Remarks by Deputy Head of Economic Department, Garold Larson at the Symposium on Accounting and Auditing Law

Thank you. When I was reviewing the program for this Symposium I was struck by the urgency of the theme – "Accounting and Auditing in a Crisis Environment". But I was also encouraged by the recognition that this is an environment that requires serious and vigorous change. Your organization is only one among many that have in recent months undertaken to make the necessary changes

In fact, four months ago the BiH authorities and representatives of the main international organizations met at Bjelasnica to consider practical and effective measures to stimulate employment, the key to getting this economy on its feet. At that meeting, three broad themes were agreed, and a specific action plan with clear timelines was subsequently drafted and agreed at Mrakovica. Those three themes were to:

- boost exports
- re-launch the privatization process
- and – perhaps most important – to clean up the business environment

We view the passage and implementation of the Accounting and Auditing Law now before the Council of Ministers as a critical component in building a thriving business environment in BiH. Why is this so?

New investment is imperative if businesses in this country are to grow and compete both regionally and in the EU market. While much of this investment will have to come from outside

the country, foreign and domestic investors will have to have confidence in the accuracy of the financial information on which they are basing their investment decision.

The proposed Law will put in place a uniform set of accounting and reporting standards that will help generate this confidence and will be consistent with other national practices. Moreover, the framework law is designed to be fully compliant with EU directives and practice.

In short, this legislation will bring BiH into the race that other countries in the region have already entered. It will:

- provide easier access to foreign capital markets,
- enhance the credibility of domestic capital markets to foreign capital providers,
- lower the cost of capital to companies
- facilitate the interpretation and evaluation of financial data across borders
- boost confidence by increasing transparency
- and, particularly important for this group, will lead to a global professional credential.

Much work has gone into the design and drafting of this Law, and I congratulate the large number of you who have played an important role in ensuring it meets the needs and aspirations of this country.

I appreciate the opportunity to participate in this important event. The OHR wishes you all success in your efforts to strengthen and revitalize the critical role your expertise plays in making Bosnia and Herzegovina a place where business can grow and thrive with the full confidence of its citizens and foreign investors alike. Thank you.