IFIAR 2026 Member Profile – POB

1. Jurisdiction	**1.1 Insert the name of the jurisdiction in English:** Albania
2. Member[1]	**2.1 Insert the name of the Member, both in the local language and in English:** Bordi i Mbikëqyrjes Publike (BMP) Public Oversight Board (POB)
	2.2 Include relevant contact information, including postal address, telephone number(s), a general email address (if any) and a link to the Member's website: Ismail Qemali's Street, Building no. 27, Apt. 24, 5th floor, Tirana, Albania Telephone no: +355 4 562 8441 Website: http://www.bmp.al
	2.3 Include the basis for establishment of the Member, as well as the legislation or regulations which provide the Member the authority/mandate with respect to audit regulation. Please describe with an appropriate level of detail the mission and responsibilities of the Member with respect to audit regulation: The POB was established in September 2009 according to the Law no.10091, dated 05/03/2009, as amended (i.e. Government of Albania law regulating the audit profession in Albania) for the purpose of enhancing the system for the audit oversight and Decision of Council of Ministers (DCM) no.786, dated 09.11.2016 "About the selection procedures and cases of dismissal of members, and rules of organization and functioning of the Public Oversight Board". The POB carries out the oversight of the profession of statutory auditors and audit firms, either directly, through oversight of all statutory auditors and audit firms, as well as through the oversight of the professional organization of statutory auditors' activity. The purpose of the public oversight system for statutory auditors and audit firms is to increase the assurance that statutory audits are carried out in a transparent, controlled, cautious environment on behalf of the public interest.

[1] In the case where there are two or more regulators from the same jurisdiction that have been approved according to Section 2.3 of the IFIAR Charter, they together are considered as one Member. In that case, regulators are requested to include information for both organizations in the Member Profile.

	The new amendments on the audit law were approved by the parliament in December 19, 2024, the additional rights and duties were introduced in these new provisions as listed from point m) to p). POB has the following right and duties: (a) Prepares the operational regulations of certification and registration authorities of statutory auditors and audit firms, which is sent for approval to the relevant authorities foreseen in this law; (b) Supervises, monitors and evaluates the implementation of the procedures of the certification and registration of statutory auditors and audit firms; (c) Approves the format of public register of statutory auditors and audit firms, registered by the Registration Committee and supervises the compliance of the regulations in relation with the identification number of statutory auditors entered in the register; (d) Approves the code of ethics of statutory auditors and audit firms, prepared and proposed by the professional body of statutory auditors and supervises the application of the code requirements; (e) Supervises the quality control process realized by the professional body of statutory auditors; (f) Supervises programs and continuing professional development of statutory auditors; (g) Approves regulations on investigation and disciplinary procedures; (h) Carries out additional investigations on statutory auditors and audit firms, where it is necessary; (i) Analyses and takes decisions for the candidate's claims regarding their registration; (j) Approves and publishes its annual working programs and reports on its activities; (k) Analyses and takes decisions on disciplinary issues that are under its authority; (l) Analyses and takes decisions on other issues or aspects foreseen by this law or in other laws, which are within its scope of activity. m) Prepares and approves its financial statements in accordance with the relevant requirements of the applicable legislation on accounting and financial statements and approves the statutory auditor or the audit firm, for those; n) Issues acts, which include rules, regulations, orders, guidelines, manuals, or methodologies, in implementation of the competencies provided for in this law or in the relevant applicable legislation, for the fulfillment of regulatory and supervisory functions, as well as for its

	organization and functioning. Regulatory normative acts are published in the Official Gazette; o) Declares as mandatory the professional standards applicable to statutory auditors and audit firms in accordance with the scope of this law, which are published in the Official Gazette; p) Approves regulatory acts related to cooperation and the exchange of inter-institutional information domestically and internationally.
	2.4 Please indicate whether the Member has responsibility for the following tasks within the area of Audit Oversight: **☑ Licensing** **☑ Registration** **☑ Audit and/or Ethics Standard Setting** **☑ Permanent Education / Continous Training of Auditors** **☑ Inspection** **☑ Enforcement** **☑ Other: Chartered Accountant**
3. Governing Body Composition and members	**3.1 Describe with an appropriate level of detail the current composition of the Member's governing body, including, where possible, the names, the organization they represent (if any) and brief backgrounds of the governing body members, or provide a link to a page on your website where this information is provided.** • Elira Hoxha Chairwoman (non-practitioner) • Dorida Marku Member (non-practitioner) • Sanije Tafa Member (non-practitioner) • Ensemvlera Zake Member (non-practitioner) • Lirim Sulaj Member (non-practitioner) Public Oversight Board is composed of five non-practitioner members, who are knowledgeable in the areas relevant to statutory audit, appointed by the Minister responsible for Finances and Economy and have a 4-year mandate, with the right to be re–elected not more than twice. Board members are selected based on defined criteria and through an independent and transparent competition procedure. Mrs. Aida Hoxha is the Acting Executive Director of Public Oversight Board (POB). POB, in exercising its functions, has an internal support structure 3 Senior Quality Assurance Inspectors, a Finance Specialist, 2 Legal Affair Specialists, and 1 administrative specialist. https://bmp.al/
	3.2 What are the eligibility criteria / requirements and composition requirements for the members of the governing body? E.g. Does

	national legislation require representatives on the governing body from certain organizations, or with specific experience, etc. Members of POB must meet the following criteria: a) To have Albanian citizenship; b) To have moral and professional integrity; c) To have not been punished by a final decision; d) To possess, at least, "Master of Science" or equivalent diploma with them, under the High Education Legislation, and 10 years of experience, or a degree or academic title and 7 years of experience in matters of statutory auditing and accounting. e) To not have close ties, up to the second degree, with people in the elected bodies of the professional organization of statutory auditors. As mentioned in the above section, POB is composed of five non-practitioner members. The head and three members are nominated by the Minister of Finance, one of which must be selected from higher education institutions; One member is nominated by the Parliamentary Committee for Economy and Finance.
	3.3 Is there a restriction or recusal process that is applicable to members of the governing body of the Member who are current or former auditors/practitioners? **☑ Yes ☐ No** **Does this include a "cooling-off" period for former auditors?** **☑ Yes ☐ No** **If yes to either of the above, please describe:** Based on the Law no. 10091, dated 05.03.2009 **"**On statutory audit, organization of statutory auditor and chartered accountant professions", as amended, non-practitioner is a person who has knowledge in the field of statutory auditing and has not conducted audits and has not been employed or engaged in other forms in an audit company for at least three years before his/her appointment to the position of member of POB, has not had the right to vote in an audit firm, at least for a period of three years before his/her appointment to the position of member of POB and has not been member of the government and/or management of an audit company, at least, for a period of three years, before his/her appointment to the position of member of POB.
4. Independence safeguards	**4.1 Please describe the national independence requirements for the governing body and its members, and legal or regulatory**

	requirements/provisions in place that safeguard their independence from the audit profession. Based on the Law no. 10091, dated 05.03.2009 "On statutory audit, organization of statutory auditor and chartered accountant professions", as amended Article 4 (2) 2.Public Oversight Board is composed of five non-practitioner members, who are knowledgeable in the areas relevant to statutory audit. 3.Board members are appointed by the Minister of Finance and have a 4-year mandate, with the right to be re – elected not more than twice as follow: a) the chairman and three members are proposed by the Minister of Finance, one of whom is selected by the higher education institutions; b) one member is proposed by the Parliamentary Commission responsible for Economy and Finance. Board members are selected according to a transparent procedure and must meet the following criteria: a) to have Albanian citizenship; b) have moral and professional integrity; c) have not been convicted by a final decision; (d) possess, at least, a "Master of Science" or equivalent diploma with them under the Higher Education Legislation and 10 years of experience or a degree or title and 7 years of experience in statutory audit and accounting matters; d) Do not have close connections, to the second degree, with persons in the elected bodies of the professional organization of statutory auditors. **Are employees of the Member covered by the same or separate set of independence requirements?** **☐ Same set of requirements ☑ Different set of requirements** **If there are separate independence requirements for employees, please describe:** Based on the Law no. 10091, dated 05.03.2009 "On statutory audit, organization of statutory auditor and chartered accountant professions", as amended Article 4 (5) 5. The board, in exercising its supervisory, administrative and quality assurance functions, is assisted by a supporting structure who will be involved in the quality assurance control, must meet at least the following criteria:

	a) Have completed university studies of the second level or equivalent with that in the auditing, finance or accounting profile; and have at least seven (7) years of experience in the statutory audit and financial reporting field and in sustainability reporting, as well as in providing assurance on sustainability reporting or other related sustainability services, combined with specific training in quality assurance, where applicable; b) Are not practicing as statutory auditor or employed by or otherwise associated with a statutory auditor or an audit firm; c) Have no conflict of interest between them and the statutory auditors or audit firm. Before starting the process of quality assurance have to complete a written declaration, where they declare that there is no conflict of interest. 6. By way of derogation from point "b" of point 5 of this article, the Board may contract experts for carrying out specific inspections when: a) the number of inspectors within the authority that cover quality assurance issues is insufficient. b) when this is essential for the proper conduct of an inspection. In such instances, the engaged experts shall comply with the requirements of point 5 of this article and shall not be involved in the governance of, or employed or otherwise contracted by professional associations and bodies, but may be members of such associations or bodies. 7. Employees covering quality assurance issues cannot perform quality assurance for a statutory auditor or audit firm until they have passed, at least three years from the moment this person ceased to be a partner, employed or associated with that statutory auditor or audit firm.
	4.2 Are there any additional safeguards in place that provide for the Member's overall independence from the audit profession? E.g. through the appointment process, specific Board actions, etc. **☐ Yes ☑ No** **If yes, please describe:**
5. Funding Arrangements	**5.1 Describe the main funding arrangements of the Member, including the setting and approval of the budget:** Board's activity is funded as follows: **Own sources of funding as below:** a) A fee of 3 percent on the invoiced fee for each statutory auditor of the Public Interest Entities, paid by statutory auditors and audit firms performing audits in Public Interest Entities.

	b) Other funds up to a maximum of 10% as a contribution from professional organizations subject to oversight by the Public Oversight Board. c) Fees charged to statutory auditors and audit firms, subject to disciplinary measures to cover the costs of disciplinary procedures, imposed by the Public Oversight Board. d) Surplus funds from the testing process for chartered accountants and candidates for statutory auditors. e) Other funds from legal sources and uninfluenced by statutory auditors, including but not limited to grants allocated for quality assurance and oversight of the profession. POB in 2025 has approved the Regulation "On the procedures and rules for the collection of revenues of the Public Oversight Board.
	5.2 Is the funding free from undue influence by the profession? **☑ Yes ☐ No** **Please describe with an appropriate level of detail the safeguards in place to prevent undue influence by the profession:** POB has approved in 2025 the Regulation "On the procedures and rules for the collection of revenues of the Public Oversight Board, where has established the rules and procedures for collection of the revenues to finance POB oversight functions and conduct its normal activity.
6. Audit Market	**6.1 Provide the number of audit firms subject to inspections. Include an indication of the number of public interest audits (PIEs) and other audits that fall under the Member's oversight or mandate.** In total, there are 81 audit firms and 143 sole practitioners subject to inspection from POB. The new decision of council of minister's no. 17 date 16 January 2019, defines the entities that constitute "PIE's". In 2025, were reported 3809 audited entities where 960 are PIEs, from which, 87 entities are financial institutions (banks and non-banks). The oversight responsibilities for the inspections of audits of PIE's remain with POB. Over 2, 849 entities are non-PIE entities, whose inspections of audits fall under the POB. POB has performed 4 full scope quality assurance inspections and 41 thematic quality assurance inspections with a total of 45 quality assurance inspections, for 2025. In 2025, POB has delegated the performance of 45 Non-PIE Audit quality assurance inspection to the professional organization of the statutory auditors.

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6.2 Please describe the sizes (in terms of revenue / number of listed entity clients / number of partners and audit staff / etc. – whichever measure is commonly used and available in your jurisdiction) and market shares of each of the largest audit firms in the Member's jurisdiction.

The largest audit firms (6 largest firms) in terms of revenue, account for about 53,39 % of the public interest companies audit market listed as follows:

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<tr><th>Nr.</th><th>Audit Firm</th><th>PIE audit market share</th></tr>
<tr><td>1</td><td>Ernst & Young Albania</td><td>12,15 %</td></tr>
<tr><td>2</td><td>Deloitte Audit Albania</td><td>10,39 %</td></tr>
<tr><td>3</td><td>Forvis Mazars</td><td>9,99 %</td></tr>
<tr><td>4</td><td>Kreston Albania</td><td>8,77 %</td></tr>
<tr><td>5</td><td>Grant Thornton Albania</td><td>7,39 %</td></tr>
<tr><td>6</td><td>PricewaterhouseCoopers Assurance Services Albania</td><td>4,69 %</td></tr>
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The rest (46,61%) are other audit firms/sole practitioners which consists of mainly local firms.
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<td>7. Inspection System</td>
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7.1 Does the Member have the responsibility for recurring inspections of audit firms undertaking audits of public interest entities (PIEs)?

☑ Yes ☐ No
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7.2 Is this responsibility undertaken directly or through oversight of inspection conducted by another organization?

☑ Directly ☐ Through Oversight

If directly, please describe the responsibility, including the follow-up and reporting process, and the regulatory measures available to be taken as a result of inspections (if described in Question 12 Enforcement, please reference that section for details on such measures).

If through oversight of another organization, please describe with an appropriate level of detail the other organization, its relation to the Member, its role, and the arrangements for oversight by the Member:

POB has a division unit composed of 3 full-time employed Senior Quality Assurance Inspectors who have significant experience in auditing, financial reporting and related fields and are independent of statutory auditors and audit firms. Inspections are delivered in a transparent, controlled and caring environment on behalf of public interest.
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	7.3 Please describe with an appropriate level of detail the requirements and practices regarding the frequency of inspections: The quality assurance review shall take place on the basis of an analysis of the risk; however, such a review is done at least once every three years for statutory auditors and audit firms that perform audits of Public Interest Entities and once every six years for auditors and audit firms that perform audits of other entities.
	7.4 Does the Member have its own inspection staff, use reviewers from the professional body or sub-contract to third parties, independent contractors, etc. for the conduct of inspections? Please tick the boxes that apply: *(multiple responses allowed) Note that there is no need to tick a box if non-employee reviewers are used very occasionally and are not a core staffing approach.* **☑ Employees of the Member** **☐ Professional body** **☑ Third Parties** **☐ Other** **Please explain below:** As explained in point 4.1 based on the Law no. 10091, dated 05.03.2009 "On statutory audit, organization of statutory auditor and chartered accountant professions", as amended Article 4 (5) 5. The board, in exercising its supervisory, administrative and quality assurance functions, is assisted by a supporting structure who will be involved in the quality assurance control, must meet at least the following criteria: a) Have completed university studies of the second level or equivalent with that in the auditing, finance or accounting profile; and have at least seven (7) years of experience in the statutory audit and financial reporting field combined with specific training on quality assurance reviews; b) Are not practicing as statutory auditor or employed by or otherwise associated with a statutory auditor or an audit firm; c) Have no conflict of interest between them and the statutory auditors or audit firm. Before starting the process of quality assurance have to complete a written declaration, where they declare that there is no conflict of interest. 6 By way of derogation from point "b" of point 5 of this article, the Board may contract experts for carrying out specific inspections when: a) the number of inspectors within the authority that cover quality assurance issues is insufficient. b) when this is essential for the proper conduct of an inspection.

	In such instances, the engaged experts shall comply with the requirements of point 5 of this article and shall not be involved in the governance of, or employed or otherwise contracted by professional associations and bodies, but may be members of such associations or bodies. 7. Employees covering quality assurance issues cannot perform quality assurance for a statutory auditor or audit firm until they have passed, at least three years from the moment this person has ceased to be a partner, employed or associated with that statutory auditor or audit firm.
8. Licensing	**8.1 If the Member has the responsibility for Licensing, please indicate whether this responsibility is undertaken directly or through oversight of Licensing conducted by another organization?** **☐ Directly** **☑ Through Oversight** **If directly, please describe the responsibility, including any changes, with an appropriate level of detail.** **If through oversight, please indicate the name of the other organization and its composition. Also, give a description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures.** In order to tests the candidates for statutory auditors, concerning the final exam, **the Public Oversight Board** establishes the Professional Skills' Exam Commission. This Commission is composed by 5 members, appointed by Minister of Finance, proposed by: professional organizations or NAC, universities, professional organizations of statutory auditors and the chairman from the Ministry of Finance. The functioning regulations of the Professional Skills' Exam Commission shall be drafted and approved by the **Public Oversight Board.** The regulations and procedures of the tests and the system of the evaluation of each discipline are proposed by the professional organization of statutory auditors and approved by **the Public Oversight Board.**
9. Registration	**9.1 If the Member has the responsibility for Registration, please indicate whether this responsibility is undertaken directly or through oversight of Registration conducted by another organization?** **☐ Directly** **☑ Through Oversight** **If directly, please describe the responsibility, including any changes, with an appropriate level of detail.** **If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a**

	description of the powers of the other organization and procedure applied, as well as the role of the Member in these procedures. The professional organization of statutory auditors shall establish a committee for the application of registration procedures in the public register of statutory auditors, national and foreigners, of the auditing firms, be them national or foreign. Detailed rules on functioning of the Registration Committee as well as the procedures for taking decisions and approving the registration is proposed by the professional organization of statutory auditors and is approved **by the Public Oversight Board**.
10. Audits and/or Ethics Standard Setting	**10.1 If the Member has the responsibility for Audit and/or Ethics Standard Setting, please indicate whether this responsibility is undertaken directly or through oversight of Audit and/or Ethics Standard Setting conducted by another organization?** **☐ Directly ☑ Through Oversight** **If directly, please describe the responsibility, including any changes, with an appropriate level of detail.** **If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.** Based on the amended provisions in the audit law, POB has the responsibility to declare as mandatory the relevant audit Standards and Ethics. Yet, the professional body of statutory auditor is responsible and ensures timely translations of the standards, and ensures that its members comply with the Code of Ethics and professional standards requirements.
11. Permanent Education / Continuous Training of Auditors	**11.1 If the Member has the responsibility for Permanent Education / Continuous Training of Auditors, please indicate whether this responsibility is undertaken directly or through oversight of Permanent Education / Continuous Training of Auditors conducted by another organization?** **☐ Directly ☑ Through Oversight** **If directly, please describe the responsibility, including any changes, with an appropriate level of detail.** **If through oversight, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the powers of the other organization and procedures applied, as well as the role of the Member in these procedures.**

	Statutory auditors are subject of continuing professional training, which is compulsory and last at least 40 hours per year. The professional body of statutory auditors determines periodicity of continuing professional developments. In addition to the professional body of statutory auditor, training for continuing professional developments is organized by: institutions of higher education, other professional training centres properly equipped with facilities and staffs for ensuring a qualitative training that complies with the approved continuing professional development programs and audit firms, which have enough facilities and staff for organizing training of their employees. These organizations have to inform **POB** before conducting this activity. The professional organization of statutory auditors shall propose for approval to the **Public Oversight Board** the regulations for the continuous qualification, containing suitable sanctions starting with a penalty and going as far as removing the right to exercise the profession for up to three years for failure to meet the continuous education requirements.
12. Enforcement	**12.1 If the Member has the responsibility for Enforcement, please indicate whether this responsibility is undertaken directly or through referral to other organization(s)?** **☑ Directly** **☐ Through Referral** **If directly, please describe the responsibility and procedures applied (including investigations, disciplinary actions or sanctions), as well as the reporting process for disciplinary action.** **If through referral, please indicate the name of the other organization and its composition (i.e. whether practitioners from the audit profession are involved in decision-making). Also, give a description of the enforcement powers of the other organization and procedures applied, as well as the role of the Member in these procedures.** The competent body for imposing disciplinary measures is the Public Oversight Board. Within the POB is established the ***The Commission for Investigation and Disciplinary Measures.*** However, even though the professional organization of the Statutory Auditors and the professional organizations of the Certified Accountants through their own investigation structures which operate under the regulations approved by POB, or any other person, who identifies the cases that are not in conformity with this law provisions or other secondary laws and regulations issued following this law, is entitled to inform immediately the POB, making available all the relevant documents that prove for the infringement.

	Then, the whole process is investigated by POB itself though its ***Investigation and Disciplinary Measures Commission***.
13. Other Responsibilities in Audit Oversight or Audit Regulation	**13.1 If the Member has the responsibility for <u>other tasks within the area of Audit Oversight or Audit Regulation</u>, please describe with an appropriate level of detail:** The activities of the POB are related with the certified accountant title. These accountants are part of the test of the Professional Skills' Exam Commission. The functioning regulations of the Professional Skills' Exam Commission are drafted and approved by the **Public Oversight Board.** The regulations and procedures of the tests and the system of the evaluation of each discipline are proposed by the professional organization of statutory auditors and approved by **the Public Oversight Board.**
14. Main Other Responsibilities of the Member <u>outside</u> the area of Audit Oversight or Audit Regulation	**14.1 Please describe with an appropriate level of detail, the responsibility of the Member for <u>tasks outside the area of audit oversight or audit regulation</u> such as supervision of financial reporting or securities regulation:** None
15. Member Update for public information (if any)	**15.1 Are there any major news, activities, events or updates (on audit matters, the Member's organization, the governing legislation or the authority/responsibilities) that you wish to keep the public informed of since completing last year's Member Profile?** **☑ Yes ☐ No** **If yes, please describe these changes with an appropriate level of detail:** - **The Committee of European Auditing Oversight Bodies (CEAOB), at its 29th Plenary meeting held in Brussels on 18–19 November 2025, approved the Public Oversight Board (POB) for observer status at Plenary level.**