



MINISTRY OF FINANCE
OF THE REPUBLIC OF BELARUS



Participation of the Republic of Belarus in the UN Development Account project “Towards integrated national financing frameworks”: results and next steps

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Sustainability reporting training for the private sector on contribution towards implementation of the Sustainable Development Goals

16 June 2023

Minsk

50 participants



Sustainability reporting training

The training's objective was to provide Key indicators for reporting on the Sustainable Development Goals (SDG) that included:

- SDG key indicators for enterprise reporting
- Enterprise reporting on their contribution to the achievement of SDG in the Republic of Belarus
- Sustainability reporting of SMEs on their contribution to the achievement of the SDG in the Eurasian region



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**Presentation of consolidated results
and assessment report of the
national reporting infrastructure
in the Republic of Belarus**



ADT Belarus Project 2023

- Selection and approval of the national consultant
- Identification of key stakeholders
- Kick-off meeting with focal points (26 May 2023)
- Assignment of questionnaires / provide support in filling out forms
- Coordination of respondents under the guidance of UNCTAD
- Collecting responses to questionnaire questions
- Final meeting with stakeholders to discuss results and next steps (5 October 2023)
- Preparation of the Interim Report and consolidation of the questionnaire for UNCTAD review
- Discussion of the Interim Report at the ISAR Session (19 October 2023)



Key stakeholders

Government authorities	Ministry of Finance National Bank Ministry of Natural Resources and Environmental Protection Ministry of Economy State Property Committee Ministry of Labour and Social Protection Ministry of Education
Professional public association	Association of Belarusian Banks Chamber of Auditors Belarusian Society of Professional Accountants
Higher education institutions	Belarusian State Economic University Polotsk State University Republican Institute of Higher Education Republican Institute of Vocational Education Center for Training, Advanced Training and Retraining of Personnel of the Ministry of Finance of the Republic of Belarus
Public-interest entities and audit companies	Belarusbank Belarussian Currency and Stock Exchange Belgosstrakh IQT Assurance Promova Audit



Questionnaire Structure

Names of Pillars	Number of Indicators
Pillar A – Legal and regulatory framework	8 (A1 – A8)
Pillar B – Institutional framework	8 (B1 – B8)
Pillar C – Human Capacity	8 (C1 – C8)
Pillar D – Capacity-building process	10
Addendum – Accounting and Reporting in the Public Sector	10



Pillar A – Legal and Regulatory Framework

Indicators	2019 %	2023 %
A.1 – Financial Reporting and Disclosure	61,8	66,8
A.2 - Audit	58,3	100
A.3 – Incorporation of environmental, social and governance (ESG) information into enterprise reporting	38,9	44,8
A.4 – Corporate reporting requirements: enforcement, monitoring of implementation, and compliance	73,4	85,9
A.5 – Licensing of auditors	100	100
A.6 – Corporate Governance	87,2	100
A.7 – Ethics	50	68,8
A.8 – Investigation, discipline and appeals	100	100
Total for Pillar A	71,2	83,3



Pillar A – Legal and Regulatory Framework: major achievements and problem areas

A.1 Financial reporting and disclosure

IFRS in full, unmodified form are required as part of the national regulatory system for consolidated financial statements of public-interest entities.

The national regulatory framework for consolidated financial statements of public-interest entities covers IFRS Standards and IFRIC Interpretations.

There is a formal due process for including into laws and rules IFRS updates (revisions and new standards) to accounting standards.

IFRS for SMEs in unmodified form are not required as part of the national regulatory system.

A.2 Audit

ISA are valid on the territory of the Republic of Belarus. There is a formal due process for including into laws and rules ISA updates to audit standards.

International auditing standards are mandatory for use when conducting a statutory audit of the consolidated financial statements of public interest entities.

A.3 Incorporation of environmental, social and governance (ESG) information into enterprise reporting

Republic of Belarus doesn't require integration of the ESG information into companies reporting cycle.



Pillar A – Legal and Regulatory Framework: major achievements and problem areas

A.4 Corporate reporting requirements: enforcement, monitoring of implementation, and compliance

Monitoring of compliance with corporate reporting requirements of public interest entities is carried out. At the legislative level, liability is established for violation of the procedure for maintaining accounting or other records (reporting).

A.5 Licensing of auditors

There is a licensing mechanism for auditors. CPD is required to maintain auditor qualifications.

A.6 Corporate Governance

Requirements for corporate governance are established, providing for the creation of audit committees and the definition of internal control procedures in relation to the preparation of financial statements.

A.7 Ethics

The IESBA International Code of Ethics for Professional Accountants is valid in the Republic of Belarus.

A.8 Investigation, discipline and appeals

The legislation of the Republic of Belarus contains provisions on conducting audits in relation to corporate reporting.



Pillar B – Institutional Framework

Indicators	2019 %	2023 %
B.1 – Financial reporting standards – institutional aspects	76,5	76,5
B.2 – Audit standards – institutional aspects	93,8	93,8
B.3 – ESG reporting and corporate governance – institutional aspects	0	25
B.4 – Compliance, monitoring and enforcement – institutional aspects	89,5	89,5
B.5 – Audit regulation – institutional aspects	83,3	83,3
B.6 – Coordination	50	50
B.7 – Ethics – institutional aspects	40	65
B.8 – Accountancy Profession – institutional aspects	56,2	78,5
Total for Pillar B	61,2	70,2



Pillar B – Institutional Framework

major achievements and problem areas

B.1 Financial reporting standards – institutional aspects

B.2 Audit standards – institutional aspects

The Ministry of Finance of the Republic of Belarus is developing national accounting and reporting standards and national auditing rules.

B.3 ESG reporting and corporate governance – institutional aspects

The Republic of Belarus doesn't have a body in charge of ESG reporting requirements

B.5 Audit regulation – institutional aspects

The Ministry of Finance carries out certification for the right to obtain a qualification certificate of an auditor.

B.8 Accountancy Profession – institutional aspects

The Republic of Belarus has an Audit Chamber and professional public associations.



Pillar C – Human Capacity

Indicators	2019 %	2023 %
C.1 – Professional education and training	88,9	88,9
C.2 – Professional skills	100	100
C.3 – Assessment of accountancy, capabilities and competencies	100	100
C.4 – Practical experience requirements	66,7	66,7
C.5 – Continuing Professional Development (CPD)	75	75
C.6 – Advanced level and specialized training after initial professional development	77,8	88,9
C.7 – Regulators and others in the reporting supply chain	66,7	66,7
C.8 – Requirements for accounting technicians	75	100
Total for Pillar C	81,3	85,8



Pillar D – Capacity-building process

Indicators	2019 %	2023 %
Capacity-building process	10	100
Total for Pillar D	10	100

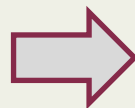


Pillar D – Capacity-Building Process

**State Program
“Public Finance Management and Financial Market
Regulation”**



**Subprogram
“Regulation of
accounting, reporting
and auditing in the
corporate sector”**



**Non-financial reporting
development concept
and action plan for its
implementation**



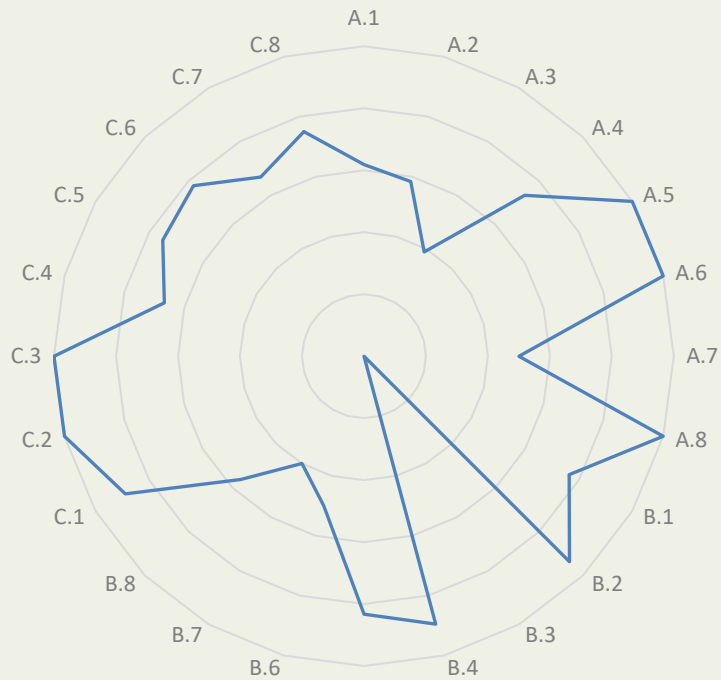
Addendum – Accounting and Reporting in the Public Sector

Indicators	2019	2023 %
P.1 – Financial Reporting and Disclosure	-	0
P.2 – Audit	-	10
P.3 – Monitoring and compliance	-	100
P.4 – Practical experience requirements	-	66,7
Total	-	44,2

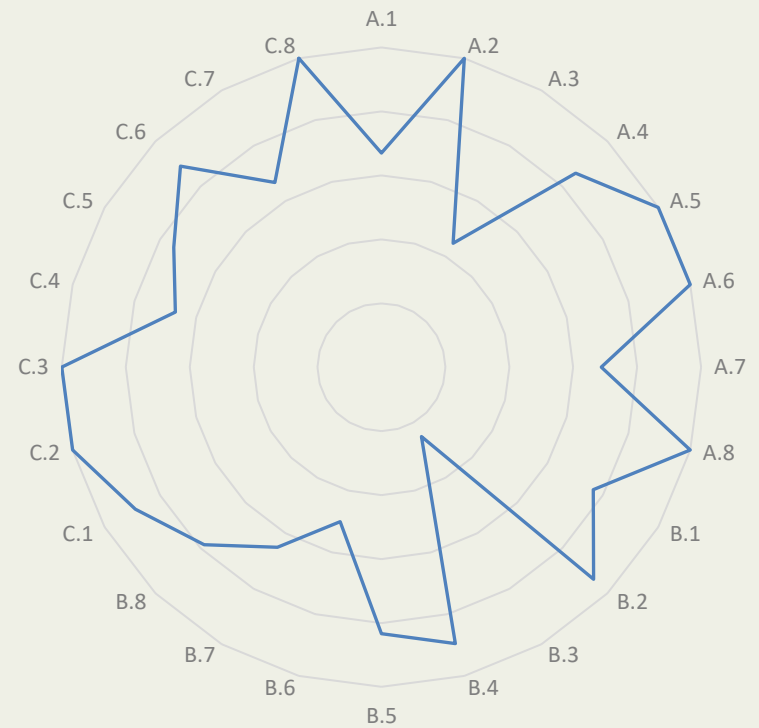


Comparison of ADT assessment results in 2019 and 2023

2019



2023





Pillar A – Legal and Regulatory Framework

recommendations for next steps

- inclusion in the legislative of the Conceptual Framework for Financial Reporting, exploring the possibility of giving legal status to the documents «Management comments» и «Materiality Judgements»
- exploring the possibility of establishing a formal due process for clarifying or resolving disagreements related to the application of IFRS and ISA
- determining the feasibility of introducing IFRS for SMEs for use by domestic organizations
- development of guidelines for the preparation of non-financial reporting and its standardized format
- exploring the feasibility of including provisions in legislation to ensure compliance with non-financial reporting requirements



Pillar B – Institutional Framework recommendations for next steps

- creation of a system of national accounting and reporting standards
- studying the feasibility of applying the Core Principles for Independent Audit Regulators, issued by the IFIAR
- entry of professional public associations into the International Federation of Accountants
- expanding the competencies of professional accountants and auditors through knowledge and practical skills in applying IFRS and ISA



Pillar C – Human capacity recommendations for next steps

- inclusion of non-financial reporting components and IFRS for SMEs in the professional training and advanced training program for accountants and auditors
- inclusion of non-financial reporting components and IFRS for SMEs in educational programs of universities
- increasing the duration of training while improving the qualifications of professional accountants and auditors



Pillar D – Capacity-building process recommendations for next steps

- development of the Concept for the development of non-financial reporting and an action plan for its implementation (hereinafter referred to as the plan) with a focus on the Sustainable Development Goals
- identification of government bodies responsible for the implementation of plan activities
- monitoring and control over the implementation of plan activities



Addendum – Accounting and Reporting in the Public Sector

recommendations for next steps

- creation of a system of national accounting and reporting standards for the general government sector based on International Financial Reporting Standards for the Public Sector
- exploring the feasibility of establishing non-financial reporting requirements for the general government sector



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Training for lecturers on accounting for micro, small and medium enterprises in the Republic of Belarus

14 December 2023

Minsk

31 participants



Training for lecturers

As part of the project, the “Training Manual on Accounting for Micro, Small and Medium Enterprises with four modules was translated and adapted:

Module 1: Introduction to Accounting

Module 2: Accounting Cycle

Module 3: Elements of Financial Statements

Module 4: Interpretation of Financial Statements

The training allowed accounting and reporting trainers to orient themselves on how to use the training manual and gain additional knowledge and skills to conduct training on this manual for entrepreneurs and employees of small and medium-sized companies



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Thank you for your attention!