

Improving public sector accounting and reporting systems in Montenegro

The purpose of the project is to provide assistance to the Ministry of Finance of Montenegro in improving the public sector accounting and reporting systems in Montenegro with the aim to adopt the accrual accounting principles. Part of the assistance is to develop a medium-term accounting reform strategy. The assistance will include elaboration of lessons learned from the reforms undertaken in the area of public sector accounting and reporting systems in Slovakia.

The project is implemented under Components 1 and 3.

Status:

1st phase completed, 2nd phase planned

Timeline:

December 2010 – November 2011

Beneficiaries:

Ministry of Finance of Montenegro, Sector for Treasury

Project progress:

- 28 – 30 September 2010. A study visit of MF Montenegro representatives supported by the Programme took place in Slovakia. Participants received presentations by the State Reporting Section of the MF SR on the accounting and reporting systems in Slovakia, including major reforms undertaken in this area.
- Assessment of the public sector accounting and reporting systems was conducted and discussed with representatives of the MF Montenegro. Findings and recommendations were presented at the workshop for the MF Montenegro staff in May 2011.
- Lessons learned document from the reform of the accounting and reporting system in Slovakia was delivered to the MF Montenegro and key success factors of the reform in Slovakia were discussed at the workshops in May and November 2011.
- A proposal for the medium-term strategy for the transition to accrual based accounting in Montenegro was prepared and discussed at the workshop in October and November 2011. A migration plan outlines the timeframe and phases of the transition process including specific steps to be taken in the area of legislation, information systems and staff capacities.
- The strategy is planned to be discussed in the Government of Montenegro in order to obtain a mandate for the MF Montenegro to begin with its implementation for which the assistance of the SlovakAid Programme is envisaged.