

PROJECT STATUS REPORT

JANUARY 2011 - JUNE 2011

SECTION 1: PROJECT SUMMARY

PROJECT NAME: Improving Skills Standards in Accounting and Financial Management in Suriname

Project Number: SU-M1012 - Operation Number: ATN/ME-11489-SU

Purpose: To support the adoption of international standards in accounting and financial management by SMEs in Suriname.

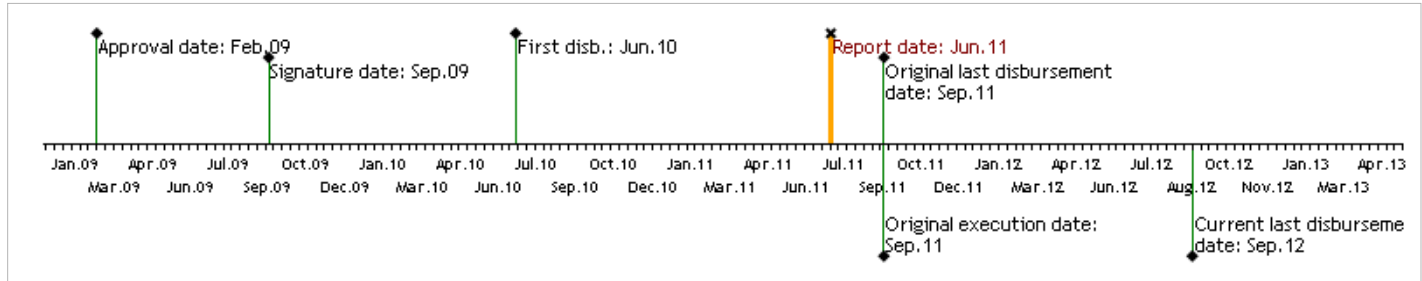
Country Administrator SURINAME	Beneficiary Country SURINAME	Group FCD - Financial Sector and Capital Markets	Subgroup AUST - Accounting and Auditing Standards
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Executing Agency: Surinaamse Vereniging van Accountants

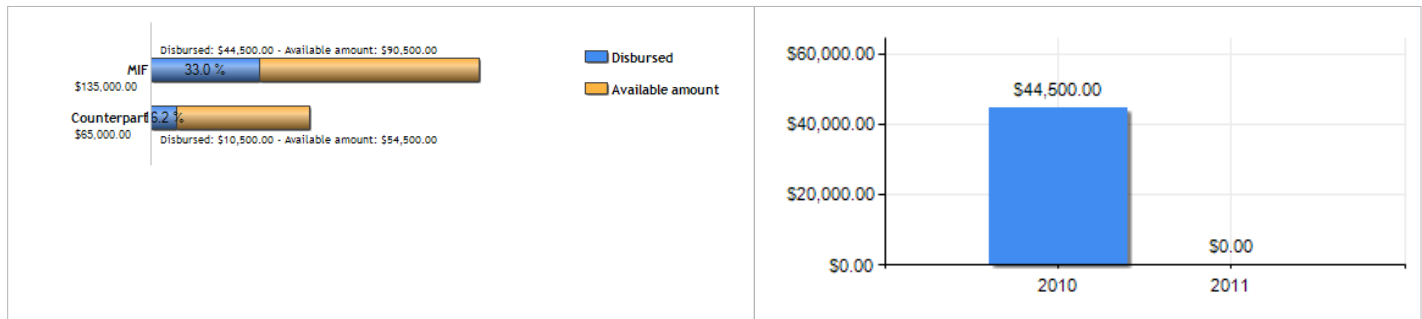
Design Team Leader: Williams, Graham

Supervision Team Leader: Sanchez Alvarez, Lourdes

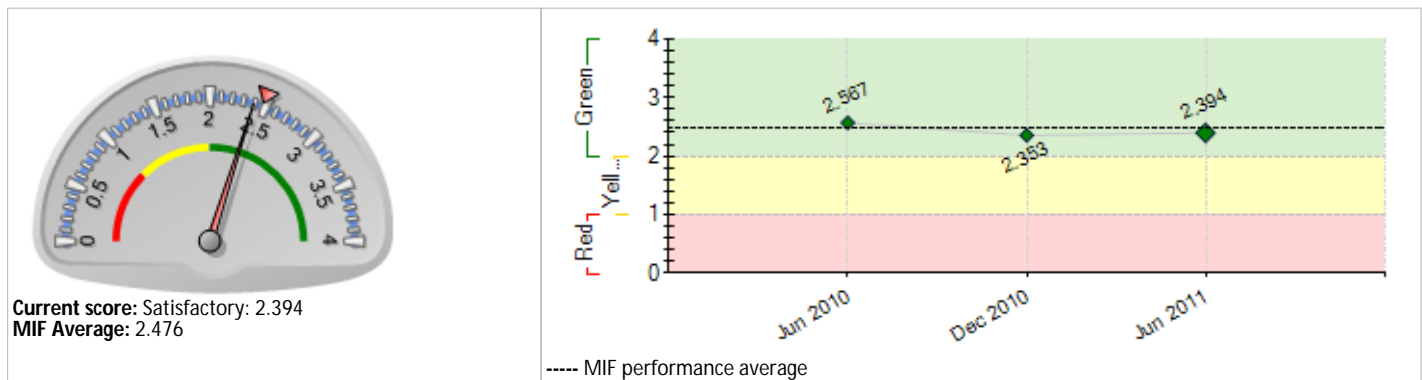
TIMELINE



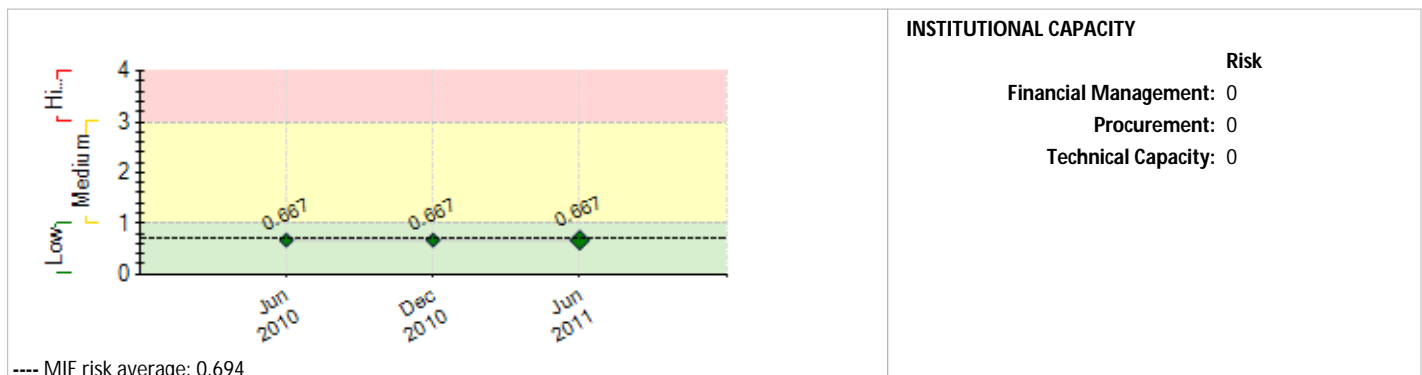
FUNDS



PERFORMANCE SCORE



EXTERNAL RISKS



INSTITUTIONAL CAPACITY

	Risk
Financial Management:	0
Procurement:	0
Technical Capacity:	0

SECTION 2: PERFORMANCE

Summary of project performance since inception

Component 1 has been conducted successfully and the reports have been approved. These reports, delivered in one file, form a strong base for the next step: the training workshops, technical assistance and practice guides for SME's in order to upgrade their financial management and/or implement the IFRS system. However, awareness and willingness is a very important factor, due to the fact that the draft law still hasn't been approved yet by parliament.

Component 2 is now awaiting to be started. The first advice discussion with the Professional Practices Department has taken place on July 11. The list of participants should be ready by August, and trainers hired in October (as August/September are holidays). As an awareness session, a two day seminar on IFRS has been organised together with ICAC. The second day was a training in some specific aspects of IFRS.

The application for the associate membership of the worldwide accountants organisation IFAC has been submitted.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

Summary of project performance in the last six months

In the second semester the final approval of the reports of the various studies and recommendations in Component 1 was accomplished in May. The outcomes of the studies were presented at the seminar on IFRS, on May 26 and 27.

This semester has been focussed on two specific aspects: the two days seminar on IFRS in cooperation with ICAC, with this year for the first time a second day focussed on various specific aspects of IFRS, which made it a training day.

The second important focus of work this semester was the elaborate application process for the associate membership of the worldwide accountants' organisation IFAC. SUVA succeeded in meeting the deadline of May 31st with hard work and strong commitment of the project manager. A conference call with IFAC was held to clarify some aspects and supply more information.

Furthermore this semester a committee on the SUVA by laws succeeded in formulating new by laws which were established in the council meeting of May 12th.

Comments from the Supervision Team Leader

Agree with the Executing Agency comments

SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
Purpose: To support the adoption of international standards in accounting and financial management by SMEs in Suriname.	P.11 Percentage of participating SMEs that adopted international standards of accounting and financial management and their internal management improved and is more transparent.	0				60	0	
		Sep 2009				Sep 2011		
Component 1: Studies	C1.11 Situational Analysis Report on the financial management regulatory framework approved by SAA.	0				1	1	Finished
Weight: 30%		Sep 2009				Sep 2011	May 2011	
Classification: Unsatisfactory	C1.12 Needs assessment report approved by SAA.	0				1	1	Finished
						Sep 2011	May 2011	
	C1.13 Review of existing curriculum report and recommendations approved by SAA.	0				1	1	Finished
						Sep 2011	May 2011	
Component 2: Training and Technical Assistance to SMEs & SMPs	C2.11 Number of workshops held for 45 SME operatives from 30 SMEs on applying international accounting standards to their operations.	0				4	0.2	On Course
		Sep 2009				Sep 2011	May 2011	
Weight: 40%	C2.12 Number of SME operatives trained in the application of international accounting standards.	0				45	0	On Course
Classification: Satisfactory		Sep 2009				Sep 2011	Dec 2010	
	C2.13 Minimum number of SMEs that agreed to use international standards in accounting, and actually utilize them.	0				30	0	On Course
		Sep 2009				Sep 2011	Dec 2010	
Component 3: Technical Assistance to SAA	C3.11 Business Plan for Ongoing sustainability	0				1	0.1	On Course
		Sep 2009				Sep 2011	Jun 2011	
Weight: 30%	C3.12 The SUVA offers sufficient certified training , advice and guidance to the finance community within the private, government and education sectors of Suriname	0				2	0	On Course
Classification: Satisfactory		Sep 2009				Sep 2011	Dec 2010	
	C3.13 Joining the IFAC other accounting bodies and associations in the Caribbean, Europe and the USA	0				4	0.4	On Course
		Sep 2009				Sep 2011	May 2011	
Milestones			Planned	Due Date		Achieved	Date achieved	Status
M0	Previous Conditions		3	Feb 2010		3	Feb 2010	Achieved

CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[None reported in this period]

SECTION 4: RISKS

MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE

	Level	Mitigation action	Responsible
1. The unwillingness of the beneficiaries to facilitate moves to adopt international financial reporting standards	Medium	The sterling work of a national committee that is formulating draft legislation regarding improvement of Jaar Rekening, and guiding its ultimate passage through Parliament, will provide a legislative base for improving accounting skills standards within SMEs. The Project	Project Coordinator

		also contemplates the enlistment of umbrella organizations like the Chamber of Commerce to act as instigators for SME modernization. In addition SMEs and their staff who undergo the training programs offered via the project will benefit from certification symbols that are recognized worldwide.,	
2. Unwillingness of the local education institutions to participate and adopt complimentary curricula for training in accountancy and financial management	Medium	The Project will open and maintain vibrant lines of communication with the education institutions, including access to the situational analysis. The Project will also secure commitments wherever necessary and seek the institutions' full participation at all stages.	Project Coordinator
3. The SAA not having firm dedication (in terms of time) to fully execute this project and achieve planned results; plus remain engaged after the project completion	Low	Putting in place a dedicated Project Manager, with appropriate skills, and who is knowledgeable of the needs of the local accounting environment. Additionally, accounting associations like NIVRA and ICAC will be asked will be asked to mentor and encourage SUVA. Project Manager will be provided certain manding to process communication so to accelerate implementation.	Project Coordinator
PROJECT RISK LEVEL: Low TOTAL NUMBER OF RISKS: 3 IN EFFECT RISKS: 3 NOT IN EFFECT RISKS: 0 MITIGATED RISKS: 0			

SECTION 5: SUSTAINABILITY

Likelihood of project sustainability after project completion: P - Probable

CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

Actions related to sustainability which will be or have been implemented:

SUVA strives to develop the current association into a professional organization of accountants. The main goal is to institutionalize the profession and to become the national institute of accountants within the next one to two years. SUVA is building on stronger relations with organisations like NBA (The Dutch Institute of Accountants) and ICAC (The Carribean Institute of accountants). Both organisations have offered help in transforming the SUVA into a Center of Excellence. Becoming an associate member of IFAC also will help in formulating a yearly action plan. Due to the fact that the number of professionals in Suriname is very limited and that all SUVA members have dual membership (also being a member of the Dutch NBA or AICPA), SUVA does not have the possibility so far to sustain financial viability through membership fees. Firms cover a large part of the budget.

SECTION 6: PRACTICAL LESSONS

[No Lessons learned records to Display]