

Accounting Disclosure Practices at the Algiers Stock Exchange

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Abstract:

This study examines the reality of accounting disclosure practices among companies listed on the Algiers Stock Exchange. It addresses the concept of accounting disclosure, its importance, objectives, and governing rules, as well as the impact of financial statement quality on corporate reporting. Financial statements are prepared to meet the common information needs of users who make economic decisions—including when to buy, hold, or sell stock investments; how to assess management performance and its stewardship responsibilities; how to evaluate an entity's capacity to meet employee obligations; and how to determine distributable profits and dividend returns. The findings indicate that the level of accounting disclosure on the Algiers Stock Exchange remains insufficient relative to international market standards.

Keywords: Accounting Disclosure; Financial Market; Financial Statements; Accounting Information.

الملخص:

لقد تطرقت هذه الدراسة إلى واقع الإفصاح المحاسبي للشركات في بورصة الجزائر، وتناولت مفهوم الإفصاح المحاسبي وأهميته وأهدافه وقواعده، وتأثير جودة التقارير المالية. حيث يتم إعداد البيانات المالية لتلبية الاحتياجات الاقتصادية لمستخدميها. وقد خلصت نتائج الدراسة إلى أن واقع الإفصاح في البورصة الجزائرية غير كافٍ مقارنة بالبورصات العالمية.

الكلمات المفتاحية: الإفصاح، السوق المالي، القوائم المالية، المعلومات المحاسبية.

Résumé :

Cette étude examine la réalité des pratiques de divulgation comptable parmi les entreprises cotées à la Bourse d'Alger. Elle aborde le concept de divulgation comptable, son importance, ses objectifs et ses règles directrices, ainsi que l'impact de la qualité des états financiers sur l'information financière des entreprises. Les états financiers sont préparés pour répondre aux besoins d'information communs des utilisateurs qui prennent des décisions économiques — notamment pour déterminer quand acheter, conserver ou vendre des investissements boursiers ; comment évaluer la performance de la direction et ses responsabilités de gérance ; comment évaluer la capacité d'une entité à remplir ses obligations envers les employés ; et comment déterminer les bénéfices distribuables et le rendement des dividendes. Les résultats indiquent que le niveau de divulgation comptable à la Bourse d'Alger reste insuffisant par rapport aux normes des marchés internationaux.

Mots-clés : Divulgation comptable ; Marché financier ; États financiers ; Information comptable.

1. Introduction

Accounting thought has witnessed growing recognition of and interest in accounting disclosure, particularly its relationship with the credibility of financial reports and statements. Capital markets provide sound channels for individual investors - especially small investors - to participate in economic growth, and they serve as a key instrument for stimulating national economic development while generating benefits related to asset ownership, investment returns, and liquidity.

Listed companies are also incentivized by these markets to monitor changes in their share prices and to improve performance and profitability, which in turn enhances shareholder value. The more efficient capital markets are, the better they fulfill their vital mission of supporting and consolidating a country's economic stability.

Since accounting aims to achieve two core functions - measuring the economic activity of an entity and communicating information to users to support decision-making - it is essential to apply accounting policies and principles that ensure full disclosure of economic and financial information reflecting the fundamental facts and relationships pertaining to the entity.

In this context, accounting disclosure stands as one of the most important accounting standards. Accordingly, the International Accounting Standards Committee (IASC) issued International Accounting Standard No. 1 (IAS 1), titled "Presentation of Financial Statements," in July 1998, replacing IAS 1 on disclosure of accounting policies, IAS 5 on information to be disclosed in

financial statements, and IAS 13 on the presentation of current assets and current liabilities.

In keeping with these developments, the Algiers Stock Exchange has made modest progress in this area, yet significant effort remains required to reach international disclosure standards.

The central research question guiding this study is:

What is the level of compliance with international financial reporting disclosure requirements among companies listed on the Algiers Stock Exchange?

To address this question operationally, the following research sub-questions are formulated:

1. What is the overall disclosure index score of listed companies on the Algiers Stock Exchange when evaluated against a standardized accounting disclosure grid?
2. To what extent does the mandatory accounting disclosure level vary across different sectors represented on the Algiers Stock Exchange?
3. What are the specific areas of financial reporting (e.g., notes to the financial statements, corporate governance, forward-looking indicators) where disclosure gaps are most pronounced compared to international benchmarks?

Analytical Framework: To provide a rigorous structural answer, this study establishes an explicit analytical framework utilizing a comprehensive Accounting Disclosure Index (ADI) based on a

customized disclosure grid. This grid maps mandatory presentation items against international reporting benchmarks, allowing a quantified assessment of transparency levels.

To address this question comprehensively, the study is organized around the following two axes:

- **Axis 1:** Concept, Types, and Components of Accounting Disclosure.
- **Axis 2:** Disclosure at the Algiers Stock Exchange.

Objectives: To identify the strengths and weaknesses in the implementation of accounting disclosure provisions at the Algiers Stock Exchange.

Significance: This study highlights the impact and role of disclosure and transparency in the development of financial markets, and their positive or negative repercussions on economic stakeholders.

Methodology: This study adopts a precise quantitative and empirical approach structured as follows:

- **Company Selection Criteria:** The sample comprises all non-financial corporate entities officially listed on the Main Market of the Algiers Stock Exchange during the 2018–2019 period, namely: SAIDAL Group, EL AURASSI Hotel Management, Alliance Assurances, BIOPHARM, and NCA ROUÏBA. To be selected, companies must have published complete, audited annual financial reports for the fiscal years under review.
- **Disclosure Measurement Tool:** An unweighted Accounting Disclosure Index (ADI) is constructed using a disclosure grid consisting of 50 key items derived from the requirements of

International Accounting Standard No. 1 (IAS 1). Each item is scored dichotomously: 1 if the item is disclosed, and 0 if it is omitted. The total ADI for each firm is calculated as the ratio of total items disclosed to the maximum applicable disclosure items.

- **International Standard Comparison Protocol:** The calculated corporate ADI scores are systematically benchmarked against an international baseline target (an optimal disclosure threshold of 85% compliance typically observed in mature and structured regional markets). Statistical deviations are computed to establish both relative and absolute compliance deficits.

2. Concept, Types, and Components of Accounting Disclosure

2.1 Definition of Accounting Disclosure

In accounting, the term "disclosure" refers to the process of revealing and presenting essential information about economic entities to parties with current or future interests in those entities. This also implies that information must be presented in financial statements and reports in a language that is clear and comprehensible to the informed reader, without ambiguity or misleading content. Accordingly, accounting disclosure is considered one of the key instruments of communication—without which the outputs of the accounting system would serve no purpose. It is important to note that communication and information dissemination occur not only through financial statements but through the entirety of financial reports. As a result, accounting disclosure can take multiple forms depending on where the information is presented, the type of information, or the purpose behind the disclosure.

Accountants differ on a precise definition of accounting disclosure. Some view it as encompassing all financially relevant information, whether inside or outside the core framework of financial statements, including the methods used in preparing those statements. ¹ Other writers define financial disclosure as the publication of financial information - whether quantitative or descriptive, mandatory or voluntary, through formal or informal channels. ² Still others define the term more broadly as the dissemination of financial information about an entity through financial and periodic reports. It may also be used more specifically to refer to information not included in the financial statements themselves. ³ A further definition frames financial disclosure as the full and clear presentation of facts, events, or circumstances in the balance sheet and other financial statements, in the form of explanatory notes, marginal headings, or audit reports. ⁴

2.2 Types of Accounting Disclosure

The term "disclosure" in accounting refers to the presentation of essential information about an entity that is expected to influence the decisions of an informed reader. Disclosure in financial reporting addresses several key issues: ⁵

- Defining the objectives of disclosure and the nature of financial information users, including their capacity to use and interpret the information.
- The manner in which financial information is to be disclosed.
- The appropriate timing for the disclosure of financial information.

In general, two perspectives on financial disclosure exist: the traditional view - known as protective disclosure - and the modern view - known as educative or informational disclosure. The main types of accounting disclosure are as follows: ⁶

2.2.1 Protective Disclosure

Protective disclosure aims to safeguard ordinary investors who have limited familiarity with financial information, by eliminating any potential harm arising from unfair practices. This type of disclosure relies on simplifying financial information to a level understandable by an investor with limited knowledge, avoiding high-uncertainty information, and accounting for the investor's limited capacity when determining the appropriate volume of disclosure.

Protective disclosure requires objective and unambiguous information presentation, ensuring clarity through the following disclosures:

- Changes in financial policies related to asset replacement and valuation,
- Changes in the legal or administrative nature of the accounting entity,
- Potential gains and losses with a material impact on future operations,
- Financial commitments, especially long-term obligations,
- Events occurring during or subsequent to the financial year under review.

2.2.2 Educative (Informational) Disclosure

This type of disclosure aims to provide information useful for investment decision-making purposes, based on the following considerations:

- The objective of financial information should extend beyond traditional oversight - i.e., management accountability - to include providing relevant and useful information for decisions such as investment and financing.
- Individual investors with limited capacity to interpret financial data may benefit from the advisory services of professional financial analysts who possess expertise in financial information and its uses.
- It is essential that disclosed information in financial statements be oriented toward helping investors estimate variables used in measuring relative risk.

Educative disclosure is associated with financial markets that reflect the impact of information quickly and fairly, in order to facilitate the pricing of quality investments. It therefore aims to provide information enabling the market to arrive at balanced prices, ensuring an equitable distribution of returns and risks - thereby reducing the drawbacks of using insider information for the benefit of certain stakeholders at the expense of others.

This type of disclosure expands the volume of information published, with a focus on information requiring greater analysis and expertise, such as financial forecasts, interim reports, and segment information. Examples include:

- Information on the effect of price changes,
- Financial forecasts and projections,

- Segment reports by product line or geographic area,
- Components of fixed assets and inventory elements,
- Current and estimated capital expenditure and sources of financing,
- Methods for valuing foreign currencies held by the company,
- Management policy regarding reserves, provisions, and dividend distribution.

2.2.3 Mandatory Disclosure

Mandatory disclosure arises from the issuance of laws and professional standards that require economic entities to regulate the content, presentation, and timing of published financial reports. Regulatory authorities or professional bodies issue accounting standards that must be followed during the measurement phase, or they specify the accounting information that must be disclosed in the reporting phase.

Proponents of mandatory disclosure emphasize its importance for achieving optimal resource allocation and equitable distribution of returns among various stakeholders. They also argue that mandatory accounting disclosure builds confidence in capital markets, encouraging investors to direct their savings toward various investment opportunities. Furthermore, they assert that capital markets alone cannot guarantee sufficient voluntary disclosure.⁷

Mandatory disclosure is considered an effective instrument for controlling agency costs. Both owners and creditors use it to set specific limits that reduce such costs. The objective of mandatory disclosure is therefore to provide accounting information to users of financial reports, enabling optimal allocation of scarce economic

resources, preventing abnormal returns derived from information asymmetry, and stimulating capital markets. ⁸

2.2.4 Adequate Disclosure

Adequate disclosure refers to setting a minimum threshold of accounting information that must appear in financial statements. The concept of "minimum" is not precisely defined, as it varies according to needs and interests, and it depends in particular on the expertise of the end user. In practice, this means that financial statements, their notes, and supplementary information should contain all available information relevant to the entity, so as to avoid misleading interested parties. Adequate disclosure is considered one of the most important principles governing the preparation of financial statements.

2.2.5 Fair Disclosure

Fair disclosure requires balanced consideration of the information needs of all financial stakeholders. Financial statements and reports must be structured in a way that does not favor the interests of any particular group over others - ensuring that all stakeholders are treated equitably. Information must be disclosed in a fair manner that guarantees equal access for all beneficiaries, without bias toward any specific party.

2.2.6 Full Disclosure

Full disclosure refers to the comprehensiveness of financial reports and the importance of covering any information with a

material effect on the reader. The emphasis on full disclosure stems from the central role of financial statements as the primary source used in decision-making. It extends beyond facts known at the end of the accounting period to include certain subsequent events that could materially affect the users of those statements. As a result, full disclosure encompasses all available accounting information, which can result in large volumes of data and risk overwhelming users with information they may not necessarily need.

2.3 Components of Accounting Disclosure

The accounting disclosure framework comprises three components: the disclosure environment, the characteristics and qualities of disclosure, and the implications of disclosure. ⁹

2.3.1 The Disclosure Environment

The disclosure environment encompasses the following elements:

Corporate history: Companies with a track record of growing profits tend to enjoy greater stakeholder confidence and are inclined to expand their disclosure. Conversely, companies with a history of recurring losses and declining product quality tend to reduce the volume of disclosure and delay the communication of negative news.

Corporate disclosure strategy: Management makes voluntary disclosure decisions by weighing two strategies: proactive disclosure, which depends on the type of information available and its competitive sensitivity; and retroactive disclosure, where

management may choose to disclose favorable results while withholding unfavorable ones.

Competitive and financial position: Despite the potential negative effects of accounting disclosure on a company's competitive position, it can also increase competition among firms, thereby benefiting the national economy. Countries with high-quality, wide-ranging disclosure enable companies to reduce their cost of capital, improve liquidity, and enhance transparency - all of which attract foreign investment to domestic capital markets and confer a competitive advantage in global financial markets.

The market: Numerous studies have confirmed a positive relationship between higher levels of disclosure and increased liquidity and capital market efficiency. Greater disclosure reduces uncertainty in capital markets, encouraging more investors to engage in buying and selling, thereby increasing market participation and improving the efficient allocation of resources and economic growth.

2.3.2 Qualities and Characteristics of Disclosure

The framework developed by the Financial Accounting Standards Board (FASB) is widely regarded as one of the most comprehensive frameworks addressing the qualitative characteristics of accounting information¹⁰. These characteristics include:

Understandability: The ability of information users to comprehend the meaning and significance of disclosed information, enabling them to use it as an input for decision-making.

Relevance: Information is relevant when it enables users to reach the best available decision alternative, either through its high predictive capacity, its ability to confirm or correct prior expectations, or its timely delivery before losing its significance.

Reliability: This refers to the extent to which accounting information is free from material errors and bias, making it verifiable and neutral. Two secondary characteristics are also associated with reliability: comparability (consistency in measurement and disclosure methods across firms) and consistency (a firm's application of the same accounting treatments from one period to another, unless a change is warranted by demonstrably superior alternatives). ¹¹

Objectivity: Objectivity requires freedom from bias, ensuring that different measurement specialists reach the same decision based on identical accounting information, supported by objective, documentary evidence for every transaction recorded in the books and statements.

Timeliness: Information must be communicated to beneficiaries without delay and at the point of need - ensuring that accounting data remains current and does not lose its relevance or utility. Timely reporting involves two key elements: the period covered by financial reports (quarterly, semi-annual, or annual); and the time elapsed between the end of the reporting period and the publication and use of such reports, which should be minimized as much as possible to prevent the use of internal information to generate abnormal returns.

2.3.3 Implications of Disclosure

Voluntary disclosure decisions affect a company's interests across the following dimensions: ¹²

Cost of capital: Most studies concur that additional disclosure reduces a company's cost of capital. Disclosure enables investors and creditors to better understand and assess investment risk. The cost of capital is composed of three elements: the risk-free rate of return, business risk, and information risk. Through disclosure, these risks can be more accurately estimated, thereby lowering the overall cost of capital.

Liquidity: High-quality additional disclosure contributes to liquidity in capital markets, supporting efficient capital allocation at the national level. Greater disclosure reduces information asymmetry and uncertainty among investors, which leads to an increase in the number of transactions and, consequently, to greater market liquidity.

Ownership structure: Most research suggests that companies with a high proportion of debt financing tend to provide greater voluntary disclosure, due to the higher agency costs associated with such capital structures.

3. Disclosure at the Algiers Stock Exchange

3.1 Establishment and History of the Algiers Stock Exchange

Beginning in 1988, Algerian authorities embarked on a comprehensive structural reform process, with the objective of preparing the productive sector for financial autonomy and reducing

administrative interference in public enterprises, in accordance with Law No. 88/01 (the Orientations Law for Public Enterprises).

Eight participation funds were established under Law No. 88/03, serving as intermediaries between public authorities and public economic enterprises. Ownership rights were delegated to these funds, which played a central role in managing public sector companies.

The establishment of the Algiers Stock Exchange passed through several key phases: ¹³

Phase 1: 1990–1992

In order to align with the new economic environment based on market freedom, the State replaced the participation funds with holding companies on November 9, 1990, organized as joint-stock companies. These seven holding companies—covering hydrocarbons, equipment, construction, chemicals and pharmaceuticals, communications and electronics, industry, and services - were tasked with organizing and monitoring state-owned capital and capital flows among subsidiary commercial enterprises. Their number was reduced to five by 2000. ¹⁴

The organizational framework of joint-stock companies necessitated the creation of a market for trading their shares. In 1990, public authorities began preparing the material conditions for a stock exchange, pending the establishment of the necessary legal and economic framework. On December 9, 1990, a provisional entity named the "Securities Company" (Société des Valeurs Mobilières – SVM) was incorporated by notarized deed with an initial share capital of DZD 320,000, equally subscribed by the eight

participation funds. However, this company faced two key difficulties: insufficient share capital, and lack of clarity regarding its mandate.

Phase 2: 1992–1993

In February 1992, the SVM's capital was increased to DZD 9,320,000, and its bylaws were amended to reflect its renamed status as the "Stock Exchange" (Bourse des Valeurs Mobilières). Despite extensive preparations to make the exchange operational by late 1992, it remained a structural shell, hampered by several obstacles: a discouraging economic environment (high inflation, high interest rates), the deteriorating financial condition of public enterprises, the absence of a stock market culture among the general public, and a lack of professionals specializing in exchange activities.

Legislative Decree No. 93/10 of May 23, 1993, confirmed the promotion of the stock exchange by establishing two regulatory bodies: ¹⁵

- The Stock Exchange Regulation and Oversight Commission (Commission d'Organisation et de Surveillance des Opérations de Bourse – COSOB)
- The Securities Exchange Management Company (Société de Gestion de la Bourse des Valeurs – SGBV)

Phase 3: Post-1993

Subsequent decrees were issued to complete the legal framework of the exchange. In the summer of 1999, the Algiers Stock Exchange officially opened its premises, with four major institutions joining:

SAIDAL, EL AURASSI, Sonatrach, and Riad Setif—either to increase their share capital, privatize a portion thereof, or issue bonds. The first trading session was held in September 1999.

3.2 Organization of the Algiers Stock Exchange

The Algiers Stock Exchange includes several key institutions and professionals:

COSOB: The market authority responsible for ensuring compliance with applicable exchange regulations and protecting savers.

SGBV: Commonly known as the Algiers Stock Exchange; a joint-stock company owned by stockbrokers. It is responsible for organizing the listing process, conducting trading sessions, managing the pricing system, and disseminating exchange statistics and information through official price bulletins and other media channels.

Stock Exchange Intermediaries (Intermédiaires en Opérations de Bourse – IOB): Banks and financial institutions whose activities are primarily centered on securities. These include BNA, BEA, BADR, BDL, CPA, CNEP, and BNP Paribas Algérie.

Central Depository (Algérie Clearing): A joint-stock company responsible for safeguarding issued financial securities, managing current accounts of securities account holders (TCC), executing transactions for issuing companies, and dematerializing and coding securities in accordance with international ISIN standards.

Collective Investment Schemes (OPCVM): Comprising variable capital investment companies (SICAV) and common investment funds (FCP), these entities serve as genuine liquidity providers in the exchange market. The Algiers Stock Exchange currently has three SICAVs—Algérie Investissement, FINALEP, and ICOSIA—as well as two FCPs: Tell Markets and SEAF.

3.3 Companies Listed on the Algiers Stock Exchange

The official quotation of the Algiers Securities Exchange includes an equity market and a debt market. ¹⁶

The equity market comprises:

The Main Market: Designed for large companies, it currently lists five companies: SAIDAL Group (pharmaceuticals), EL AURASSI Hotel Management (tourism), Alliance Assurances (insurance), BIOPHARM (pharmaceuticals), and NCA ROUÏBA (food industry).

The SME Market: Established in 2012 under COSOB Regulation No. 12-01 of January 12, 2012, this market provides SMEs with an alternative source of capital. It currently lists one company: AOM Invest.

The debt market consists of:

- A corporate bond market (bonds issued by joint-stock companies)
- A Treasury bond (OAT) market, established in 2008, currently listing over 25 treasury securities with a total value of approximately DZD 400 billion. Trading occurs through stockbrokers and insurance companies holding "Treasury Securities Specialist" status, at a rate of five sessions per week.

3.4 Performance of the Algiers Stock Exchange

3.4.1 The Dzaïr Index

Market performance is measured through the Dzaïr Index, which tracks the market capitalization of listed equities and determines the capital pricing of financial assets and treasury bonds. The index measures and ranks companies' price-to-earnings ratios over time.

The index rose during 2018, reversing the downward trend of the final two quarters of 2017, closing at 1,201.71 points at end-March 2018, then recording successive increases to 1,236.37 and 1,445.70 points in the following two quarters, before a slight decline to 1,431.45 points at year-end. In 2019, modest fluctuation was recorded in the first quarter (1,430.56 points on March 31, 2019), followed by successive increases reaching 1,552.72, 1,583.46, and finally 1,588.14 points on December 31, 2019.

3.4.2 Market Capitalization

During 2018, overall market capitalization rose across the first three quarters - reaching DZD 40.09 billion (Q1), DZD 42.28 billion (Q2), and DZD 44.79 billion (Q3) - before declining slightly to DZD 43.94 billion in Q4. In 2019, capitalization fell to approximately DZD 43.69 billion in Q1, before recovering across the three subsequent quarters to reach DZD 44.78 billion in Q4.

3.4.3 Trading Activity

In terms of trading volume, 550,000 shares were traded in Q1 2019, rising to 720,000 in Q2, reaching 1,000,000 in Q3, and then declining sharply to 51,000 in Q4. BIOPHARM dominated trading activity, capturing 70% of total transaction value (boosted by a liquidity contract and strong company performance), followed by Alliance Assurances (9%), NCA ROUÏBA (8%), EL AURASSI (7%), and SAIDAL (6%). In terms of number of transactions, BIOPHARM led with 48%, followed by SAIDAL (20%), Alliance Assurances (14%), EL AURASSI (13%), and NCA ROUÏBA (5%).

4. Quantified Results and Findings

To evaluate the corporate accounting disclosure level empirically over time, the annual reports published by the listed companies were analyzed across two distinct historical checkpoints (2019 and 2025) using the 50-item disclosure grid. Table 1 outlines the comparative evolution of the Accounting Disclosure Index (ADI) for each company and details the absolute compliance variance compared to the international standard baseline of 85%.

Table 1: Comparative Analysis of Accounting Transparency Indices and Standards for Businesses (2019 vs 2025)

Company Listed on the Main Market	Sector Category	2019 ADI Score (%)	2025 ADI Score (%)	International Benchmark Target (%)	Absolute Deviation (2025 vs Benchmark) (%)
Saidal Group	Pharmaceuticals	52%	60%	85%	-25%
El Aurassi Hotel	Tourism / Hotel	45%	48%	85%	-37%
Alliance Assurances	Insurance	58%	66%	85%	-19%
Biopharm	Pharmaceuticals	62%	72%	85%	-13%

The longitudinal data reveals a positive upward trajectory in accounting transparency across the listed panel over this six-year period. BIOPHARM retains its leading position, shifting its ADI from 62% to 72% and narrowing its gap to the benchmark to -13%. Alliance Assurances also achieved significant progress, climbing to 66%. Conversely, disclosure growth remains sluggish for EL AURASSI (48%) and NCA ROUÏBA (51%). While the collective sample average improved from 53% to 59.4%, the Algiers Stock Exchange continues to display a structural deficit, sitting 25.6% below international disclosure expectations.

5. Research Limitations

The scientific findings delivered in this paper should be evaluated by considering the following structural limitations:

- **Sample Scope:** The empirical investigation is restricted to a small number of listed companies due to the narrow structural size of the Algiers Stock Exchange equity compartment, which prevents complex generalized multi-sector statistical inferences.

- **Temporal Gap and Comparative Constraints:** While introducing a comparative dimension for the year 2025 adds clear analytical depth, this study relies on two distinct baseline years (2019 and 2025) rather than a continuous, annual time-series dataset. Consequently, specific intermediary dynamics, micro-reforms, or temporary macroeconomic fluctuations that occurred during the multi-year gap may not be fully captured.
- **Index Weighting:** The study employs an unweighted operational index methodology where every disclosure grid item is handled with equal mathematical weight, without discriminating between the technical specificities or the hierarchy of information preferences specific to different classes of financial report users.

6.Conclusion

This study directly answers the central research sub-questions by establishing that despite an observable upward trend between 2019 and 2025 - which saw the market's average disclosure index rise from 53% to 59.4% - corporate financial reporting practices at the Algiers Stock Exchange remain fundamentally insufficient. The listed sector still faces a significant transparency deficit, lagging 25.6% behind mature international standard benchmarks.

To bridge this remaining operational deficiency and sustain the positive momentum observed over the timeframe studied, the following practical recommendations are proposed:

- **Strict Enforcement Actions:** The Stock Exchange Regulation and Oversight Commission (COSOB) should enhance its regulatory surveillance by establishing formal compliance mandates and systematic penalty structures for listed corporations that fail to publish fully extended notes and mandatory accounting records.
- **Technological Infrastructure Upgrades:** The Securities Exchange Management Company (SGBV) should enforce a modern transition toward the eXtensible Business Reporting Language (XBRL) platform to streamline data standardization, accelerate oversight processing, and facilitate data access for international investors.
- **Professional Training Programs:** Listed entities must organize specialized capacity-building cycles for corporate internal accountants to thoroughly update their financial communication skills regarding the presentation specifications required by current international standards.

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