



SOUTH EASTERN EUROPEAN PARTNERSHIP ON ACCOUNTANCY DEVELOPMENT

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SEEPAD
President's Office

Agenda Item No. 6

To,
The SEEPAD General Assembly

In the letter received by the SEEPAD Secretariat on the 5th of April 2007, the SCAAK President, Mr. Nazmi Pllana requested to the SEEPAD President to explain during the General Assembly of April 29th 2007 the reasons for delaying the final decision regarding SCAAK's application.

I remind you the following information:

According to the SEEPAD Charter a SEEPAD membership application follows the steps below:

- 1) Registration of the application; SCAAK's application was registered to the SEEPAD Secretariat in 2004.
- 2) Examination of the application by the Membership Committee and presenting the conclusions in the SEEPAD Council; the examination's conclusions were presented to the SEEPAD Council during the meeting of February 10th 2005.
- 3) Debate and decision of the SEEPAD Council; on February 10th, 2005 the Council debated and by Decision no. 02/C art. 8 of February 10th 2005 decided to present the application to the first meeting of the General Assembly, according to art. 5.2.2.3. point d of the Charter, which states "the Council recommends to the General Assembly the professional bodies to be admitted to membership".
- 4) Following the submission to vote in the meeting of the General Assembly of April 30th 2006, the SCAAK application did not obtain 2/3 of the number of members, as the Charter provides (art. 5.1.3.2. point b)



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Taking into consideration that:

1. SCAAK has showed interest for developing the profession and for the international accounting and auditing standards by participating in all SEEPAD actions and in international events;
2. SCAAK is concerned to apply and observe the SEEPAD Charter;
3. In the General Assembly of April 30th 2006, 3 of the 9 members (over 33%) were absent, respectively the Institutes from Montenegro and Albania, which makes the result of the voting inconclusive (a presence of 2/3 of the members). In the decisions of the General Assembly there are no mentions regarding the admittance or rejection of SCAAK's application, which may result from the Charter which provides that it decides only on admitting new members and excluding a member; there is no mention regarding the rejection of an application.

The Council decided in favor of the admittance.

I quote from art. 8 of the SEEPAD Council Decision no. 02/c of February 10th 2005 "The application forms presented by TURMOB, Turkey and SCAAK, Kosovo are adopted and it is also decided to forward them for approval to SEEPAD's General Assembly in its first session."

4. SEEPAD is an association of professional bodies and must work in a transparent and fair manner; SEEPAD's strategic objectives, especially those referring to international recognition, including by IFAC, and the support from international bodies would be seriously affected if there was another approach, apart from the professional manner according to the principles and rules comprised in the Charter.

The materials of the General Assembly of April 30th 2006 do not show that SCAAK has failed to meet any of the admittance conditions provided in art. 3.1. of the SEEPAD Charter.

For these reasons:

On the basis of art. 5.1.5.1. and the exception provided in art. 5.1.5.2 the SEEPAD President proposes to the General Assembly to rediscuss and take a decision regarding the SCAAK application, within item 6 of the announced Agenda.