of QA reviews has been established, and Investigation proceedings have been initiated based on those results.	December 2020	Managing Council, Quality Control Committee and I&D Committee	Managing Council, Quality Control Committee and I&D Committee
130.	June 2020	Received a list of 12 CAs from the POB to conduct an in-depth QA review. Based on the findings of the QA review the I&D prepared a report with the proposed measures to be taken, that was presented to the Managing Council.	December 2020, April 2021	Managing Council, Quality Control Committee and I&D Committee	Managing Council, Quality Control Committee and I&D Committee
131.	April 2021	The Managing Council has decided to communicate the results of the I&D process to its members in the case of misconducts that result in reprimands; or to publish it on IKM's website in the case of misconducts the result in fines, restrictions or loss of practice rights/professional title, or suspension from membership.	November 2021	Managing Council, I&D Committee, General Assembly	Managing Council and I&D Committee
132.	April 2021	The in-depth QA review, resulted in reprimands being proposed by the I&D committee for 7 members, which were communicated to the General Assembly.	November 2021	Managing Council, I&D Committee, General Assembly	Managing Council and I&D Committee
133.	February 2022	In accordance with the results of the periodic review of IKM's response to the SMO 6 Compliance Self-Assessment questionnaire and the revision of the bylaws the Investigative Commission and Disciplinary Committee will be two separate entities, and no person will be a member of both entities.	June 2022	Managing Council, I&D Committee and Executive Staff	Managing Council, I&D Committee and Executive Staff

134.	April 2022	Received a request from the POB to conduct an Investigation process for a CA, member of IKM. The investigative process was conducted by the Investigation Commission and was referred to the Disciplinary Committee to set a hearing date. The committee reported to the Managing Council which, based on the committee's proposal referred the case to the POB.	June 2022	Managing Council and I&D Committee	Managing Council and I&D Committee
135.	June 2022	Based on the findings of the annual QA review, a CA member of IKM, as per the Managing Council's decision will undergo an Investigation process.	Ongoing	Managing Council, Quality Control Committee and I&D Committee	Managing Council, Quality Control Committee and I&D Committee
<i>Maintaining Ongoing Processes</i>					
136.	Ongoing	Review each complaint in accordance with the Law on Accounting and Auditing Profession, regulations, Code of Ethics, etc.	Ongoing	Managing Council, POB	Managing Council
137.	January 2015	Design rules and procedures for the I&D to be made available to IKM's membership through its website and include them in the CPD trainings.	September 2015 Completed	Managing Council	IKM staff
138.	Ongoing	Disseminate information on the reported cases and the results of I&D process.	Ongoing	Managing Council	IKM staff
139.	Ongoing	Monitor international developments and standard-setting activities in the area.	Ongoing	Managing Council	IKM staff
140.	January 2015	Review the system of I&D in an ongoing manner to ensure it complies with the requirements of SMO 6.	Ongoing	Managing Council	IKM staff
<i>Review of IKM Compliance Information</i>					
141.	Ongoing	Undertake periodic reviews of IKM's response to the SMO 6 Compliance Self-Assessment questionnaire and update the relevant sections as necessary.	Ongoing	Managing Council	IKM staff responsible for IFAC interrelations

Main Requirements of SMO 6 Self-Assessment

Requirements	Yes	No	Partially	Comments
Scope of the System				
1. A system of investigation, discipline and appeals exists for the accountancy profession. The system is operational.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Information about the types of misconduct which may bring about investigative actions is publicly available.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Managing Council has decided to communicate the results of the I&D process to its members in the case of misconducts that result in reprimands; or to publish it on IKM's website in the case of misconducts the result in fines, restrictions or loss of practice rights/professional title, or suspension from membership.
Initiation of Proceedings				
3. Both a "complaints-based" and an "information-based" approach is adopted.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Link with the results of QA reviews has been established.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Investigative Process				
5. A committee or similar body exists for performing investigations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Investigative Commission and Disciplinary Committee will be two separate entities, and no person will be a member of both entities.
6. Members of a committee are independent of the subject of the investigation and other related parties.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Disciplinary Process				
7. A separate disciplinary committee/entity exists to make disciplinary decisions on referrals from the investigation committee.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Investigative Commission and Disciplinary Committee will be two separate entities, and no person will be a member of both entities.

Requirements	Yes	No	Partially	Comments
8. Members of the committee/entity include professional accountants as well as non-accountants.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Included non-accountants in the Investigation & Discipline Committee
9. The tribunal exhibits independence of the subject of the investigation and other related parties.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sanctions				
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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Rights of Representation and Appeal				
11. A third appeals body exists which is separate from both the disciplinary committee and investigative committee.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The POB and administrative court
Administrative Processes				
12. Timeframe targets for disposal of all cases are set.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
13. Tracking mechanisms to monitor progress in investigation and discipline and related procedures are established.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
14. Records of investigations and disciplinary processes are established.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Requirements	Yes	No	Partially	Comments
Public Interest Considerations 15. Activities are supported to ensure that the public is aware that an investigative and disciplinary system exists in the jurisdiction.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The regulation is published as to inform members and the general public that such system exists. The Managing Council has decided to communicate the results of the I&D process to its members in the case of misconducts that result in reprimands; or to publish it on IKM's website in the case of misconducts the result in fines, restrictions or loss of practice rights/professional title, or suspension from membership.
16. A process for the independent review of complaints on which there was no follow-up established.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
17. The results of the investigative and disciplinary proceedings are made available to the public.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Managing Council has decided to communicate the results of the I&D process to its members in the case of misconducts that result in reprimands; or to publish it on IKM's website in the case of misconducts the result in fines, restrictions or loss of practice rights/professional title, or suspension from membership.
Liaison with Outside Bodies 18. There is an appropriate process for liaison with outside bodies on possible involvement in serious crimes and offences.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Regular Review of Implementation and Effectiveness 19. Regular review of implementation and effectiveness of the system are performed, and corrective actions are implemented.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Action Plan Subject: SMO 7–International Financial Reporting Standards and Other Pronouncements issued by the IASB
Action Plan Objective: Continue to assist the National Accounting Council and other authorities in adopting and implementing IFRSs and to promote the ongoing convergence process with IFRSs.

Background:

Under the Law on Accounting and Financial Statements No. 25/2018, two reporting frameworks are applicable in the jurisdiction: (i) National Accounting Standards (NASs) and (ii) IFRS as issued by the IASB, translated and published in Albanian language by the National Accounting Council (NAC). There are no delays in the translation of new and revised IFRSs, and the translations are published before the effective dates of IFRSs. As of 2022, the 2021 IFRS Red Book has been translated.

Public interest entities (PIEs) are required to apply IFRS. PIEs are defined as stock exchange listed companies, financial institutions, insurance and reinsurance companies; and investment and voluntary pension funds, together with other companies deemed by the Council of Ministers to be relevant to the public interest. The Bank of Albania has deferred the implementation of IFRS by banks for regulatory purposes and requires prudential reporting from the banking sector. As of to date banks still must follow the Financial Reporting Manual and there are no current plans to implement the updated IFRSs.

IKM does not set accounting standards, but it's represented on the National Accounting Council, which is responsible for drafting national standards and translating IFRSs and providing a recommendation for adoption to the Ministry of Finance. IKM has been invited by NAC to send all its comments regarding to the national accounting standards and on the translation of IFRS. IKM is involved in the process of translating IFRS (starting in 2007 with the translation and review of the bound volume of IFRSs) and IFRS for SMEs through its participation in the IFRS translation review committees. IKM promotes the complete adoption of IFRS for SMEs through its representation on the National Accounting Council. To support its membership with the implementation of the accounting standards, IKM provides thorough IPD and CPD trainings on the revised and amended NAS and IFRSs, initiates public forums, deliver education materials, has collaborated closely with the Faculty of Economy to include IFRSs in their accountancy curricula, and disseminates information on international developments. IKM participates both in the national and international standard-setting process by providing comments on the exposure drafts of both national and international procurements.

The World Bank is starting a new project that aims to Strengthen the Quality of Auditing and Reporting in Albania (SQARP). IKM has been listed as a key stakeholder in three of the four components of this project. Some of the proposed activities of this project include building on new syllabi for professional certification prepared under EQFINREP that will be more in line with the IPD trainings and materials delivered by organizations such as ACCA.

#	Start Date	Actions	Completion Date	Responsibility	Resource
<i>Continuing to assist NAC in improving the process of translation, adoption and implementation of IFRSs and the development of NASs</i>					
142.	September 2009	IKM drafted a convergence statement stating that it will continue to encourage the NAC, which is the official accounting standard-setter, in adopting all IFRSs, without modifications and to continue to participate in NAC activities to support the ongoing process for convergence between NASs and IFRSs.	December 2009	IKM president and NAC Chairman	IKM staff

143.	2008	Continue to assist NAC in translating new and amended IFRSs. IKM contributed to the translation process with translators and review committee members. IKM will continue to be part of the working group for translation of a more recent version of IFRSs.	Ongoing	Participants in translating and reviewing process	IKM president and Education Committee
144.	January 2014	Providing comments to the national standard setters' Draft Amendments of NASs.	December 2014	Managing Council	Membership
145.	April 2015	Providing comments to the national standard setters' new NAS for NGOs.	September 2015	Managing Council	Managing Council and IKM staff
146.	September 2013	Providing comments to the Exposure Draft of IFRS 16.	September 2013	CEO	IKM staff
147.	January 2015	IKM initiated an entire CPD training course for the new amendments of NASs	December 2015	Education Committee	IKM staff
148.	May 2018	Providing comments to the new law on Accounting and Financial reporting.	June 2018	Managing Council	Managing Council, membership and IKM staff
149.	November 2019	A collaborative workshop between IKM members and the NAC on the European Parliament's Directive 2013/34/EU on the annual Financial Statements, consolidated Financial Statements and Related Reports.	November 2019	Managing Council, Education Committee and Executive Staff	Managing Council, Education Committee and Executive Staff
150.	July 2020	Providing comments on the revision and guidelines to NAS 4, requested by the National Accounting Council.	July 2020	Managing Council, Education Committee	Managing Council, Education Committee and Executive Staff
151.	October 2020	Providing comments on the Consultation Paper on Sustainability Reporting	December 2020	Managing Council, Education Committee	Managing Council, Education Committee and Executive Staff
152.	June 2022	Discussions between the MoF, POB and WB representatives for the revision of law regulating the accountancy profession that plans to introduce	Ongoing	Managing Council and Executive Staff	Managing Council and Executive Staff

		revisions relating to the IPD of CA candidates, the entry requirements, formal assessments of practical experience, practical experience supervision and monitoring for CA candidates.			
153.	June 2022	Listed as a key stakeholder in the SQARP World Bank Project that aims to bring a new syllabus for professional certification, as well as review and upgrade the learning program and preparation	Ongoing	Managing Council and Executive Staff	Managing Council and Executive Staff
<i>Promoting the Adoption of IFRS for SMEs</i>					
154.	2013	Raising awareness about IFRS for SMEs among the IKM membership, open discussion for full adoption.	Ongoing	Education Committee	IKM staff
155.	2013	Promote the adoption of IFRS for SMEs to non-public interest entities by IKM representative in NAC.	Ongoing	IKM representative	Managing Council
<i>Supporting IKM Members in Implementing IFRSs and NASs.</i>					
156.	2006	Deliver training materials to recognize and implement IFRSs and NASs to all the IKM membership and candidates for certified accountants.	Ongoing	Education Committee	IKM staff
157.	2012	Organize open forums with the membership on the amendments of the NASs.	Ongoing	Education Committee	IKM staff
158.	January 2014	A system for communicating new developments and changes in national and international standards and other guidance to IKM membership is established. The communication and information are disseminated through emails, or internet website to the membership and candidate. When standards changes are published by the NAC IKM informs its membership base through mailing campaigns or links to the appropriate Section in the Webpage when Publishing rights have been granted.	Ongoing	Managing Council	IKM staff

159.	October 2017- March 2018	A massive training on IFRS s and NASs was delivered to the certified accountants and students, member of IKM and other accounting professional organizations from CFREP 2 project	March 2018	The Consultant	Ministry of Finance, and PAO trainers
160.	June 2019	Membership wide training on the amended IFRS as part of their CPD program.	October 2019	Managing Council and Education Committee	Managing Council and Education Committee
161.	September 2019	Membership wide training including the revised Law on Accounting and Financial Statements No. 25/2018, the European Parliament's Directive 2013/34/EU on the annual Financial Statements, consolidated Financial Statements and Related Reports, IAS 12 and the NAS for NGOs.	December 2019	Managing Council and Education Committee	Managing Council and Education Committee
162.	January 2020	Membership wide trainings including Financial Statement's disclosures under NAS and IFRS and non-financial reporting.	January 2021	Managing Council and Education Committee	Managing Council and Education Committee
163.	April 2021	Membership wide trainings including the revised IFRSs and use cases for Financial Reporting and non-financial reports under the NAS.	Maj 2021	Managing Council and Education Committee	Managing Council and Education Committee
164.	November 2021	Participated in the International Conference on Finance and Accounting towards Sustainable Development Goals, where IKM members were Key Speakers in topics related to improvement of Financial Reporting and the importance of raising awareness for the adoption of the international best practices.	November 2021	Managing Council and IKM Members	Managing Council and IKM Members
165.	November 2021	Membership wide trainings including the amendments and revisions on IAS 12 and IFRS 16.	December 2021	Managing Council and Education Committee	Managing Council and Education Committee

166.	January 2022	Membership wide trainings including the “First time adoption of IFRS, the transition process of Financial Reporting under NAS to IFRS”, IAS 1, IAS 8 and IAS 10.	June 2022	Managing Council and Education Committee	Managing Council and Education Committee
<i>Maintaining Ongoing Processes</i>					
167.	2006	Monitor international developments and standard-setting activities in the area.	Ongoing	Managing Council	IKM staff
168.	2012	Continue to identify possibilities and opportunities for the cooperation on proper adoption and implementation of IFRSs in Albania, especially IFRS for SMEs.	Ongoing	IKM Representative in NAC	Managing Council
169.	2012	Continue to support its membership with the implementation of the accounting standards, thorough IPD and CPD trainings on the revised and amended NAS and IFRSs, by initiating public forums, delivering education materials, and by disseminating information on international developments.	Ongoing	Managing Council, Education Committee and Executive Staff	Managing Council, Education Committee and Executive Staff
<i>Review of IKM Compliance Information</i>					
170.	2013	Perform periodic review of IKM’s response to SMO 7 Section of the IFAC SMO Action Plan and update the response as necessary.	Ongoing	Managing Council	IKM staff responsible for IFAC interrelations